

GAS ACTION PLAN

CROATIA

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1 ROADMAP STRUCTURE

The proposed structure, as described below is also presented for easier reference in the diagram (see page 3).

Chapter 1 - Acquis communautaire

This chapter aims to ensure that the provisions of the Directive 2003/55/EC are transposed. The information required in this chapter is a reference to the national legislation indicating both the legal disposition and the relevant articles, in case that the Directive's provisions were adopted accordingly.

The overall deadline for the transposition of the gas acquis is the 1st July 2007, except for the eligibility calendar which is January 2008 for non-household consumers and January 2015 for household consumers

Chapter 2 – Market Structure

The chapter addresses market concentration and to propose, if deemed necessary, measures. It also pursues effective unbundling of system operators

Chapter 3 – Wholesale market

This chapter addresses the wholesale market design and rules in order to achieve competitive market. Competition in the wholesale market shall be ensured by transparency provisions and the regarding market monitoring. The necessary balancing regime is being covered as well as the required licensing and authorization process.

Chapter 4 – Retail market

This chapter aims to ensure that the retail market opening measures in terms of eligibility thresholds and time schedules are being implemented.

The customer switching process and the payment reform is being addressed, as well as customer protection.

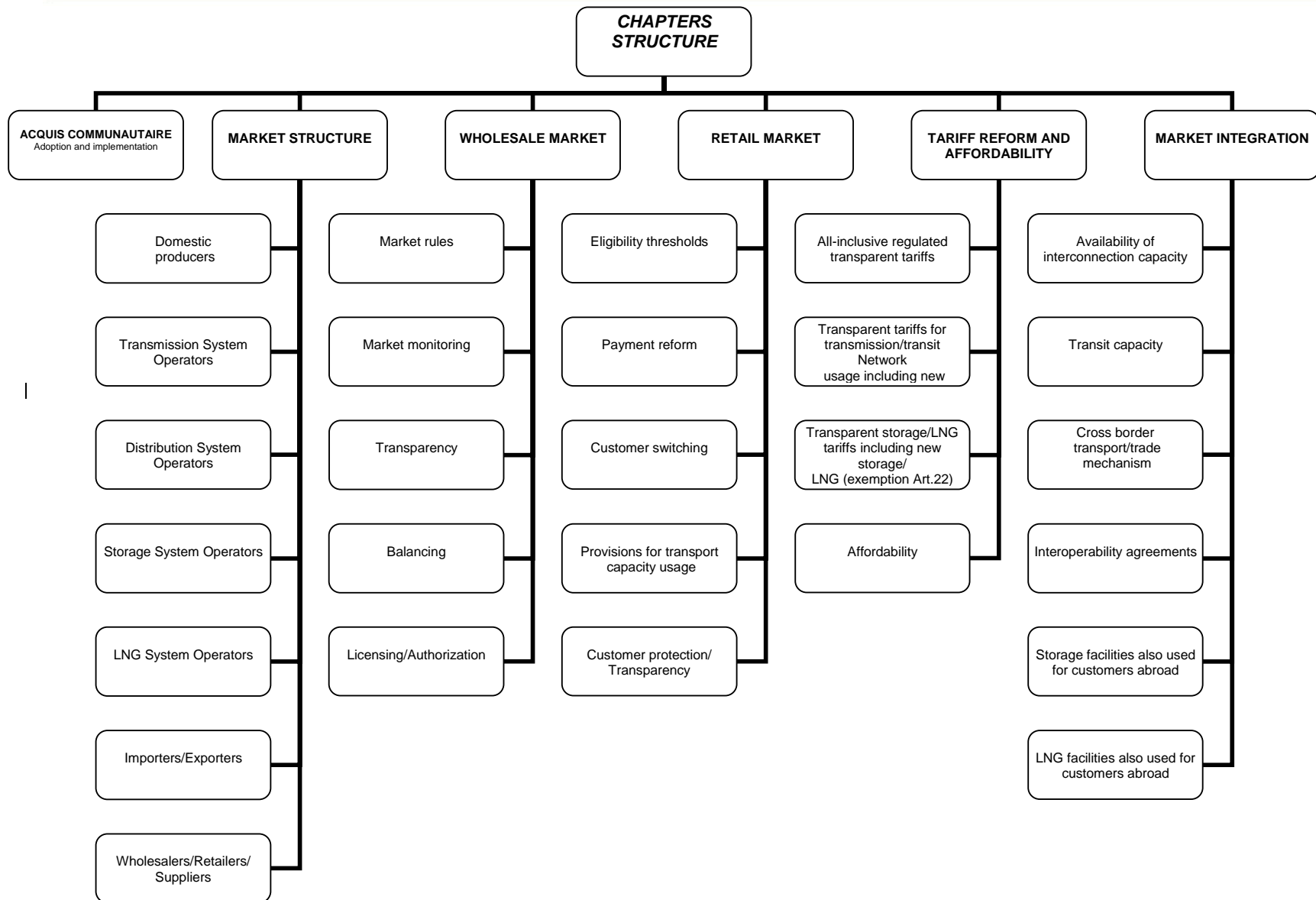
Chapter 5 – Tariff reform and Affordability

This chapter covers the issue of cost reflectivity in all inclusive tariffs, network usage tariffs (transmission and distribution networks) as well as the exemption criteria for new infrastructure. Tariffs for storage facilities and affordability issues are also being covered.

Chapter 6 – Market integration

This chapter includes a description of issues related in particular to cross border trade and cross border transport. The key issues to be solved at regional level include the methodology for capacity allocation, the tariffs for transit and for storage/LNG facilities which also serve for abroad and the licensing provisions that are mutually recognised.

This chapter's actions should be regarded as of regional level and should be agreed upon by regional bodies.



2 ACTION PLAN

Chapter 1 - Adoption of the *acquis communautaire* – ACTIONS

FIELDS NOT TO BE AMENDED BY THE CONTRACTING PARTIES				FIELDS TO BE FILLED IN BY THE CONTRACTING PARTIES		
No	Subchapter	Action	Not later than	Status of the action and references (laws, national plans)	Deadline	Responsible Institution
1.1	General rules	Develop and implement General Rules for the impositions on undertakings, customer protection, public service obligations, authorisation process, monitoring of security of supply and technical rules	July 2007	Energy Act (Croatian Official Gazette 68/01 and 177/04) Article 29, Public services Article 20 Grid Code (Croatian Official Gazette 126/03), General Conditions of Gas Supply: at the time being not available	July 2007	GOV
1.6	1.1 Imposition on undertakings					
	1.2 Customer protection					
	1.3 Public Service Obligations					
	1.4 Authorisation					
	1.5 Security of Supply					
	1.6 Technical Rules					
1.7	Transmission, Storage and LNG	Develop and implement the provisions regarding the designation of system operators, tasks of system operators, unbundling of TSO(s)	July 2007	Act on Gas Market (OG 68/01 and 87/05) for Transmission The provisions for storage- and LNG facilities will be stated in the new gas act	July 2007	Parliament/Ministry
1.10	1.7 Designation of system operators					
	1.8 Tasks of system operators					
	1.9 Unbundling of TSO					

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No	Subchapter	Action	Not later than	Status of the action and references (laws, national plans)	Deadline	Responsible Institution
	1.10 Confidentiality of TSO					
1.11 to 1.15	Distribution and Supply 1.11 Designation of DSOs 1.12 Tasks of DSOs 1.13 Unbundling of DSOs 1.14 Confidentiality of DSOs 1.15 Combined operator	Develop and implement the provisions regarding the designation of distribution system operators, tasks and unbundling of distribution system operators, and the combined operator(s)	July 2007	1.11 Distribution and Supply Act on Gas Market (OG 68/01 and 87/05) 1.12 Tasks of DSOs Act on Gas Market (OG 68/01 and 87/05) 1.13-1.15. The provisions for "Distribution and Supply" will be stated in the new gas act	July 2007	Parliament/ Ministry
1.16 to 1.17	Unbundling/transparency of accounts 1.16 Rights of access to accounts 1.17 Unbundling of accounts	Develop and implement the provisions regarding rights of access to and unbundling of accounts	July 2007	1.16 Rights of access to accounts Act on the Regulation of Energy Activities (Croatian Official Gazette 177/04), Article 10 1.17 Unbundling of accounts Energy Act (Croatian Official Gazette 68/01 and 177/04) Article 21		CERA/ Ministry TSO & DSO/ Ministry

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No	Subchapter	Action	Not later than	Status of the action and references (laws, national plans)	Deadline	Responsible Institution
1.18	Organisation of access to the system	Develop and implement the provisions for the third party access to the regarding infrastructure, including exemption provisions, the establishment of the regulatory authorities, incl. the competences, and provide market opening provisions – taking reciprocity into account	July 2007	1.18 Third Party Access Act on Gas Market (OG 68/01 and 87/05) article 9 Transmission	July 2007	Parliament/ Ministry
1.25	1.18 Third Party Access			1.19 Access to Storage Provisions will be stated in the new gas act		
	1.19 Access to Storage			1.20 Access to upstream pipelines Provisions will be stated in the new gas act		
	1.20 Access to upstream pipelines			1.21 Refusal to access Act on Gas Market (OG 68/01 and 87/05) article 9		
	1.21 Refusal to access			1.22 New Infrastructure Provisions will be stated in the new gas act		
	1.22 New Infrastructure			1.23 Market opening and reciprocity Act on Gas Market (OG 68/01 and 87/05) article 12 and 15		
	1.23 Market opening and reciprocity			1.24 Direct Lines Act on Gas Market (OG 68/01 and 87/05) article 13		
	1.24 Direct Lines			1.25 Regulatory Authorities Act on the Regulation of Energy Activities (Croatian Official Gazette 177/04), Article 9 & 10		
	1.25 Regulatory Authorities					

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No	Subchapter	Action	Not later than	Status of the action and references (laws, national plans)	Deadline	Responsible Institution
1.26	Final Provisions	Develop and implement the provisions regarding the safeguard measures, the derogations in relation to take or pay commitments, the emergent and isolated markets, the reporting requirements	July 2007	1.26 Safeguard Measures Energy Act (Croatian Official Gazette 68/01 and 177/04) Article 23 1.27-1.31 Provisions will be stated in the new gas act	July 2007	Parliament/ Ministry
to						
1.32	1.26 Safeguard Measures					
	1.27 Derogations: Take or pay com.					
	1.28 Emergent and Isolated Markets					
	1.29 Review Procedure					
	1.30 Committee					
	1.31 Reporting					

Chapter 2 – Market Structure – ACTIONS

FIELDS NOT TO BE AMENDED BY THE CONTRACTING PARTIES				FIELDS TO BE FILLED IN BY THE CONTRACTING PARTIES		
No	Subchapter	Action	Not later than	Status of the actions and references (laws, national plans)	Deadline	Responsible institution
2.1	Domestic production/Storage-/LNG operator/ importer, trader, retailer	Analyse and assess markets including market concentration in each Party's gas industry applying the commonly used indicators	July 2007 /December 2007	Domestic production: one producer Storage-/LNG operator/ does not yet exist Importer(s): one , Trader(s): one , Retailer(s): 38 companies		
2.2	Domestic production/Storage-/LNG operator/ importer, trader, retailer	Based on the results obtained in action 2.1 propose measures, if necessary, to adapt the market structure to the requirements of the gas market liberalisation process	July 2007	Provisions of storage services will be unbundled from other market activities	July 2007	
2.3	Transmission-system operators	Analyse trade, including cross border trade conditions regarding hurdles. Ensure unbundling and implementation of technical rules (network code)	December 2007	The gas transmission undertaking issues to the user the decision concerning approval of access to the gas transmission system. Plinacro d.o.o. is a company registered on 19 January 2001 by separation of gas transmission activities from INA d.d.. In 2003, the license for carrying out the energy related activity of gas transmission was obtained from the CERA. The Basic terms and conditions of access to the gas transmission system (OG 49/04) provide the user with the possibility to contract gas transmission on the territory of the Republic of Croatia with the gas transmission undertaking Plinacro d.o.o		

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No	Subchapter	Action	Not later than	Status of the actions and references (laws, national plans)	Deadline	Responsible institution
2.4	Distribution system operators	Analyse trade and ensure effective unbundling, if obliged to do so, and ensure adoption of technical rules	July 2007	provisions will be stated in the new gas act	July 2007	

Chapter 3 – Wholesale market – ACTIONS

FIELDS NOT TO BE AMENDED BY THE CONTRACTING PARTIES				FIELDS TO BE FILLED IN BY THE CONTRACTING PARTIES		
No	Subchapter	Action	Not later than	Status of the actions and references (laws, national plans)	Deadline	Responsible institution
3.1	Market rules	Develop and implement non-discriminatory market rules fostering competition, supporting trade, including cross border trade/transport	December 2007	Act on Gas Market (OG 68/01 and 87/05) article 8 Basic market rules for access to gas pipeline transmission system (OG 49/04) The Basic market rules for access to the gas transmission system (OG 49/04) provide the user with the possibility to contract gas transmission on the territory of the Republic of Croatia with the gas transmission undertaking Plinacro d.o.o.		
3.2	Transparency	Provide and publish data including services offered to the market	December 2007	For Transport exist in Act on Gas Market (OG 68/01 and 87/05) article 6-9 Freedom of information act – (OG 172/03)		
3.3	Market monitoring	Elaborate and implement an efficient market monitoring system in order to obtain reliable data for further development of the competitive market.	December 2007	Competition Act (OG 122/03)		
3.4	Balancing	Elaborate and implement a non-discriminatory, balancing regime fostering competition and cross border trade/transport	December 2007	Under preparation	Dec. 2007	
3.5	Licensing and Authorization	Elaborate and implement a licence/authorization system, harmonized also for a regional access	December 2007	Energy Act (Croatian Official Gazette 68/01 and 177/04) Article 15,16,17 & Rules on Conditions for the Carrying Out of an Energy Activity (Croatian Official Gazette 6/03 and 94/05).		

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No	Subchapter	Action	Not later than	Status of the actions and references (laws, national plans)	Deadline	Responsible institution
				For participating on wholesale market, market participant must poses at least one of the following licenses: - license for trade, mediation and representation in the energy market, 7. supply of gas 20. wholesale and retail of LPG 21. wholesale of LNG		

Chapter 4 – Retail market – ACTIONS

FIELDS NOT TO BE AMENDED BY THE CONTRACTING PARTIES				FIELDS TO BE FILLED IN BY THE CONTRACTING PARTIES		
No	Subchapter	Action	Not later than	Status of the actions and references (laws, national plans)	Deadline	Responsible institution
4.1	Eligibility thresholds	Elaborate and implement market opening measures in terms of eligibility thresholds and time schedules	December 2007	Provisions will be stated in the new gas act	December 2007	Parliament/ Ministry
4.2	Payment reform	Elaborate and implement measures for a non-discriminatory transparent payment reform	December 2007	N/A		
4.3	Customer switching	Elaborate and implement a non-discriminatory transparent customer switching process minimizing transaction cost and disputes	December 2007	Energy Act (Croatian Official Gazette 68/01 and 177/04) Article 29		
4.4	Transport capacity usage	Elaborate and implement a non-discriminatory transparent methodology for capacity allocation supporting customer switching and avoiding capacity hoarding	December 2007	Act on Gas Market (OG 68/01 and 87/05) article 8 Provisions for distribution networks will be stated in the new gas act	December 2007	Parliament/ Ministry
4.5	Customer protection	Elaborate and implement non-discriminatory transparent measures for customer protection in particular vulnerable customers which also minimize disputes	December 2007	Energy Act (Croatian Official Gazette 68/01 and 177/04) Article 29 and 29a		

Chapter 5 – Tariff reform and Affordability – ACTIONS

FIELDS NOT TO BE AMENDED BY THE CONTRACTING PARTIES				FIELDS TO BE FILLED IN BY THE CONTRACTING PARTIES		
No	Subchapter	Action	Not later than	Status of the actions and references (laws, national plans)	Deadline	Responsible institution
5.1	All inclusive regulated tariffs	Elaborate and Implement non-discriminatory transparent all inclusive tariffs, reflecting costs	December 2007	Energy Act (Croatian Official Gazette 68/01 and 177/04) Article 25-28; Tariff system for natural gas transmission without amounts of tariff elements (Croatian Official Gazette 32/06); Tariff systems for natural gas provision (with the exception of eligible customers); distribution; storage; supply (with the exception of eligible are in preparation	December 2007	CERA/ Ministry
5.2	TPA tariffs for transmission/distribution networks	Elaborate and Implement non-discriminatory transparent tariffs for third party access for transmission-/distribution networks reflecting costs	December 2007	Energy Act (Croatian Official Gazette 68/01 and 177/04) Article 25-28 & Tariff system for natural gas transmission without amounts of tariff elements (OG 32/06) Distribution in preparation	December 2007	CERA / Ministry
5.3	Transit network use	Elaborate and Implement non-discriminatory transparent tariffs for third party access for transit networks	December 2007	Act on Gas Market (Croatian Official Gazette 68/01 and 87/05) Article 16 May be defined in new gas act and Secondary legislation harmonized with new gas act	December 2007	Parliament/ Ministry
5.4	Tariff for new infrastructure. Art. 22 being applied.	Elaboration and implement criteria and institutions for the exceptions to general rules of TPA including cross border infrastructure	December 2007	May be defined in new gas act and Secondary legislation harmonized with new gas act	December 2007	Parliament/ Ministry

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No	Subchapter	Action	Not later than	Status of the actions and references (laws, national plans)	Deadline	Responsible institution
5.5	Tariff for new infrastructure no exemption	Elaborate and Implement non-discriminatory transparent tariffs for third party access to new infrastructure; no exemption in accordance with Art.22	December 2007	May be defined in new gas act and Secondary legislation harmonized with new gas act 177/04) Article 25 – 28 Regulated	December 2007	Parliament
5.6	Tariff storage (regulated/negotiated)	Elaborate and implement transparent tariffs being non-discriminatory and supporting competition	December 2007	Energy Act (Croatian Official Gazette 68/01 and		
5.7	Affordability	Elaborate and implement a support scheme for the vulnerable customers, including incentives for economic energy use	December 2007	N N/A		

3 CHECKLIST/ GUIDELINES FOR EACH ACTION

CHECKLIST/GUIDELINES to Chapter 1 – Acquis communautaire

FIELDS NOT TO BE AMENDED BY THE CONTRACTING PARTIES		
No.	Subchapter	Checklist/Guidelines
1.1	General rules/ Imposition on undertakings	<ul style="list-style-type: none"> • If applicable, description of the possible impositions on gas undertakings of Public Service Obligations: Description of the provision and reference to national legislation
1.2	General rules/ Customer protection	<ul style="list-style-type: none"> • Final customer protection and to ensure high levels of consumer protection: • Protection of vulnerable customers (including measures to avoid disconnection) • Protection customers in remote areas • Dispute settlement mechanism • Economical and social cohesion • Supplier of last resort
1.3	General rules/ Public Service Obligations (PSO)	<ul style="list-style-type: none"> • Report immediately after the implementation of the Public Service Obligations provisions • Reporting every two years on any changes regarding the Public Service Obligations
1.4	General rules/ authorisation	<ul style="list-style-type: none"> • Authorisation criteria for building and/or operation of gas facilities or supply of natural gas • Motivation of refusals to applicants and appeal procedures • Refusal if existing or proposed capacity is not saturated
1.5	General rules/ Monitoring Security of Supply	<ul style="list-style-type: none"> • Provisions monitoring of Security of Supply: supply/demand balance; expected future demand and available supplies, capacity being planned or under construction level of maintenance of the existing infrastructure, etc • Identification responsible Institution for the monitoring • Report every year outlining the findings
1.6	General rules/ Technical rules	<ul style="list-style-type: none"> • Technical rules regarding connection to the LNG facilities, storage facilities, other transmission and distribution systems and direct lines to ensure interoperability of systems. • Objective and non-discriminatory rules • Publication and notification of the technical rules
1.7	Transmission, storage and LNG/ Designation of system operators	<ul style="list-style-type: none"> • Designation of one or more system operators either by the country or by natural gas undertakings which own transmission, storage or LNG facilities
1.8	Transmission, storage and LNG/ Tasks of system operators	<ul style="list-style-type: none"> • Define the tasks of the system operators (s) in line with art. 8: <ul style="list-style-type: none"> - Operate, maintain, develop under economic conditions transmission, storage and/or LNG facilities - Provide sufficiently information to any other system operator - Objective balancing rules - Procure energy needed for carrying out their functions on a transparent market based procedure
1.9	Transmission, storage and LNG/ Unbundling of TSO	<ul style="list-style-type: none"> • Independent at least in terms of legal form, and organisation and decision-making from other activities not relating to transmission. • Implementation of minimum independent criteria according to Art. 9.2 including establishment of a compliance programme
1.10	Transmission, storage and	<ul style="list-style-type: none"> • Each transmission, storage and/or LNG system operator shall preserve confidentiality of commercial sensitive information

	LNG/Confidentiality for TSO	
1.11	Distribution and Supply/Designation of distribution system operator	<ul style="list-style-type: none"> • Designation of one or more distribution system operators either by the country or by natural gas undertakings which own transmission, storage or LNG facilities
1.12	Distribution and Supply/Tasks of DSOs	<ul style="list-style-type: none"> • Define the tasks of the distribution system operators (s) in line with art. 12: <ul style="list-style-type: none"> - Operate, maintain, develop under economic conditions a secure reliable efficient system - Provide sufficiently information to any other system operator - Objective balancing rules including charging of system users
1.13	Distribution and Supply/Unbundling of DSOs	<ul style="list-style-type: none"> • Independent at least in terms of legal form, and organisation and decision-making from other activities not relating to distribution. • Implementation of minimum independent criteria according to Art. 13.2 including establishment of a compliance programme; exception possible if less than 100 000 customers
1.14	Distribution and Supply/Confidentiality for DSOs	<ul style="list-style-type: none"> • Each distribution system operator shall preserve confidentiality of commercial sensitive information
1.15	Distribution and Supply/Combined operator	<ul style="list-style-type: none"> • Operation of a combined transmission, LNG, storage and distribution system possible if combined operator is independent at least in terms of legal form, and organisation and decision-making from other activities not relating to transmission, LNG, storage and distribution system operations
1.16	Unbundling and transparency of accounts/Right of access to accounts	<ul style="list-style-type: none"> • Designate competent authorities, including regulatory authorities, to have right of access to the accounts of gas undertakings • Preserve the confidentiality of commercial sensitive information
1.17	Unbundling and transparency of accounts/Unbundling of accounts	<ul style="list-style-type: none"> • Gas undertakings to draw up, submit to audit and publish their annual accounts according to rules defined in accounting acquis • Internal accounting: Separate accounts for each of their transmission and distribution LNG and storage activities; separate accounts for supply activities for eligible and non-eligible customers
1.18	Organisation of access to the system/Third party access	<ul style="list-style-type: none"> • Ensure third party access to the transmission-, distribution and LNG facilities based on published tariffs, applicable to all eligible customers • TSO shall have for purpose of carrying out their functions access to other network of other TSO • Compliance of long term contracts with competition rules
1.19	Organisation of access to the system/Access to storage	<ul style="list-style-type: none"> • Regulated or negotiated access (or both) to storage facilities • Provisions shall not apply to temporary storage that are related to LNG facilities and necessary for re-gasification process • If negotiated access natural gas undertakings and eligible customers shall be able to negotiate access to storage facilities, based on published tariffs and main conditions • If regulated access natural gas undertakings and eligible customers shall have a right to access to storage based on published tariffs and terms
1.20	Organisation of access to the system/Access to upstream pipeline networks	<ul style="list-style-type: none"> • Gas undertakings and eligible customers shall be able to obtain access to upstream networks taking the provisions of paragraph 2 into account • Refusal in accordance with determined criteria • Establishment of a dispute settlement arrangements, including cross border disputes
1.21	Organisation of access to the system/Refusal of access	<ul style="list-style-type: none"> • Access to the system can be refused in accordance with the criteria of paragraph 1 like lack of capacity etc. • Enhancements of capacity by gas undertakings if it is economic to do so and the potential customer is willing to pay for
1.22	Organisation of access to the system/New infrastructure	<ul style="list-style-type: none"> • Exemption from the provisions of art. 18, 19, 20 and 25(2), (3) and (4) for new infrastructure or significant increases of capacity in existing infrastructure • Exemption mechanism and criteria in accordance with art. 22 (1)

		<ul style="list-style-type: none"> Decision on case by case basis by regulatory authority; formal decision of another relevant body is possible
1.23	Organisation of access to the system/Market opening and reciprocity	<ul style="list-style-type: none"> Eligible customers are all non-household customers from 1 January 2008 and all customers from 1 January 2015 To avoid imbalance in the opening of the gas markets reciprocity shall be taken into account
1.24	Organisation of access to the system/Direct lines	<ul style="list-style-type: none"> Supply of eligible customers shall be enabled in accordance with the relevant criteria to be determined by a competent authority
1.25	Organisation of access to the system/Regulatory authorities	<ul style="list-style-type: none"> Designation of competent body(ies) with the function of regulatory authorities which is independent of the interests of gas industry Regulatory authority ensure effective competition and the efficient functioning of the market, responsible for fixing or approving at least methodologies used to calculate or establish terms and conditions for tariffs and the provision of balancing services etc. Act as dispute settlement authority, taking cross border disputes into account
1.26	Final provisions/ Safeguard measures	<ul style="list-style-type: none"> In the event of a sudden crisis the responsible authority may take necessary safeguard measures, causing the least possible disturbance to the functioning of the market
1.27	Final provisions/ Derogations in relation to take or pay commitments	<ul style="list-style-type: none"> Derogation from Art. 18 in relation to take or pay commitments. Applications presented on a case by case basis; derogation has to be duly substantiated in accordance with criteria of Art. 27 (3)
1.28	Final provisions/ Emergent and isolated markets	<ul style="list-style-type: none"> Isolated markets may derogate from Articles 4, 9, 23 and/or 24. Emergent market may derogate from Articles 4, 7, 8(1) and (2), 9, 11, 12(5), 13, 17, 18,23(1) and/or 24 For development of infrastructure in geographically limited area derogation from Articles 4, 7, 8(1) and (2), 9, 11, 12(5), 13, 17, 18, 23(1) and/or 24 could be applied for
1.29	Final provisions/ Review procedure	<ul style="list-style-type: none"> Review procedure
1.30	Final provisions/ Committee	<ul style="list-style-type: none"> Committee process in accordance with Article 30 of the Directive
1.31	Final provisions/ Reporting	<ul style="list-style-type: none"> Reporting requirements in accordance with Article 31 of the Directive
1.32	Final provisions/ Implementation: Entry into force	<ul style="list-style-type: none"> Implementation and Entry into force requirements

CHECKLIST/GUIDELINES to Chapter 2 – Market Structure

FIELDS NOT TO BE AMENDED BY THE CONTRACTING PARTIES		
No	Subchapter	Checklist/Guidelines
2.1	Domestic production/Storage/LNG operator(s)/importer trader, retailer	<ul style="list-style-type: none"> • Define markets, measure and assess market concentration in each Party's gas industry like: <ul style="list-style-type: none"> - Domestic production volume and capacity, import volume and capacity - Wholesale activities - Retail activities - Storage capacities (injection and withdrawal capacities and storage volume) - Etc., by applying analytical techniques that are consistent with international best practice and with the precedent established by the competition authority of the EC and, as relevant, of MS that have implemented European competition law
2.2	Importer, trader, retailer	<ul style="list-style-type: none"> • Analyse trade, including cross border trade conditions regarding hurdles like import or export restrictions and precautions in order to remove those restrictions
2.3	Domestic production/Storage/LNG-operator(s) /importer, trader, retailer	<ul style="list-style-type: none"> • Based on the results obtained in action 2.1 and 2.2 propose measures, if deemed necessary, like: <ul style="list-style-type: none"> - Implementation of a gas release program - Decision whether a negotiated or regulated storage access shall be implemented - Restructuring of gas industry - Planning of new capacities - Security of supply provisions - Etc.
2.4	Transmission- system operators (TSO)	<ul style="list-style-type: none"> • Develop and implement: <ul style="list-style-type: none"> - Effective unbundling - TPA conditions - Effective operations including planning (new capacities, development of infrastructure forecast etc.)
2.6	Distribution system operators (DSO)	<ul style="list-style-type: none"> • Develop and implement: <ul style="list-style-type: none"> - Effective unbundling, if obliged to do so - TPA conditions - Effective operations including planning (new capacities, development of infrastructure forecast etc.) - Restructuring of distribution activities, if necessary

CHECKLIST/GUIDELINES to Chapter 3 – Wholesale Market

FIELDS NOT TO BE AMENDED BY THE CONTRACTING PARTIES		
No	Subchapter	Checklist/Guidelines
3.1	Market design	<ul style="list-style-type: none"> • Develop a framework for a non-discriminatory, transparent competitive market
3.2	Market rules	<ul style="list-style-type: none"> • Ensure compatibility between national markets regarding: <ul style="list-style-type: none"> - Wholesale market opening (compatibility of agreements concerning eligibility) - Import and export restrictions - Interconnection agreements - Operational balancing agreements - Balancing regimes - Provisions concerning “old” and new long term take or pay contracts - Ancillary services, <p>by elaborating and implementing the regarding actions/measures</p>
3.3	Transparency	<ul style="list-style-type: none"> • Data to be made available (published) to market participants concerning: <ul style="list-style-type: none"> - Activities - Services offered (including tariffs etc.) - Conditions of access - Nomination procedure, - Capacity allocation - Available capacity - Anti capacity hoarding mechanism - Maintenance information - Disruption circumstances/conditions - Etc.
3.4	Market monitoring	<ul style="list-style-type: none"> • Develop and implement a market monitoring system and monitor activities like: <ul style="list-style-type: none"> - Market opening level - Market concentration for domestic production, if any, import, wholesale activities, storage activities - Abuse of dominant position - Security of supply - Switching rate - Gas price development for eligible and non eligible customers - Etc.
3.5	Balancing	<ul style="list-style-type: none"> • Establishment of a non-discriminatory, broadly cost neutral balancing regime which avoids cross subsidisation between system users
3.6	Licensing and Authorization	<ul style="list-style-type: none"> • Provide compatibility and harmonization concerning licence/ authorization conditions based on objective, non-discriminatory criteria, including provision for the reasons for any refusal and implement them

CHECKLIST/GUIDELINES to Chapter 4 – Retail market

FIELDS NOT TO BE AMENDED BY THE CONTRACTING PARTIES		
No	Subchapter	Checklist/Guidelines
4.1	Eligibility thresholds	<ul style="list-style-type: none"> • Elaborate and implement actions/measures in terms of eligibility thresholds and time schedule, necessary to open the market
4.2	Payment reform	<ul style="list-style-type: none"> • Elaborate and implement actions/measures for the payment reform like: <ul style="list-style-type: none"> - Improvement of collection rates, - Installation of proper metering devices, - Electronically data processing - Etc.
4.3	Customer switching	<ul style="list-style-type: none"> • Develop and implement measures for transparent customer switching like: <ul style="list-style-type: none"> - Termination of existing contracts, - Application for network access for existing and/or new point of consumption - Metering and settlement arrangements including when switching in between reading a cycle - Time schedule for supplier switching - Load profiles for customers which are not hourly metered - Upgrade of IT systems and electronic filing required fro customer switching - Etc.
4.4	Transport capacity usage	<ul style="list-style-type: none"> • Elaborate and implement a methodology for transport capacity allocation for: <ul style="list-style-type: none"> - New consumers like first come first serve, pro rata, auctioning - Customers switching the supplier like capacity goes with the customer - Etc.
4.5	Customer protection	<ul style="list-style-type: none"> • Develop and implement measures for protection of the customers like: <ul style="list-style-type: none"> - Cost reflectivity for grid usage - Transparent price settings for non-eligible customers including price information on the bills - Avoidance of subsidies among customer groups - Transparent customer information - Quality of supply standards incl. monitoring - Vulnerable customers - Dispute settlement mechanism - Disconnection criteria - Transparency of bills - Financing the support mechanism, if any - Etc.

CHECKLIST/GUIDELINES to Chapter 5 – Tariff reform and affordability

FIELDS NOT TO BE AMENDED BY THE CONTRACTING PARTIES		
No	Subchapter	Checklist/Guidelines
5.1	All inclusive regulated tariffs	<ul style="list-style-type: none"> • Develop and implement measures regarding: <ul style="list-style-type: none"> - Analysis of cost reflective tariffs - Calculation and implementation of non discriminatory cost reflective tariffs based on efficiently incurred cost taking into account an appropriate rate of return provide incentives for capacity expansion ; the respective time schedule and plan for bring regulated tariffs to cost reflectivity shall be included - Avoidance of cross subsidies between different categories of consumers
5.2	TPA tariffs for transmission/distribution networks	<ul style="list-style-type: none"> • Elaborate an in terms of eligibility thresholds and time schedule and implement measures regarding: <ul style="list-style-type: none"> - Transparent, non-discriminatory, cost reflective, non-discriminatory published tariffs, reflecting efficiently incurred cost whilst fostering competition and providing incentives for capacity expansion - Appropriate return on investment - Avoidance of cross subsidies between users - Taking into account backhaul flows
5.3	Transit network use	<ul style="list-style-type: none"> • Develop and implement measures regarding elaboration/implementation: <ul style="list-style-type: none"> - Transparent, non-discriminatory, cost reflective, non-discriminatory published tariffs, reflecting efficiently incurred cost whilst fostering competition and providing incentives for capacity expansion - Appropriate return on investment - Avoidance of cross subsidies between users - Taking into account backhaul flows
5.4	Tariff for new infrastructure (exemption granted)	<ul style="list-style-type: none"> • Elaborate and implement criteria/institutions for the exceptions to general rules of TPA including cross border infrastructure
5.5	Tariff for new infrastructure (without exemption in accordance to art. 22)	<ul style="list-style-type: none"> • Develop and implement actions/measures regarding transparent non-discriminatory published tariffs for new infrastructure, avoiding cross subsidies between network user and are based on efficiently incurred cost; backhaul flows should be taken into account
5.6	Tariff storage (regulated/negotiated)	<ul style="list-style-type: none"> • Develop and implement actions/measures regarding transparent non-discriminatory published tariffs; avoiding cross subsidies
5.7	Affordability	<ul style="list-style-type: none"> • Develop and implement actions/measures regarding support scheme for the benefit of vulnerable customers, incl. incentives for economic energy use

CHECKLIST/GUIDELINES to Chapter 6 – Market integration

FIELDS NOT TO BE AMENDED BY THE CONTRACTING PARTIES		
No	Subchapter	Checklist/Guidelines
6.1	Interconnection/transmission capacities/Transit capacity	<ul style="list-style-type: none"> • Develop and implement measures regarding transparent non-discriminatory: <ul style="list-style-type: none"> - Capacity allocation mechanism - Offering firm/interruptible capacity - Congestion management procedures - Avoidance of capacity hoarding (use it or lose it stipulations) - Capacity trading/secondary market - Calculation of available capacity - Interoperability issues - Co-operation of infrastructure maintenance
6.2	Cross border transport	<ul style="list-style-type: none"> • Elaborate and implement actions/measures regarding: <ul style="list-style-type: none"> - Published interconnection agreements - Published operational balancing agreements - Avoidance of any customs duties - Quantitative restrictions or measures having equivalent effect - Generally Applicable Standards of the European Community
6.3	Storage/LNG facilities also used abroad, if any (regulated or negotiated access)	<ul style="list-style-type: none"> • Elaborate and implement actions/measures regarding: <ul style="list-style-type: none"> - Transparent, published non-discriminatory tariffs and/or terms for storage/LNG usage which facilitate cross border gas trade, including appropriate return on investment whilst facilitating capacity expansion and fostering competition - In case that storage access is regulated, the tariffs shall be based on efficiently incurred cost
6.4	Licensing	<ul style="list-style-type: none"> • Analyze the compatibility of licensing and develop and implement licensing provisions which foster cross border trade/transport