

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 transmission paths, connecting various points across the globe.

## ***3rd Energy Package focus on gas DSO in the EnC Contracting Parties***

1st meeting ECDSO-g Coordination Platform  
Prague, 23 June 2016

**Transmission  
system  
operator**

**Storage  
system  
operator**

**Distribution  
system  
operator**

**LNG system  
operator**

**Supplier  
(wholesale,  
retail)**

**Supplier of  
last resort**

**Customer**

*Producer*

*Vulnerable customer  
Protected customer*

# EU gas acquis

1st Package / 1998	2nd Package / 2003	3rd Package / 2009
Directive 98/30/EC	Directive 2003/55/EC Regulation (EC) 1775/2005	Directive 2009/73/EC Regulation (EC) 715/2009
Natural gas undertakings „distribution undertakings“	Natural gas undertakings „distribution system operator“	Natural gas undertakings „distribution system operator“
Unbundling of accounts (including for distribution undertakings) Distribution undertaking: must not discriminate between system users Distribution undertaking has right to contract supply for their customers	Legal and functional unbundling (including for DSO) Possible exception from unbundling for distribution undertakings with less than 100.000 connected customers	TSO: ownership unbundling + ITO & ISO with demanding conditions For DSO: legal and functional unbundling, with possible exception from unbundling for distribution undertakings with less than 100.000 connected customers
Negotiated or regulated access to all infrastructure	Regulated access to transmission, distribution, LNG; possibly negotiated to UGS	Regulated access to transmission, distribution, LNG; still possibly negotiated to UGS
Responsible authority	Independent Regulatory authority	Strong independent Regulatory authority
Big customers = eligible customers (electricity production, >25 mcm/y)	All non-households eligible by 1 July 2004 Households by 1 July 2007	All customers eligible (as per 2nd Package)
Exemptions for new infrastructure (transmission, LNG)	Exemptions for new infrastructure (transmission, LNG)	Exemptions for new infrastructure (transmission, LNG)

# ***The Energy Community – gas acquis***



## ***Third Energy Package – from 1 January 2015***

- Directive 2009/73/EC
- Regulation (EC) 715/2009
- All customers *eligible* (free to choose supplier) from 1 January 2015

## ***Security of supply***

- Directive 2004/67/EC – ***from 1 January 2009 (2012 for Ukraine)***

# The Energy Community – gas acquis

## Directive 2009/73/EC – main elements

- Unbundling – TSO, ISO, ITO models; certification
- LNGSO, SSO and DSO unbundling as in 2<sup>nd</sup> package
- Role, tasks, responsibilities, independence, power of Regulatory authority
- Customers protection (*vulnerable* customers)
- Regional cooperation
- As adapted by the Ministerial Council – role and tasks of the Secretariat (PSO, certification, exemptions for new infrastructure)

## Directive 2004/67/EC – main elements

- Policies for securing supply
- Monitoring
- Reporting
- Emergency Measures
- Security of supply for specific (*protected*) customers / Supply standards

## Regulation (EC) 715/2009 – main elements

Third party access to infrastructure, entry exit transmission tariffs

Capacity allocation & Congestion management & Balancing

Transparency, trading of capacity rights

Regional cooperation

Network Codes (ENTSOG-ACER-EC) on EU level / for the Energy Community if approved by Permanent High Level Group

# ***Directive 2009/73/EC – DSOs in focus***



## ***Chapter V Distribution and supply***

Designation of distribution system operators – legal and functional unbundling from other activities not related to distribution (possible exception when having less than 100.000 customers)

When daughter company in vertically integrated undertaking, independent decision-making shall be ensured; compliance program and compliance officer to be in place

DSO tasks: operating, maintaining and developing the reliable and secure system under economic conditions; providing information to other SOs and to system users (with respecting confidentiality); non-discrimination between system users or classes of system users; optional responsibility for balancing

Possibility of closed systems

Possibilities of combined operators

## ***Chapter VI Unbundling and transparency of accounts***

Competent authority with right to access to accounts

Separated accounts for each of activities, and for supplies to eligible and non-eligible customers (by 1.1.2015)

Obligatory audits, publishing of annual accounts

# ***Directive 2009/73/EC – DSOs in focus***



## ***Chapter VII Organisation of access to the system***

Third party access to distribution system based on published tariffs

Tariffs or tariff methodologies approved by regulatory authority and published – prior entering into the force

Refusal of access – only due to lack of capacity; notification to the regulatory authority

Possibility for direct pipelines (to supplier and to customer)

## ***Chapter VIII National Regulatory Authorities (rights)***

To ensure compliance of DSO with its obligations under this Directive and other relevant EnC acquis

To monitor transparency, market opening and functioning, contractual practices, time needed for repairs by DSO; implementation of rules for access to the distribution system

To fix or approve at least tariff methodologies for access to distribution system

To deal with complains against DSO

# ***Directive 2009/73/EC – DSOs in focus***



## ***Chapter IX Retail Markets***

Roles and responsibilities of DSOs, supply undertakings and customers shall be defined with respect to contractual arrangements, commitment to customers, data exchange and settlement rules, data ownership and metering responsibility

Those rules shall be public, designated to facilitate access to networks and shall be reviewed by the regulatory authorities

## ***Annex I Measures on Consumer Protection***

Customers have right to a contract which specifies services, service quality, type of maintenance, applicable tariffs and charges, duration of contract, conditions for renewal and termination of services, compensations, dispute settlements, information of customers rights

Conditions and their changes to be known in advance, wide choice of payment methods, free changes of suppliers

Disposal of own consumption data

Economic assessment - introduction of intelligent metering systems – by 1 January 2014



***Questions?***



*Thank you  
for your attention!*

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# ***DSO practices***

## ***Bundled – Unbundled?***

Company, accounts

Compliance program, officer?

## ***Services***

Distribution? Balancing?

Agreements with customers

## ***Distribution Tariffs***

Approved by the Regulator? Visible at the bill?

## ***System***

Operation, measurement equipment, development

# *Way forward*

***Format***

**Topics**

**Meetings**

