



**WB6
Regional
Electricity
Market**



Creating a Regional Electricity Market in the Western Balkans

Energy Community Secretariat

17 October 2016, Vienna



Western Balkans 6 (WB6) Initiative – political support to the regional electricity market development

The Vienna Summit of the Western Balkans 6

http://www.bmeia.gv.at/fileadmin/user_upload/Zentrale/Aussenpolitik/Chairmans_Conclusions_Western_Balkans_Summit.pdf



**WESTERN
BALKANS
SUMMIT**
VIENNA 2015

The heads of government, foreign and economic ministers of both EU Member States and the WB6 in cooperation with the European Commission decided to take steps to improve energy connectivity in the region and for that:

- *agreed to a short list of four investment projects in the area of energy*
- *decided to establish a regional energy market*
- *agreed on the priority list of 'energy soft measures'*
- *invited the Energy Community Secretariat to take the lead*




Western Balkans Summit Vienna 2015 – Co-financing investment projects in Western Balkans

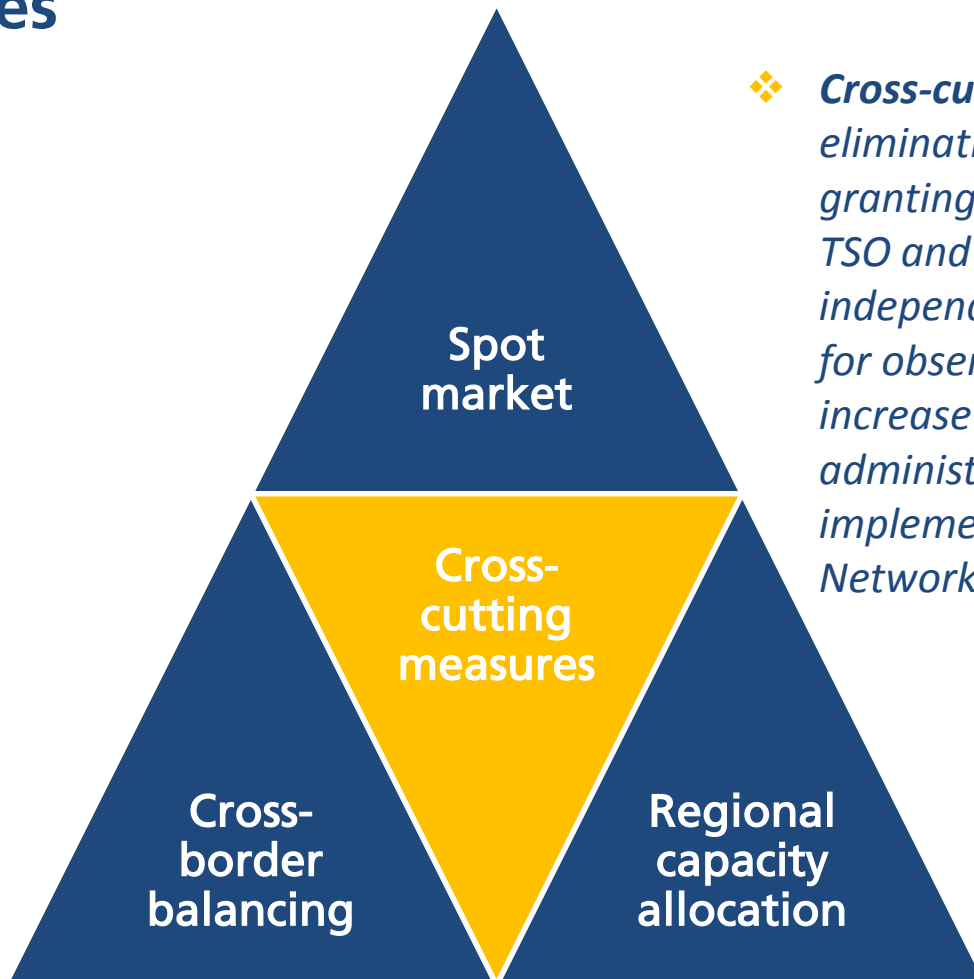
Western Balkans Summit Addendum

http://www.bmeia.gv.at/fileadmin/user_upload/Zentrale/Aussenpolitik/Addendum_Western_Balkans_Summit.pdf

The Summit endorsed four “Projects of Energy Community Interest” to be co-financed through the EU’s IPA 2015 multi-country programme:

 Electricity Infrastructure Projects of Energy Community Interest - IPA 2015 Investment Projects Co-financed		
Project description	International Financial Institution	Investment / Grant (in million EUR)
Grid Section in Albania: Albania - FYR of Macedonia Power Interconnection (I)	KfW	70 / 14
Grid Section in FYR of Macedonia: Albania – FYR of Macedonia Power Interconnection (II)	EBRD	49 / 12
Grid Section in Montenegro: Trans-Balkan Electricity Corridor (I)	KfW EBRD	127 / 25
Grid Section in Serbia: Trans-Balkan Electricity Corridor (II)	KfW	28 / 6.6

Creating a Regional Electricity Market – energy soft measures



- ❖ *Cross-cutting measures – eliminating price regulation, granting eligibility to all customers, TSO and **DSO unbundling**, ensuring independence of NRA and applying for observer status in ACER, increase effectiveness of national administrative authorities, timely implementation of Trans-European Network Regulation*



The Energy Community Secretariat as a facilitator of the WB6 Initiative

The Energy Community Secretariat to:

- *Facilitate the process*
- *Monitor the implementation*
- *Report on bi-monthly basis*

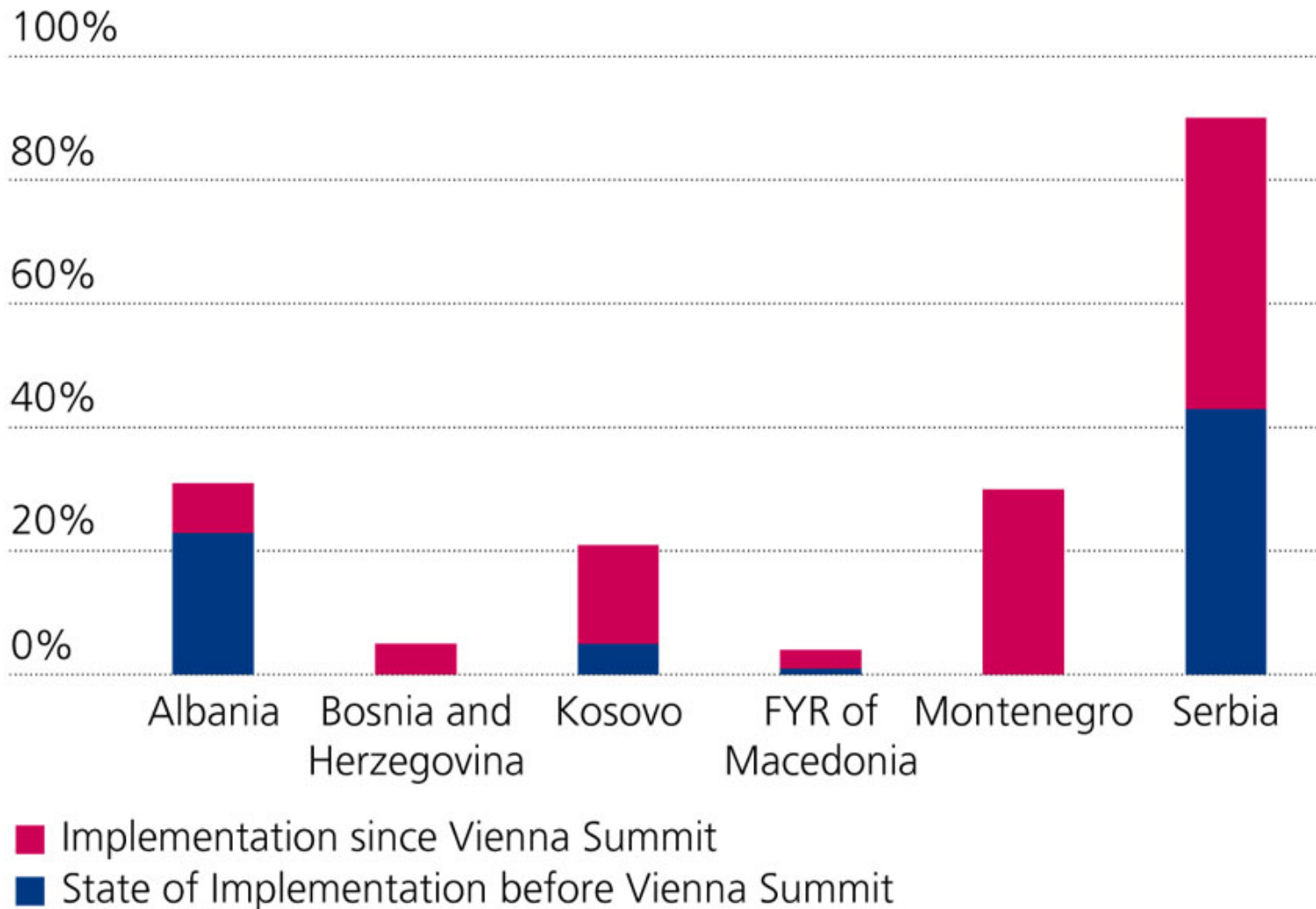


The reports are published on the ECS website:

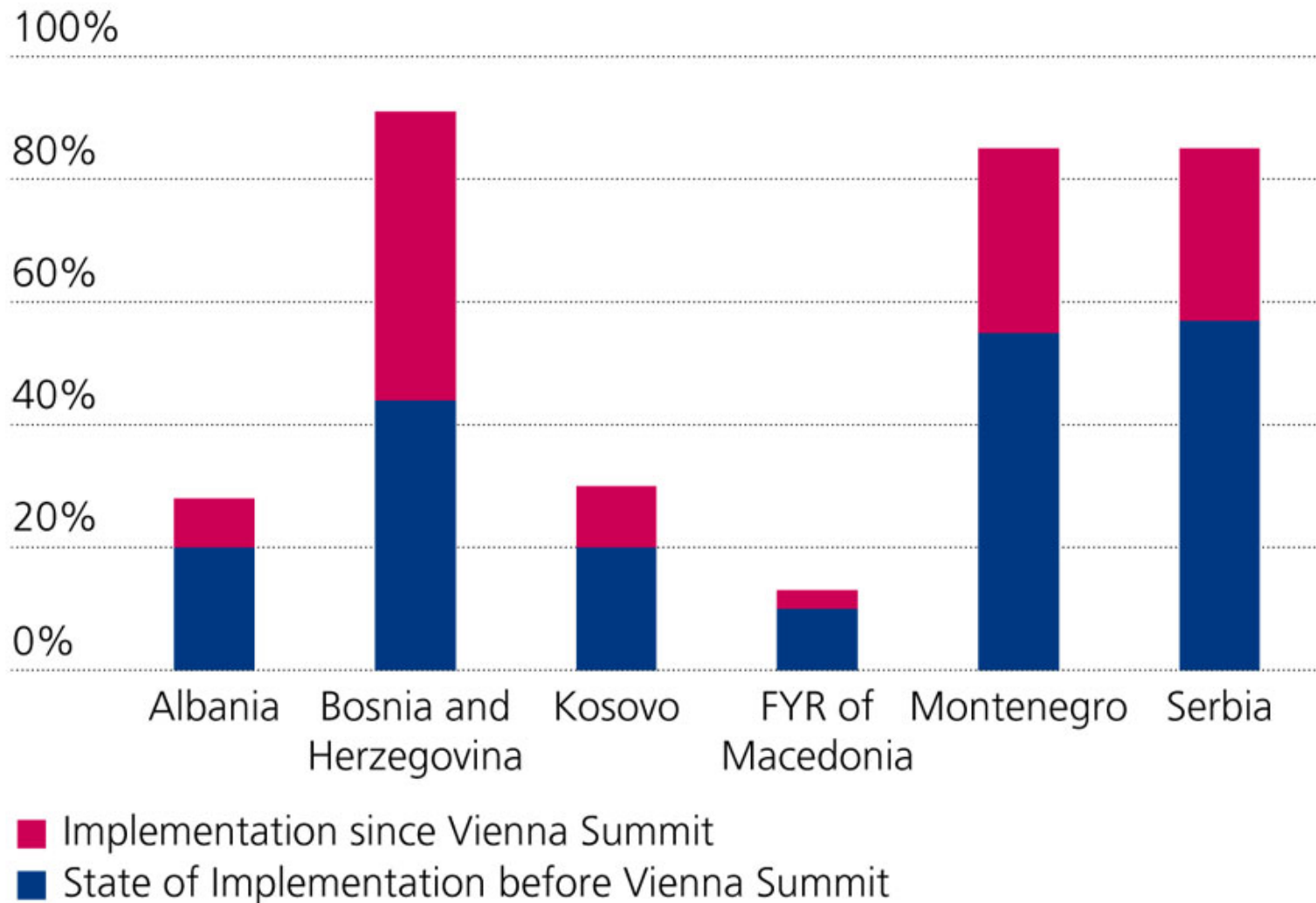
https://www.energy-community.org/portal/page/portal/ENC_HOME/AREAS_OF_WORK/WB6/Monitoring



Spot Market Development

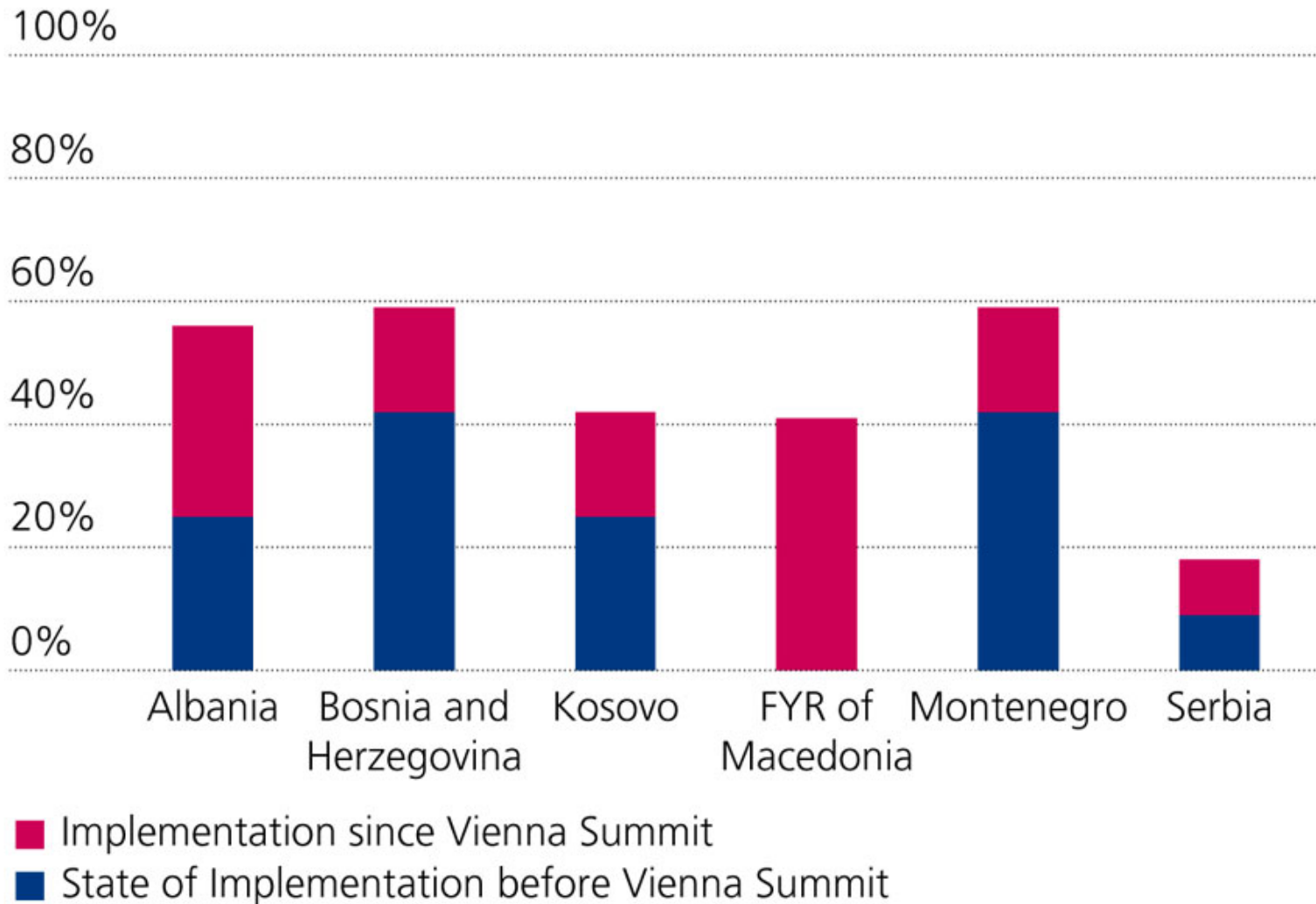


Cross-border Balancing

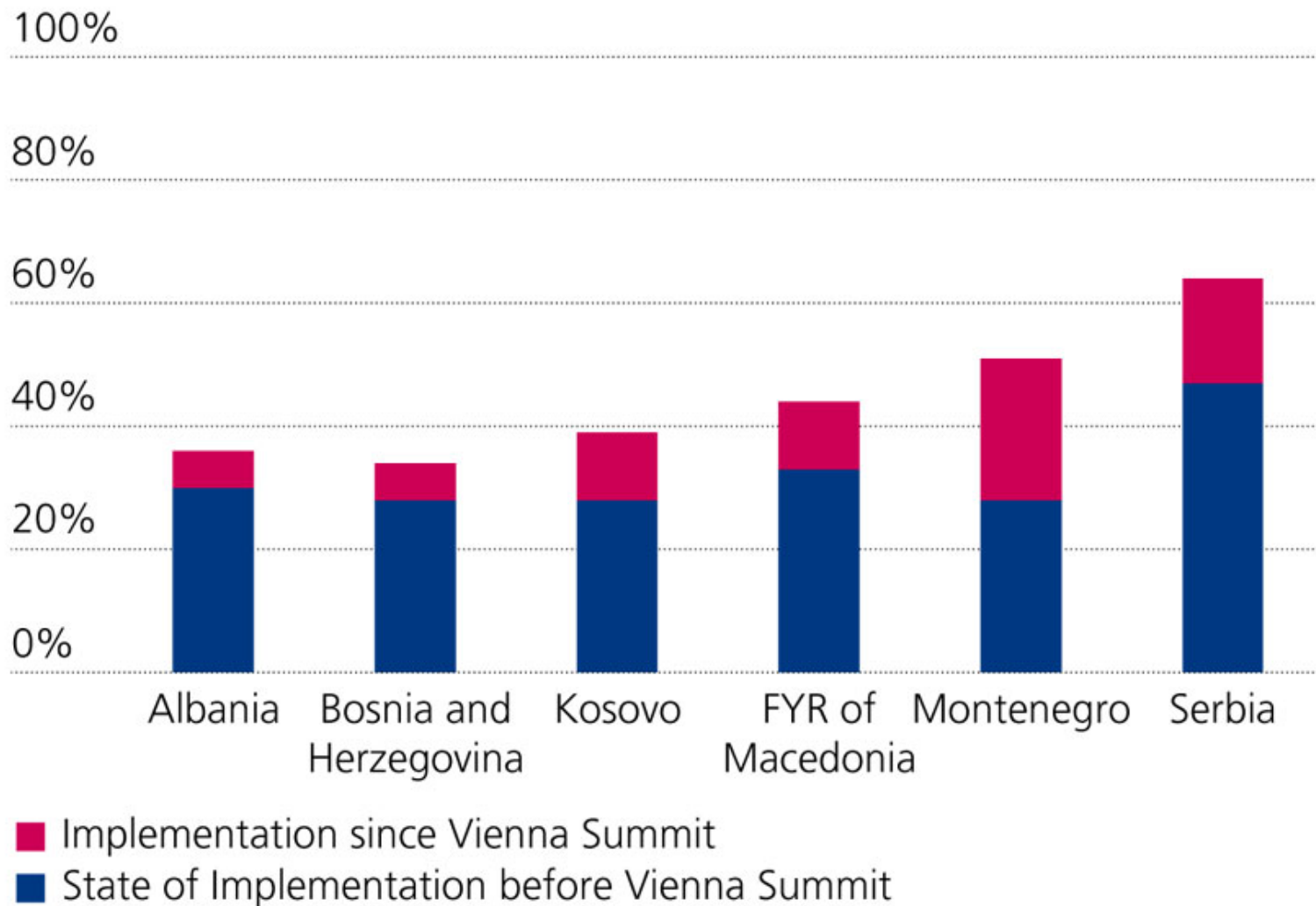




Regional Capacity Allocation

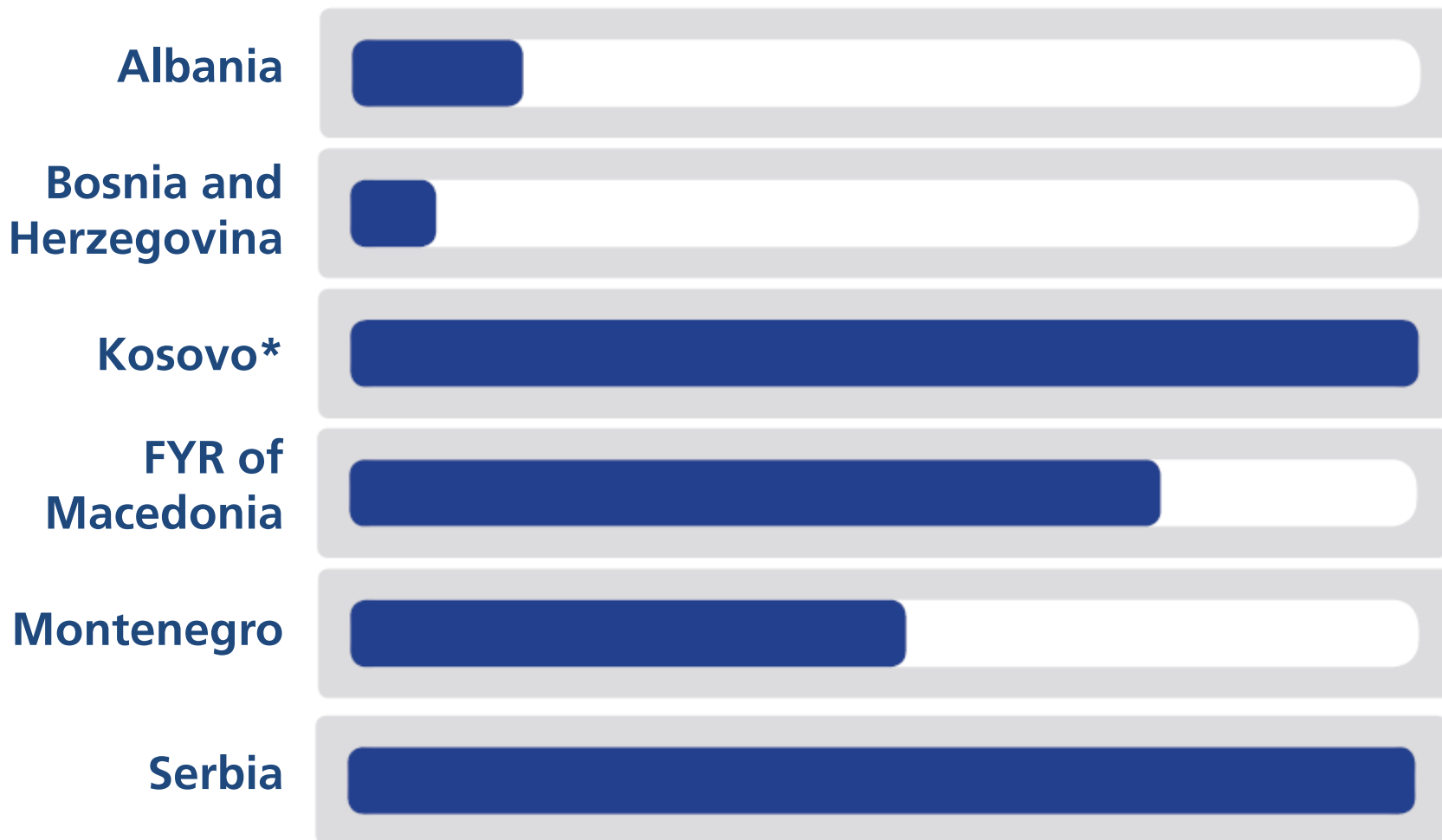


Cross-cutting Measures

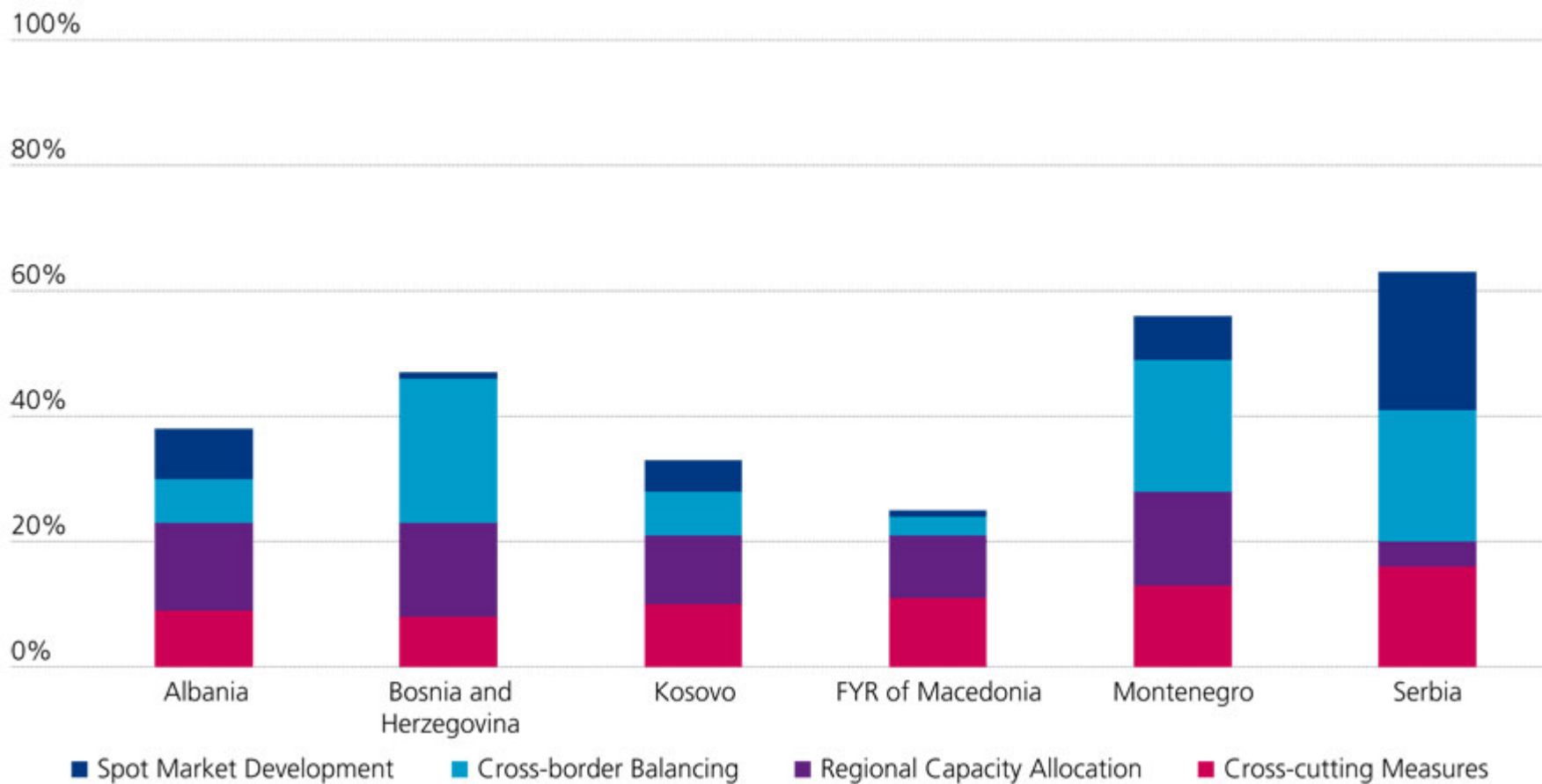




Cross-cutting Measures – DSO unbundling



Overall Implementation of Soft Measures



Regional



- Memorandum of Understanding of Western Balkan 6 on Regional Electricity Market Development and Establishing a Framework for future cooperation signed on 27 April 2016 in Vienna
- Signatories: the transmission system operators, national regulatory authorities, ministries of energy and power exchanges



Grant Contract



- The Grant Contract on Technical Assistance in the Western Balkans Component 2: Regional Energy Market
- Signatories: European Union, represented by the European Commission, and the Energy Community, represented by the Energy Community Secretariat



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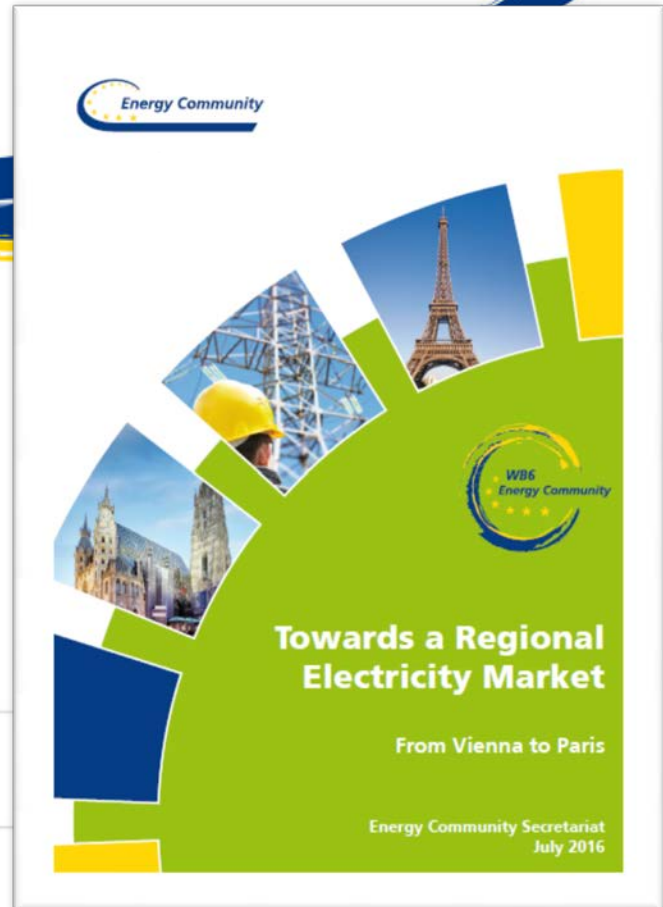
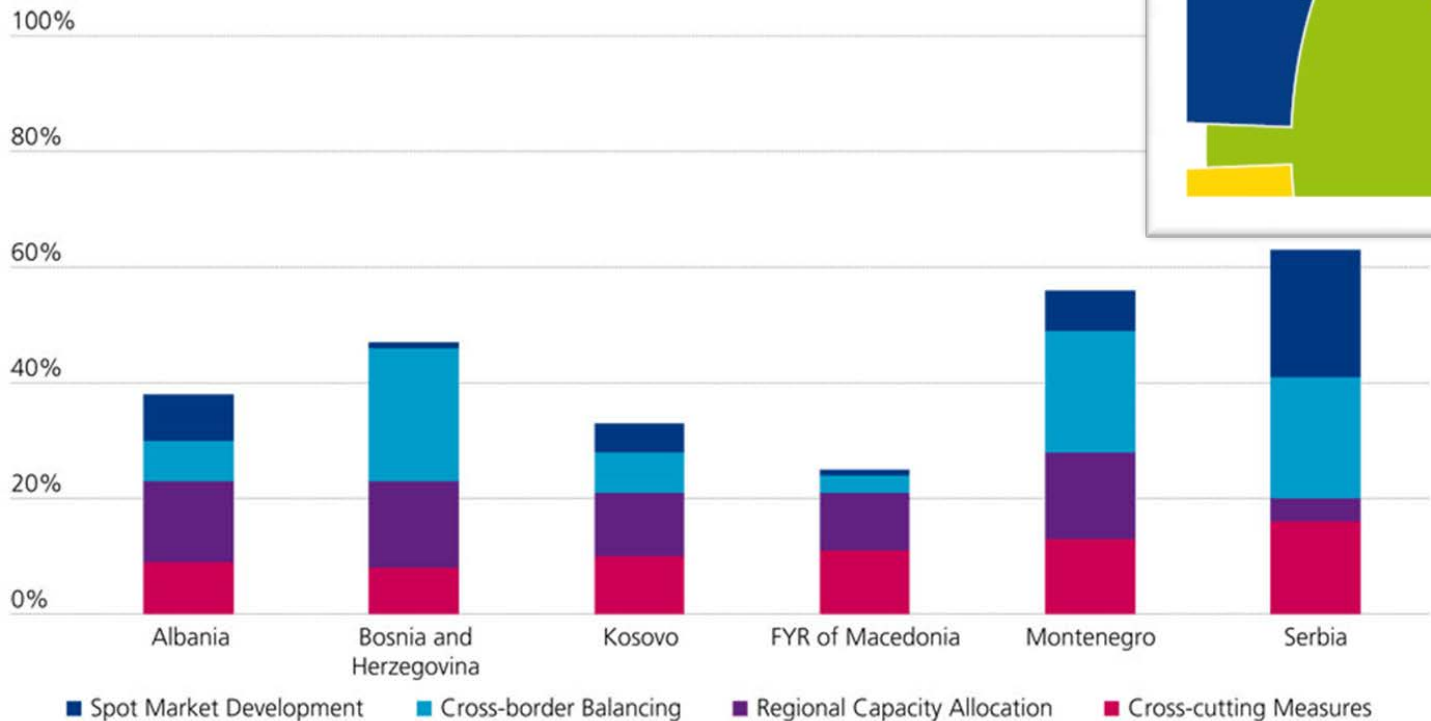


Project Outline

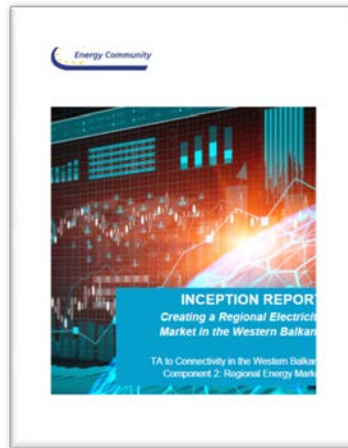
- **Begin date:** 7 June 2016
- **Duration:** 24 months
- **Financing:** up to EUR 1 000 000
- **Beneficiaries/Target groups:** Ministries responsible for energy, TSOs, DSOs, producers of electricity, NRAs, state aid commissions, competition commissions in the WB6: Albania, Bosnia and Herzegovina, Kosovo*, FYR of Macedonia, Montenegro and Serbia
- **Final beneficiaries:** The citizens of the Western Balkans
- **Objective:** Creating regional electricity market through the implementation of “energy soft measures”



Project - Starting Point



Project - Timeline



28/07/16
Submit Inception
Report
ECS

19/08/16
Submit
Nominations of
Contact Points for
Project
WB6 Ministries

09/09/16
Submit Draft
TAs & Cooperation
Memoranda for
consultation
ECS

16/09/16
Submit feedback to
Draft TAs &
Cooperation
Memoranda
WB6 Parties

19-30/09/16
Country missions
to finalise list of
TAs for Overall
Work Programme
ECS

15/10/16
Finalise Coop.
Memoranda &
Draft Overall Work
Programme
ECS

15-30/10/16
Consultation of
Overall Work
Programme with
the Commission
ECS

31/10/16
Submit Overall
Work Programme
for approval to the
Commission
ECS



Technical assistance – list of potential projects

Spot market

- SEE WB6 MoU Implementation Project
- Institutional set-up for DA market (BA, MK, ME)
- Capacity Building of State Producers

Cross-border balancing

- SEE WB6 MoU Implementation Project
- National balancing market development (AL, KS*, MK)
- Regional balancing market integration

Regional capacity allocation

- CCC creation with RSC
- Negotiation facilitation (KOSTT-EMS)

Cross-cutting measures

- TSO unbundling (KS*, ME, RS)
- DSO unbundling (AL, BA, ME)
- Price deregulation (KS*, MK)



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Thank you

https://www.energy-community.org/portal/page/portal/ENC_HOME/ENERGY_COMMUNITY/Institutions/Secretariat/TA



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