

Agency for the Cooperation of Energy Regulators. Third energy package

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The Committee on Industry, Research and Energy adopted the report by Giles **CHICHESTER** (EPP-ED, UK), amending, under 1st reading of the codecision procedure, the proposal for a regulation of the European Parliament and of the Council establishing an Agency for the Cooperation of Energy Regulators.

The main amendments are as follows:

Tasks of the Agency: contrary to the European Commission's proposal, MEPs believe that the Agency for the Cooperation of Energy Regulators should have significant new decision-making powers and greater regulatory and financial independence. In particular, the Agency should:

- issue opinions, recommendations and decisions addressed to transmission system operators, in relation to all technical matters pertaining to the good functioning of the internal energy market;
- provide a framework within which national regulators can cooperate;
- establish economic and technical terms and conditions for the development of codes and rules drafted by the European networks of transmission system operators and approve the codes and rules in order to ensure the efficient and secure functioning of the internal energy market;
- approve the 10-year investment plan of Transmission System Operators for Electricity and Gas;
- ensure that those information and communication systems, including smart metres and grids, that are implemented, facilitate the development of the internal energy market and do not introduce any new technical barriers;
- coordinate communications between EU and third-country transmission system operators;
- monitor the authorisation process of the construction of new cross-border capacities, and ensure the speeding up of this process within the confines of enhanced regional cooperation;
- ensure a quick and effective authorisation process for the construction of new transborder capacities and to avoid the slow down of the investment projects;
- be able to impose effective sanctions if barriers to cross-border trade are not removed;
- coordinate the national energy crisis management mechanisms at the Community level.

Structure and governance: in order to balance the Agency's new powers, MEPs propose to significantly increase the Agency's requirement to report its transparency and accountability to Parliament. To this end, the proposed amendments would include, in the proposed regulation, precise requirements for the Agency, namely:

- to carry out consultations with all the parties concerned in any measures undertaken under the Regulation;
- to ensure a high level of transparency, and provide easy access to information, through clear arrangements laid down in its Rules of Procedure;
- to closely monitor developments in gas and electricity markets - particularly consumer issues - and produce an annual report for the attention of the Parliament and the Commission, setting out (if appropriate) proposals for action to improve the opening of markets.

The Administrative Board shall be composed of six members, two appointed by the Commission, two by the Council and two by the European Parliament. The Director of the Agency should be subject to a vote of approval by the European Parliament and must regularly inform the Parliament on their results.

The seat of the Agency shall be located in Brussels, according to the parliamentary committee.