



Setting the Scene

The Third Package in the Energy Community

B. Andrés Ordax

20 June 2013

Energy

[WHO ARE WE](#)[WHAT WE DO](#)[MILESTONES](#)[INSTITUTIONS](#)[LEGAL FRAMEWORK](#)

updated: 17 Jun 2013

[> HOME](#) [> About Us](#) [> Milestones](#)

MILESTONES

1996


The first EU Electricity Directive

End of 1996 marked the enacting of the Directive 96/92/EC on common rules for the internal market in electricity. With its rules for the generation, transmission and distribution of electricity, the Directive strives for the creation of an internal market and market opening. In terms of objective setting, the minimum target for the opening of the market was set to equal to 30% of the consumption in 2000. The Directive was repealed and replaced by Directive 2003/54/EC ("the Second EU Electricity Directive") in 2003.

 [Directive 2003/54/EC](#)**1998**


The first EU Gas Directive

The principles of an internal electricity market were extended to apply for the market in gas in 1998. The Directive laid down common rules for the transmission, distribution, supply and storage of natural gas. The Directive was revised and repealed by Directive 2003/55/EC ("the Second EU Gas Directive") in 2003.

 [Directive 2003/55/EC](#)**1998**

The establishment of Regulatory Fora

Following the adoption of the two Directives, it was realised that the implementation process necessitates a neutral and informal European platform for discussion and exchange of experiences. This resulted in the establishment of the Electricity Regulatory Forum. Organised by the Commission, the first meeting was held in Florence in 1998. In 1999 a similar forum for gas was set up. The Gas Forum meets in Madrid.

 [Florence forum meeting documents](#) [Madrid forum meeting documents](#)**2002**

The first Athens Memorandum of Understanding

Parallel to the evolution of European internal energy market, the true pan-European implications of the process began to unfold. As a result the European Union took a more active stance in promoting stability and sustainable development in South East Europe. It, subsequently, tabled a proposal outlining the principles and the institutional necessities on which the development of the regional electricity market for the South East European (SEE) area should be based. It ultimately would ensure the integration of the region into the European Union's internal electricity market. Both, the initiative and the approach, were highly welcomed by the countries from South East Europe.

Memorandum of Understanding on the Regional Electricity Market in South East Europe and its Integration into the European Union Internal Electricity Market



("The Athens Memorandum - 2002")

Under the auspices and respecting the principles of the Stability Pact for South East Europe as its core the need to strengthen regional co-operation amongst the states and to foster the conditions for peace, stability and economic growth

The undersigned:

A: as the "adhering parties"

Ministers

Representing the

Republic of Albania

Bosnia and Herzegovina

Republic of Bulgaria

Republic of Croatia

Hellenic Republic

Republic of Romania

Republic of Turkey

Federal Republic of Yugoslavia and

Former Yugoslav Republic of Macedonia

Resolve to devote their best endeavours to achieve the following:

1. AN INTEGRATED REGIONAL ELECTRICITY MARKET

To establish an integrated regional electricity market in South East Europe by 2005 and ensure its integration into the European Union's Internal Electricity Market.

This market will be based on the principles set out in the Electricity Directive and other legislation relating to the operation of the European Union's Internal Energy Market.

The structures and organisations agreed in this memorandum replace those in the Thessaloniki Declaration and the Athens Memorandum of Understanding.

1.1. National Electricity Market Models

Recognising that in order to achieve the regional approach, it is necessary to establish compatible national electricity market models, in line with the EU Electricity Directive in force (Dir 96/92) and the European Commission's new proposals – once adopted, the adhering parties will endeavour, where this has not already been done, to create institutions for the operation of an integrated electricity market in South East Europe, namely;

1.1.1. A State Energy Authority

A government body, within a Ministry of an adhering party, entrusted with development of energy policy by June 2003, and which has a primary purpose of ensuring the provision of energy under secure conditions at competitive prices with high levels of public services and consumer protection;

1.1.2. An Electricity Regulatory Authority

The Electricity Regulatory Authorities of the adhering parties, wholly independent of the interests of the electricity industry, by June 2003. They shall at least be responsible for continuously monitoring the market to ensure non-discrimination, effective competition and the efficient functioning of the market, in particular with respect to:

Energy Community *rationale*

Three levels of ambition

- Short term: creating open and transparent national energy markets based on EU rules and capable of attracting investments in power generation and networks
- Medium term: integrated regional energy market
- Long term, full integration in the European Union's internal energy market



Timetable for implementation of the 2nd Package

Treaty

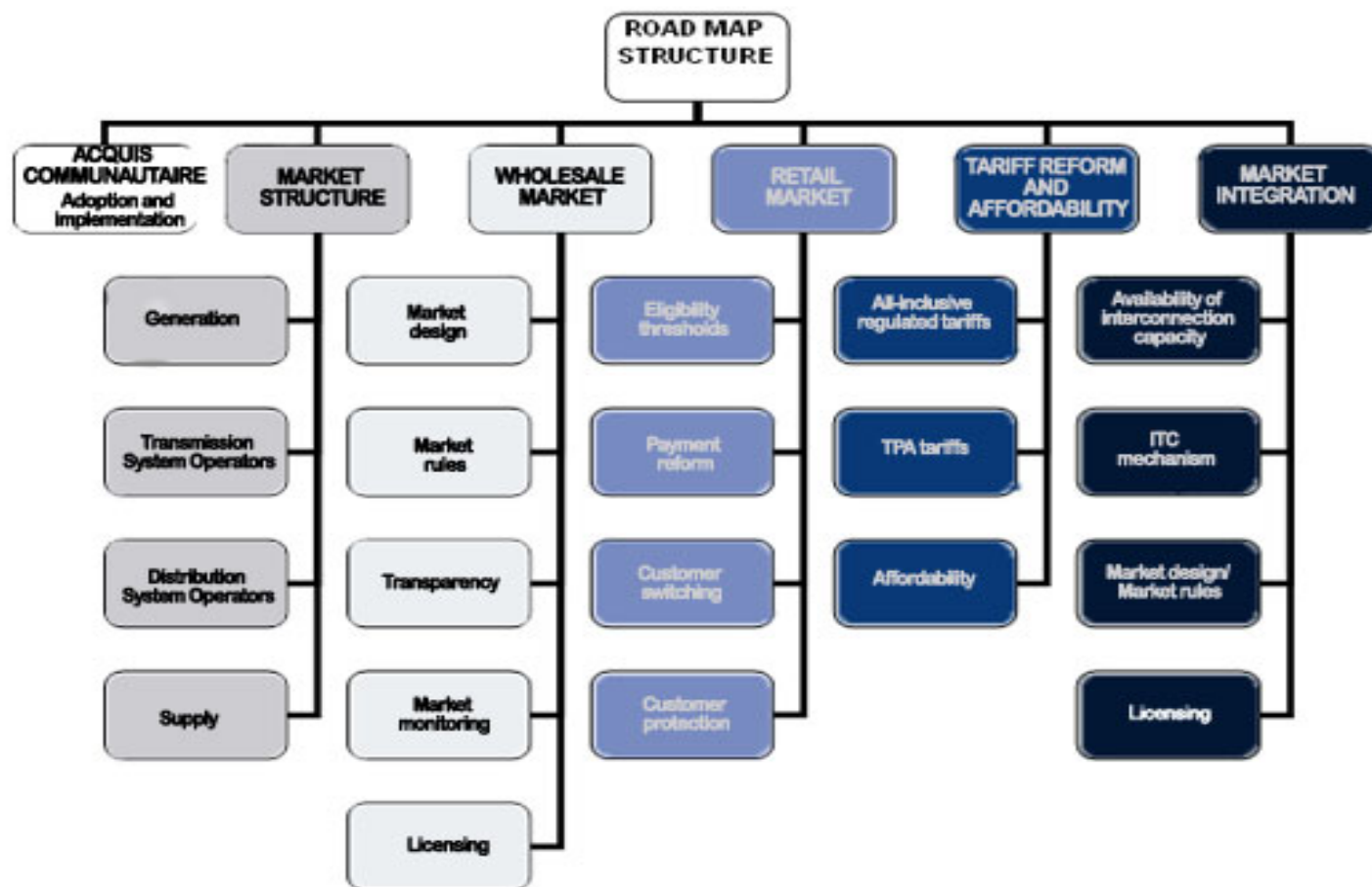
- General implementation deadline: 1 July 2007
(gas Regulation: 31 December 2008)
- Opening of wholesale market: 1 January 2008
- Opening for all customers: 1 January 2015

Protocols of Accession

- General implementation deadline: 31 December 2009
- Opening of wholesale market: 1 January 2012 / 2013
- Opening for all customers: 1 January 2015

ROAD MAPS

The legally binding obligations of the Treaty establishing the Energy Community in the area of electricity are far-reaching and complex. In order to master the challenge, a common framework programme in the form of Road Maps was set up. In terms of structure, the Road Maps break down into six chapters, each chapter consisting of further, more detailed policy issues.



The adaptation and implementation of the *acquis communautaire* constitutes the starting point for the Road Maps. As a next step the chapters from two to five deal with measures targeting the liberalisation of market in both electricity and gas sectors. Finally, the sixth chapter (Chapter 6 - Market Integration) brings together measures needed for the establishment of a trans-national energy market in the South Eastern European region.

In terms of time plan, the Road Maps comprise 5 distinct stages, namely drafting, agreeing, committing, implementing and monitoring. Nov 2006 marked the beginning of the implementation stage. The implementation phase entails substantial reporting obligations. Monitoring runs in parallel with the implementation phase.

EU 3rd Package to tackle structural problems

Effective unbundling of networks

- Ownership Unbundling, ISO, ITO

Cooperation of network operators (ENTSO)

- Development of harmonised network rules

Stronger powers for national regulators

- Monitoring, investigations, enforcement

Transparency

Solidarity / cooperation

Consumer protection

A fully “new” legal framework ?

“Given the scope of the amendments that are being made herein to [the 2nd Package] it is desirable, for reasons of clarity and rationalisation, that the provisions in question should be recast by bringing them all together in a single text in a new [Directive / Regulation]”

***See recitals**



“ 2nd Package” as upgraded!

3rd Package implementation

Interpretative notes published in January 2010

- The Unbundling Regime
- Third-Party Access to Storage Facilities
- Retail markets
- The Regulatory Authorities

http://ec.europa.eu/energy/gas_electricity/interpretative_notes/interpretative_note_en.htm

Development of framework guidelines and network codes

DECISION OF THE MINISTERIAL COUNCIL OF THE ENERGY COMMUNITY

D/2011/02/MC-EnC: Decision on the implementation of Directive 2009/72/EC, Directive 2009/73/EC, Regulation (EC) No 714/2009 and Regulation (EC) No 715/2009 and amending Articles 11 and 59 of the Energy Community Treaty

The Ministerial Council of the Energy Community,

Having regard to the Treaty establishing the Energy Community ('the Treaty'), and in particular Articles 24, 25, 79 and 100(i) and (ii) thereof,

Having regard to the proposal from the European Commission,

Whereas:

1. Article 11 of the Treaty defines the '*acquis communautaire* on energy' as meaning: (i) Directive 2003/54/EC of the European Parliament and of the Council of 26 June 2003 concerning common rules for the internal market in electricity, (ii) Directive 2003/55/EC of the European Parliament and of the Council of 26 June 2003 concerning common rules for the internal market in natural gas and (iii) Regulation (EC) No 1228/2003 of the European Parliament and of the Council of 26 June 2003 on conditions for access to the network for cross-border exchanges in electricity.

2. By Decision No 2007/06/MC-EnC of 18 December 2007, the Ministerial Council decided that the Contracting Parties were to implement Regulation (EC) No 1775/2005 on conditions for access to the natural gas transmission networks.

3. The above-mentioned pieces of European Union law have been amended and recast into four new acts and have been repealed with effect from 3 March 2011 and replaced by two new directives and two new regulations. It is appropriate to amend Article 11 of the Treaty accordingly.

4. The Energy Community should adapt its *acquis* on energy to the recent changes in the European Union law, taking into account its own institutional framework and the specific situation of each of its Contracting Parties.

5. By Recommendation No 2010/02/MC-EnC of 24 September 2010 on the implementation of amendments to the '*acquis communautaire* on energy', the Ministerial Council

IMPLEMENTATION PLAN: TRANSPOSING THE 3rd PACKAGE IN THE ENERGY COMMUNITY

DATE	WHO	ACTION	Comments
14 Dec 2011	PHLG	Approval of the implementation plan	
December 2011	ECS	Letter - communication of the implementation plan to the Contracting Parties	Letter includes templates for correlation table
by 15 February 2012	ECS	Prepare Draft PHLG Procedural Act on the procedure for adoption of Guidelines and Network codes by the PHLG	re. Arts 27 and 28 of Decision 2011/02/MC-EnC
by 15 February 2012	Contracting Parties	Communication of correlation table, based on national legislation transposing those provisions already existing in the 2nd Package	Based on the templates provided by ECS
23 March 2012	PHLG	Based on the correlation tables communicated, review of status of preparedness for implementing the 3rd Package	ECS will cross-check against its own findings
23 March 2012	PHLG	Adoption of ITC Guidelines	re. Art 12(2) of Decision 2011/02/MC-EnC
23 March 2012	PHLG	Adoption of Procedural Act on the procedure for adoption of Guidelines and Network codes	
08 June 2012	Contracting Parties	Deadline to send questions regarding the transposition of the Third Package, including on problems encountered	2 weeks before the workshop
22 June 2012	PHLG + ECS + EC (+ ECRB)	Workshop on the implementation of the Third Package (presentations by Contracting Parties and "peer review")	back to back with PHLG meeting
by 30 June 2012	ECS	Progress report to Ministerial Council	re. Art 31 (2) and (3) of Decision 2011/02/MC-EnC
16 November 2012	MC	"Peer review"	at MC meeting
December 2012	Contracting Parties	Notification of draft transposition measures to ECS	
March 2013	Contracting Parties	Deadline to send questions regarding the transposition of the Third Package, including on problems encountered	2 weeks before the workshop
March 2013	PHLG + ECS + EC (+ECRB)	Workshop on the implementation of the Third Package - follow up	
by June 2013	ECS	Letter to Contracting Parties - reminder deadline (18 months left!)	
by 30 June 2012	ECS	Progress report to Ministerial Council	re. Art 31 (2) and (3) of Decision 2011/02/MC-EnC

??

Energy Community Workshop

Effective implementation of the Third Energy Market Package

20 June 2013 (Vienna)

9.00 Welcome address

Dirk Buschle, Deputy Director and Legal Counsel

9.05 Setting the Scene: The Third Package in the Energy Community

Blanca Andres-Ordax, European Commission

9.30 Main Challenges: Unbundling

(Initial) Summary by the ECS, Rozeta Karova, Energy Lawyer

Contracting Parties

Discussion (CP, ECS, EC)

11.30 Coffee Break

11.45 Main Challenges: Consumer Protection and Vulnerable Customers

(Initial) Summary by the ECS, Branislava Marsenic Maksimovic, ECRB Natural Gas Expert

Contracting Parties

Discussion (CP, ECS, EC)

13.15 Sandwich lunch

14.00 Main Challenges: Regulatory Authorities

(Initial) Summary by the ECS, Nina Grall, Head of ECRB Section

Contracting Parties

(Complementary) Summary by the ECS

Have a fruitful workshop!



European Commission

Browser navigation bar showing the URL http://ec.europa.eu/energy/index_en.htm and open tabs for "Energy: Energy St..." and "Lernen Sie Ihren neu...".

Search | About this site | Contact | Legal notice | English (en)



ENERGY

European Commission

European Commission > Energy

Energy Strategy for Europe



Search

OK

- Enforcing EU energy law
- Statistics & Market Observatory
- Studies & Evaluations
- Videos & Publications
- European Energy Programme for Recovery



Günther Oettinger
Commissioner for Energy



Phillip Lowe
Director-General for Energy

Zoom in

A new proposal on nuclear safety

European Council
22 May 2013

Regulation on guidelines for TEN-E infrastructure



ENERGY

European Commission

European Commission > Energy > Single market for gas & electricity > Third package

Single market for gas & electricity

- Internal energy market
- Third package
 - Legislation
 - Implementation
 - Benchmarking reports
- Certification
- Network Codes
- Gas
- Electricity
- Smart Grids

Single market for gas & electricity



Search

Certification of TSOs

Opinions and decisions of the Commission

- [List of notifications received](#) [16 KB]
- [Opinions and decisions for TSO certifications](#) [115 KB]

Last updated 04/06/2013

Note to the users: if the "last update" date in the document does not match the date shown on this page, please refresh the document once it is open (CTRL+F5)



Günther Oettinger
Commissioner for Energy



Philip Lowe
Director-General for Energy

Quick jump

- ACER
- EACI
- Energy Community
- Climate Action