

Conditions for access to the network for cross-border exchanges in electricity. Third energy package

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The Committee on Industry, Research and Energy adopted the report by Alejo **VIDAL-QUADRAS** (EPP-ED, ES), amending, under 1st reading of the codecision procedure, the proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) 1228/2003 on conditions for access to the network for cross-border exchanges in electricity.

The main amendments adopted are as follows:

MEPs emphasise that Member States should promote cooperation and monitor the effectiveness of the network at regional level. Cooperation at regional level should be compatible with progress towards a competitive and efficient internal market for electricity.

In order to ensure greater transparency regarding the entire electricity transmission network in the European Union, the Commission should draw up, publish and regularly update a road map. All feasible electricity transmission networks and possible regional connections should be included in that road map.

The competent authorities should have easy access to important information from supply undertakings and shall monitor that the supply undertakings comply with the rules, in order to ensure a non-discriminatory, transparent and effective market. The competent authorities should regularly monitor the compliance of market participants with the rules.

Objective: MEPs specify that the Regulation should also aim at facilitating the emergence of a well-functioning and transparent wholesale market with a high level of security of supply. It should provide mechanisms to harmonise rules to this effect.

European Network of Transmission System Operators for Electricity (ENTSO): in order to ensure that Transmission System Operators will facilitate market integration, it must be established that promoting market integration is an explicit task of ENTSO.

Tasks: the European Network of Transmission System Operators for Electricity shall develop and submit to the Agency for the cooperation of Energy Regulators for approval, among others: draft network codes in the areas mentioned in the Regulation, elaborated in cooperation with market participants and network users; measures to ensure the real-time coordination of grid operation in normal and emergency conditions; guidelines on the coordination of technical cooperation between Community and third-country transmission system operators; an annual work programme based on the priorities set by the Agency.

The European Network of Transmission System Operators for Electricity shall publish a Community-wide 10-year network investment plan every two years following its approval by the Agency and shall include investments in interconnection and in other infrastructure necessary for effective trading and competition and for the security of supply. A review of barriers to the increase of cross-border capacity of the network arising from different approval procedures or practices shall be annexed to the investment plan.

Agency monitoring: the Agency shall monitor the implementation of the network codes, the 10-year investment plan and the annual work programme and shall include the results of that monitoring in its

annual report. In case of non-compliance by the transmission system operators the Agency shall provide information thereof to the Commission.

Development of guidelines: the Commission shall, after consultation with the Agency, establish an annual priority list identifying issues of primary importance for the development of the internal market in electricity. Having regard to that priority list, the Commission shall mandate the Agency to develop, within no more than six months, draft guidelines establishing basic, clear and objective principles for the harmonisation of rules, as set out in the Regulation.

In drafting those guidelines, the Agency shall formally consult the European Network of Transmission System Operators for Electricity and other stakeholders, in an open and transparent manner. The Agency shall adopt draft guidelines on the basis of that consultation. Within six months of the adoption of the guidelines by the Agency, the Commission shall mandate the European Network for Transmission System Operators of Electricity to develop draft network codes in full compliance with the principles established in the guidelines. The Agency shall conduct a formal consultation in relation to the draft network codes in an open and transparent manner.

Technical cooperation between Community and third-country transmission system operators: MEPs introduced amendments aiming to specify how cooperation with third-country TSOs at a technical level will be carried out.

Removal of administrative barriers to increase capacity: Member States shall review their procedures with the aim of identifying and removing any administrative barriers to increasing the amount of interconnection capacity. Member States shall identify the grid segments that need to be reinforced in order to increase the overall level of cross-border interconnection capacity in line with the objective of broad market integration.

MEPs believe that the formal approval of congestion management procedures by regulators should be clearly stated in the Regulation (EC) No 1228/2003, in order to ensure an efficient implementation. Finally, they consider that the effective use of the enforcement powers of regulators should be ensured in order to sanction non-compliance with requirements of the Regulation.