

RECOMMENDATION OF THE ENERGY COMMUNITY REGULATORY BOARD

on

SEE CAO Auction Rules, Version 1.2

I. INTRODUCTION

Being a regional coordination platform, the Coordinated Auction Office South East Europe (SEE CAO) operates on a common set of Auction Rules. Approval of Auction Rules for Transmission Operators participating in coordinated SEE CAO auctions is responsibility of the relevant National Energy Regulator (NRA). However, having in mind that the concept of a regional project requires harmonised regulatory treatment across borders, the Energy Community NRAs mutually agreed¹ to develop a common approach for SEE CAO Auction Rules in the format of a (legally non-binding) recommendation of the Energy Community Regulatory Board (ECRB) to which NRAs would align their (legally binding) national Auction Rule approval decisions.

The SEE CAO submitted a new set of Auction Rules ("version 1.2") on 24 July 2015 asking for a coordinated regulatory position on the draft.

II. ECRB RECOMMENDATION

ECRB carefully reflected draft the Auction Rules version 1.2, in particular paying due attention to their compliance with the Energy Community *acquis communautaire*², their consistency with the European / Energy Community Electricity Target Model, Regulation (EC) 1222/2015 and the (draft) Network Code for Forward Capacity Allocation.

ECRB welcomes the draft SEE CAO Auction Rules version 1.2 as important step for further regional integration and harmonisation of cross border trade in electricity. The ECRB further expresses its appreciation for the efforts made in adjusting the SEE CAO Auction Rules to the draft Harmonised Auction Rules discussed on EU level.

ECRB did not identify concerns of regulatory nature in the submitted draft Auction Rules version 1.2 and therefore **recommends NRAs to approve the draft Auction Rules version 1.2 in the form attached to this recommendation**. The change proposals highlighted in the annex entail text improvement suggestions only.

¹ 11th ECRB, 9 July 2009.

² In particular Regulation (EC) 714/2009.