



CRM auction result (Y-4) for 2027-2028 published on elia.be/crm

BRUSSELS | System operator Elia has published the result of the third Capacity Remuneration Mechanism (CRM) auction. This auction is designed to maintain security of supply over a four-year period (2027-2028 delivery year). The results show that 22 projects took part, with a total capacity of 1,576 MW. All projects have been contracted. The average annual price of this third auction was in line with that of the previous auctions at €36,372.88 per MW.

What is the CRM again?

The CRM was set up to guarantee the supply of electricity following the partial nuclear phase-out (from 2025 onwards). This financial support is geared towards market players who make capacity available to guarantee security of supply and who do not receive any other subsidies. In consultation with the European authorities, the Belgian government has opted for a market-wide CRM. This means that both existing and new capacity are eligible, as is any type of technology (e.g. thermal power plants, batteries, demand-side management). The European authorities have also recently officially approved this approach. In the selection procedure, the price offered is the decisive factor. The volume to be auctioned is set by the Federal Minister for Energy based on scenarios and calculations from Elia and following advice from CREG. The volume involved in the CRM auction is determined by a demand curve. As a CRM is intended to maintain security of supply, calculations are based on the expected annual peak consumption. This peak consumption is established on the basis of a statutory methodology and in Belgium totals 14 GW for the 2027-2028 delivery period.

Key results from the third CRM auction

- The auction was conducted correctly. The regulator CREG has checked and validated the results.
- All offered capacity was retained (1,576 MW after derating) in this third Y-4 auction. This comprised 972 MW of existing (primarily thermal) capacity, with demand management accounting for approximately 50 MW, 357 MW of new battery projects and 246 MW of the temporary expansion of the service life of an existing gas-fired power plant in OCGT mode.
- As the volume offered for 2027-2028 was lower than the demand curve, the remaining 143 MW will be added to later auctions for this delivery year.
- At the Minister's request, calculations of the volume to be auctioned (demand curve) must take into account the extension of the service lives of Doel 4 and Tihange 3 (1,662 MW after derating) and the 1,657.77 MW of long-term contracts for battery projects and gas-fired power plants that had already been awarded two years previously in the first CRM auction (Y-4 for the 2025-2026 delivery year).
- The capacity offered was selected at an average annual price of €36,372.88 per MW. This is in line with the results of the previous auctions.
- Together with volumes from the previous auctions, 3,234 MW have now been contracted for the 2027-2028 delivery year (including approx. 2,000 MW of new capacity).

- With a view to guaranteeing security of supply in a rapidly changing context, the government intends to further optimise the CRM, for example by introducing an additional Y-2 auction. We are therefore on track in terms of security of supply for the 2027-2028 delivery year. Moreover, it is still vital that any remaining barriers to participation in the CRM be further addressed.

All listed capacity values contribute fully to security of supply. A reduction (or derating) factor has been determined for each technology to guarantee that this is the case.

The final volume to be selected also takes into account existing capacity that will be on the market in 2027 but does not (yet) participate in the auction. In total, 4,937 MW of existing capacity took advantage of this Opt-Out IN option. This capacity shows no intention of leaving the market and has been deducted from the volume to be auctioned.

At this moment in time, it is not yet possible to ascertain the total cost of the CRM for the 2027-2028 delivery year. Additional auctions for this delivery period will be held in 2026 (Y-1) and potentially in 2025 (Y-2). These later auctions will provide an opportunity to tailor the volume to be contracted as closely as possible to the needs at that time and so ensure the greatest possible participation of all technologies.

Basic principles of the Belgian CRM

The CRM remunerates market parties in exchange for making capacity available, not for the actual generation of electricity. Ultimately, the market will determine which volume is activated. Financial support is needed to address the issue of 'missing money'. This refers to the difference between actual costs (including the necessary investments) and what the market can offer. Without financial support, there is no guarantee that capacity will be available when required. This could jeopardise Belgium's security of supply.

Elia's role

Elia organises the CRM auction at the request of the Federal Minister for Energy, in accordance with the law on the organisation of the electricity market and as approved by the European Commission. In May 2022, a pre-qualification period was launched for all generation units having a minimum capacity of 1 MW located in Belgium that were not eligible for any other subsidy mechanism, as well as for other technologies such as demand management. The pre-qualified projects could submit their offer between 18 and 30 September 2023.

Not the last CRM auction

In order to ensure security of supply after the partial nuclear phase-out, as per a European directive CRM auctions can be organised over a maximum period of 10 years. Multiple auctions (both Y-4 and Y-1 and possibly Y-2) are also planned in the coming years. The results of previous auctions will always be taken into account when calculating future volumes.

About Elia Group

One of Europe's top five TSOs

Elia Group is a key player in electricity transmission. We ensure that production and consumption are balanced around the clock, supplying 30 million end users with electricity. Through our subsidiaries in Belgium (Elia) and the north and east of Germany (50Hertz), we operate 19,349 km of high-voltage connections, meaning that we are one of Europe's top five transmission system operators. With a reliability level of 99.99%, we provide society with a robust power grid, which is important for socio-economic prosperity. We also aspire to be a catalyst for a successful energy transition, helping to establish a reliable, sustainable and affordable energy system.

We are making the energy transition happen

By expanding international high-voltage connections and incorporating ever-increasing amounts of renewable energy into our grid, we are promoting both the integration of the European energy market and the decarbonisation of society. We also continuously optimise our operational systems and develop new market products so that new technologies and market parties can access our grid, thus further facilitating the energy transition.

In the interest of society

As a key player in the energy system, Elia Group is committed to working in the interest of society. We are responding to the rapid increase in renewable energy by constantly adapting our transmission grid. We also ensure that investments are made on time and within budget, with a maximum focus on safety. In carrying out our projects, we manage stakeholders proactively by establishing two-way communication channels between all relevant parties very early on in the development process. We also offer our expertise to different players across the sector in order to build the energy system of the future.

International focus

In addition to its activities as a transmission system operator, Elia Group provides consulting services to international customers through its subsidiary Elia Grid International. In recent years, the Group has launched new non-regulated activities such as re.alto - the first European marketplace for the exchange of energy data via standardised energy APIs - and WindGrid, a subsidiary which will continue to expand the Group's overseas activities, contributing to the development of offshore electricity grids in Europe and beyond.

The legal entity Elia Group is a listed company whose core shareholder is the municipal holding company Publi-T.

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