


# ACER

 Agency for the Cooperation  
of Energy Regulators

*ACER Board of Regulators*

*5th Public Debriefing*

*ACER Director and BoR Chair*

**18 November, 16.00-16.30**  
**Brussels**

- Presentation of key ACER activities and BoR outcomes since previous public debriefing (17 July 2014) including:
  - » ACER Acts
  - » 3<sup>rd</sup> Market Monitoring Report
  - » **Bridge to 2025** Conclusions Paper
  - » The Agency's **2015 Work Programme**
  - » **REMIT** Implementation progress
  - » 42<sup>nd</sup> **BoR agenda**



## Post 2014 Strategy

- **ACER Recommendation on the regulatory response to the future challenges emerging from developments in the Internal Energy market (Energy Regulation: A Bridge to 2025 Conclusions Paper), 23/09/14**

## Completion of Internal Energy Market

- **ACER Recommendation on the Network Code on High Voltage Direct Current Connections and DC-Connected Power Park Modules, 29/07/14**
- **ACER Opinion on the Network Code on High Voltage Direct Current Connections and DC-Connected Power Park Modules, 29/07/14**

## European network planning

- **ACER Opinion on ENTSO-E Summer Outlook Report 2014 and Winter Review 2013-14, 29/07/14**
- **ACER Opinion on the ENTSO-E Incidents Classification Scale – Methodology 2014, 01/10/14**

## Investment challenge

- **ACER Opinion on the Implementation of Investments in Electricity Transmission Networks, 04/08/14**
- **ACER Decision on the investment request for the Gas Interconnection Poland-Lithuania project, 29/08/14**

## ✓ ACER welcomes the EC's call for full implementation of the Third Energy Package in its Communication on IEM

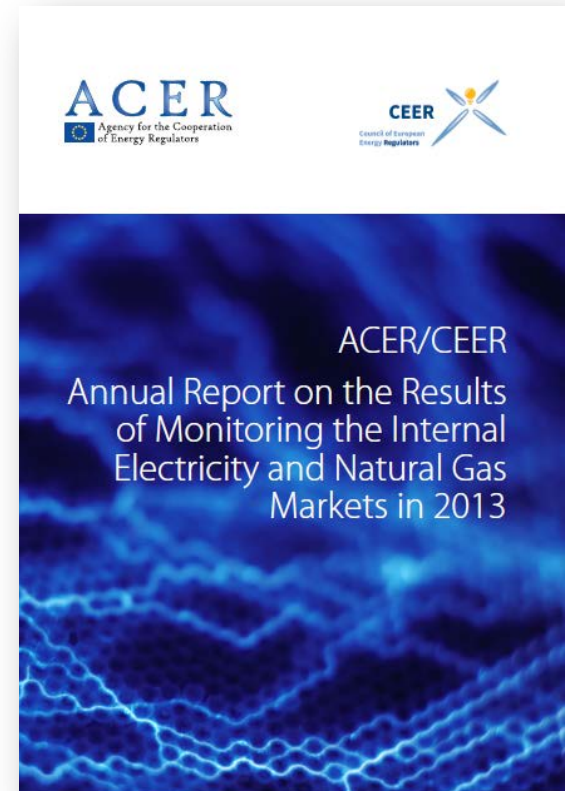
- 13 October EC published its Communication on progress towards completing the IEM
- ACER welcomed request for Member States to fully implement and apply the rules established by the Third Energy Package, as well as the electricity and gas network codes
- ACER also welcomed the emphasis on the emergence of a robust single energy market thanks to the cooperative efforts at European level of national administrations, the energy regulators under the umbrella of the Agency and the ENTSOs

## ✓ **ACER adopts a decision on the allocation of costs for the Gas Interconnection project between Poland and Lithuania**

- Agency decides on Cross-Border Cost-Allocation (CBCA) for a given PCI when NRAs fail to reach an agreement
- 11 August ACER adopted its first CBCA decision on a PCI, the Gas interconnection Poland Lithuania (GIPL)
- The ACER decision defines the cross-border allocation of the costs among the Member States concerned (Poland, Lithuania, Latvia, and Estonia) and the way in which the costs of the investments are reflected in the tariffs in these countries. It includes compensation payments to Poland, in pursuit of a fair distribution of the costs and benefits of the project within its area of impact.

## ACER/CEER present their 2014 Market Monitoring Report

- Third annual report covering developments in EU electricity and gas markets in 2013
- Focuses on retail markets and consumer issues, main developments in gas and electricity wholesale market integration and on network access issues
- Launch in Brussels 22nd October 2014 attended by wide range of stakeholders and results picked up in press



- **Key findings from analysis of energy market developments:**

- » Wholesale market integration improving, but more needs to be done – more flexibility required
- » Welfare losses from imperfectly integrated and fragmented energy markets – in the order of several billions euros per annum – in both electricity and gas sectors
- » Retail competition still being hampered - consumers are yet to fully yield the benefits of the internal energy market – low switching rates and increasing retail prices
- » Large disparities in MSs' national energy policies which may reduce the contribution of Network Codes to the market integration and harmonisation process and the trust of stakeholders in EU energy markets



## ACER present their 'Bridge to 2025' Conclusions Paper



- Event held on 23 September to present regulator's Bridge to 2025 energy proposals to high level Commission officials and stakeholders in Brussels
- Paper identifies the main challenges facing the energy sector over the next decade and the most appropriate (policy and) regulatory response
- Recommendations based on a holistic analysis of Europe's energy sector and the result of extensive public consultation
- Aim to guide the new Commission in setting its EU energy priorities
- Attended by 183 stakeholders and support expressed for proposals presented, including by the Commission



## Key Proposals (1) reflected in the WPs

**Adopt and fully implement all Network Codes and the Electricity and Gas Target Models**

**Coordinated and consistent approach to system adequacy**

**Bring RES-based generation more into the market**

**Facilitate the development of flexible response**

**Analyse gas SoS and take measures where necessary**

**Assess progress towards well-functioning gas markets, using GTM criteria, and take measures where necessary**

**Greater cooperation between electricity and gas TSOs and between TSOs and DSOs**



## Key Proposals (2)

**Protect and empower consumers**

**Develop common criteria for well-functioning retail markets**

**Enhance regulatory cooperation among NRAs, including through the Agency taking EU-wide regulatory decisions**

**Review and improve regulatory oversight of ENTSOs and of new EU-wide bodies**

**Strengthen regulatory cooperation with our neighbours**

**Participation of NRAs from Energy Community, also proposed in the High Level Reflection Group's report, and EEA in ACER's work and provide training**

## **Theme 1** (Post-) IEM Completion

- Complete transposition of third Package
- Implementation and Monitoring of Network Codes

## **Theme 2** Wholesale Energy Market Integrity and Transparency

- REMIT Implementation
- Wholesale Market Monitoring

## **Theme 3** The Infrastructure Challenge

- Gas TYNDP
- Selection of PCIs for the 2<sup>nd</sup> EU list
- Cross-Border Cost Allocation

## **Theme 4** Future Challenges, including RES Integration Challenge

- “Bridge” Future Challenges
- Review of the Electricity and Gas Target Models



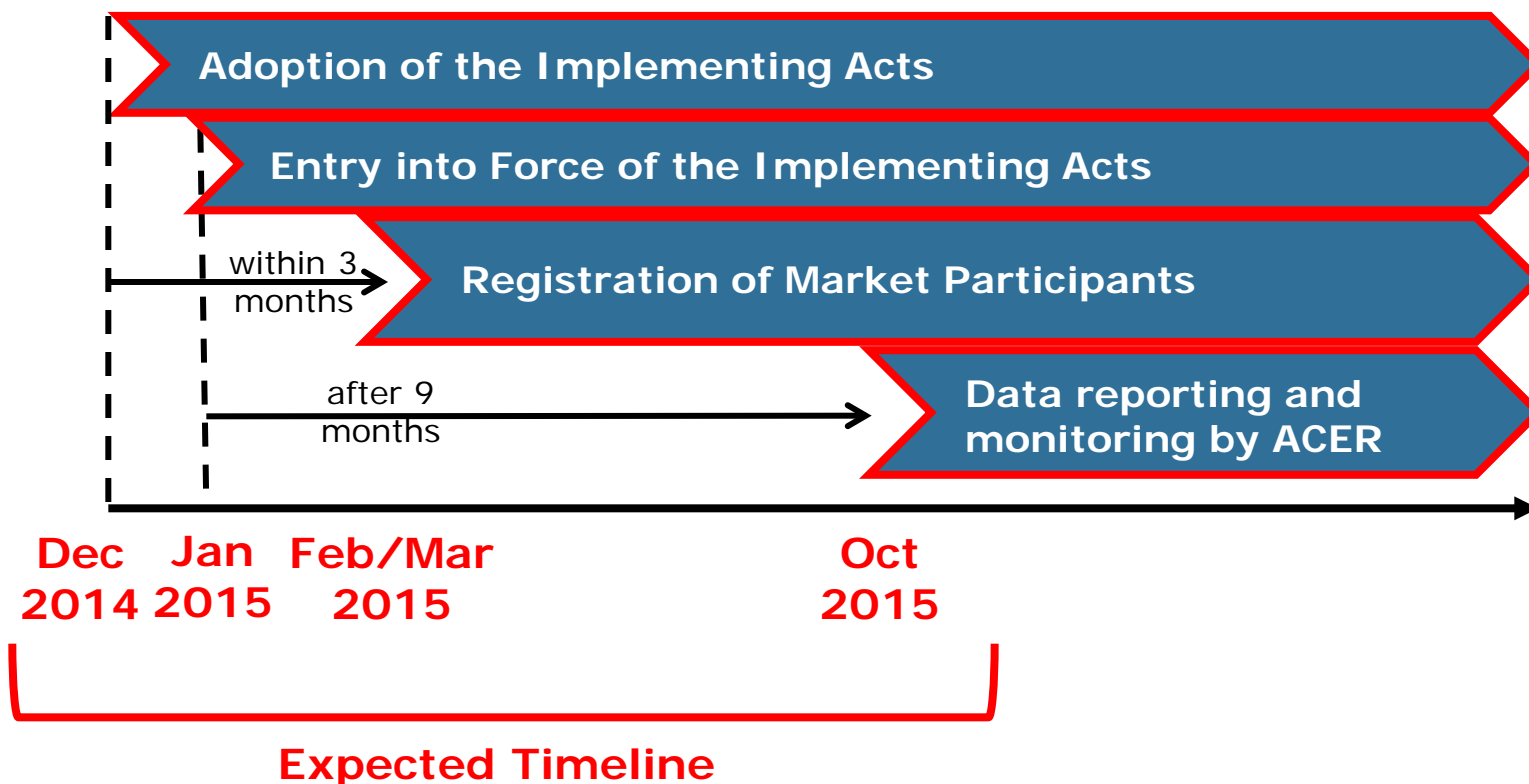
- **Process for the approval and adoption of 2015 WP has been delayed pending the EC's Opinion on the draft submitted on 30 June**
- **EC's formal Opinion finally adopted 30 October**
- **Revised draft submitted and approved by BoR today, will now go to AB for approval**

ACER has delivered **all 8 Framework Guidelines** and recommended **11 (of 13) Network Codes** for adoption

	FG adopted by the Agency	NC Status
<b>Electricity</b>		
Grid Connection	20.07.2011	3 NCs recommended for adoption
Capacity Allocation and Cong. Manag.	29.07.2011	2 NCs recommended for adoption
System Operation	02.12.2011	3 NCs recommended for adoption 1 NC under revision by ENTSO-E
Balancing	18.09.2012	1 NC under revision by ENTSO-E
<b>Gas</b>		
Capacity Allocation	03.08.2011	OJ: 14.10.2013 EiF: 1.11.2015
Balancing	18.10.2011	OJ: 26.03.2014 EiF: 1.10.2015
Interop. & Data Exch.	26.07.2012	1 NC entering Comitology
Harm. Tariff Struct.	29.11.2013	1 NC under preparation by ENTSSOG

**11 months to go!**

**Trade data reporting obligation will start applying in October 2015**



## 24 June to 5 August

- Consultation on ACER's Manual of Procedures on Fundamental Data Reporting under REMIT

## 22 July to 2 September

- Public consultation on ACER's Transaction Reporting User Manual (TRUM) and RRM Requirements for transaction reporting under REMIT

## 23 September

- Presentation of ACER 'Bridge to 2025' Conclusions Paper

## 22 October

- Presentation of ACER/CEER Market Monitoring Report

## 14 November

- Public consultation on the provisional list of organised market places



## Cross Sectoral

- ACER 2015 WP – **BoR approved**

## Post 2014 strategy

- Delivering the “Bridge to 2025”

## Market Integrity and transparency

- Status update on REMIT implementation
- EC update on the REMIT implementing acts
- Note on TRUM, RRM and Fundamental data manual and REMIT IT development;
- Draft PC on list of OMPs

## Electricity

- Oral update on the FGs and NCs
- Florence Forum

## Gas

- Oral update on FGs and NCs & other work
- Gas Target Model – **Chapters 3 and 5 BoR endorsed**
- Draft ACER opinion on ENTSOG work programme 2015

## Other

- Lessons learned from CBCA cases (electricity and gas) from ACER and NRAs
- ACER Opinion on the implementation of the investments in gas network development plans – **BoR approval delayed until Dec**
- Planning and timing of next edition of the MMR
- ACER internal position on regional security coordination initiatives

Agendas and minutes of the meetings of the BoR, as well as its opinions and decisions are published on our website:

- <http://www.acer.europa.eu/Events/BoR/BoRmeetings/Pages/Previous-meetings.aspx>



# Future BoR meetings and public debriefings

BoR	Date	Time	Public debriefing	Location
<b>BoR 42</b>	18 Nov	09.00-16.00	<b>16.00 – 16.30</b>	<b>Brussels</b>
<b>BoR 43</b>	17 Dec	09.00-16.00		Ljubljana
<b>BoR 44</b>	29 Jan	09.00-16.00		<b>Brussels</b>
<b>BoR 45</b>	25 Feb	09.00-16.00	<b>16.00 – 16.30</b>	Brussels
<b>BoR 46</b>	25 Mar	09.00-16.00		Ljubljana

# Calendar for ACER events

## Save the day!

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**10 December 2014:** 9th Public Workshop on REMIT implementation in Ljubljana

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**16 January 2015:** Updated Gas Target Model Launch

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**25 February 2015:** 6<sup>th</sup> ACER BoR Public debrief

**ACER**

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**Thank you for your attention!**

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