

Session 5. Status Quo in Energy Community Contracting Parties; ENTSO-E's *EnC Task Force* – update

EnC Workshop on Regional Cooperation of TSOs | 6 July 2023 | EnC TF Convenor

Fokke Elskamp

Legal & Regulatory Group Chair | Energy Community TF convenor

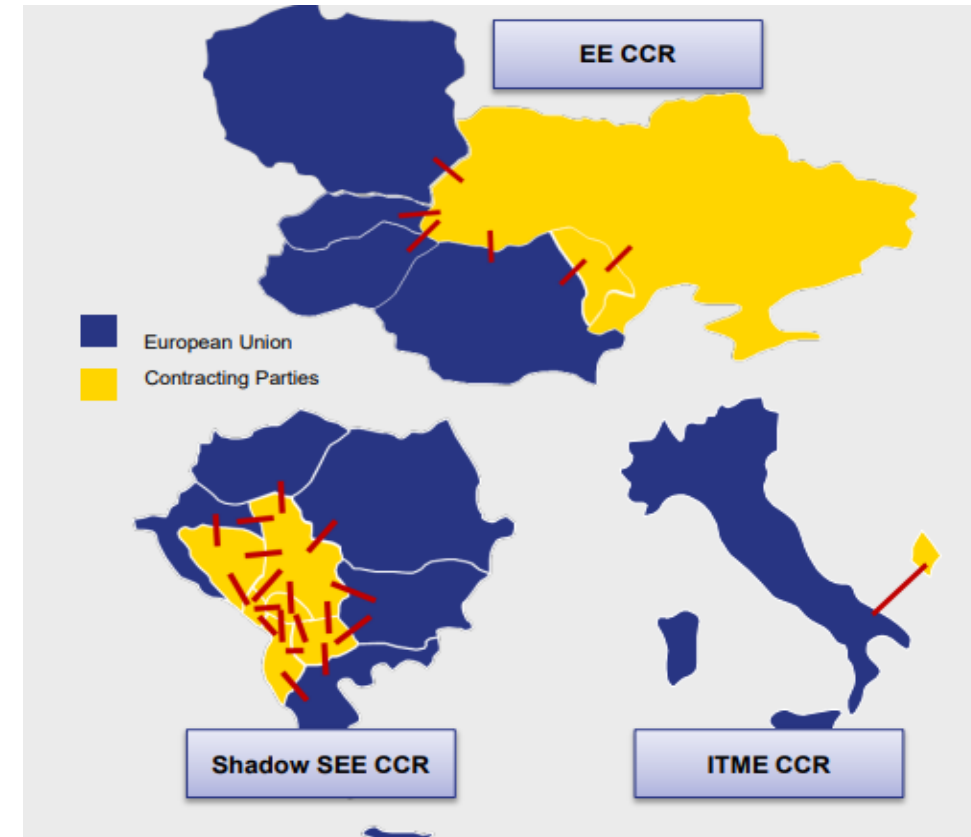
Background

- Adapted versions of Electricity Regulation, ACER Regulation, as well as CACM, EBGL, FCA, SOGL, NCER were adopted by the Ministerial Council of the Energy Community ('EnC') **on 15 December 2022**
- **Transposition** of the adapted legislation into the national legislative frameworks of the EnC Contracting Parties is formally **due by 31 December 2023**
- Title III of the EnC Treaty provides application of the EnC legislation also to the **EU Member States that are neighbouring the Contracting Parties**
- In contrast to the EU legislation, **the adapted legislation includes the default regions** as Annexes to the respective texts

Default regional configurations

- The **default configurations can be changed** based on the proposals of all TSOs (adjustments to the configuration of RCCs and CCRs) or of ENTSO-E, followed by the ACER's decision (adjustments to the configuration of SORs)

Area	CCR	SOR	RCC
Western Balkan 6	Shadow South-East Europe (Shadow SEE CCR)	Shadow South-east Europe System Operation Region (Shadow SEE SOR):	BZB between Contracting Parties → RCC either in the EU or in a Contracting Party
HVDC line Italy – Montenegro	Italy-Montenegro (ITME CCR)	OST, NOS BiH, KosTT, CGES, MEPSO, EMS	BZB between EU MSs and Contracting Parties → RCC in Thessaloniki (Greece) or Munich (Germany), unless all concerned neighbouring EU TSOs agree to an RCC located in a Contracting Party.
UA/MD	Eastern Europe (EE CCR)	Eastern Europe System Operation Region (EE SOR): Ukrenerg, Moldelectrica	Regional Coordination Centre for the Central Europe SOR, <u>upon agreement of the shareholders</u>



Way forward

- **ENTSO-E's EnC Task Force** contains the representatives of all EnC TSOs that are ENTSO-E members, as well as all TSOs from the EU Member States neighbouring the EnC countries
- Engagement of the EnC Task Force with EnC TSOs that are not ENTSO-E members is envisaged
- EnC Task Force does not carry a mandate to decide for All TSOs or Regional TSOs on the required proposals for agreements or any methodology (amendments) – **providing legal deliverables is up to the relevant TSOs at the ENTSO-E Committees or regions**
- Workstreams initiated under the EnC TF to **explore alternative configurations where relevant, as well as identify the agreements and decisions on the EnC CCRs and the CCR-borders**
- Consistency of the workstreams is **not** an anticipatory step towards the final composition of any CCR

Workstream East

*MAVIR - PSE - SEPS -
Transelectrica - Ukrenergo -
Moldelectrica (engagement
TBC)*

Workstream South-East

*CGES - EMS - ESO - HOPS - IPTO -
MAVIR - MEPSO - NOSBiH - OST -
Transelectrica - KOSTT
(engagement TBC)*

Workstream ITME

CGES - Terna

Preliminary Observations

- Parallel transposition into national legal frameworks of the Contracting Parties and practical implementation is **challenging in practice**
- **Reciprocity requires consistency of legislation** on both sides of the border, and can only be ensured after the adapted legislation is fully transposed
- **Technical and market aspects need to be clarified by the respective TSOs:** e.g. dealing with bidding zone border arrangements for overlapping CCRs, etc.
- The challenges for the Contracting Parties shall not be underestimated
- Implementation of the obligations stemming from the newly adapted legislation will require **sufficient resources from policy makers, regulators, as well as relevant TSOs**

 Thank you