

The background is a satellite-style image of Europe at night, with city lights visible. Overlaid on this are numerous glowing blue lines that represent energy transmission paths, connecting various points across the continent and extending outwards.

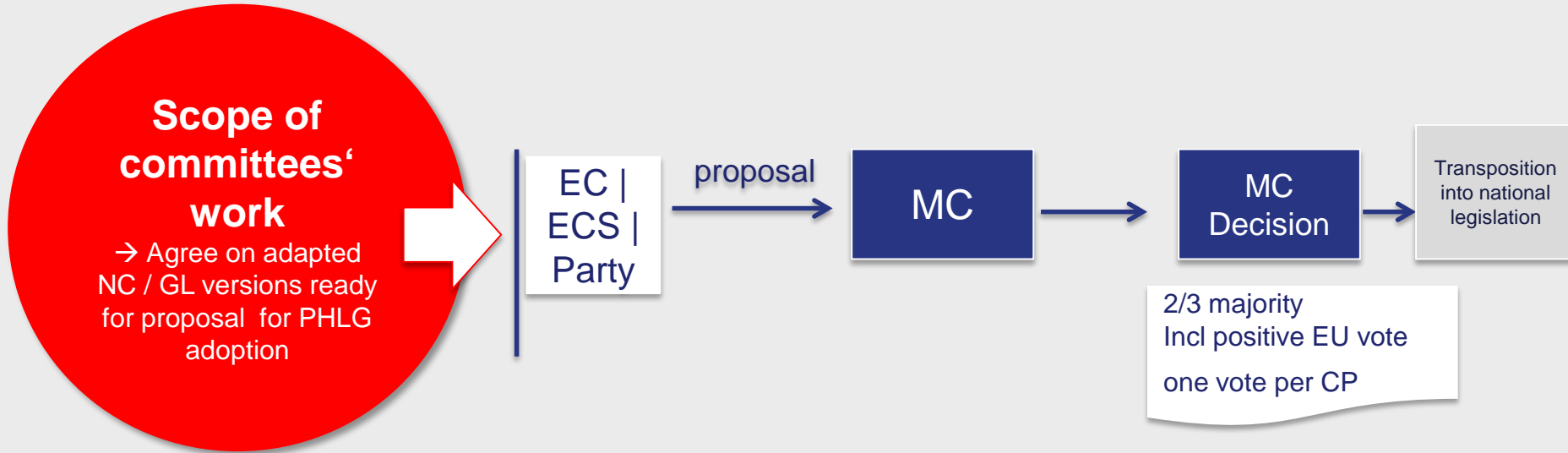
## Bringing market guidelines in the Energy Community

# Agenda

- I. Re-cap
- II. Consultation – discussion
- III. Way forward

# I) Re-cap

1. Procedures
2. Geographical scope
3. CCRs
4. Methodologies – existing vs new | European vs regional
5. Voting
6. Others



- **Standard adaptations**
  - EC → ECS | ACER → ECRB | MS → CP
- **ad-hoc adaptations**
- **Implementation in one step**
- **Implementation deadlines**
- **Reciprocity relevant**
  - Title III
  - Alternative Title IV

# Cross-zonal applicability

■ ■ EU CACM

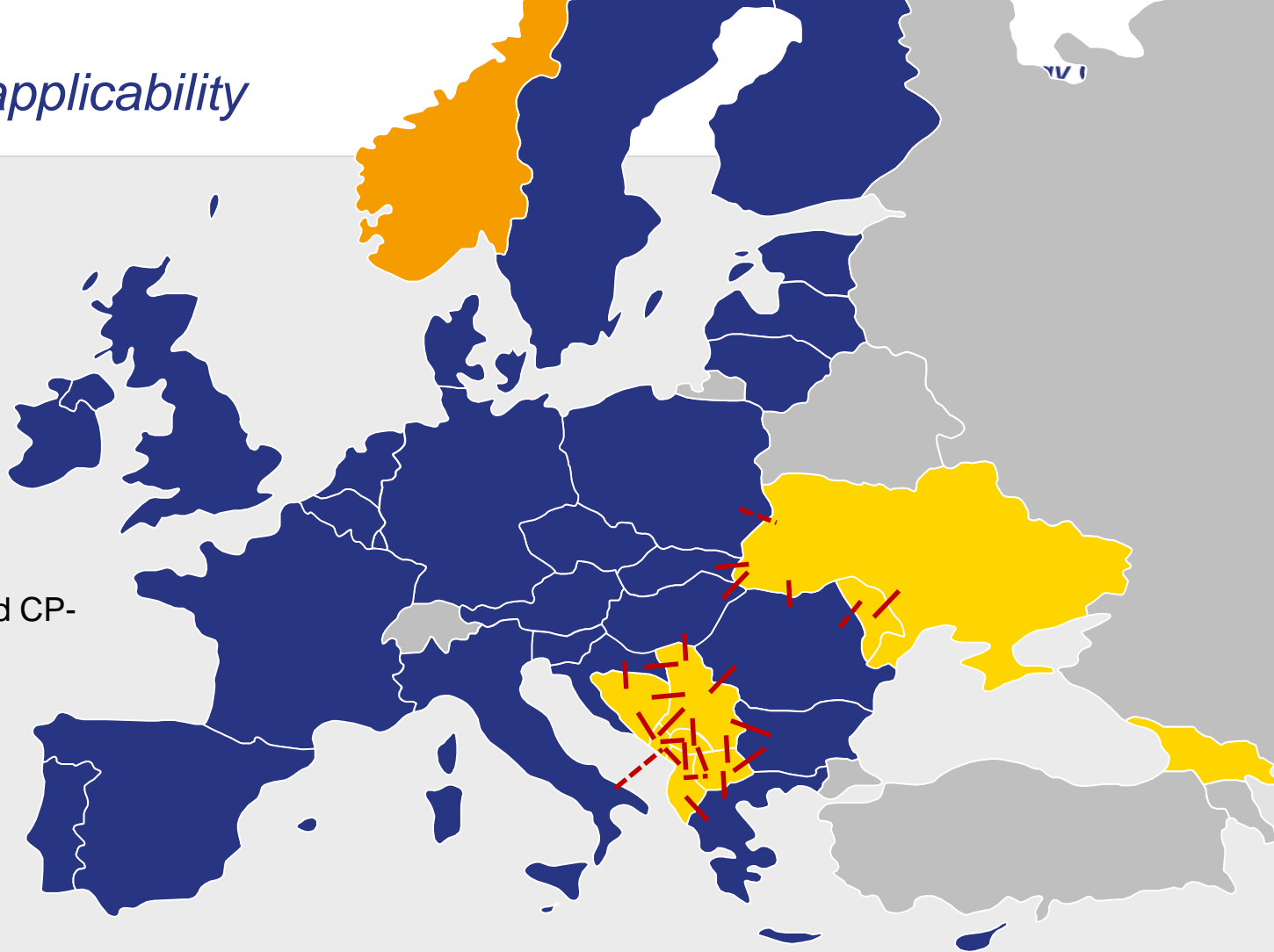
■ ■ EnC CACM

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“switching on” of CPs and CP-MS interconnections

■ European Union

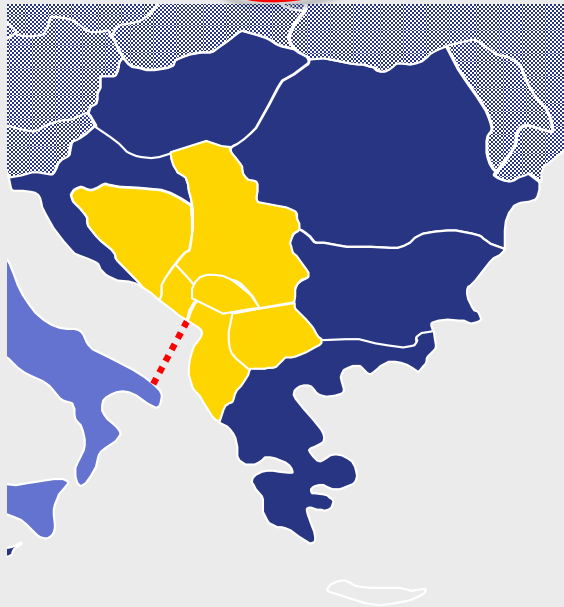
■ Contracting Parties



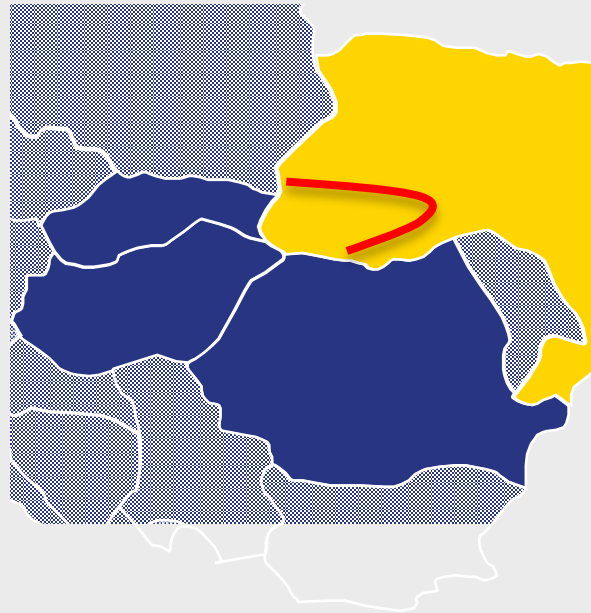
# CCRs



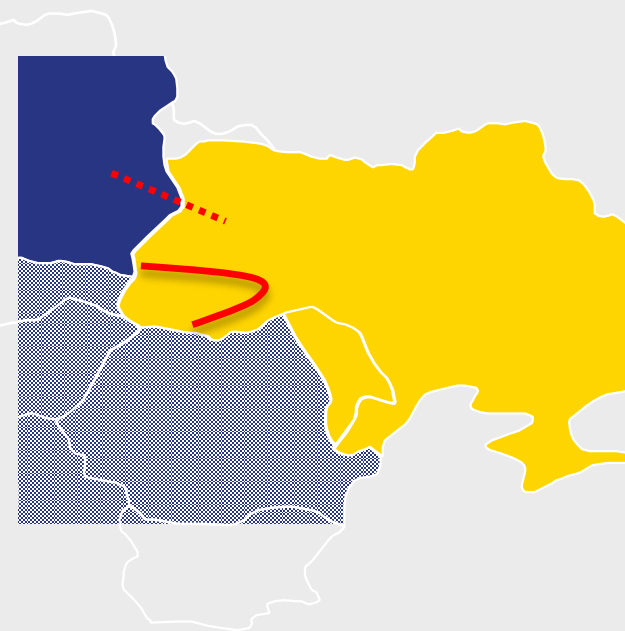
Shadow SEE CCR (+IT)



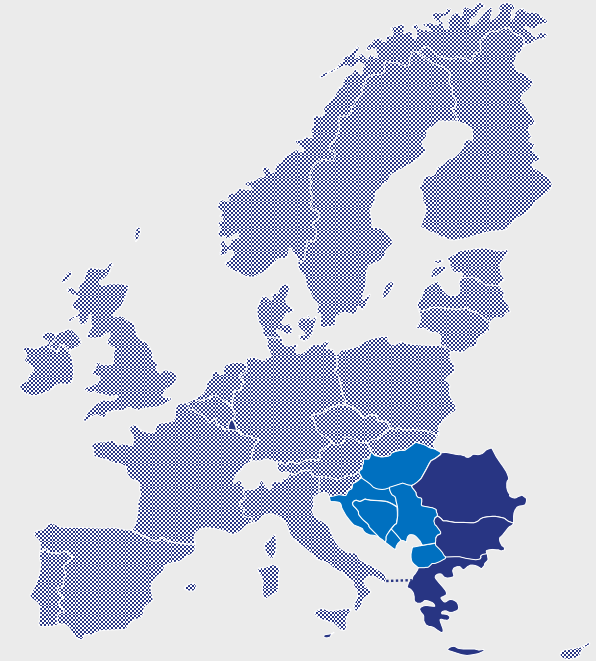
Bursthyn CCR



UAMO CCR (+PL)



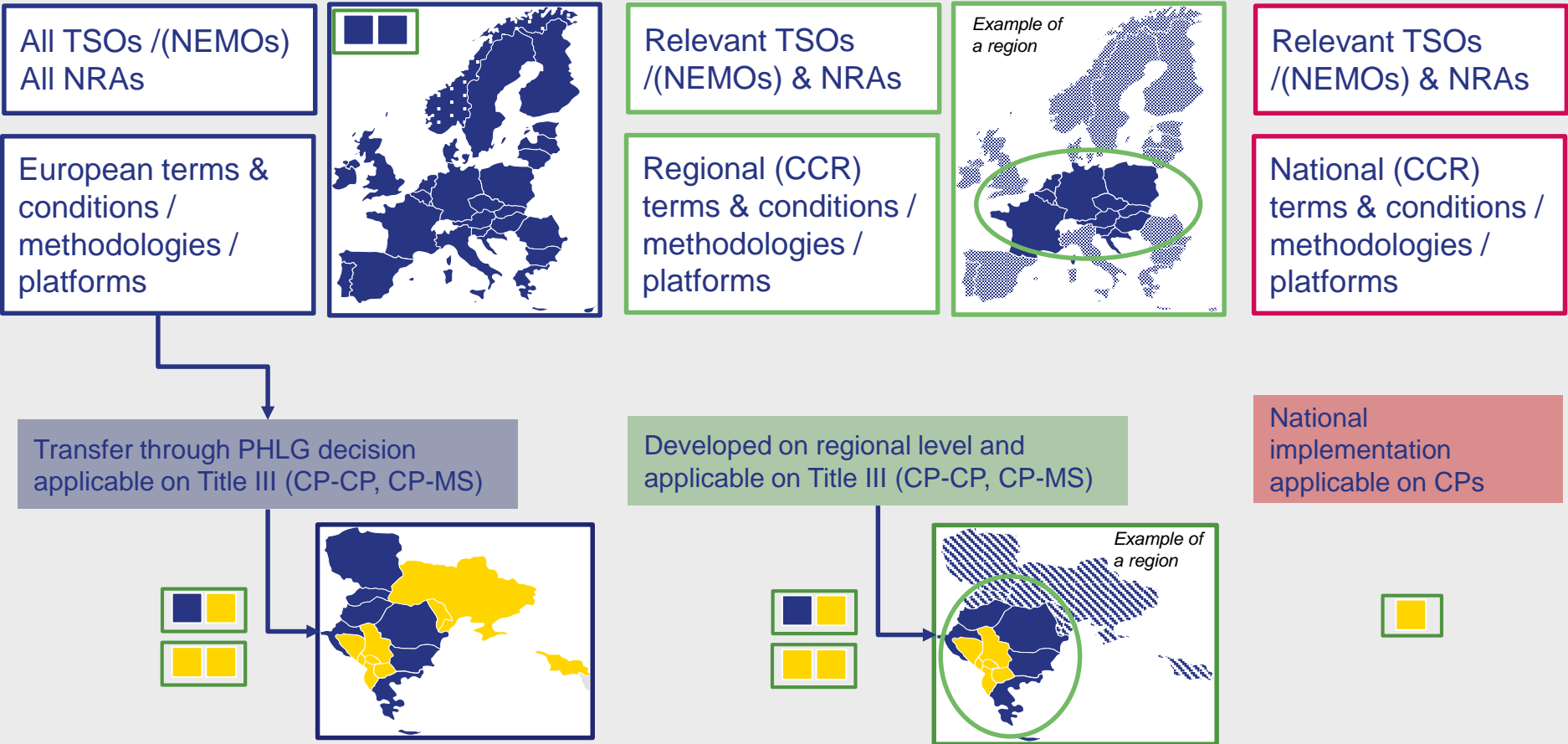
- **Future composition of CCRs including non-EU bidding zone borders** (Annex 1 to the Explanatory ... document)
  - Establishes the basis for the future implementation of the CACM Regulation by non-EU TSOs/non-EU regulatory authorities
  - Facilitates the early implementation by non-EU TSOs and the cooperation of the EU and non-EU NRAs;
    - **Involved TSOs (EU and non-EU) will start working together based on the CCR composition presented in Annex 1 to achieve the targets set in the CACM**
  - CCR SEE including non-EU bidding zone borders as fig below (excluding HU-RO and HU-HR)
- *The bidding zone borders will be included in the CCR SEE in the future, subject to the fulfilment of the legal requirements for the application of CACM Regulation*
- *The bidding zone border IT-ME will be included in the CCR SEE when the interconnection between Italy and Montenegro is commissioned (expected to be in 2017/2018) and subject to the fulfilment of any other legal requirements for the application of the CACM Regulation by Montenegro*



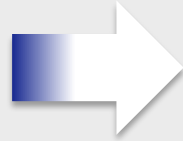
Source: Explanatory document to all TSOs' proposal for CCR



# Methodologies



## EU CACM TSOs/NEMOs voting



## EnC CACM TSOs/NEMOs voting

### European methodologies:

- Qualified majority

55% of MS + 65% of population of the EU

### Regional methodologies:

- Qualified majority of the region

72% of MS + 65% of population of the region

**Region <5: consensus**

### European methodologies:

- Unchanged taken as part of EU acquis, applicable under PHLG decision requiring national transposition in CPs

### Regional methodologies:

- Qualified majority of the region

2/3 of the CPs/MSs of the region

**Region <3: consensus**

# NEMOs under CACM

- National requirement
  - The adapted (EnC) part will be applicable only to Contracting Parties
- CPs designate NEMO(s) by 4 months after transposition deadline
- At least 1 NEMO for initial term of 4 years / if monopoly annual designation
- Designation body – NRAs, also monitoring of compliance etc. / if monopoly approval of fees
- Designation criteria
  - Has adequate resources (financial, technical, infrastructure, communication, contractual,...)
  - Allow open access to info regarding NEMO's tasks / non-discriminatory access
  - Unbundled accounts of activity under this regulation with other activity, including business separation from market participants
  - Able to provide/contract clearing & settlement service
  - Recognition of NEMO designation (if no monopoly) – only among CPs (Title II) – NRAs need to exchange info among them

List of designated  
NEMOS  
maintained by  
ECRB

## II) Consultation

### **Specific questions related to CACM and FCA:**

1. Do you agree with the general approach for adaptation and adoption of the CACM and FCA Regulations in the Contracting Parties and borders with Member States presented in the meeting and outlined in the supporting material?
2. Do you agree with the regional voting process outlined in Article 9 of the adapted version of CACM Regulation and Article 4 of the adapted version of the FCA Regulation?
3. Do you agree with the powers of ECRB (mirroring ACER's role in CACM and FCA implementation processes)?
  - a. If yes, do you think further changes are needed in the structure of ECRB?
  - b. If no, do you think ECS is better equipped to take that role?
  - c. If no, why and which would be your preferred alternative?
4. Do you agree with the role that ENTSO-E should have for Contracting Parties in relation to the CACM and FCA Regulations?

# Input received

- AERS
- RAE
- NOSBiH
- OST
- HOPS (FCA and questions)
- SEE-CAO (FCA only)

1. Do you agree in principle with the general approach (i.e. legally binding solution CP-MS) for adaptation and adoption of the CACM and FCA Regulations in the Contracting Parties and borders with Member States presented in the meeting and outlined in the supporting material?
  - YES: RAE<sub>ME</sub>, OST, ERE, NOSBiH + HOPS + IPTO (cond.), KOSTT, ERO, NEURC, Moldelectrica, AERS, SEEPEX
  - Involvement EC, ACER, EU MS, ENTSO-E, CP Ministries needed → next step: consultation
  - Follow target of single pan-European market

2. Do you agree with the regional voting process outlined in Article 9 of the adapted version of CACM Regulation and Article 4 of the adapted version of the FCA Regulation?
- “qualified to be defined”:  $RAE_{ME}$ , HOPS + IPTO, NOSBiH (cond.), OST, KOSTT, ERE, NEURC, ERO [\*]

[\*] final position after calculation example

- define “qualified” = 2/3 [possible for TSOs/NEMOs]
  - NRAs unanimity requirement – exc. ACER [ref ACER rules – link ecrb role]
- Role of Title III MS in EU position (Council)
- Role of Title III NRAs in ECRB
- ECS to provide voting calculation example – 2/3 vs weighted voting

3. Do you agree with the powers of ECRB (mirroring ACER's role in CACM and FCA implementation processes)?
  - a. If yes, do you think further changes are needed in the structure of ECRB?
  - b. If no, do you think ECS is better equipped to take that role?
  - a. If no, why and which would be your preferred alternative?
- Feedback: AERS, RAE, OST, [HOPS]
- General tendency: preference ACER decision making rights for CP NRAs provided—otherwise re-structured (!) ECRB
  - Permanent, independent from ECS, adequately staffed, decision making independent from NRAs
  - ECS = political, not regulatory body
- General mandate by MC to ECRB empowering for decision making
- Role of Title III NRAs in ECRB decision making
- Next step: ECS to clarify with EC option ACER Y/N vs ECRB



# Specific contributions

- AERS
  - CACM
    - Role of ACER vs ECRB lack of current ECRB competences > restructuring | general vs specific  
MC empowerment for decision making
    - NEMO<sub>CP</sub> only
    - CCR scope
  - FCA
    - Single platform | border SR-HR
- HOPS – FCA
- SEE CAO - FCA

### III) Way forward

- Consultation
- Meetings