

# **REGULATION (EU) 2019/941**

## **Risk-preparedness in the electricity sector**

### **Initial discussion on incorporation in the Energy Community**

Energy Community Secretariat  
15 July 2021

### ✓ **Scope**

- Cooperation between Contracting Parties with a view to prevent, prepare for, manage, evaluate and monitor on electricity crisis

### ✓ **Main principles**

- Transparency
- Solidarity
- Market comes first

### ✓ **Competent authority to be designated by each CP**

- Governmental or regulatory authority
- CP may allow the competent authority to delegate the operational tasks regarding risk-preparedness planning and risk management to other bodies

### ✓ **Roles of Security of Supply CG, ENTSO-E**

### ✓ **Region** - CPs sharing the same synchronous area used as a criterion

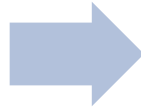
### ✓ **Common methodologies, developed by ENTSO-E and approved by ACER, for:**

- identifying regional electricity crisis scenarios (Art. 5 of Regulation (EU) 2019/941)
- Assessing seasonal and short-term adequacy (Art. 8 of Regulation (EU) 2019/941)

## Chapter II and Chapter III - Risk assessment and risk-preparedness plan

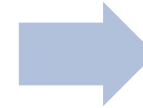
### Chapter II – Art 6 Identification of regional electricity crisis scenarios

- Within 6 months of the adoption of MC decision, the ENTSO-E shall identify the most relevant scenarios for each region
- Based on the regional crisis scenarios identified according to Article 6 of Regulation (EU) 2019/941
- ENTSO-E shall submit the regional electricity crisis scenarios to the relevant TSOs, competent authorities and regulatory authorities of CPs and SoS CG



### Chapter II – Art 7 Identification of national electricity crisis scenarios

- Within 4 months of the identification of the regional electricity crisis scenarios, the competent authorities shall identify the most relevant national electricity crisis scenarios
- In identification of national electricity crisis scenarios, the competent body shall consult TSOs, DSOs, relevant producers or their trade bodies, and NRA where it is not competent body
- Within 4 months of identification of the regional electricity crisis scenarios, CPs shall inform SoS CG and ECS of their assessment of the risks in relation to the ownership of infrastructure relevant for SoS



### Chapter III – Art 10, 11, 12 Establishment of risk- preparedness plans

- On the basis of the regional and national electricity crisis the competent authorities establish risk-preparedness plans
- Plans shall consist of national measures, regional and, where applicable, bilateral measures to prevent, prepare for and mitigate electricity crisis
- Draft plans shall be submitted for consultation to CPs and the SoS CG, who may issue recommendations within 6 months
- Within 9 months of submitting their plans, the competent authorities shall adopt and publish their plans and notify them to the ECS
- ECS shall assess and issue opinions on the plans

## Main principles of crisis management

### Information sharing and transparency (Art. 14)

- ✓ **Early warning**
  - When seasonal adequacy assessment or other qualified source provides information that electricity crisis may occur
- ✓ **Declaration of electricity crisis**
  - When confronted with an electricity crisis
- ❖ The competent authority informs CPs in the region or directly connected, ECS and SoS CG
- ❖ Information on the causes, on measures planned or taken and on possible need for assistance, possible impact on neighbouring electricity markets to be provided
- ❖ The measures set in the risk-preparedness plan to be followed to the fullest extent possible

### Cooperation and assistance in a spirit of solidarity (Art. 15)

- ✓ **Regional or bilateral measures**
  - CPs to offer each other assistance where they have the necessary technical ability
  - CPs to agree on the necessary technical, legal and financial arrangements before assistance is offered
  - Arrangements shall specify, inter alia, the maximum quantity of electricity to be delivered, the trigger for assistance and for suspension of assistance, how the electricity will be delivered, the provisions on fair compensation between CPs
- ❖ The Commission Regulation 2020/775 shall be applied as non-binding guidance on the technical, legal and financial arrangements and the fair compensation

### Market comes first (Art. 16)

- ✓ **Market-based measures**
  - Measures to comply with the rules governing internal electricity market and system operation
- ✓ **Non-market-based measures**
  - To be activated only as a last resort if all market-based options have been exhausted or where it is evident that they are alone not sufficient
  - Shall not distort competition and the effective market functioning
  - Shall be necessary, proportionate, non-discriminatory and temporary
  - The competent authority to inform CPs of the application of any non-market-based measures
  - Curtailments and limitations in line with Regulation (EC) 714/2009

## Chapter V – Evaluation and monitoring

- ✓ **Ex post evaluation report (Art. 17)**
  - To be provided by the competent authority of CP that declared the electricity crisis to SoS CG and ECS as soon as possible and max three months after crisis
  - SoS CG and ECS may request additional information
- ✓ **Monitoring (Art. 18)**
  - Roles of SoS CG, ECRB (regular monitoring and reporting to SoS CG), ECS (report on application of Regulation to MC)
- ✓ **Confidential information (Art. 19)**
  - Confidentiality of sensitive information to be ensured by all relevant stakeholders

## Chapter VI – Final provisions

- ✓ **Cooperation between CPs and MSs on security of supply (Art. 20)**
  - Cooperation may include defining an electricity crisis, identification of crisis scenarios and establishment of risk-preparedness scenarios
  - EC and MSs may participate in the SoS CG





**THANK YOU**  
**FOR YOUR ATTENTION**

[jasmina.trhulj@energy-community.org](mailto:jasmina.trhulj@energy-community.org)

## GET IN TOUCH

-  [www.energy-community.org](http://www.energy-community.org)
-  [Ener\\_Community](https://twitter.com/Ener_Community)
-  [/company/energy-community](https://www.linkedin.com/company/energy-community)
-  [/Ener.Community](https://www.facebook.com/Ener.Community)
-  [/EnergyCommunityTV](https://www.youtube.com/EnergyCommunityTV)