

**A Study on the Competition Norm of Renewable Electricity Business under Electricity  
Market Liberalization – Renewable Priority**

Liang, Chi-Yuan \*

Wang, Su-Wan

Gao, Ming-Zhi

Jheng, Ruei-He

Xiao, Fu-Ting

Chou, Yun Jen

**Abstract**

Since the revision of the Electricity Act in January 2017, the renewable-energy-based electricity supply enterprise has been permitted to sell electricity to clients either directly or by means of transfers. However, the government's continuing to increase the penetration of renewable energy may lead to the issue of unfair competition which violates the Fair Trade Act. In referring to the experience of electricity market liberalization in other countries, it is found that they considered the differences between traditional electricity and renewable energy and so provided special treatment for renewable energy businesses while promoting traditional electricity and renewable energy liberalization at the same time. The core of liberalization has been traditional electricity rather than renewable energy. This experience is different from that gained in Taiwan. In addition, the Executive Yuan of Taiwan assigned the Bureau of Standards, Metrology and Inspection to build up the Taiwan Renewable Energy Certificate in order to promote the energy transition and meet the needs of firms. Hence, it raises the market definition issue of the electricity market and the certificate market for renewable energy.

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\* Liang, Chi-Yuan, Chair Professor of Management, National Central University & Consultant, Chung-Hua Institution for Economic Research (CIER); Wang, Su-Wan, Research Fellow, CIER; Gao, Ming-Zhi, Vice Professor, Institute of Law for Science and Technology, National Tsing Hua University; Jheng, Ruei-He, Analyst, CIER; Xiao, Fu-Ting, Ph.D. student, Department of Law, National Taipei University and Lawyer; Chou, Yun-Jen, Master, Institute of Law for Science and Technology, National Tsing Hua University.

We find out that the antitrust behavior research in the EU and Japan focuses on non-renewable energy and those countries have created a unique market for renewable energy business in order to avoid competition with the traditional electricity business. Those countries also adopt the policy of RAM to stimulate competition within the renewable energy industry in order to benefit end-users. Secondly, the renewable electricity business in Taiwan can participate in the electricity platform in order to trade electricity energy and because of the rule, the product market should be defined as the transaction electricity market. The market encompasses wholesale, retail and transmission system operation as a single buyer's auxiliary service market. Owing to the transition grid covering the whole country, the geographical market should be defined as the whole country. In addition, the electricity market and certificate market within renewable energy should be treated as separate markets. It is also worth looking out for restrictive competition behavior and unfair competition behavior within both the renewable energy market and Taiwan Power Company following the revision of the Electricity Act.

**Keywords:** Renewable-energy-based Enterprise, Electricity Act, Renewable Energy Development Act, Competitive Neutrality, Fair Trade Law.