



European Commission
DG Energy and Transport

Implementation of new acquis under the Energy Community Treaty

Regulation 1775/2005/EC
Directive 2004/67

Jean-André Barbosa

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Overview

- On-going Process
- Content of the Directive and Regulation
- What do we want to achieve





Implementing New acquis in the Energy Community

Scope

- establish a legally and economically stable and predictable regulatory framework
- create of a single regulatory space for trade capable to ensure appropriate regulatory cooperation

With a view to

- attract investments
- ensure stable energy supply
- develop a broad ranging and integrated market in which connections to gas reserves can be developed and indigenous reserves can be exploited





Legal Requirements and Possibilities – 1

Which instruments can we use?

- ECT defines acquis on energy for its purpose** (Art 11 ECT)
 - Directive 2003/55/EC
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 - Regulation 1228/2003/EC
 - ECT entitles the Energy Community**
 - to extend the *acquis communautaire* (Art 100 ECT)
 - to implement amendments to the *acquis communautaire* in line with the evolution of the European Community law (Art 25)
 - ECT requires the Energy Community**
 - to take additional measures establishing a single mechanism for the cross border transmission of Network Energy (i.e. transmission in the sense of Directive 2003/55/EC) (Art 28)
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Legal Requirements and Possibilities – 2

Who is entitled to take measures? What can be the content?

Measures can be taken

- on proposal from a Party** (the Contracting parties or the EC)
- by**
 - the Ministerial Council or
 - the PHLG, if empowered by the Ministerial Council or
 - the Regulatory Board (ECRB), if empowered by the Ministerial Council





Way forward

Implementation of the SoS Directive 2004/67 and Gas Regulation 1775/2005 decided by the Ministerial Council in June 2007

Proposal for Ministerial Council Decision adopted at the PHLG of October 2007

Deadlines:

2004/67- before 31 December 2009

1775/2005- before 31 December 2008





Regulation 1775/2005/EC

Content

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- Detailed requirements with a view to implementing Directive 2003/55/EC concerning the access to gas transmission pipelines on**
 - Tariffs to access to networks
 - TPA services
 - Capacity allocation and congestion management
 - Transparency
 - Balancing rules and imbalance charges
 - 2ndary market trading
 - Including annexed guidelines to Regulation 1775/2005/EC
 - EC Explanatory Notes**
 - ERGEG Guidelines for Good Practice (Balancing, Open Season, Storage)**
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Directive 2004/67 Security of Gas Supply

- Art. 1 Objective – transparent security of supply (SoS) policies
 - Art. 2 Definitions
 - Art. 3 Policies – ‘roles and responsibilities’ & definition of roles
 - Art. 4 SoS for Households (winter criterion ‘1/20’, partial supply disruption, etc)
 - Art. 5 Reporting
 - Art. 6 Monitoring (by the Commission)
 - Art. 7 Gas Co-ordination Group
 - Art. 8 National Emergency Measures
 - Art. 9 Community Mechanism – ‘guidance to MS’
 - Art. 10/11/12 Monitoring / Transposition / Entry into Force
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Directive 2003/55 - Gas Internal Market

- Art. 5 Monitoring of security of supply**
Who ?
- Member States or Regulators**
What ?
 - Current and future supply/demand balance
 - Envisaged additional capacity
 - Quality and level of maintenance
 - Measures to cover peak demand and deal with shortfalls
 - When ?
 - By 31 July each year





Conclusions

- These two instruments are essential pieces of legislation to ensure a proper functioning of the gas markets

- The internal market legislation is now complete

- The Regulation is:
 - Essential for creation of a regional gas market

- The security of supply Directive:
 - Coordination mechanism
 - The responsibility remains with the Contracting Parties

