



## ASSOCIATION OF POWER EXCHANGES



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Limited

### APEX Objective

To facilitate the development and communication of ideas and practices in the operation of global competitive electricity markets. One of its primary intentions is to provide a platform for the sharing of information between its members.

## In the Spotlight

### APEX 2022 CONFERENCE



***APEX (the Association of Power Exchanges). in cooperation with CROATIAN POWER EXCHANGE Ltd, successfully organized this year's APEX conference in Dubrovnik from October 19 to 21, 2022.***

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At the outset, on behalf of APEX fraternity, I wish everyone merry Christmas and a very happy, healthy, safe, and prosperous new year 2023!!

Recently concluded CoP 27 at Shram ElSheikh has achieved more on the impacts of climate change than on its causes. The breakthrough agreement on loss and damage funding was indeed one major step forward to provide financial assistance to nations who are the most vulnerable and are also impacted by the effects of the climate change. This year there has been greater attention on structural reform of the financial system as well as the need to create innovative mechanisms that support nature and climate outcomes at national and ecosystem levels.

### Energy Markets & Climate change mitigation

In the above context, energy markets will have key role to play in facilitating the nations to achieve sustainability aspirations towards mitigating the effects of climate change. Especially the niche segment like carbon market has a potential to play a crucial role to effectively and efficiently channelise the climate finance towards sustainable projects by sending market signals to investors and corporates. As per recent discussion paper floated by International Emission Trading Association (IETA), the potential cost reductions that may be achieved through market mechanisms through Art 6.2 & Art 6.4 cooperation are estimated to exceed \$ 300 billion per year vis-à-vis the independent implementation of NDCs by countries. Thus, global carbon markets should be leveraged to accelerate energy transition and re-align with 1.5-degree pathways. The recent announcements related to launch of carbon markets on side-lines of CoP27 by US, Indonesia, Africa etc. is indeed a welcome step as this will help to attract private investments towards sustainable projects in

## APEX 2022 Conference

The three-day APEX 2022 conference gathered around 90 high-level representatives of electricity exchanges, market operators and industry representatives from Europe, Turkey, United States of America, Chile, Columbia, Guatemala, the Middle East, Oman, India, Singapore, Australia, New Zealand and El Salvador.

Through 5 panels with the topics of decentralization, decarbonization, new technologies, regulation, and flexibility and resilience, program was led by APEX Members of the Board of Directors:

1. Cecilia Maya, COO for Markets, XM S.A. E.S.P.
2. Lanny Nickel, Executive Vice President and COO, Southwest Power Pool
3. Stephen Jay, General Manager Operations, Transpower New Zealand
4. Lina Masiuliene, Director Serviced Markets, Nord Pool AS
5. Ahmed Al Abraham, CEO, GCIAA



developing countries.

### The Indian context

India has set an ambitious target to reduce emission intensity to GDP by 45% by 2030 (w.r.t 2005 levels). In order to accelerate the decarbonization of the Power sector, the Renewable Purchase Obligation has been doubled from 22% in 2022 to 44% for 2030. This implies that the share of non-fossil capacity has to increase from ~ 170 GW (~40% of installed capacity) in 2022 to ~ 500 GW (~ 62% of installed capacity) by 2030. Majority of the addition shall be through Solar & Wind and to promote distributed solar generation across the country, Green Energy Open Access now allows smaller Prosumers with even 100 kW of connected load to buy/sell RE power. Further, shifting of agriculture load (~17% of demand) to solar hours & solarization of agriculture load is expected to reduce dependence on fossil fuel, minimise the problem of duck curve and help large scale addition of RE in sustainable manner. In order to minimise RE integration cost various measures are being taken such as auction of hybrid RE projects, battery storage tenders and tightening of deviation bands etc. Further, India has declared its long-term Low emission development strategy during CoP27 proposing various measures such as focus on green hydrogen ecosystem, energy efficiency measures, enhancing forest cover carbon growth strategy, expanding renewables, ethanol blending, electric vehicles addition etc. Indian Government envisions to increase the share of Power Exchanges from current 7.5% to 25% of the total generation in next 2-3 years while recognizing role of exchange segments like Spot markets including Green market, Real Time market and market based ancillary services as an important enabler for accelerating RE capacity addition and also reducing cost of integration of large scale RE capacities.

We at APEX, as key global energy market leaders, must continue to find innovative solutions in response to new emerging sustainability requirements.

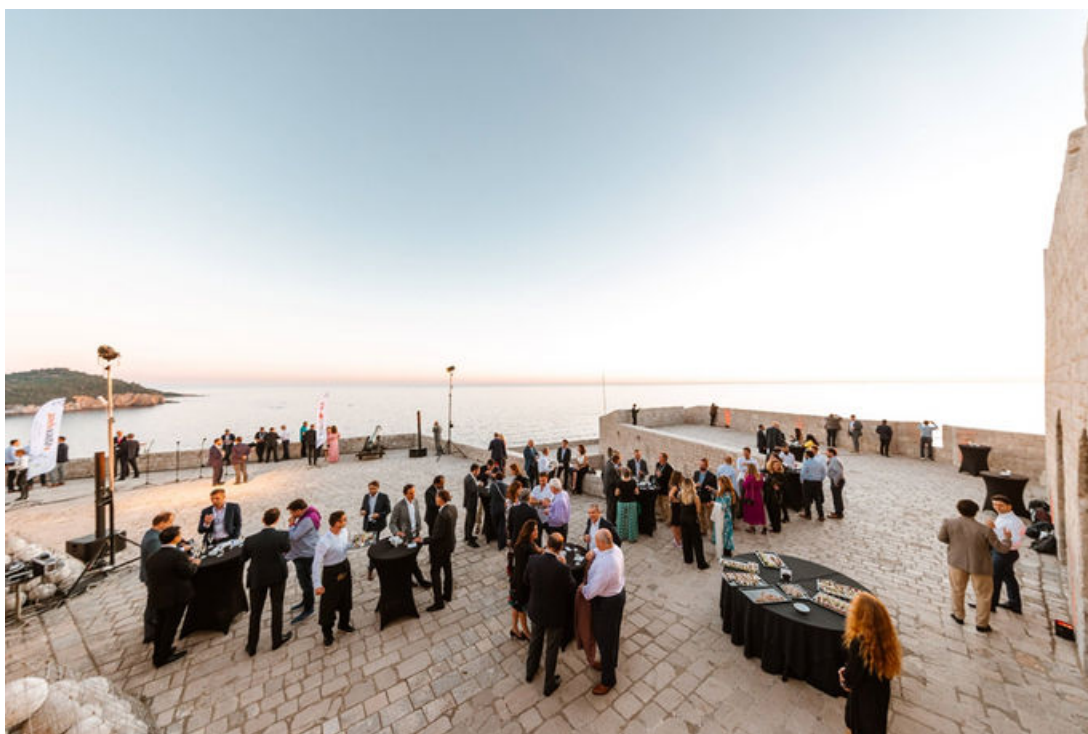
Once again, on behalf of APEX family, I extend my best wishes for a happy and prosperous year 2023!

### Association of Power Exchanges

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**Please visit the link below to view all presentations  
shared during the APEx Conference 2022.**

**<https://theapex.org/resources/>**



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