



ACER update for the ECRB

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2.1 Update on recent developments

- **27 October**, publication of Agency of the implementation Monitoring report of the CAM NC
- **9 November**, joint ACER and ENTSO-G workshop on the Gas Balancing Network Implementation, Warsaw
- **9 November**, Market Monitoring Report launch event
- **14 November**, ACER published its recommendation on the common capacity calculation, re-dispatching and countertrading cost sharing methodology
- **18 November**, ACER published its decision on the electricity Transmission System Operators' proposal for the determination of the Capacity Calculation Regions (CCRs Proposal)
- **21 November**, ACER released its Report to the EC on the implementation of the Inter-Transmission System Operator Compensation (ITC) mechanism in 2015

- **Decision on the appointment of the BoA** - 18 October, pursuant to Article 18(1) of Regulation (EC) No 713/2009, the Administrative Board appointed 6 members of the Board of Appeal and 6 alternates.
- **17 November**, ACER Board of Appeal appointed Andris Piebalgs as its Chairman and Mr Jean-Yves Ollier as Vice Chairman for a two and a half year term

3.1 Single Programming document: ACER work programme and draft 2018 budget

Proposed approach

- The proposed approach aims to establish 2 budgets and 2 work programmes (aspirational and contingency).
- **Next steps**
 - In January the 2 sets of documents will be submitted for formal and informal (respectively) endorsement to the BoR (and to AB).

3.2 ACER Working Groups, Rules of Procedure - revision

Background

- The aim of the revisions is to place more emphasis on the planning of the work of the AWGs; enhance the cooperation between each AWG and the respective Agency's Departments; promote a wider NRA involvement in the work of the AWGs, through the requirement of video/tele-conferencing access to AWG/TF meetings and an enhanced transparent procedure for the appointment of Task Force Conveners following the Bled away-day and the BoR Summit.
- Following initial discussions at the BoR, Mr Locquet and the AIMP had compiled comments by the AWG chairs to the AWGs RoP to facilitate the discussion.
- The Director reviewed comments and proposed a meeting on January 11 to finalise the discussion.

3.3 Winter Package

Background

- ACER and CEER intend to host a joint conference to discuss key issues and regulatory challenges emerging from the new context set by the European Commission's proposals on the new energy market design. This will discuss in a comprehensive and holistic way, the key challenges of implementing the new energy market design and how we can collectively work together to achieve the Energy Union strategy and a new deal for consumers with clear benefits to energy consumers.
- The conference will be held on **Monday and Tuesday 23/24 January 2017** in the Albert Borschette building, EC, Brussels.
- There has been a strong interest and many speakers have accepted the invitation (VP Sefcovic, J. Buzek, Klaus-Dieter, Eurelectric, ENTSO-E, IFIEC etc.).
- **Registration is now open and an agenda has been circulated to stakeholders.**

5.2 ACER Recommendation on cross border capacity calculation methodologies

14/11

Background

- The purpose of the recommendation is to provide early guidance to TSOs and NRAs for the development, approval, implementation and monitoring of the forthcoming capacity calculation methodologies in the framework of the implementation of Regulation 1225/2015 (CACM GL).

The Recommendation focuses on the calculation of cross-zonal capacities and methodologies to share redispatching and countertrading costs, and proposes three high-level principles.

- No. 1: On the treatment of internal congestion
- No. 2: On the treatment of loop flows on the interconnectors
- No. 3: On the sharing of redispatching and countertrading costs

5.3 ACER decision on all-TSO's proposal on Capacity Calculation Regions

18/11

Background

On 22 June the Agency opened a consultation on all TSO's proposal on the CCRs by 20 July 2016. ACER had produced a draft decision paper, evaluation paper of the stakeholder views and a technical justification document which were discussed at the BoR.

The ACER decision is based on the all-TSOs proposal, and confirms the creation of a new bidding zone between Germany and Austria. The main reason is that the German-Austrian interconnector can accommodate all physical flows resulting from international trade requested by market participants only at the expense of major structural congestions on the neighbouring borders, but also within Germany. Therefore, the German-Austrian interconnector is to be considered as usually and structurally congested

ACER calls for a direct merger between the CWE and the CEE regions, given their strong interdependency.

5.4 Update on the Agency's data request under Article 82.4 of CACM Guidelines

Background

- Article 8(4) of the Regulation (EC) No 714/2009 provides that ENTSO-E shall make available all information required by the Agency to fulfil its tasks under Article 9(1). Under Article 82.4 of the CACM Guidelines, the Agency, in cooperation with ENTSO-E, shall draw up by six months after the entry into force of this Regulation a list of the relevant information to be communicated by ENTSO-E to the Agency. There are similar provisions in other GL/codes.
- Despite ACER's letter to ENTSO-E with the information items necessary for the Agency to perform its duties (since February), there has been limited progress.
- A proposal is made to address this deadlock with regard to proportionality and ENTSO-E's commitment, different interpretations of the CACM provisions and the data collection process

6.1 Update on AGWG WG

- Updates include:
 - NC TAR adoption and dates for its implementation
 - New NC CAM approved by gas committee on 13.10.2016
 - Call for evidence on congestion criteria – evaluation of responses
 - ACER-ENTSOG the 2nd joint workshop on Gas Balancing Code Implementation

4.4 1st report on the implementation on the BAL Network Code

7/11

- The Agency must monitor the implementation of the Code. The primary purpose of the report is to fulfil this legal obligation and highlight the findings and lessons learned and promote the implementation of the Code.

Conclusions include *inter alia*:

The report shows that in delivering the code major delays occurred in the countries opting for interim measures. The lack of success depended critically upon:

- Adequate information release;
- Access to gas flexibility;
- Access to system flexibility;
- Appropriate incentives on network users to balance.

Recommendations include

- Regular monitor and assessment of progress
- Improvement of knowledge sharing across EU
- EC to consider enforcement action

4.5 ACER Opinion on the ENTSOG Annual Work Programme 2017

28/10

Background

On 24 August 2016, ENTSOG submitted the draft Annual Work Programme 2017 to the Agency for its opinion. Pursuant to Article 6(3)(b) of Regulation 713/2009 and Article 9(2) of Regulation 715/2009, the annual work programme has to be evaluated by the Agency.

Main findings

- The Agency stresses the importance of ENTSOG's implementation of the Agency's recommendations regarding the Transparency Platform.
- The Agency notes ENTSOG's plan to support the post-comitology process of the tariff network code.
- The Agency encourages ENTSOG to coordinate its data and transparency-related work closer with the relevant areas of activity of the Agency, including data quality checks.
- The Agency welcomes the balance between the activities foreseen in the NC area and other important activities, such as the fifth 10-Year Network Development Plan (TYNDP) in 2017, etc..
- Takes note that ENTSOG is in a continuous process of discussion with Third Countries in the spirit of cooperation with neighbouring countries, and that the participation of Third Countries as Observers in ENTSOG is growing.
- The Agency finds the content of the AWP 2017 appropriate.

Pursuant to point 1.4 of Annex Part A of Commission Regulation (EU) No 838/2010 (laying down guidelines relating to the inter-transmission system operator compensation mechanism), the Agency is responsible, for preparing a yearly monitoring report on the implementation of the Inter-Transmission System Operator Compensation (“ITC”) mechanism and the management of the ITC fund.

This Report, similarly as in the previous year, focuses on:

- Compliance of the implementation of the ITC mechanism and
- The criteria for the evaluation of losses at national level and review of values of losses used for the purpose of the 2015 ITC implementation as well as actual values

In 2015, the ITC fund amounted to €253 million, consisting of €100 million relating to infrastructure and €153 million relating to losses.

The Agency notes that the implementation of the ITC mechanism and the management of the ITC fund in 2015 continued to be in line with the requirements set out in the Regulation and includes some key findings.

8.1 Opinion on the Gas NDPs and on the implementation of investments in gas network (EU-TYNDP) and its consistency with NDPs 5/12

Background

- This ACER Opinion on Gas Network Developments is in line with Article 6 of Regulation (EC) No 713/2009 and Article 8 of Regulation (EC) 715/2009.
- The Opinion suggests practical ways of improving future EU TYNDP and NDPs, in particular their consistency, and the implementation of investments in natural gas infrastructure. The monitoring performed by the Agency in 2016 offers a timely opportunity for the analysis of the consistency and implementation of the most recently published NDPs and the most recent EU TYNDP 2015, published by ENTSOG in 2015.
- This Opinion is based on information provided by NRAs via responses to a questionnaire on methodological aspects of NDPs and via access to a project-level database developed by the Agency. The Annexes to this Opinion contain detailed country-specific responses which the NRAs provided to the questionnaire on NDPs, as well as information regarding implementation of investments to create new interconnector capacity and the consistency of the most recent NDPs with the TYNDP 2015.
- The Opinion lists a number of key findings and recommendations.

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Thank you for your attention!

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