



The role of carbon pricing and electricity market reform in advancing power sector decarbonisation

Wednesday, 16 November 2022, 12:30-13:30 (GMT+2), South Africa Pavilion

Carbon pricing can be a powerful instrument to drive power sector decarbonisations: it can help optimise decisions on power dispatch, investment, fleet retirement and retrofit, and change electricity prices and consumption patterns. However, the effect of carbon pricing on these dimensions will vary from one country to another, as power market structures differ. In many countries, power markets are highly regulated, making it impossible that the cost of carbon is passed on to market participants. International and voluntary carbon markets can also help accelerate the decarbonisation process in certain power markets.

This session aims to explore how carbon pricing could function under different power market structures and how its effectiveness can be enhanced in regulated markets. It also explores how carbon pricing can interact with broader power sector reforms. Government stakeholders and experts will discuss the state of carbon pricing development, and share experiences and good practice on how carbon pricing has been implemented along power sector reforms. The role of voluntary carbon markets will also be discussed. The session aims to explore collaboration and foster knowledge exchange among stakeholders.

Agenda	
12h30 – 12h35	Introduction <ul style="list-style-type: none">Luca Lo Re, Environment and Climate Change Analyst, International Energy Agency (IEA)
12h35-13h25	Panel Discussion <i>Moderated by Luca Lo Re, International Energy Agency</i> <ul style="list-style-type: none">Mr. Juan Pedro Searle Solar, Head of Climate Change Unit, Ministry of Energy, ChileMs. Sarah Leugers, Chief Strategy Officer, Gold StandardMr. Axel Michaelowa, Research Director at Perspectives Climate Research at University of ZurichMs. Catalina Huckle, International Fellow at the Center for Climate and Energy Solutions (C2ES)Mr. Stefano De Clara, Head of Secretariat at the International Carbon Action Partnership (ICAP) Discussion questions: <i>What are the main challenges and opportunities for countries to implement carbon pricing in the power sector? How can carbon pricing schemes be designed to enhance their effectiveness and success in driving power sector decarbonisation in regulated markets? How are ongoing power market reforms affecting the design and implementation of carbon pricing?</i>
13h25-13h30	Closing remarks <ul style="list-style-type: none">Luca Lo Re, Environment and Climate Change Analyst, International Energy Agency (IEA)