

Electricity: common rules for the internal market

1991/0384(COD) - 07/12/1993 - Modified legislative proposal

The amended Commission proposal incorporated many of the amendments adopted by the European Parliament and took account of the six principles which the Council wanted: - security of supply; - protection for the environment; - protection for small consumers (by strengthening public service requirements); - transparency and non-discrimination; - recognition of the differences between the existing national systems; - transitional provisions (a transitional period was scheduled from 1 July 1994 to 31 December 1998 at the earliest). The Commission's main amendments in the electricity sector basically concerned: - the structure of the proposal: a special chapter was devoted to the rules for access to networks; - third-party access to the network. The regulated access provided for in the initial proposal was replaced by the possibility of negotiated access, with arbitration mechanisms if there were problems in negotiating or implementing the contract; - the introduction of a work programme allowing the Commission, during the second phase of market liberalisation, to draw up the harmonisation proposals needed for the successful operation of the market; - strengthening the references to public service requirements; - unbundling: separate management was abolished; separate accounting was maintained, however, and supplemented by giving the competent authorities right of access to companies' internal documents; - the introduction of tendering procedures as an option when allocating new transport and production capacity; - the simplification of the rules relating to use of the transport and distribution networks. The Commission did not accept Parliament's amendments on the following: - the requirement for the Member States to set up an Electricity and Gas Council; - the link between the transition to the final phase of liberalisation and prior harmonisation in the environmental and taxation fields; - allowing the distribution companies to keep the supply monopoly.