Minutes

Draft conclusions of the 40th ECRB EWG meeting

Location: Vienna
8 February 2017

1. Minutes, Agenda

Conclusions: EWG agreed on the agenda and the minutes from the last meeting, including amendments sent by the Armenian regulator on the market development.

2. Report from the ECRB, PHLG meetings, WB6 process, EnC developments

Mrs Grall informed about:

- The results of the December 2016 PHLG meeting (cf draft conclusions: https://www.energy-community.org/portal/page/portal/ENC_HOME/DOCS/4456436/43B4BE3B73221C6FE053C92FA8C0957F.pdf): progress is made towards implementation of gas network codes (envisaging adoption of a first set of gas network codes in June 2017) from where also discussions on implementing electricity network codes/guidelines are supposed to start; the PHLG requested the EnC Secretariat to present a concept for implementing Regulation 1227/2011 (‘REMIT Regulation’); changes to the Energy Community Treaty (cf discussion timeline: https://www.energy-community.org/portal/page/portal/ENC_HOME/DOCS/4442399/42ADB97213BB2C1AE053C92FA8C0E7CB.pdf) are under discussion; the EnC Secretariat announced to launch infringements for non-transposition/implementation of the electricity transparency Regulation 543/2013, related activities are in progress.

- The results of the December 2016 ECRB meeting related to electricity, namely adoption of the report on implementation of the electricity transparency Regulation 543/2013, re-election of Mr Stefanović as EWG chair, ECRB Opinion on certification of OST.

- The developments of the WB6 process: for the DAMI Program Steering Committee (PSC) rules of procedure and rotation of chairmanship have been defined as well as first DAMI pilot projects for the WB6 including Italy; the PSC for regional balancing has been recently established; the EnC Secretariat is in the process of defining details of the technical assistance for implementing the WB6 measures under a grant contract (cf https://www.energy-community.org/portal/page/portal/ENC_HOME/ENERGY_COMMUNITY/Institutions/Secretariat/TA) and related work program (cf. https://www.energy-community.org/portal/page/portal/ENC_HOME/DOCS/4442399/42ADB97213BB2C1AE053C92FA8C0E7CB.pdf).
Conclusions: no conclusion required. EWG invited the ECRB Section to cross-check with the WB6 PSC chair whether minutes of WB6 PSC meetings can be shared with the EWG having in mind the coordination task of EWG for regulatory input to the WB6 process.

3. Regulatory duties in context with implementation of infrastructure Regulation 347/2013

The Chairman introduced a presentation by Mr Nenad Šijaković and Mr Adam Balogh, infrastructure experts at the EnC Secretariat, on the regulatory duties in context with implementation of infrastructure Regulation 347/2013 (cf presentations). Mrs Grall explained the background of including the presentation in the EWG agenda, namely that Regulation 347/2013 includes a number of important tasks for regulators and ECRB.

Mr Stefanović suggested inter-linking the European Commission’s and EnC Secretariat’s transparency platforms on Regulation 347/2013.

Mr Balogh drew attention to an ECRB obligation stemming from Article 11(2) of Regulation 347/2013¹, namely:

   By 30 June 2018, national regulatory authorities cooperating in the framework of the Regulatory Board shall establish and make publicly available a set of indicators and corresponding reference values for the comparison of unit investment costs for comparable projects of the infrastructure categories included in Annex I.1 and 2. Those reference values may be used by the project promoters for the cost-benefit analyses carried out for their projects. A set of indicators and corresponding reference values for the comparison of unit investment costs, referred to in first subparagraph shall be consistent with those established under Article 11 (7) of Regulation (EU) No 347/2013. The Agency is invited to include in a set of indicators and corresponding reference values, established under that Article, unit investment costs submitted by national regulatory authorities from Contracting Parties.².

Conclusions:

- Presentation of Mr Balogh and Mr Šijaković to be made available in the EWG members’ area on the Energy Community website.
- EnC Secretariat to check the possibility of sharing information on the PECI financial support status with the EWG.
- EWG to recommend to April 2017 ECRB meeting to start discussions on addressing the tasks stemming from Article 11(2) of Regulation 347/2013.

4. **TF1 – Wholesale Market Opening**

TF1 Leader (Mr Lanza) provided information of the state of play of Regulation 1222/2015 (‘CACM Regulation’) implementation in the EU (cf presentation).

Concerning implementation of the CACM Regulation in the Contracting Parties (CPs) Mrs Grall underlined the target of developing a concerted approach for South East Europe, covering both the WB6 CPs and neighbouring EU Member States, and avoid duplicating development of methodologies foreseen under the CACM Regulation in the CPs only. She noted that the WB6 process targets a related early implementation of the CACM Regulation.

As regards the ECRB request for CP regulators to be granted a right to participate in the European Regulators’ Forum (‘ERF’) established in context with the CACM Regulation’s “all-NRA” decisions (cf meeting material: ECRB letter to ERF Chair Lord Mogg), Mrs Grall and Mr Lanza informed about the likelihood of receiving a positive reply as regards participation in the All Regulatory Authority Working Group (ARA WG) that is in charge of preparing ERF decisions. A formal reply by Lord Mogg is still pending, including information on whether participation of individual CP NRAs or an ECRB representative would be conceded.

In relation to TSO feedback on the input provided by the ECRB SEE RAP coordinator, Mr Stefanović, to the ENTSO-E SEE RAP coordinator, Mr Medjimorec, concerning SEE RAP adjustments in context of the WB6 developments, Mr Stefanović informed that related discussions are still in process.

Concerning the development of an update of the 2016 ECRB compliance report with Regulation 543/2013 on transparency in electricity, Mrs Grall informed that the EnC Secretariat has started infringement proceedings on non-transposition/implementation of Regulation 543/2013 and in this context questioned whether a parallel compliance report activity of the EWG would still be needed from EWG perspective.

**Conclusions:** EWG agreed on the following steps:

- first methodology for Generation and Load Data Provision approved by all EU NRAs. Western Balkan 6 TSOs should be requested to check in context with the next WB6 DAMIPSC if it is implementable also in their jurisdictions. When other methodologies will be approved, the same assessment should be undertaken.

- As regards participation in the ARA WG, EWG members agreed that participation to ARA WG meetings via telephone conference (in particular having in mind the high frequency of Brussels based meetings and approximate 3 hours duration of these meetings) could be a workable approach, not excluding physical participation by individual NRA’s representative, if wanted. EWG decided to provide a proposal on such work approach to the April 2017 ECRB meeting, subject to formal reply by Lord Mogg.

- Mr Stefanović and Mr Lanza to organise a conference call with Mr Medjimorec concerning TSO feedback on the EWG input concerning SEE RAP adjustments in context of the WB6 developments and...
input earlier provided by the ECRB SEE RAP coordinator to the ENTSO-E SEE RAP coordinator in this context.

- EWG confirmed commitment to prepare an update of the 2016 ECRB compliance report with Regulation 543/2013, to the extent that: (a) this can build on compliance data collection performed by the EnC Secretariat in context with evaluation of non-transposition/-implementation (with goal to detect exact missing data and reasoning behind it); and (b) application(s) for a TF Leader will be received. As regards the latter, EWG invited the ECRB Section to circulate a call for TF Leader applications. Should none be received, EWG will propose to the April 2017 ECRB meeting to cancel the deliverable from the ECRB Work Program 2017.

5. TF2 – Balancing

The TF2 Leader (Mr Malidžan) and Mr Brkić presented the draft balancing report and foreseen next steps. Participants discussed the draft and next steps.

Conclusions:
1. EWG invited the ECRB Section to review the draft report:
   - Against editorial alignment with ECRB reporting standards;
   - By adjusting the chapter on next steps as follows: delete step A, having in mind overlapping with EnC Secretariat’s implementation monitoring and reporting; define step B to be addressed via the WB6 Program Steering Committee on balancing; reformulate step C as description of a follow up activity for which details will be developed by the TF2 in a next step (cf next point).

   and circulate to the EWG for written approval (10 days), following ex ante information to the TF2 Leader of executed changes in the draft. After EWG approval the report shall be presented for ECRB approval in April 2017.

2. As follow up activity the TF2 Leader will develop a proposal for balancing related monitoring areas and present the proposal at the next EWG meeting. The monitoring table shall be completed by NRAs including some explanatory description for already implemented areas and shall be used for a monitoring report, or similar ECRB publication.

6. TF3 – SEE Market Monitoring

The TF3 Leader (Mr Gachechiladze) updated on the SEEAMMS developments, namely: HERA stopped participating in SEEAMMS monitoring; the participation of Ukraine should be discussed further; the regional monitoring rotation should be reactivated by introducing an automatic alert to the upcoming monitoring leader.
As regards the latter Mrs Grall outlined that, to the extent involving software upgrade, financing cannot be provided by the EnC Secretariat.

As regards including CP market developments in the ACER Market Monitoring activity, Mrs Grall informed that such has been agreed under the Administrative Agreement between ACER and the EnC Secretariat (cf https://www.energy-community.org/portal/page/portal/ENC_HOME/NEWS/News_Details?p_new_id=13643) but a final reply on including the CP electricity wholesale markets in the ACER Market Monitoring activity is still pending (only inclusion of Ukraine data for gas is confirmed so far).

**Conclusions:** EWG concluded as follows:

- **SEEAMMS**
  - TF3 Leader to send a request to EU NRAs to identify whether (or not) they want to continue participating in SEEAMMS monitoring.
  - EWG invites the TF3 Leader to coordinate with Mr Sinclair on setting up an automatic Outlook alert to the upcoming regional monitoring Administrator.
  - ECRB Section to arrange and perform, including the TF3 Leader, the SEEAMMS organisational governance structure (e-mail inbox) on rotation principle (defining Administrator-EWG members’ rotation at least one year in advance).

- **ACER Market Monitoring:** EWG agreed to include CP electricity wholesale market monitoring in its 2017 activities: (a) subject to final information by ACER that this area will not be covered in its 2017 ACER Market Monitoring Report; in this context EWG invited the EnC Secretariat to inform on related ACER feedback-decision; (b) building on ACER MM indicators only; and (c) subject to approval of the related EWG activities at the April 2017 ECRB meeting.

- Recommendation on Harmonisation of cross-border transmission capacity calculation: EWG invited the ECRB Section to editorially adjust the draft presented by the TF3 Leader and circulate for written EWG on-line approval (10 days) and, afterwards, table for ECRB approval in April 2017.

### 7. Athens Forum 2017

EWG proposed the following topics for the next Athens Forum from the EWG activities’ scope:

- Market Coupling pilot project IT-ME-RS (to the extent progress can be reported until then).
- ECRB Recommendation on capacity calculation standards (cf agenda item 6).

### 8. AOB

No issues have been raised.
9. **Next meeting**

The next EWG meeting will take place on 30 May 2017 (9:00-18:00) in Athens, back to back to the 2017 Athens Forum (31 May-1 June 2017, Athens).

List of participants

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FEJZULLAHU, Ymer (ERO)
GACHECHILADZE, Zviad (GNERC)
GRALL-EDLER, Nina (ECS)
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LANZA, Salvatore (AEEGSI)
LUKIĆ, Saša (SERC)
MALIDŽAN, Igor (REGAGEN)
QIRA, Bledar (ERE)
RIFAT, Blakaj (ERO)
RIGER, Jakša (REGAGEN)
STEFANOVIC, Nenad (Chair/AERS)
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