

# *Afternoon session* **Auctions for Renewable Energy Support**

8 June 2016, Budapest



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# SHORTLY ABOUT THE PROJECT



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# AURES

## AUctions for Renewable Energy Support

- A coordination and support action under EU Horizon2020
- Three-year project: Jan 2015 to Dec 2017
- Background: New EC State Aid Guidelines: "competitive elements" in RES support
- Two main objectives
  1. New insights regarding auction design and identification of 'best practices'
  2. Knowledge building and facilitation of cooperation amongst policy makers, market participants and other stakeholders
- Examples of questions to be answered
  - Which auction types and designs are specifically suitable for RES-E support?
  - What effects (desired or undesired) do different design options have under different market conditions?



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# Project activities at a glance

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## **Finalised:**

- Identification of auction types and formats suitable for RES support
- Description of appropriate design elements for RES support
- Empirical analysis of past and ongoing auction implementations

## **Ongoing:**

- Case cooperation with policy makers on auction implementations
- Analysis on alternatives to auctions
- Cash-flow type model for individual investors

## **Starting / Upcoming:**

- Game theoretic, agent-based model for simulation of auctions in energy systems
- Auction experiments in the lab
- Online policy support tool for best practice auction design

## **Continuous:**

- Dissemination and stakeholder contact in webinars, workshops, media actions

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# Find out more at [www.auresproject.eu](http://www.auresproject.eu)

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## **AURES Reports on past and ongoing auctions**

- Download all reports at [www.auresproject.eu](http://www.auresproject.eu)
- Learn about past auctions in Germany, California, Denmark, Italy, China, Brazil, Ireland, Netherlands, Portugal, South Africa, UK, France
- Learn about ongoing / future auction implementations in Poland, Croatia, Slovakia, Spain, and a case on cross-border auctions Denmark / Netherlands

## **AURES AUCTION ACADEMY**

- Watch the recordings of our 8-session webinar series at [www.auresproject.eu](http://www.auresproject.eu)
- Learn about how to design RES auctions: practical and empirical aspects; lessons from other industries; how to participate in an auction; how to ensure actor diversity, and more...

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# SHORTLY ABOUT AUCTION DESIGN

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# RES auction design elements (selected)

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What is auctioned?

- Technology-specific / neutral
- Output-based / investment grants
- Sliding / fixed premiums
- Support duration, adjustments,...

How much is auctioned?

- Single-item / multiple items
- Volume (capacities / budget)

How should the winners be selected?

- Price-only
- Multiple criteria

How should the price be determined?

- Pay-as-bid
- Uniform / pay-as-cleared

Should there be special bidding rules?

- Price caps / floors
- Quotas for diversity

Should there be safeguards?

- Prequalification rules
  - Penalties (non-compliance/delays)
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