The Autorité issues two opinions in the electricity sector

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At the end of 2025, the French government asked the *Autorité* for two opinions in the electricity sector. The requests were made in the context of the end of the ARENH mechanism, under which French electricity suppliers could purchase nuclear generated electricity from the country's existing power plants at a regulated price.

On 26 September 2025, the *Autorité* received a first request for an opinion on the draft decree on the new capacity mechanism, which aims to guarantee the security of electricity supply during peak winter consumption periods.

On 27 November 2025, the *Autorité* received a second request for an opinion on the draft decree specifying the conditions of application of the universal nuclear payment (VNU), which replaces the ARENH.

The *Autorité* had a very short timeframe to prepare the opinions and was unable to assess, in detail, all the implications of the proposed changes.

While the capacity mechanism seems to fulfil its primary function, the *Autorité* notes that it has undergone a structural change that could, *inter alia*, have an impact on the costs to be paid by end-consumers, who will not necessarily be encouraged to reduce their consumption during peak periods, insofar as suppliers will be free to pass on their costs as they wish. The *Autorité* also highlights the need to monitor the French electricity transmission system operator (*Réseau de Transport d'Électricité* – RTE), a subsidiary of EDF, which now plays a central role in the mechanism, in particular in demand forecasting, and thus the essential supervisory role of the French energy regulator (*Commission de régulation de l'énergie* – CRE).

With regard to the VNU, the *Autorité* stresses that, although the mechanism is less protective for end-consumers than the ARENH, it meets the objective of guaranteeing protection in the event of very sharp price rises on wholesale electricity markets. However, the terms of its implementation, in particular the application period running from April to October, do not provide uniform protection for consumers, especially residential consumers. The *Autorité* makes a number of recommendations to the French government, including clarifying the objectives of the VNU, whether to encourage sobriety, promote electricity consumption by companies or transfer revenues from incumbent nuclear power plants, as well as conducting an assessment after the mechanism has been in place for three years.

In addition to the abovementioned key points, the *Autorité* raises a number of issues aimed at improving both the capacity mechanism and the VNU.

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