



WFER IX

When Balance Is Achieved



IX WORLD FORUM
ON
ENERGY REGULATION

Tbilisi, Georgia, 21-24 September, 2026

Navigating Market Volatility: Strengthening Consumer Protection

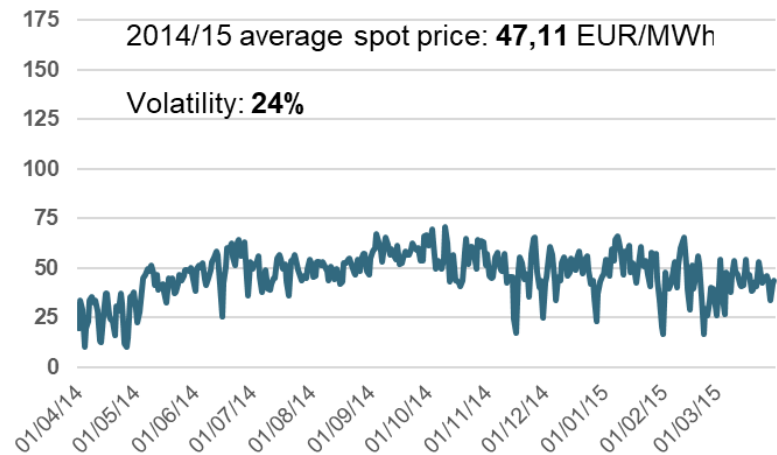
Isabel Apolinário, Member of the Board
Energy Services Regulatory Authority (ERSE), Portugal

Higher price volatility in Portugal



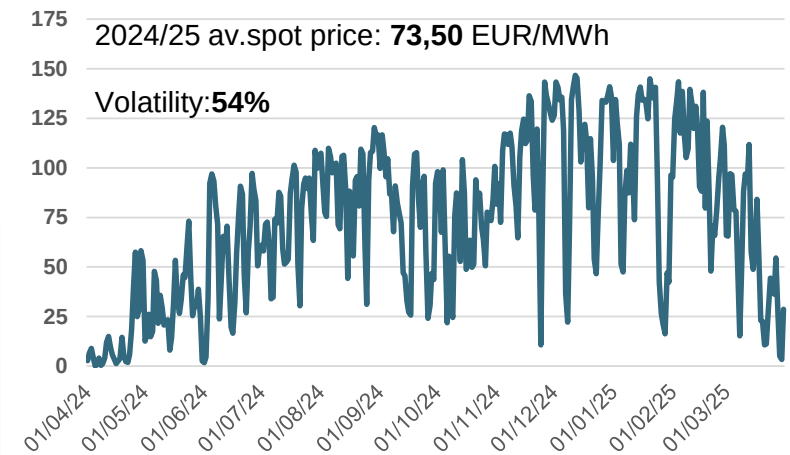
Integration of renewable generation has lead to increased electricity price volatility

Spot market price | 2014/15

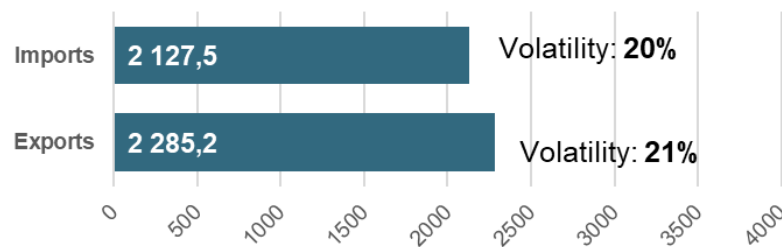


More volatility,
uncertainty and risk

Spot market price | 2024/25

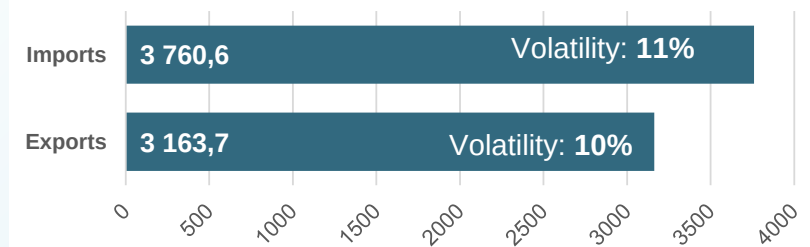


Interconnections | 2014/15

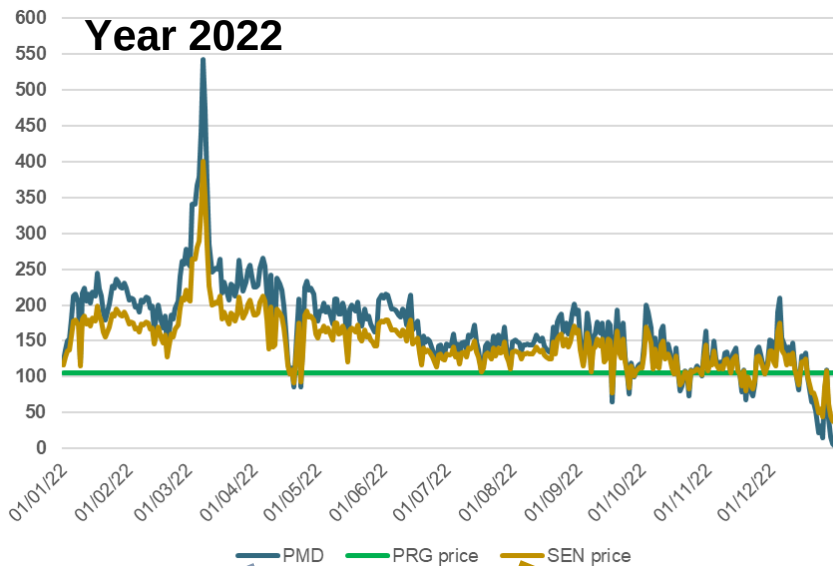


More interconnections
and less uncertainty

Interconnections | 2024/25



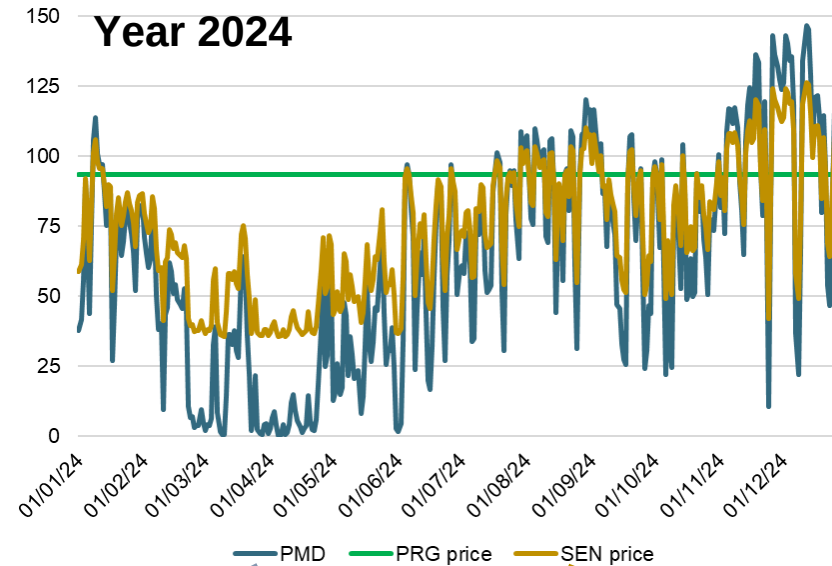
Use of Contracts for Difference (CfDs) for price stabilization



Average price: 167.90 EUR/MWh
Volatility: 37%

Average price: 147.38 EUR/MWh
Volatility: 28%

In a year of very high and volatile spot prices (PMD), system CfDs (for renewables) proved to **reduce both the final energy price (SEN) and volatility**



Average price: 63.24 EUR/MWh
Volatility: 61%

Average price: 74.31 EUR/MWh
Volatility: 32%

In a year of lower spot prices (PMD), system CfDs (for renewables) proved to **reduce volatility, although with a higher final energy price (SEN)**

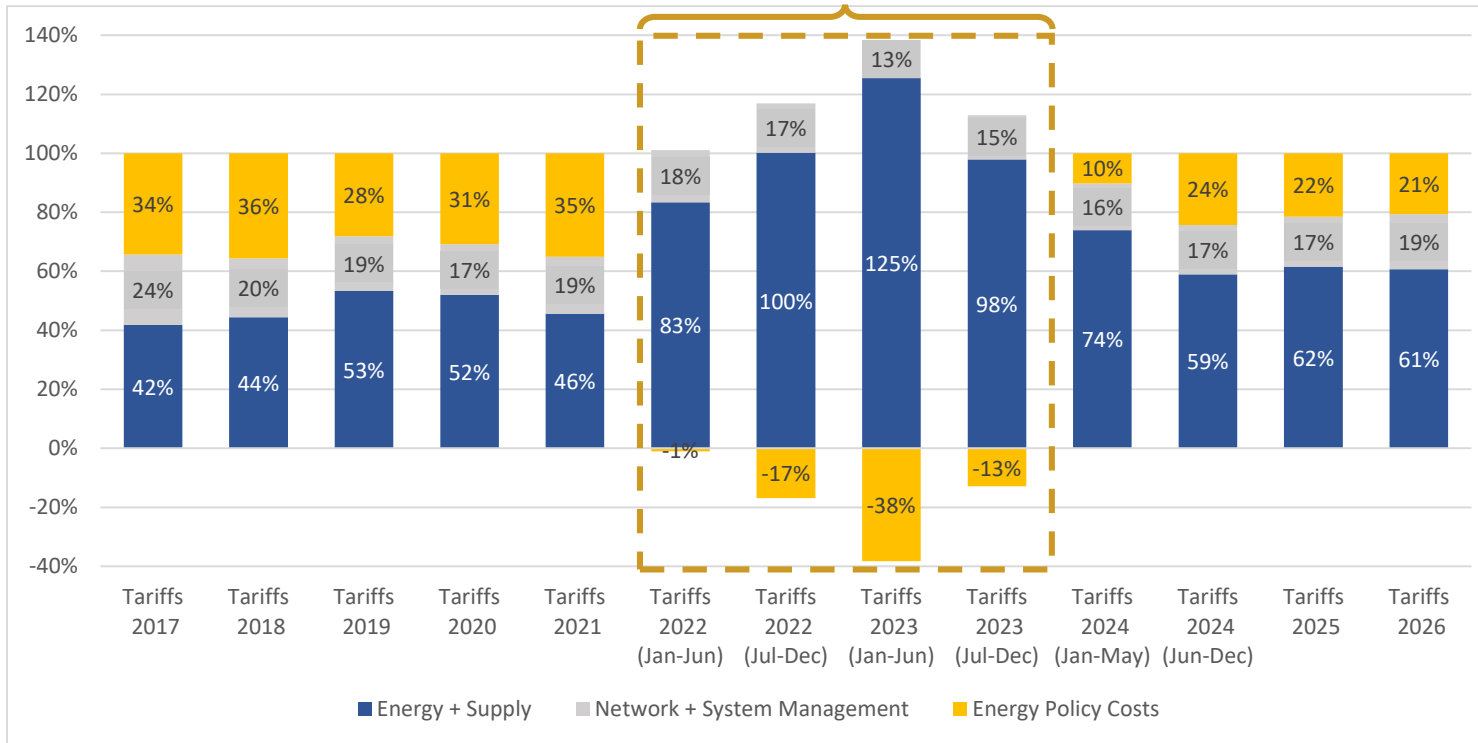
PMD = Spot Price ([OMIE](#))

PRG price = FiT price (CfD)

SEN price = Final energy, incorporating effect of CfD price (without network access tariffs)

Exceptional tariff reviews

"Drastic" change in the end user price structure in 2022 and 2023, due to substantial changes in electricity wholesale prices



CfDs mitigated the impact of wholesale price increases on end-user retail price

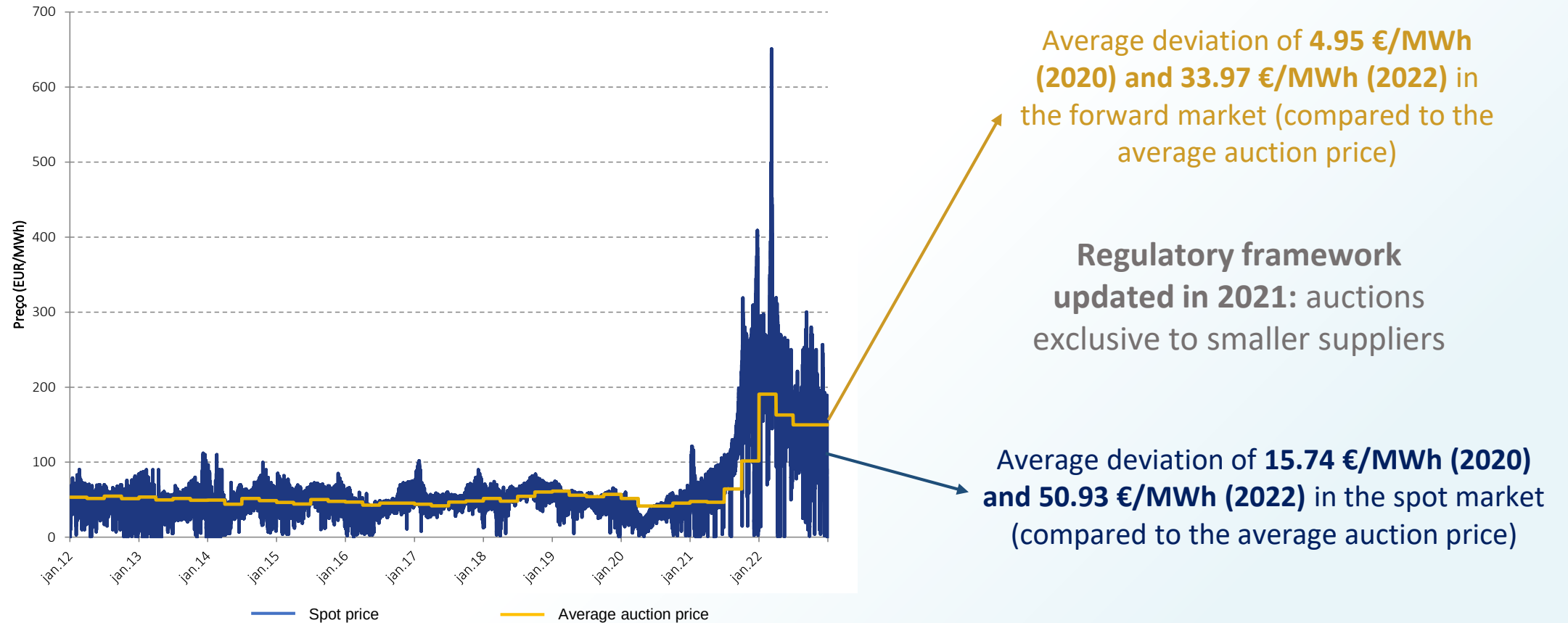
Allowed revenues determined by ERSE

Market-based costs

Energy policy costs include cost differentials related to generation (CfDs and PPAs), which are obtained by difference with the wholesale market price

Energy Policy costs include cost differentials related to CfDs for renewables and power purchase agreement (PPA). On the revenue side, these energy policy costs also include 60% of the revenue from CO₂ emission allowances (ETS), revenue from an extraordinary contribution imposed on electricity companies and revenue from the auctions for electricity guarantees of origin (GOs). In 2023, microenterprises/SMEs to large industrial consumers also benefitted from an additional EUR 500M transferred from the Environmental Fund.

Regulated Renewable Energy Auctions

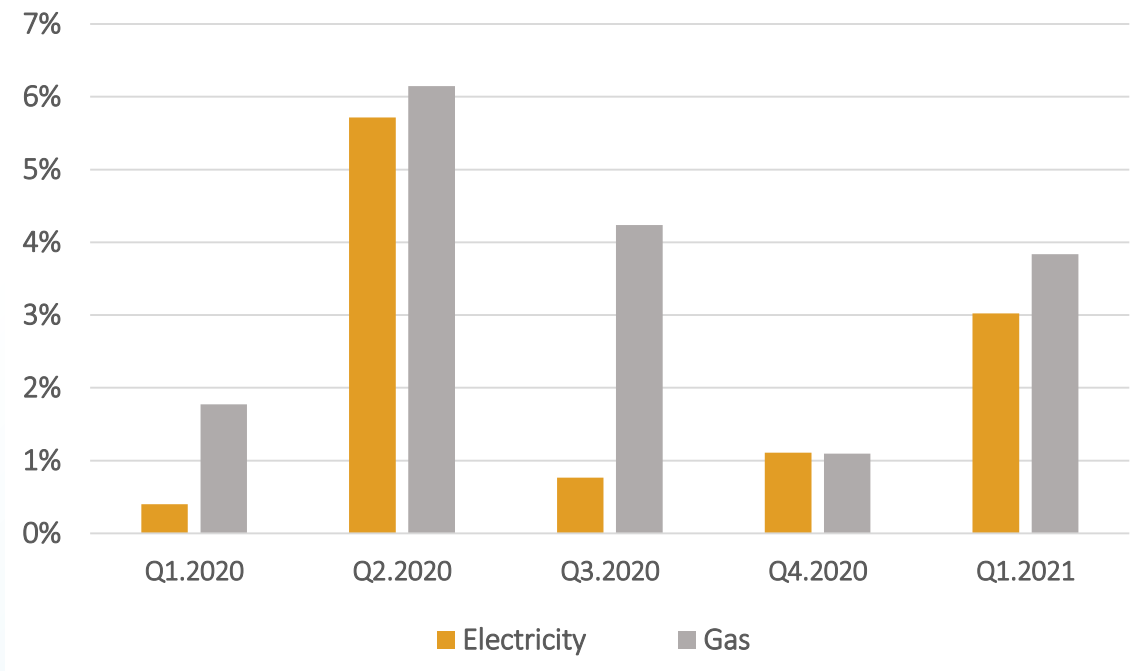


Role of supplier of last resort (SOLR) mechanisms

SOLRs in Portugal are obliged to supply:

- **Economically vulnerable** customers
- Customers **without a commercial offer** by a market supplier
- Customers whose supplier is **impeded from acting** as such due to **effective bankruptcy** as well as **imminent bankruptcy**, as a preventive approach

Consumers that were not disconnected thanks to SOLR mechanism



Consumer support measures

- **Bill deferrals and payment plans**
- **Information campaigns**, promoting education and awareness of consumer rights
- Reinforced **monitoring, investigation and sanctions**
- **Safety net**: possibility to return to SOLR
- **Comparison with SOLR price** directly in the bill + **right to request SOLR equivalent price**



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Thank you!