



Network Codes and Guidelines in the Energy Community

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01/2018

1. **Connection codes** RfG, HDVC, DC adopted in January 2018

06/2018

- Transposition deadline 12 July 2018

01/2021

- Implementation deadline + 3 years

11/2018

2. **REMIT „light“**

- Adoption Ministerial Council 2018

11/2019
5/2020

- Transposition +12 months | implementation +6 months

- ECRB Working Group



1. Electricity market guidelines

- CACM Regulation 2015/1222
- FCA Regulation 2016/1719
- Balancing Regulation 2017/2195
- System Operation Regulation 2017/1485


2. REMIT „full version“

- ACER competences and budget

Providing a legal basis is needed



- **A legally binding** solution for CP-MS interconnections (and beyond) is needed ('reciprocity')
- Including proper governance adjustments
 - Role of ACER
 - Participation in „all NRA“/ „all TSO“/ „all NEMO“

 ... but why?

Legal arguments meet stakeholders needs CACM

■ EU CACM

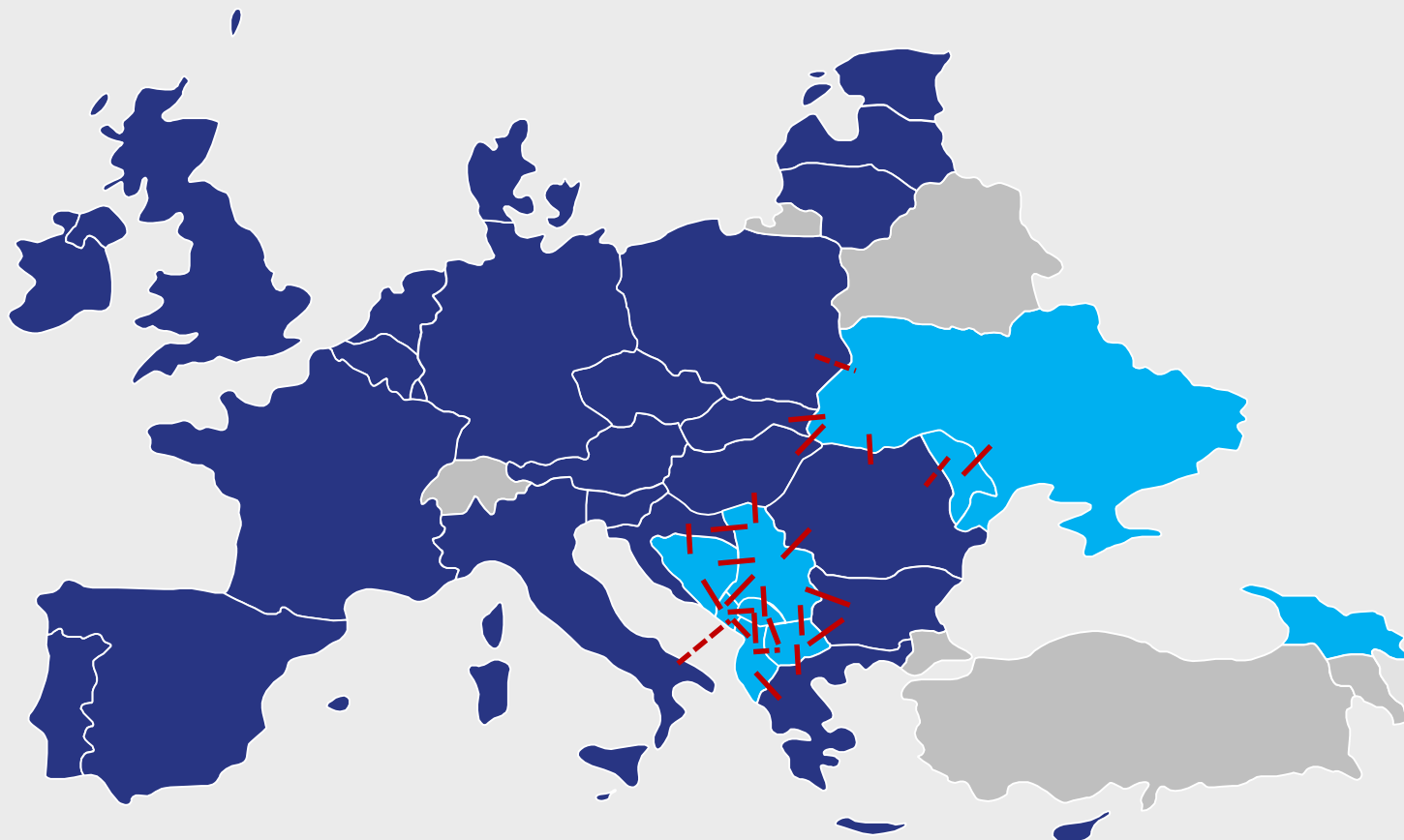
■ EnC CACM

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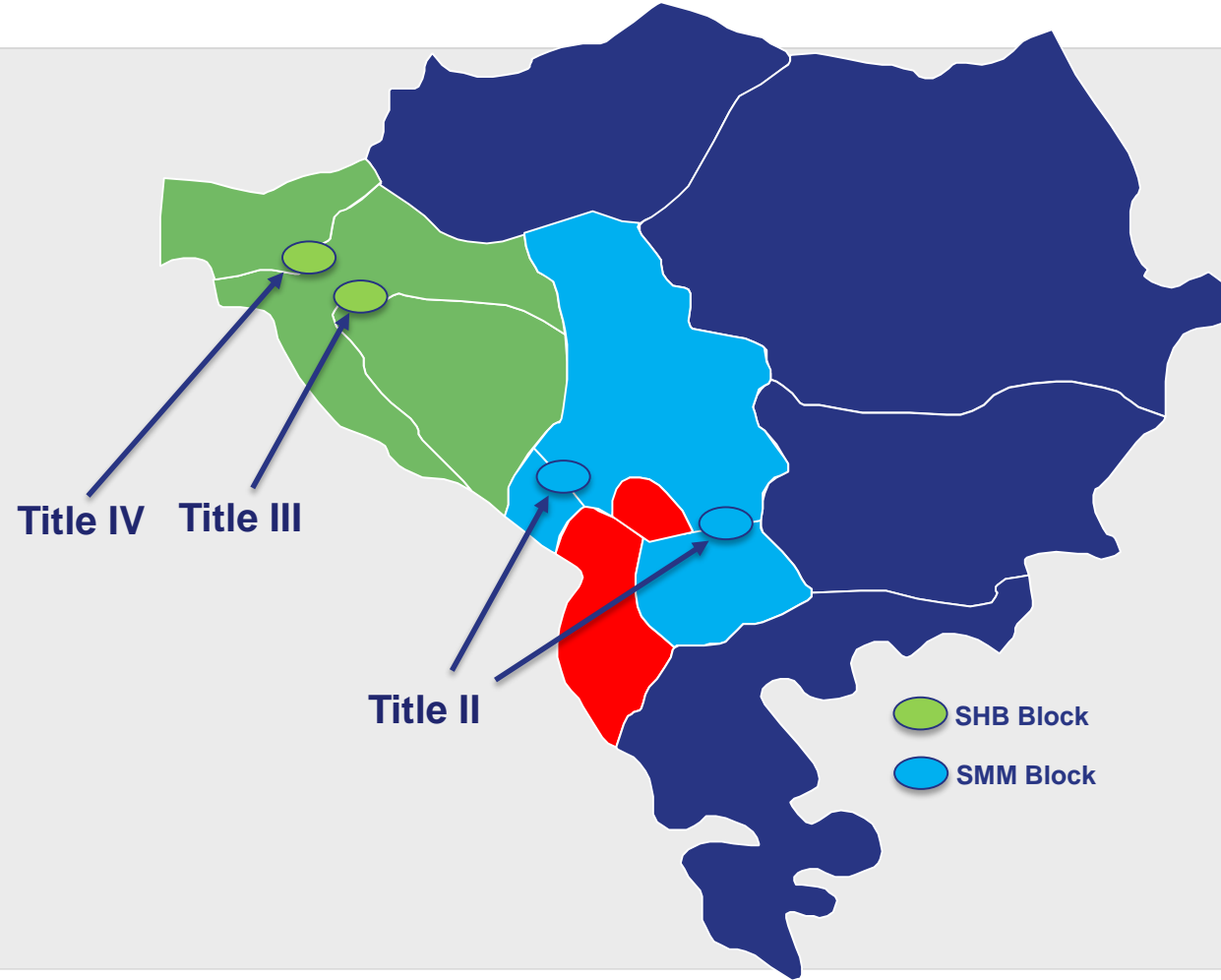
n.b.: CACM Regulation requires a common market coupling solution for the entire SEE Region

■ European Union

■ Contracting Parties



Even more complex: balancing LFC Blocks

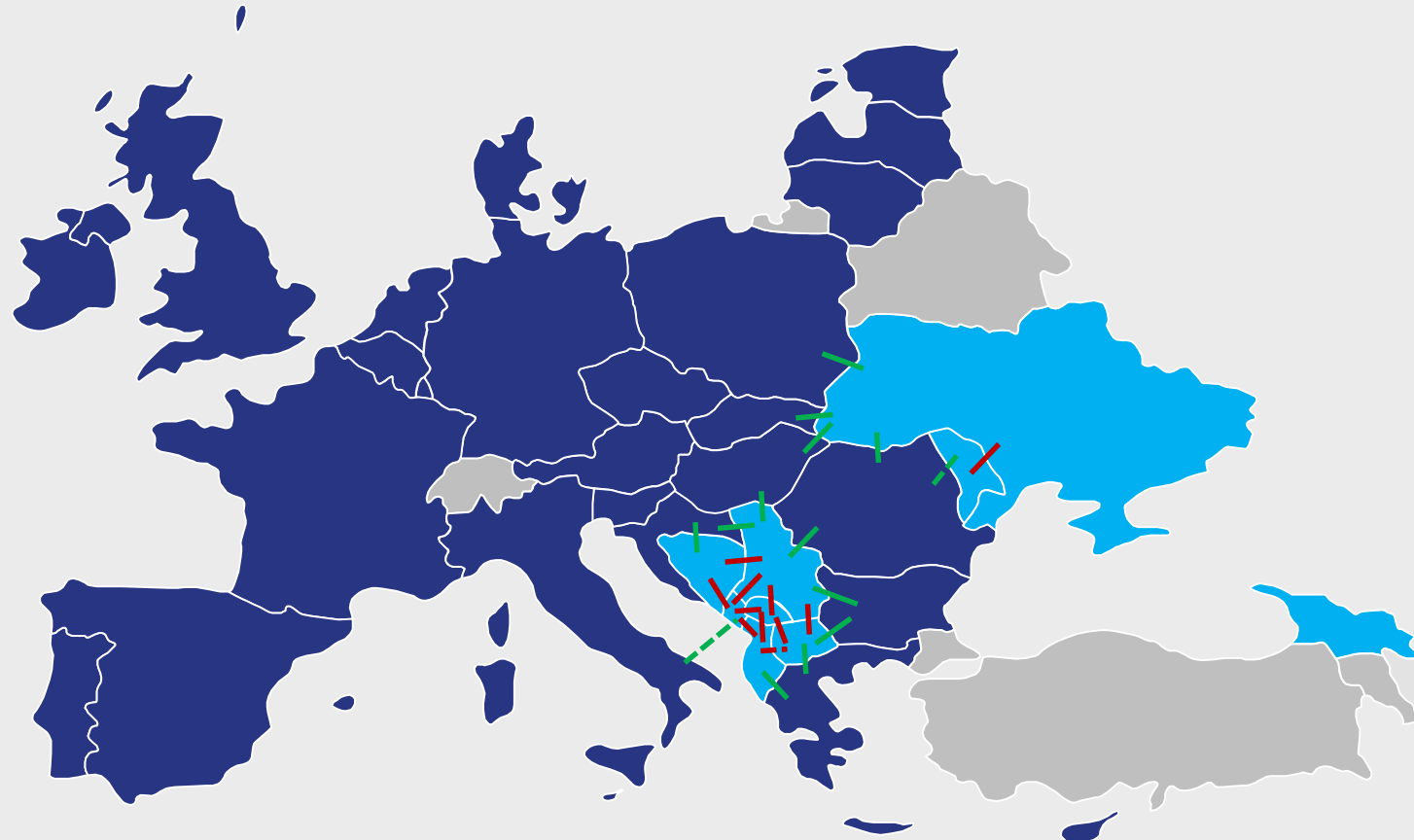


optional

obligatory

European Union

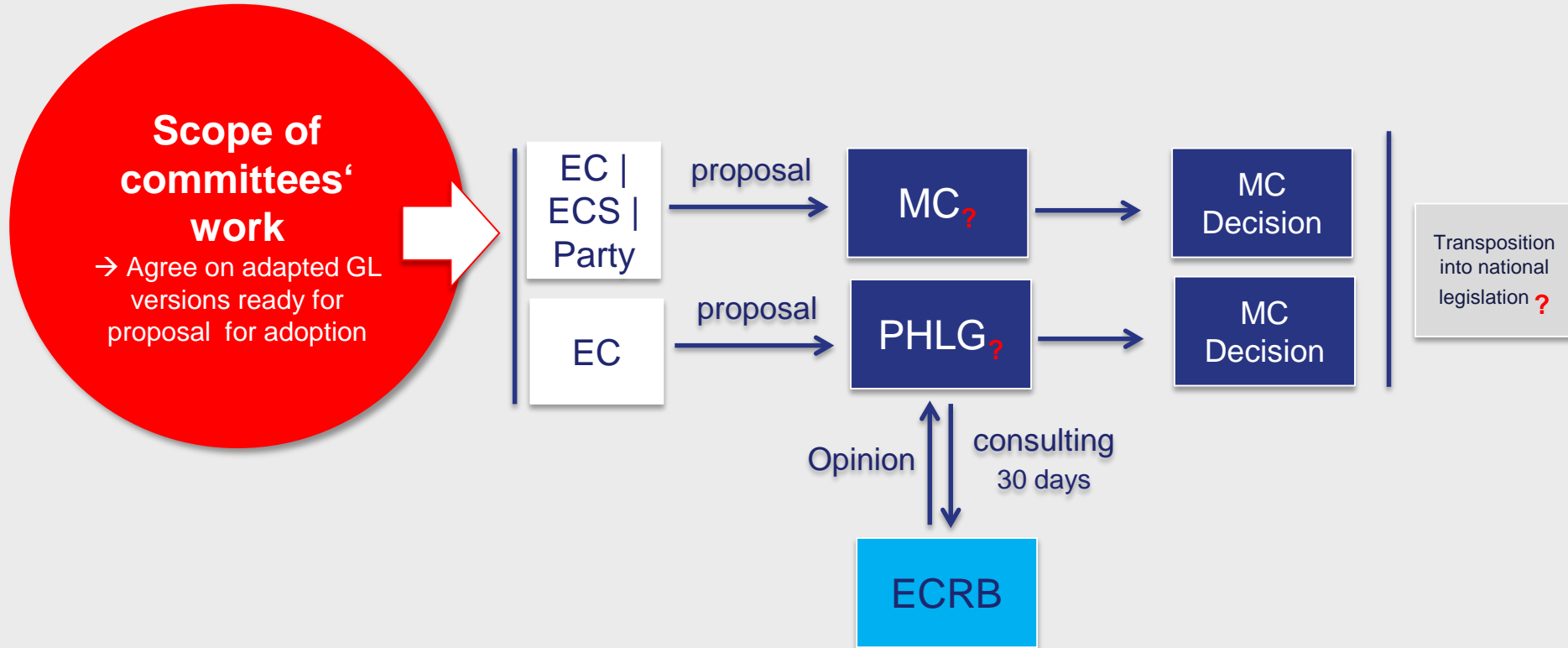
Contracting Parties



Developments in the right direction



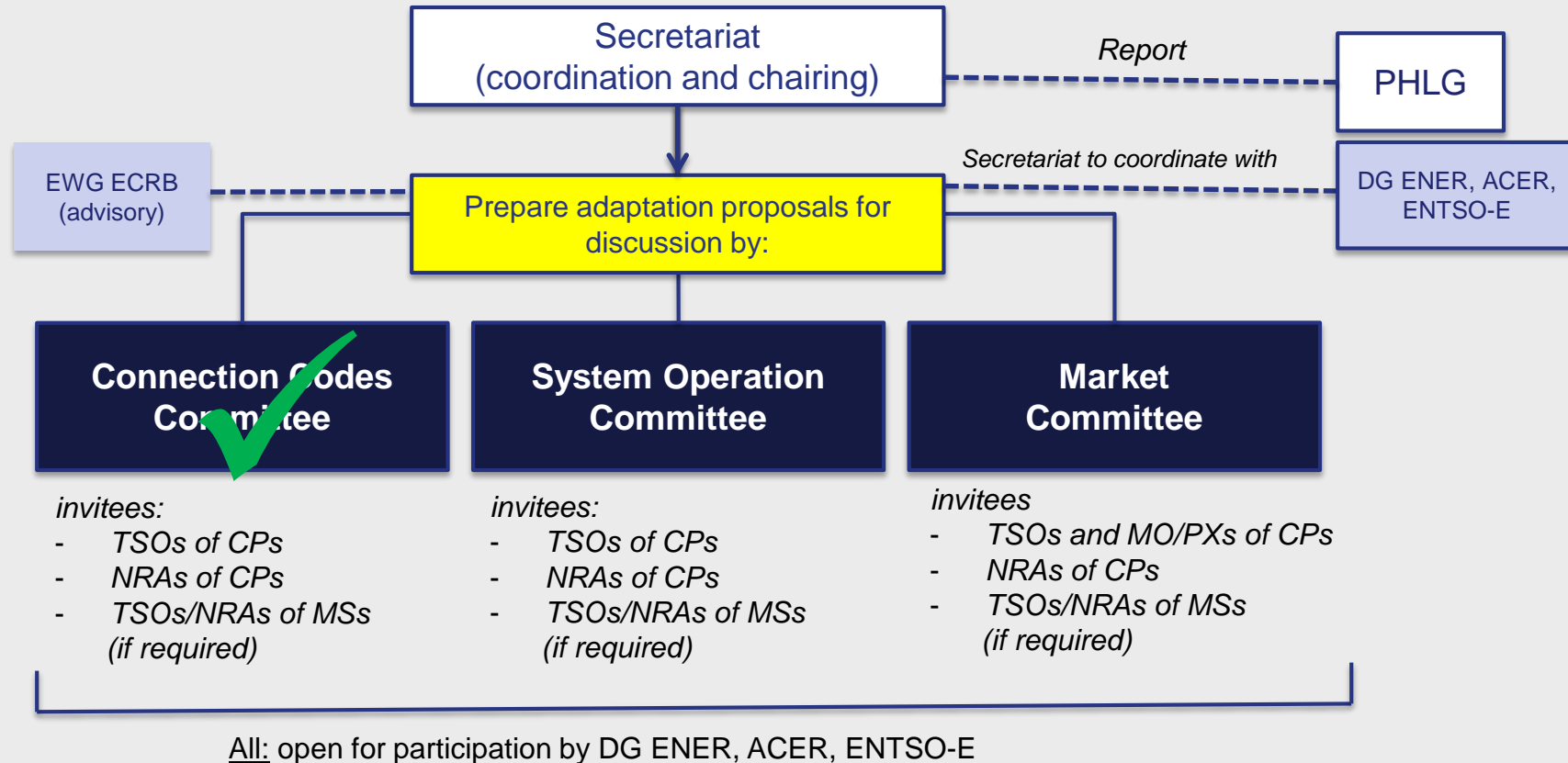
- Treaty reforms
- Role of ACER
- **Target timeline for adoption of electricity market guidelines: end 2019 (PHLG or MC)**
 - Subject to Treaty reform negotiations !



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 or data connections, crisscrossing the globe.

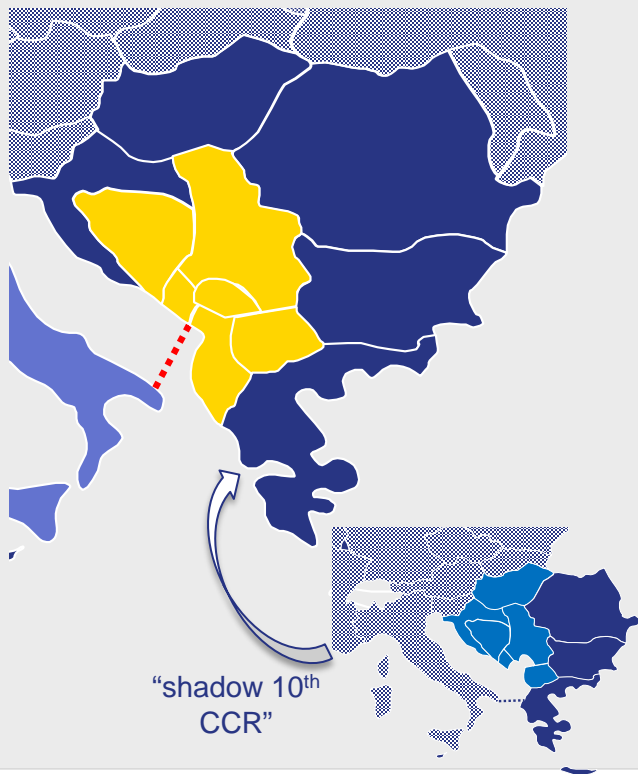
Thank you for your attention!

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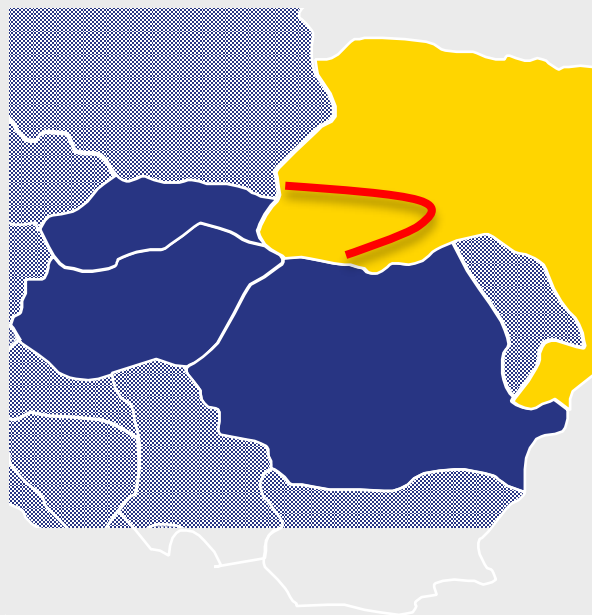


Defining Regions

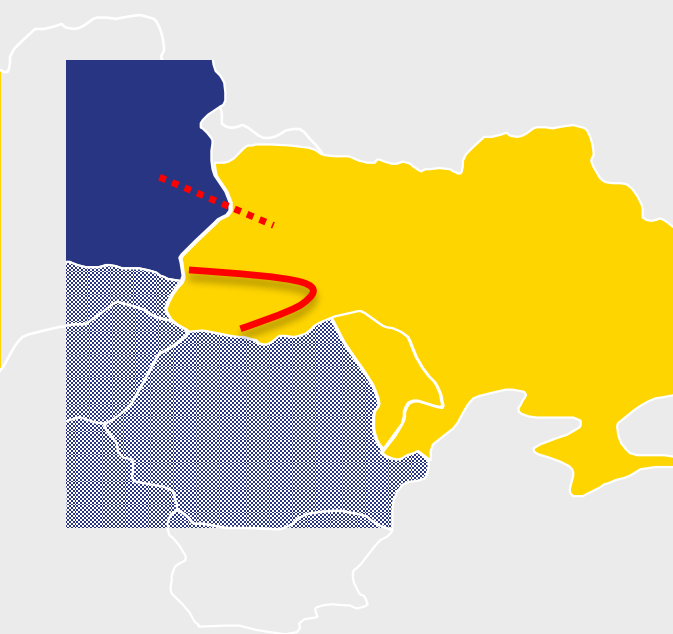
Shadow SEE CCR (+IT)



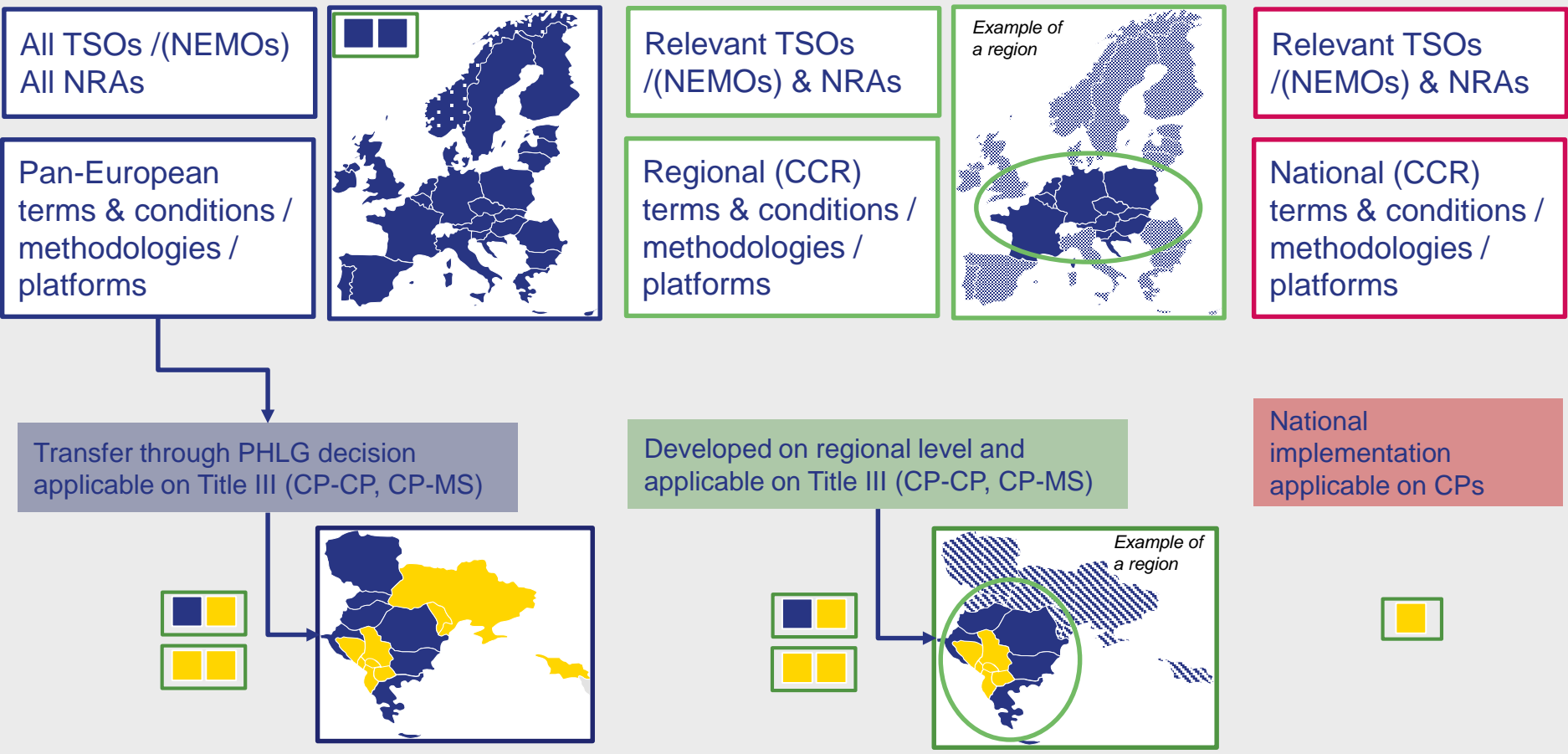
Burstyn CCR



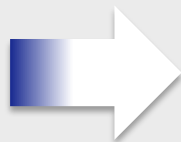
UAMO CCR (+PL)



Adapted approach for the EnC



EU CACM
TSOs/NEMOs voting



EnC CACM
TSOs/NEMOs voting

Pan-European methodologies:

- Qualified majority
55% of MS + 65% of population of the EU

Regional methodologies:

- Qualified majority of the region
72% of MS + 65% of population of the region

Region <5: consensus

Pan-European methodologies:

- *Unchanged taken as part of EU acquis, applicable under PHLG decision requiring national transposition in CPs*

Regional methodologies:

- Qualified majority of the region
2/3 of the CPs/MSs of the region

Region <3: consensus

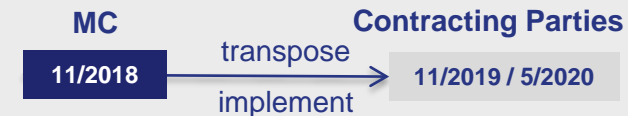
REMIT “light”



Geographic scope - Contracting Parties



- **Applicable** provisions
 - Transparency requirements
 - prohibition of market abuse
 - registration of market participants with regulators
 - investigatory and enforcement powers to regulators (incl. penalty regime)
- **No central** data collection and market surveillance of ACER_[at this stage]
- ECRB to cover function of investigation-coordination instead



Article 16

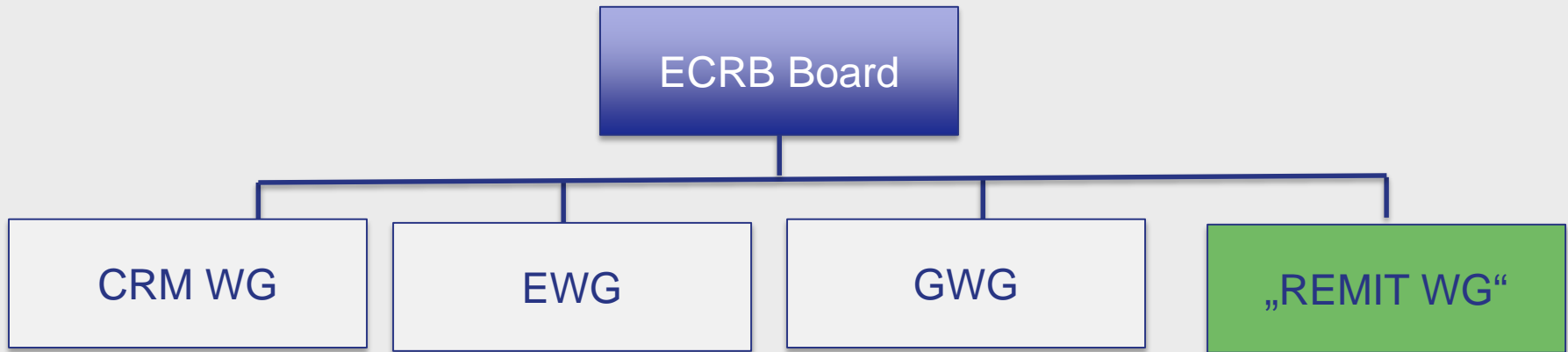
Cooperation at ~~Union~~Energy Community and national level

1. The ~~Agency~~Energy Community Regulatory Board shall ~~aim to ensure~~facilitate that national regulatory authorities carry out their tasks under this Regulation in a coordinated and consistent way.

~~The Agency shall publish non-binding guidance on the application of the definitions set out in Article 2, as appropriate.~~

4. In order to carry out its functions under paragraph 1, where, inter alia, on the basis of initial assessments or analysis, the Energy Community Regulatory Board~~Agency~~ suspects that there has been a breach of this Regulation, it shall ~~have the power~~be entitled:

- (a) to request one or more national regulatory authorities to supply any information related to the suspected breach;
- (b) to request one or more national regulatory authorities to commence an investigation of the suspected breach, and to take appropriate action to remedy any breach found. Any decision as regards the appropriate action to be taken to remedy any breach found shall be the responsibility of the national regulatory authority concerned;
- (c) where it considers that the possible breach has, or has had, a cross-border impact, to establish and coordinate an investigatory group consisting of representatives of concerned national regulatory authorities to investigate whether this Regulation has been breached and in which ~~Member State~~Contracting Party the breach took place. Where appropriate, the Agency-ECRB may also ~~request~~seek the participation of representatives of ACER ~~the competent financial authority~~ or other relevant authority of one or more Contracting Party and/or Member States in the investigatory group.

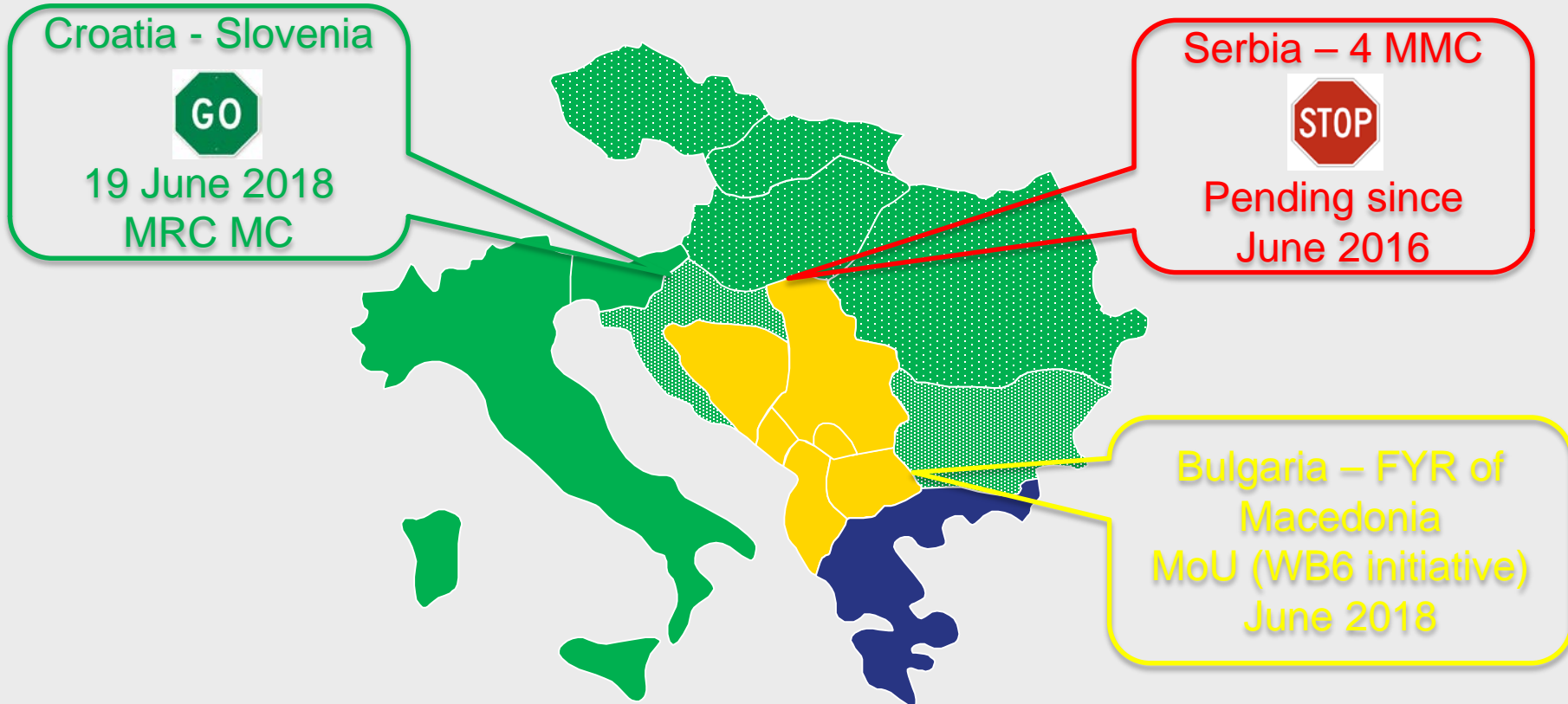


REMIT

Chair: [tbd 2019]

Task Force	Leader	Scope	Deliverable	Due
I. Procedural Aspects	[tbd 2019]	Article 16(4) of REMIT Regulation 1227/2011 entitles ECRB to request information from NRAs and, ultimately, coordinate an investigatory group consisting of representatives of relevant national regulatory where it considers that a possible breach of the REMIT Regulation. The execution of this duty shall commence with the expiry of the deadline for implementation of the REMIT Regulation in the Contracting Parties in July 2020. Performing investigatory coordination will require ECRB to develop related procedures and means of communication but also to put in place adequate confidentiality standards. All deliverables should be as much as possible aligned with related EU praxis.	ECRB Procedural Act defining <ol style="list-style-type: none"> 1. ECRB procedures and templates to be used for reporting suspicious behaviour or breaches to NRAs and reporting of NRAs to ECRB, including potential other means for ECRB to identify a potential breach of the REMIT Regulation 2. Procedures for ECRB to act according to Article 16(4) REMIT Regulation, including communication channels and templates 3. Confidentiality standards 4. ECRB procedures for harmonised regulatory guidance related to REMIT issues 	06/2020
	[tbd 2019]	A template for registration of market participants with NRAs as well as efficient tools for establishing and keeping a central ECRB register of market participants as both required under Article 9 of the REMIT Regulation need to be developed. Registration with NRAs will be an obligation as of July 2020. All deliverables should be as much as possible aligned with related EU praxis.	<ol style="list-style-type: none"> 1. Template for registration of market participants with NRAs 2. Recommendations for establishment and operation of a central ECRB register, including communication flows from NRAs to ECRB including the assessment of IT requirements for automatized central registration collection. 	06/2020 06/2020
	[tbd 2019]	Knowledge building for NRAs will be essential to enable effective implementation and enforcement of the REMIT Regulation. Also, communication and ad-hoc or regular meetings with the ACER REMIT team should be considered.	Evaluate specific knowledge building needs of NRAs on REMIT related regulatory aspects and propose suitable formats.	Continuous

Day ahead market coupling SEE



Day-ahead market coupling in South-East Europe

WB6 Day-ahead Market
Integration Programme
Steering Committee Market
Coupling Roadmap

