

## *Minutes of the 31th ECRB EWG Meeting*

---

*Energy Community Secretariat Premises – Vienna (Austria)*  
*5 February 2014 – 09:00-18:00*

### **1. Welcome**

---

The EWG Chairman welcomed the participants.

a. Agenda

Documents: draft agenda 31<sup>th</sup> EWG meeting

Discussion: the Chairman introduced the draft agenda of the 30<sup>th</sup> EWG meeting; participants did not raise comments.

Conclusion: the agenda has been approved without changes.

b. Minutes of last meeting

Documents: draft minutes

Discussion: the Chairman introduced the draft minutes of the 30<sup>th</sup> EWG meeting; participants raised no comments and change proposals.

Conclusion: the minutes of the 30<sup>th</sup> EWG meeting have been approved.

### **2. Report from the December ECRB, PHLG**

---

Documents: Conclusions and presentation PHLG

Discussion: The ECRB Section and the EWG Chair presented the discussion points and conclusions of last ECRB and PHLG meetings.

### **3. EU Network Codes / Framework Guidelines / Transparency**

---

Documents: presentation

Discussion: The ECRB Section updated the EWG on the latest developments in the area of Network Code Development and implementation, as well as transparency, especially on the future cooperation between the region's TSOs and the EMFIP platform. Some EWG members highlighted that some of the future

transparency requirements of Regulation 543/2013 are hard to be fulfilled by the SEE TSOs. The ECRB Section stressed that the work currently done within ENTSO-E is aiming at detailing the specific data requirements and facilitating the TSOs' capabilities to fulfil the publication and data submission requirements. Central documents for that are the Manual of Procedures and the Detailed Data Descriptions. Changes in the operational processes of each TSO, however, are/will be necessary. Moreover, it was highlighted that already under today's Energy Community acquis, transparency requirements exists.

Conclusion: After more clarity on when and how Regulation 543/2013 will become part of the Energy Community's acquis will be given, the ECRB will address a letter to the TSOs' ENTSO-E RG SEE, in order to NRAs to assess how transparency requirements are fulfilled, and what the challenges to implement the EMFIP cooperation, are.

## **4. TF1 – Wholesale Market Opening**

Documents: Current SEE RAP; letter ECRB President on SEE RAP update; conclusions Florence Forum 11/2013; draft roadmap update

Discussion:

- a. ECRB Section reviewed the last Florence Forum meeting. Implications for the Regional Action Plan for Wholesale Market Opening in SEE were discussed.
- b. The ECRB Section gave an update on activities of the SEE CAO. Participants provided information on the status of 8th Region TSOs' cooperation with SEE CAO. TSOs from Macedonia, Romania, Bulgaria, Hungary and Serbia were not involved in the setting up of the SEE CAO, for the case of Macedonia related discussions are still ongoing NRAs updated on the state of play regarding the adoption of the Auction Rules of the CAO, that is expected to happen after the final request for approval from the respective TSOs. SEE NRAs representatives have reported on the SEE CAO Auction Rules approval status process. None of the SEE NRAs has approved the SEE CAO AR until the EWG meeting, and representatives of FYROM, Bosnia and Herzegovina and Kosovo\* reported they have just received it for approval procedure. The representative of Turkish NRA will check and report if already approved the SEE CAO AR.
- c. The ECRB Section provided information on the updated quarterly report Q4/2013, which was published on ACER's website as of 6 February 2014.
- d. Mr Minelli provided an update on ACER's ERI Coordination Group activities and recent development in the other ERI regions.

Conclusion: As there were no EU TMM deadlines updates on EU level, SEE RAP Co-coordinators will address by e-mail TSO (Miloš Mladenović) and PHLG (Danilo Barjaktarević) representatives in order to present the

SEE NRAs (ECRB EWG) position on urgency to update and analyse the SEE RAP deadlines and activities which happen to be far beyond the schedules and to ask SEE TSOs an opinion how to proceed, and develop a concrete proposal for the SEE RAP deadlines and status update. The necessary moving of the targets, both in the EU and the 8<sup>th</sup> Region, should lead to an update of the SEE RAP. Some participants stressed that for the implementation of the SEE RAP, certain obstacles need to be overcome.

## 5. TF2 - Balancing

---

Documents: Workshop draft agenda, presentation Mr Pointvogl, Draft ToR for Regional Balancing Initiative in SEE

Discussion:

- a. Briefing Balancing Workshop 6.2.2014: The ECRB Section presented the Draft Agenda and the presentation in the context of launching the Regional Balancing Initiative in SEE.
- b. Draft ToR of Regional Balancing Initiative in SEE: The ECRB Section recalled the call for comments.
- c. Survey on existing balancing mechanisms: The ECRB Section presented the review of the questionnaire replies that largely underlined the need for improvement of the balancing regimes. ECS noticed that the generation is still regulated in the majority of the CPs of EnC, thus being an obstacle for regional balancing. Chairman proposed, and EWG supported, establishing a direct link between the ECRB EWG and the ACER Balancing WG (TF) in order to gain prompt information on EU NRAs initiatives and pilot projects regarding the regional balancing and use them for the regional balancing initiative in SEE.
- d. Inclusion of existing Balancing Projects in the Regional Balancing Project: The Secretariat provided an update on the state of play of existing initiatives in the area of cross-border balancing cooperation. A preparatory meeting with TSOs involved in these initiatives was reviewed, and the obstacles presented by TSOs were detailed: the need for EnC support, a harmonisation of the legal framework, and a closer coordination between regulators and TSOs in the SEE region. The meeting conclusions will be made available to the EWG.

Conclusions: The request for comments to the ToR of the Regional Balancing Initiative was renewed and extended till the end of February. Participants commented that the ToR should focus more on Network Codes, and that they should be the guiding principles of the Initiative. Moreover, it was highlighted that the work packages should be linked more closely to the chapters of the Network Codes. The TF2 Co-Leaders will update the work packages in line with that, together with the consolidation of the EWG comments received. ECRB Section will establish the direct link with the ACER Balancing WG/TF and reporting (or invite rapporteur) on their activities regarding the EU Regional Balancing initiatives and pilot projects. ECRB EWG and ENTSO-E RG SEE members should cooperate strongly regarding this project. The TF Leader will develop a conclusion paper for the next EWG meeting.

## **6. TF3 – Oversight of Traders and Licensing**

Documents: Draft recommendation

Discussion: The TF3 Leader presented a proposal on the way forward in this area taking into account the comments from the responses of all questionnaires since the mandate for finding a solution on the issue of licensing and seat requirements was given to the EWG. It was explained, what is the applicable Title of the Treaty for this task, and the background of the mandate. A clarification that a registry is not a replacement for licensing was given in line with the 3rd edition of ACER's REMIT guidance (p.24): "It is important to note that through the registration process, NRAs do not issue an authorisation or license to trade to the market participants.". The Proposal's guiding principle is that nothing new was created compared to existing EU practises, but on the contrary, that existing measures of EU member states should be taken up, with the aim of minimum burden on EU member states from Title 3 countries. The TF3 Leader pointed out that, the role model for the proposal at hand were AT, SI, IT, and that the aim of the proposal is that an entry into an EU(-style) registry should allow participation in trading throughout the region. The recommendation goes along the lines of a Directive type proposal with national transposition, hence room for interpretation, which should lead to the phasing out of licensing requirements. Participants from the EU member states raised concerns about the setting up of new database, and highlighted, that legal difficulties may arise, if envisaged that existing data (collected under REMIT requirements) is duplicated to populate a new database. Other participants raised concern of a more general notion, due to "structural" difficulties. Some participants questioned the mandate for working on the topic of licensing and the applicability of Title 3. It was clarified that the topic of fading out of licenses is to be seen separate from REMIT requirements. A question was posed, whether the proposal goes beyond REMIT requirements, especially regarding its implementation effort. This was rejected. A discussion arose about the legitimacy and consistency of taking into account replies to questionnaires on the topic that date back to 2008.

Finally, the TF3 Leader, Nikola Radovanović, informed the group that he will not continue in this position, due to a job change. The EWG wishes him all the best for his future. Ross MacDonald, from E-Control, provided an update on the latest REMIT developments: the latest Implementing acts are expected enter into force in June 2014, which amongst other things detail which contracts will be reported under REMIT.

Conclusions: The ECRB Section will request a new round of comments on the proposal in the form of concrete change proposals, especially aiming to propose solutions for open issues. The ECRB Section will provide a new consolidated version of the draft recommendation on this topic before the next EWG meeting.

## **7. TF4 – SEE Market Monitoring**

Documents: presentation Mr Sinclair

Discussion: Mr Sinclair presented an update of the regional market monitoring project, and presented an update of the Market Monitoring Guidelines in SEE. The most significant changes of the latest version of these Guidelines were done to Annex 5 and through the introduction of Indicator 6 and regarding the legal background of the performance of the monitoring tasks, and taking into account comments made by HERA. Mr Sinclair proposed to continue advising communications on monthly results. He also stressed the topic of transferral of the SEEAMMS to the EWG/Energy Community Secretariat, and that a discussion in that respect is needed. It was agreed to insert in the MMG document the following: 1) explicit reasoning for introducing the cross-border calculations monitoring as the core regulatory obligation; 2) MMG will address the future SEE CAO functions on cross-border calculations as it will stay in the TSOs responsibilities in the first phase; only the auction results will have to be changed comparing to the present MMG version as the SEE CAO will perform this task; this activity should be inserted in the MMG document before the SEE CAO starts to operate; 3) propose several options for Market Monitoring entity for SEE: ECS/ECRB Section, rotation principle, third party-consultant; the final proposal will be made after all NRAs perform the rotation monitoring role in SEE MM Dry-Run. The consultant will discuss with USAID on the joint regulatory/TSOs Workshop organization abilities and inform ECRB Section on outcomes and potential date.

Conclusions: Participants concluded that the rotational basis of the monitoring is continued. The Monitoring Guidelines in SEE document was supported and approved by all present EWG members, with condition that the consultant inserts previously agreed notes. Comments were raised regarding the need to slightly modify them regarding the transition phase. After the consultant makes agreed adaptations in the MMG, including a proposal by the Secretariat on the key monitoring duties of regulators, the ECRB Section will distribute the updated Market Monitoring Guidelines in SEE document to the EWG, and prepare the MMG document for the ECRB approval.

## **8. TF5 - Renewables**

The way forward on the topics to be treated in the TF5 was discussed, and a date for a dedicated half-day EWG meeting part back-to-back with the Athens Forum was agreed. After the TF5 Leader, Mrs Muruziuc, she propose the future topics should be:

- Sharing of costs regarding connection to the grid of RES-E generators. Ownership over the lines built for connection of RES-E power plants to the grid.
- Auctions for granting access to incentives for renewable energy. Procedures, conditions, evaluation criteria, results.
- Presentations from European Commission about their findings and opinion regarding future promotion of RES (including potential participation of RES-E generators in competitive markets).

The TF5 Leader, Veronica Muruziuc, informed the group that she will temporarily resign from this position, and that Anatolie Boscaneanu will replace her.

## ***9. Cross-Sectoral***

---

The ECRB Section discussed the timing, date and concept for a Market Monitoring Workshop with ACER. It was agreed that the Workshop will take place a day after the 3<sup>rd</sup> EWG meeting in 2014, on 9 October in Ljubljana.

## ***10. Athens Forum***

---

The ECRB Section discussed first proposals for topics for the Athens Forum, taking place on 2 and 3 June 2014.

## ***11. Next meetings 2014***

---

The next EWG meeting will take place on 3<sup>rd</sup> June (afternoon) and 4 June 2014 (whole day) in Athens. The half-day Workshop dedicated to RES will be held on the 4<sup>th</sup> June 2014 afternoon. The third EWG meeting of 2014 will take place on 8 October 2014 in Ljubljana, back to back with the Market Monitoring Workshop with ACER (on 9 October).