

Ariadne @ Brussels 5 December 2023

SCIENTISTS MEET ANALYSTS: WHAT IS UP FOR THE MSR?

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GEFÖRDERT VOM



MOTIVATION AND AIM

This workshop **brings together academic modelers and market analysts** to discuss the **functioning of the MSR** - with a view on its **upcoming review in 2026**. Building on a session last year, we will first go through the main updates and then deep dive into the results for the evolution of the TNAC and the **operation of the MSR**. The focus of the model-based discussion will be the years until 2030, but we will also **consider effects post 2030** in the discussion if they may impact MSR behavior in this decade.

THE END OF AN ERA?



RWE drops strategic hedging of lignite as green investment rush marks the end of an era

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German utility RWE, historically the biggest emitter in the EU ETS, is dropping its 'strategic' hedging of carbon for lignite coal power production, it announced Tuesday, as it unveiled an ambitious new roadmap for green energy technology investment over the next seven years.

AGENDA

Time	Activity
09:00 – 10:30	Session I: Modeling the MSR <ul style="list-style-type: none">• Overview of team's modelling results (10 min)• Reactions and comments by teams (3 min each)• Discussion with following guiding questions:<ul style="list-style-type: none">• Will the TNAC continue to decline, and in the mid to long term coevolve with the cap?• When will the MSR "stop operation" because the TNAC has fallen below the intake threshold?• How likely are large demand shocks in the coming years? What would happen in case a large (positive) demand occurs when the MSR is temporarily inactive?
10:30 – 11:00	Coffee break
11:00 – 12:30	Session II: Reviewing the MSR <ul style="list-style-type: none">• Overview of team's view (10 min)• Reactions and comments by teams (3 min each)• Discussion with following guiding questions:<ul style="list-style-type: none">• Does invalidation imply cancellation for good?• How could/should MSR rules be adjusted in the next review?