



61th PHLG – Clean Energy Package I: a new electricity market design

DG ENER
European Commission

TIMELINE*

March 2021

60th PHLG

July 2021

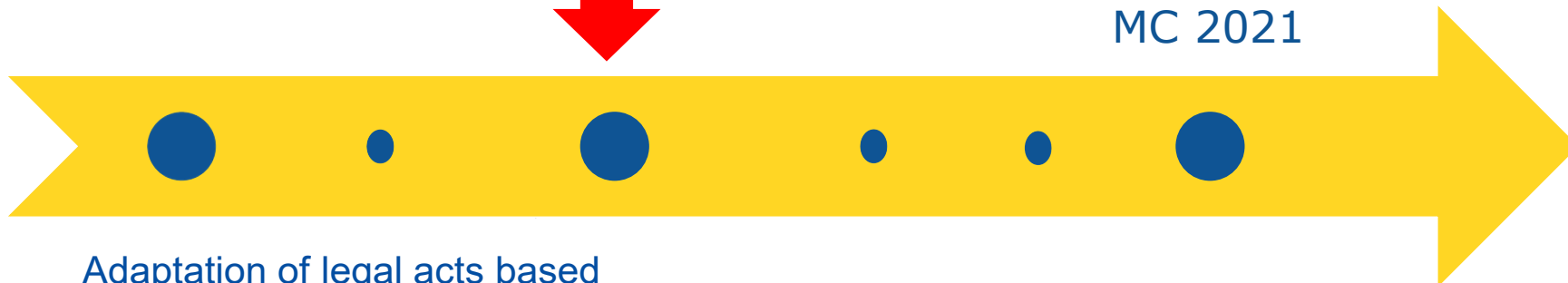
61th PHLG



**November
2021**

62th PHLG

MC 2021



Adaptation of legal acts based on amendments of the Energy Community Treaty (Article 25' ECT on reciprocity)

Stakeholders: EC, ACER, ENTSO-E, Energy Community Secretariat

*Please note that this presentation has been prepared by the European Commission services as technical background to facilitate informal discussion. It is without prejudice to the position the European Union might take in the future.

Electricity Directive 2019/944

- Common rules for the internal market for electricity including retail and unbundling
- Competitive, consumer-centred, flexible and non-discriminatory electricity markets
- Development of demand response, smart metering, storage and mitigate energy poverty

Reciprocity

- Ensure level playing field for cross border trades between EU MS and CPs
- Ensure ACER competence on cross-border issues together with ECRB

Risk-Preparedness Regulation 2019/941

- Increase security of electricity supply in Europe
- Prevent, prepare and manage electricity crises
- Identify competent authorities and elaborate risk preparedness plans by Contracting Parties

Reciprocity → new Article 20'

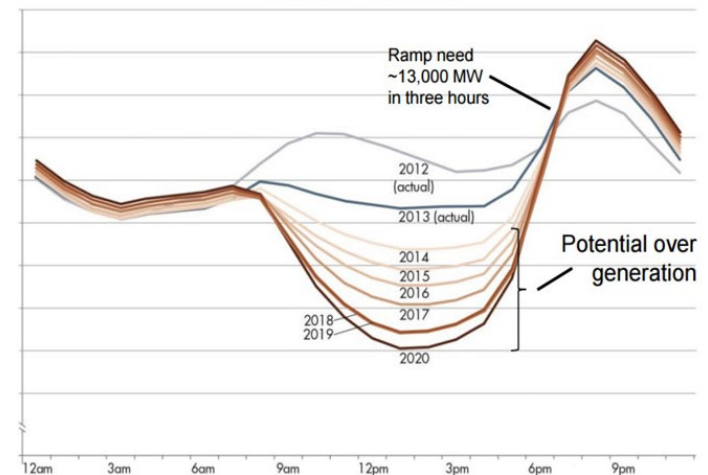
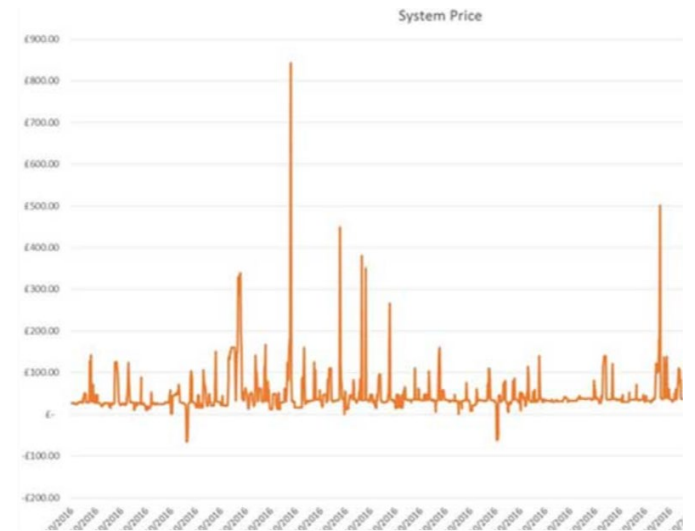
- Increase information sharing among EU MS and CPs (early warning and electricity crisis)
- Cooperation on risk-preparedness plans
- EC and EU MS participation in the EnC Security of Supply Coordination Group

Electricity Regulation 2019/943

- Common rules for well-functioning and integrated wholesale electricity markets (forward, day-ahead, intraday, balancing)
- Set fair rules for cross-border exchanges, taking into account national and regional markets
- Coordination Group of the EnC DSO

Reciprocity

- Capacity Calculation Regions
- Regional Coordination Centers
- System Operation Regions
- Resource adequacy assessment



CACM Regulation 2015/1222



✓ Take it or leave it for existing methodologies – *no renegotiation*

✓ **CCRs** methodologies for EU MS and CPs

✓ **SDAC/SIDC extension** >> market coupling projects

FCA Regulation 2016/1719

- Single platform obligatory for CPs, option for EU MS and 3rd countries to participate
- Coordinated Auction Office in South East Europe (SEE CAO) can be the single platform subject to complying with the FCA requirements
- Once SDAC/SIDC extension completed, all borders between EU MS and CPs to be included in the EU Joint Allocation Office (JAO)



NEXT STEPS

March 2021

60th PHLG

July 2021

61th PHLG



*Launch ISC /
process for
adoption*

**November
2021**

62th PHLG
MC 2021

Adaptation of legal acts based on amendments of the Energy Community Treaty (Article 25' ECT on reciprocity)

Stakeholders: EC, ACER, ENTSO-E, Energy Community Secretariat

Technical Workshops: Consultation on drafts for adapted legal acts with CPs and EU MS

Stakeholders: Contracting Parties, EU MS, TSOs, NRAs

RELEVANT LEGAL ACTS

For MC 2021 adoption

- **Electricity Directive** 2019/944
- **Risk Preparedness Regulation** 2019/941

For MC/PHLG 2022 adoption ~ Treaty reform

- **Electricity Regulation** 2019/943
- Regulation (EU) 2015/1222 establishing a guideline on **capacity allocation and congestion management** (CACM)
- Regulation (EU) 2016/1719 establishing a guideline on **forward capacity allocation** (FCA)



Thank you

DG ENER
European Commission