Welcome address

Meeting of the PHLG
Vienna 23 March 2011

F. Barbaso
Deputy Director General
Regulation (EU) No 774/2010 on laying down guidelines relating to inter-transmission system operator compensation and a common regulatory approach to transmission charging
Commission Report on the Energy Community

- Adopted on 10th March 2011
- “Success story”
- Solid institutional framework for cooperation, mutual support and exchange of experience
- Model for regional cooperation on energy
- Main challenges
- Priorities
Main challenges

(a) From theory to practice: Filling the gap between theory (political commitments) and practice (full implementation of the EnC acquis and enforcement of the adopted rules)

(b) How to promote investments?: low level of private investments, due to lack of implementation of the rules + small scale of national markets + barriers to competition (regulated prices + subsidies + weak regulators)
First priority: focus on implementation and enforcement

a) Impact of lack implementation on EU enlargement negotiations (e.g. reopening of energy chapter).

b) Link between bilateral financial assistance and respect of commitments under EnC.

c) Link to benefits under RES Directive.

d) Preventive measures – administrative cooperation and partnership

e) Systematic recourse to the dispute settlement mechanism.

f) Conditionality for new members / observers
Second priority: Implementation of Third Package and Directives on RES & Energy Efficiency

- Essential for the integration of the Contracting Parties in the EU energy market
- Implementation of the rules as a key condition for the participation of the Contracting Parties in ACER or ENTSO
Third priority: Coordinated investments strategy – creating an attractive investment environment

- Market reform required, covering:
  - Price / subsidy reform
  - Social impact / vulnerable customers

- Regional dimension
  - Eligibility of infrastructure projects as “Projects of European Interest”
  - Priority to regional projects: Gas Ring, e.g.

- Strengthen respect of environmental criteria
2nd Joint Meeting of the
Energy Community Regulatory Board and Permanent High Level Group

24 March 2011, 09:00 – 15:00

Energy Community Secretariat – 1010 Vienna, Am Hof 4

Draft Agenda

Chairs:
Fabrizio BARBASO, European Commission, Vice-Chair PHLG
Cristobal EURGOS ALONSO, European Commission, Vice-President ECRB

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<td><strong>1</strong> Opening Address</td>
<td>- Energy Community Presidency in Office</td>
<td>09:00 – 09:10</td>
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<td>- Mirsad SALKIC, President ECRB</td>
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<td>Fabrizio BARBASO, Deputy Director General (EC)</td>
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