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Madrid Forum

Market merger and TSO consolidation

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Basis for market mergers are ready



- **We need to see full effect of network codes**
- **We need a market model suited for and supportive of a sustainable energy system**
- **We need to break out of the silos - Market design in a system perspective**
- **We need the full value of storages to be recognized in mid and long run**



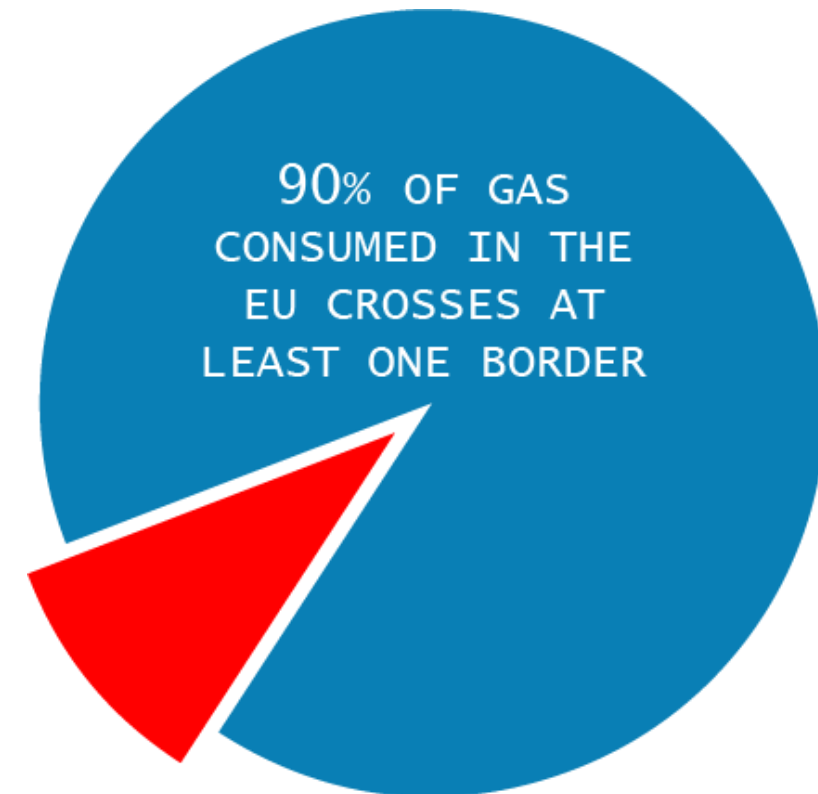
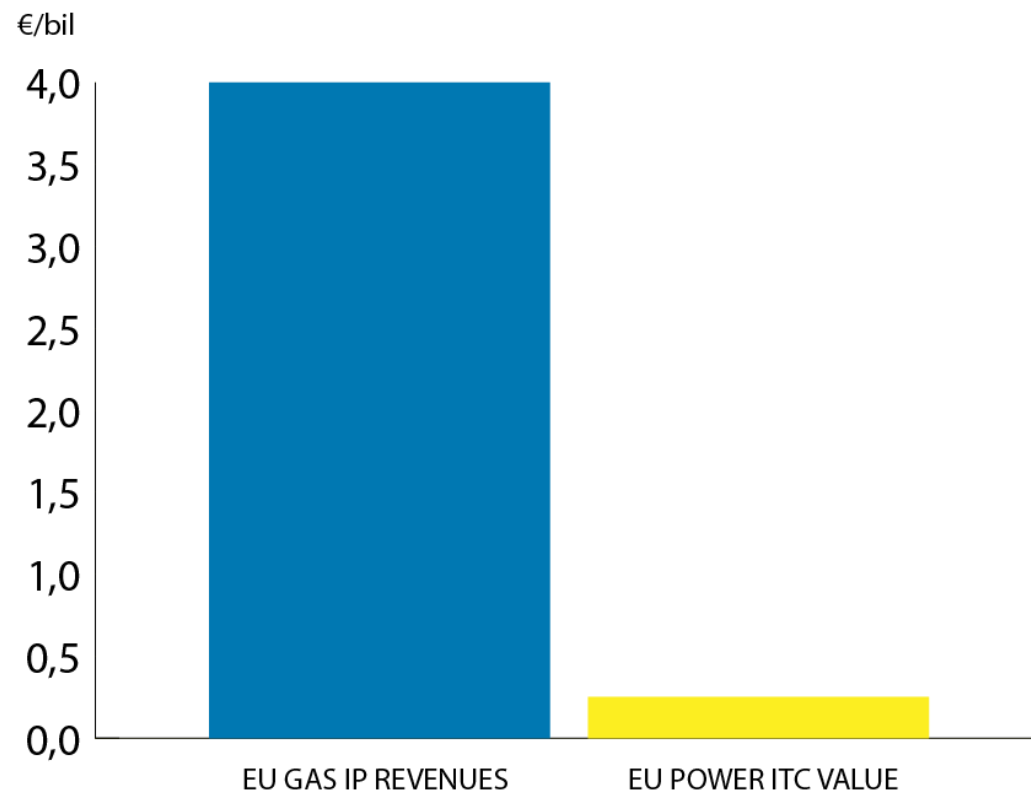
Market mergers are happening today



- **Regional mergers are the next step in mature markets**
- **Best handled through a bottom-up-approach**
- **GIE does not see the value of one EU-zone-model**
- **Examples show high complexity in harmonization of laws and regulations**



Complexity of TCF is vast



- **Consolidation of companies follow private decisions**
- **In general, liberalization tend to promote consolidation**
- **Some changes for gas-TSO's**
 - TSO's own assets in several countries
 - TSO's own assets in neighboring countries
 - Global capital interest have entered the EU gas sector
- **Differences across Europe on capital structure and regulation**

Where are we going and what are the tools?



- **What are the problems we need a revised market design to resolve?**
- **What are the objectives of market mergers?**
- **How to overcome national differences in regulatory regimes (tariff methodologies, balancing regimes, etc.)?**
- **How important is market mergers for the transition of the gas/energy sectors?**



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Thank you for your attention and interest