



Towards a Regional Electricity Market

*Panel Debate I – A Herculean Task:
Integration of Electricity Markets*


TSO unbundling




Day-ahead market



Balancing



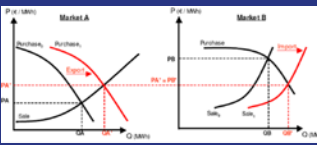
Capacity Calculation



DSO unbundling



Market Coupling




Cross-border Balancing



Capacity Allocation



Price deregulation



Liquidity



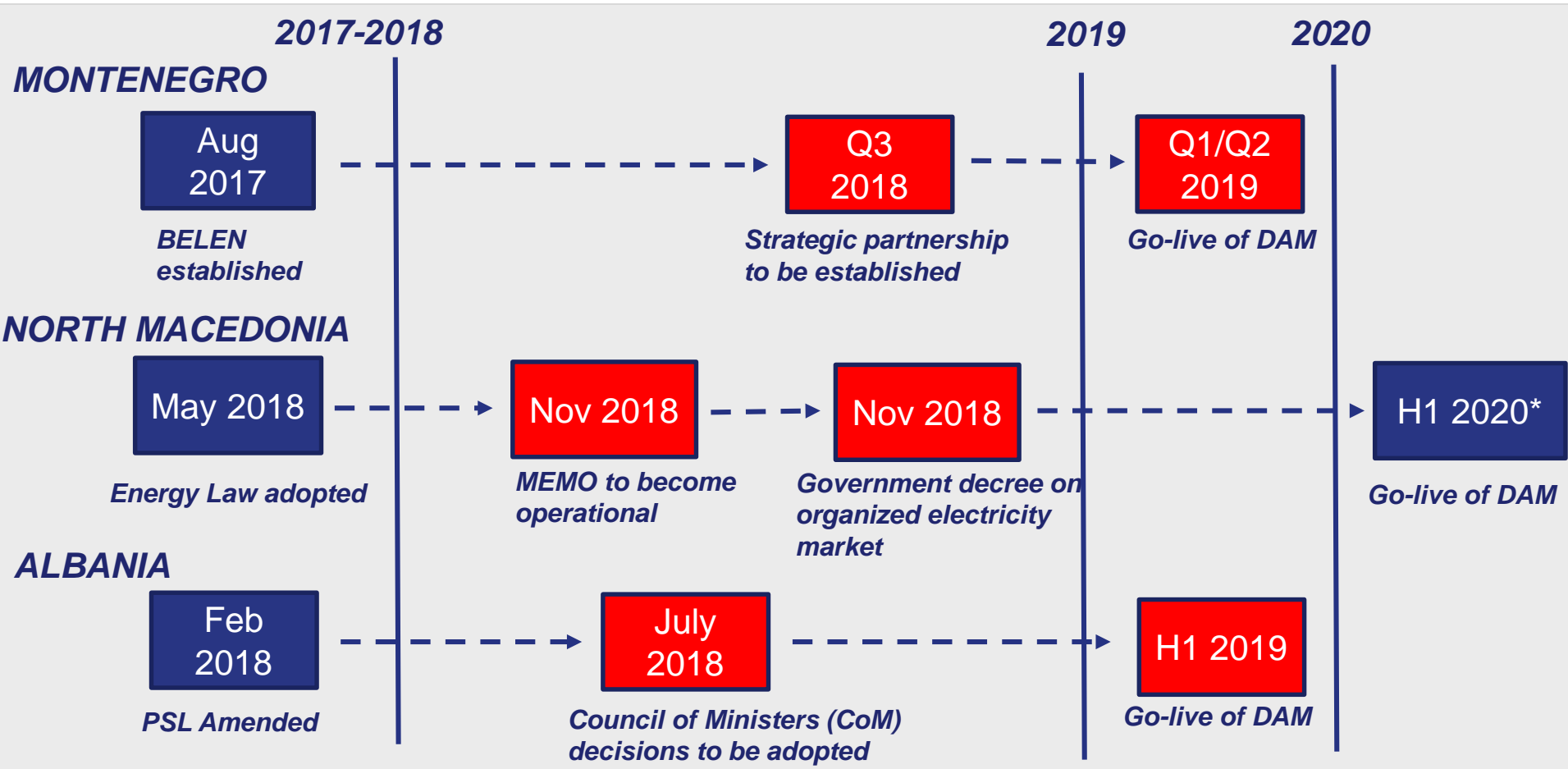
VAT Harmonisation



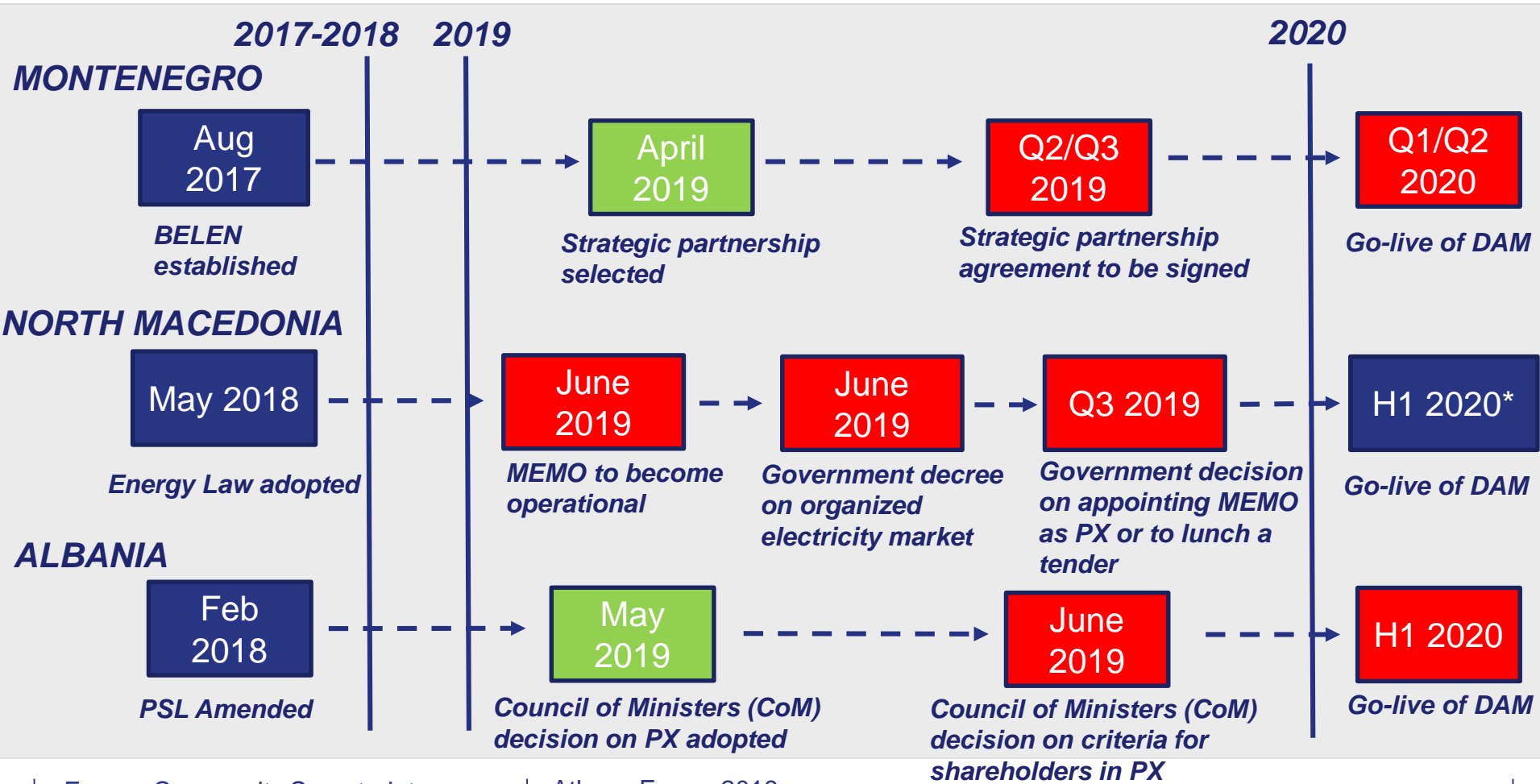
Dispute resolution



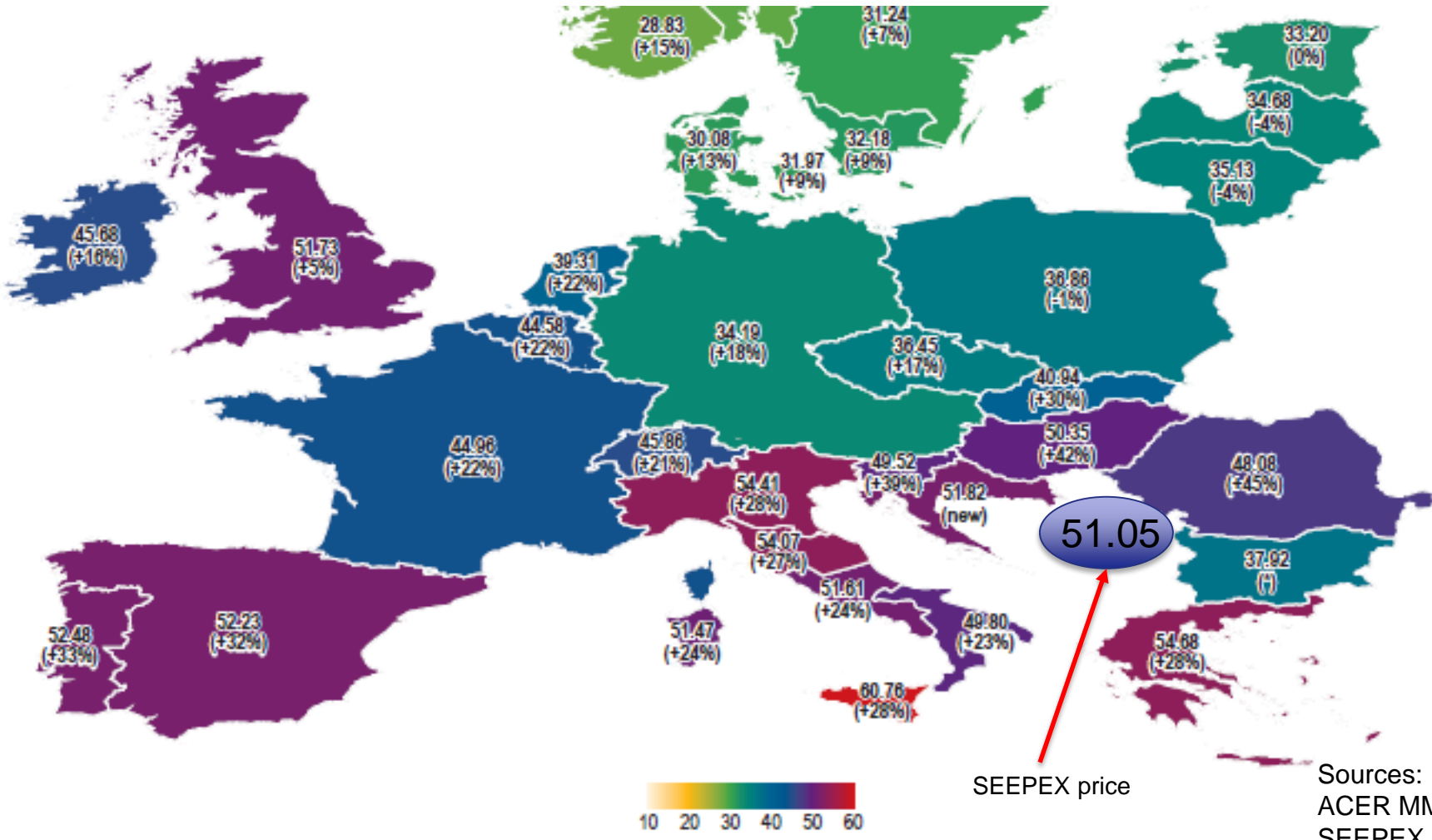
Day-ahead market establishment – a moving target



Day-ahead market establishment – a moving target



Average annual day-ahead market price in 2017



SEEPEX price

Sources:
ACER MMR 2018,
SEEPEX

Question to the audience



Multiple-choice poll



What is the main reason behind the slow development of day-ahead markets in the Energy Community?

045

Lack of political support



49 %

Uncertainty about an impact on the electricity prices



16 %

Uncertainty about the coupling with EU markets



16 %

Difficulties to coordinate with neighbouring countries



18 %

None of the above



2 %

Day-ahead market coupling in EnC - early implementation ongoing



Legal framework for market coupling is not yet in place

- **CACM Regulation is expected to be adopted for EnC in 2019/2020;**
- **CACM adoption for EnC is linked to the Energy Community Treaty changes, expected to be adopted by the end of 2019**

A process of an early implementation of CACM is ongoing:

- **CACM implementation toolkit was developed:**
 - ✓ **NEMO and Shipping Agent designation decision and ECRB recommendation on its adoption**
 - **adopted in April 2019, implementation on the way in North Macedonia and Montenegro**
 - ✓ **Capacity Calculation methodology for the so-called Shadow Capacity Calculation Region 10, and ECRB recommendation on regulatory measures supporting early implementation of coordinated capacity calculation in the Energy Community**
 - **To be adopted, it will trigger NRAs' approval and TSOs' implementation of CC methodology**

Pilot projects for market coupling between EU MSs and EnC CPs are ongoing:

➤ **Bulgaria – North Macedonia (BG-MK)**

- ✓ *A roadmap adopted, market coupling planned for 2020*
- ✓ *cost sharing agreement was drafted and is expected to be adopted once MEMO becomes operational*

➤ **Albania-Italy-Montenegro-Serbia (AIMS)**

- ✓ *A roadmap for coupling has not yet been adopted, work in progress*
- ✓ *AIMS Regulatory Coordination Platform is convening on a regular basis*

Will an early implementation be possible and under which conditions?

Cross-border balancing in EnC - early implementation ongoing



- **Electricity Balancing Guideline is expected to be adopted for EnC in 2020/2021**

A process of an early implementation of CACM is ongoing:

- **Regional balancing platforms were developed and tested using the real-life data provided by the transmission system operators of WB6:**
 - ✓ **Annual saving of EUR 16 million and 4.3 million estimated in case of imbalance netting and mFRR cooperation respectively**
 - ✓ **Coordinated integration roadmaps for imbalance netting and mFRR were developed, to a large extent based on the presumption that the WB6 parties will be fully integrated into the European balancing platforms by end 2024 (for mFRR)**
 - **Most of WB6 TSOs to be technically ready to integrate into EU Imbalance netting platform (IGCC) end 2019-H1 2020**
 - **Full compliance with EB GL and SO GL is still missing according to the performed legal gap analysis**

Will an early implementation be possible and under which conditions?

EU-Energy Community Market Coupling – the path from early implementation to legal certainty

Elaine O’Connell | DG ENER, European Commission

Single-day Ahead Coupling – a success story – is expansion possible?

Ole Jacob Høyland | TSO Co-Chair

Rafael Gómez-Elvira González | NEMO Co-Chair

EU-Energy Community Market Coupling – what is needed from a regulatory perspective?

Salvatore Lanza | ACER Task Force CACM

EU and Energy Community TSOs – Regional cooperation under ENTSO-E - bridging the gap

Sonya Twohig | ENTSO-E

European Market integration - Industry perspective

Ioannis Retsoulis | Eurelectric

Multiple-choice poll



Panel Debate I (1/2)

0 4 4

Do you think that market coupling between EU Member States and the Energy Community will happen within the next years?

On a voluntary basis



Only when it becomes legally binding



Multiple-choice poll



Panel Debate I (2/2)

0 4 1

Do you think that the first market coupling involving the Energy Community Contracting Partie(s) will happen in 2020?

Yes



No



The background is a satellite-style image of the Earth at night, showing city lights. Overlaid on this are numerous glowing blue lines that represent energy transmission paths, connecting various points across the globe.

*Thank you
for your attention!*

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