



IMPLEMENTATION OF THE TARGET MODEL FOR ELECTRICITY IN CEE REGION

JOINT DECLARATION FROM ACER AND NATIONAL REGULATORY AUTHORITIES FROM CEE REGION

National Regulatory Authorities (NRAs) from Central-Eastern Europe (CEE) and Agency for the Cooperation of Energy Regulators (ACER) agree that:

1. The Target Model for electricity in CEE Region is Flow-Based Market Coupling (i.e. Implicit Flow-Based Capacity Allocation).
2. Both elements – namely flow-based capacity calculation and day-ahead market coupling – of the Target Model shall be implemented in CEE region by the end of 2013 in one single step.
3. Under the governance of ACER and CEE NRAs, TSOs and Power Exchanges from CEE region in close collaboration with market participants and CWE/NWE TSOs and Power Exchanges shall develop a CEE Target Model Implementation Roadmap by June 2012. This roadmap shall be as detailed as possible and shall:
 - a) define the governance structure and the steps for the implementation of Flow-Based Market Coupling.
 - b) include cooperation with CWE/NWE region (NRAs, TSOs and Power Exchanges).
 - c) ensure compatibility of CEE and CWE flow-based method with the common NWE+CEE Market Coupling.
 - d) ensure smooth transition of existing market coupling projects in CEE region into common NWE+CEE Market Coupling.
4. CEE TSOs shall develop for the CEE region a well-designed flow-based method able to fulfil all the necessary requirements defined in the cross-regional roadmap for capacity calculation, FG CACM and the associated draft NC and to ensure a positive benefit for each individual CEE country.
5. CEE NRAs and ACER shall facilitate the signing of a joint Memorandum of Understanding by July 2012, where ACER, CEE NRAs, TSOs and Power Exchanges will commit to implement the Target Model by following the steps defined in CEE Target Model Implementation Roadmap. This joint MoU shall also seek the support from the European Commission.

National Regulatory Authorities (NRAs) from Central-Eastern Europe (CEE) and Agency for the Cooperation of Energy Regulators (ACER) are committed to do all in their powers to achieve the goals defined above.