Minutes of the 33rd ECRB EWG Meeting

Location: Ljubljana – Cankarjev dom Cultural and Congress Centre Prešernova cesta 10, 1000 Ljubljana, Slovenia
8 October 2014, 9:00 – 20:00

1. Welcome

The EWG Chairman welcomed the participants.

a. Agenda

Documents: draft agenda 33rd EWG meeting

Discussion: the Chairman introduced the draft agenda of the 33rd 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 32nd EWG meeting; intervention from AERS, approval

Conclusion: the minutes of the 32nd EWG meeting have been approved.

2. Report from the Athens Forum, ECRB, PHLG, Florence Forum

The ECRB Section and the EWG Chair presented the discussion points and conclusions of last ECRB, Ministerial Council and PHLG meetings.

3. Information on 3rd package transposition

The ECRB-S provided an update on the progress in the Contracting Parties with regard to the development and adoption of the 3rd package as of 1 January 2015.
4. Transparency

Documents: presentation

Discussion/Conclusions:

Discussions of the EWG led to conclude that the ECRB-S will circulate an overview of the data interpretations (under EMFIP): Detailed Data Descriptions, and an overview of the presently legally required publication items. Members committed to review the state of compliance in its jurisdiction and report back to the Section as will be requested in the respective tables, until mid January 2015.

For the next EWG meeting: Have someone from ENTSO-E to present which data requirements are covered under EMFIP, including procedures for collecting data and organization of the EMFIP platform..

Under this topic there were also discussions on SEE CAO: 1) info related to the operation and activities of SEE CAO in Podgorica; 2) Infringement procedure against FYROM regarding participation in SEE CAO; 3) Serbian TSO EMS Action plan for participating in the (SEE) CAO after the ECS official letter request; 4) Albanian TSO info that it has difficulties regarding participation in SEE CAO due to VAT problem; 5) The Agreement was signed between EMS and KOSTT regarding the cross-border capacities treatment with announcement of the final details info on 11.11.2014.; 6) Discussion within EWG regarding the approval procedure and terms for the Rules for capacity allocation for SEE CAO.

5. TF1 – Wholesale Market Opening

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

Discussion/Conclusions:

Mr Lanza gave a very comprehensive overview of what the establishment and operation of the Acquirente Unico (AU) in Italy means for the functioning of the electricity market. The EWG discussed the applicability of the AU model to the Contracting Parties. Mr Lanza also presented a report from the latest ACER ERI CG.

Market Integration and WMO Progress its Monitoring

The EWG Chair, members and the ECRB Section discussed about the way forward in the initiative updating the SEE Regional Action Plan (RAP) with regard to the inclusion of UA and MD, whose representatives were not present. UA and MD will not be covered in order to allow a swift (sic) way forward. An update in a footnote on what area will be covered in RAP was highlighted to be needed, i.e. that UA and MD are not included in the RAP and a change of term UNMIK to Kosovo* in footnote 3. The RAP, to be updated by the Section, should then be forwarded to the ECRB for approval at the next meeting.
The ECRB Section informed about the recent ACER ERI Biannual for Q2-Q3/2014; no comments were made in the meeting.

The EWG reviewed existing tools for information gathering (Tetris Table with Capacity allocation information, review of SEE RAP progress in visual for of different maps) and concluded that for the future only one integrated file should be developed by the ECRB-S and distributed to the EWG for review, besides the continued use of the Quarterly Bulletin in its current format. Until the end of 2014, a first draft should be developed. The EWG supported the presented new way of visually displaying the SEE RAP developments, presented by ECRB-S. The Bulleting part of the new format should be more detailed, in order to increase the clarity of the requested information.

The EWG supported that a new timely fixed process for data gathering (including for the ACER ERI Biannual Reports and the future integrated WMO review file) is introduced along the following fixed schedule for reporting:

- Circulation of (empty) template 1 March (or 1 September) to NRAs
- Submission of elements of the report until 15 March (or 15 September) to ECS
- Consolidation of elements into single draft report until 20 March (or 20 September) by ECS
- EWG feedback on draft report until 25 March (25 September)
- Written ECRB Approval until 1 April (1 October)

6. TF2 - Balancing

Documents: Review: Survey on existing balancing mechanisms, Draft Check list for Conditions for Market Participation

Discussion/Conclusions:

ECRB-S informed that ENTSO-E RG SEE still did not reply officially about their reluctance to continue with the Regional Balancing Initiative, launched by ECRB-S.

The ECRB-S presented the review of the responses received of the Balancing questionnaire in the form of a draft paper which is to be kept internally and forwarded to the ECRB, after EWG online approval as deliverable of the TF. It could serve as a template for the agreed continuation of the endeavours to monitor the development of Balancing Market through the questionnaire, performed each year. HERA committed to get involved in the update an improving of the questionnaire for the 2015 round.

The EWG agreed that the work with regard to the Check List, in line with the ACER Balancing Network Code, and in order to enhance balancing markets harmonization in the region and market participation requirements with aim to ensure...
Conclusions

balancing responsibility, should result in a final report or recommendation paper based on the input received. The members of the EWG are given the opportunity to comment on the Check List and its elements as such until 4 December, and are then requested to submit feedback to the Check List until 4 weeks before the next meeting, hence 4 January 2015, except for the ones that filled the Check List already.

ECRB-S will send out again the Check List for comments, give two weeks for comments on questions by EWG members, and collect information from NRAs which have not contributed so far until the next meeting.

7. TF3 – Oversight of Traders and Licensing

Documents: Draft Conclusion Paper

Discussion/Conclusions:

After comprehensive discussions, the members agreed to the following conclusions, which have been written down during the meeting, and were agreed as quoted below:

“EWG conclusions on way forward regarding TF 3:

EWG members unanimously concluded that progress is needed in regard of the harmonisation of market participation requirements, with an aim to abolish wholesale trading licensing, for the entirety of the Energy Community. The EWG will seek the ECRB to clarify the scope of this TF for the work programme 2015 in order to enlarge the mandate to market participation requirements and to start a common endeavour with ACER.

Two work streams:

Work Stream 1: Make status quo analysis for CPs market participation requirements based on old questionnaire, aiming at abandoning existing barriers to trade and market integration. EFET should be involved in the preparation of such analysis, in order to confirm existing barriers, and find a common approach to overcome these.

Work Stream 2: Approach ACER, request to work on common views on market participation requirements & discuss terms of a new mandate in order to find a common EnC-wide approach to harmonise market participation requirements

Formal approach:

EWG Chair to present to ECRB these conclusions and invite to officially approach ACER for cooperation. Common discussions of a common ACER-ECRB group should develop Terms of Reference of this initiative.
Conclusions

ECRB-S will develop a formal draft letter to the director of ACER about the common approach, also requesting participation of ACER in the next EWG meeting. ECRB should be invited to discuss whether a common endeavour with ACER to harmonise market participation requirements should only cover electricity.

ECRB-S will develop a draft letter to ACER about taking up the work under work stream 2.

The TF3 should be renamed into Harmonisation of Market Participation Requirements in 2015.

8. TF4 – SEE Market Monitoring

Documents: slides Mr Sinclair

Discussion/Conclusions:

The SEEAMMS software was officially handed over from USAID to the Energy Community Secretariat. ECRB-S confirmed that the migration to the Secretariat’s servers will take place until the end of this year. USAID confirmed their financial support for Potomac Economics (Bob Sinclair) consultancy service for the project.

It was agreed that the Consultant will include add information on the data covered in each monthly report in order to get clear information on the reported period, and in order to avoid misunderstanding. Consultant informed that the information on data which triggered indicator variance is now included in the SEEAMMS as the report on variances notification.

Bob Sinclair informed about challenges with BCE indicator and proposed to have a multi NRA-multi TSO communication to resolve differences in interpretation of what BCE is, in order to find out where variations stem from. Moreover, he committed to review feedback from previous discussion with TSOs on the topic. The next steps on this should be: internal review, then discussion with respective TSO, feedback at next meeting how to interpret. EWG members will contact TSO contact persons in order to discuss TSOs comments on BCE concept. EWG members are tasked to report discussions with their TSOs contact persons regarding BCE concept at the next EWG meeting.

Misinterpretation of critical facility indicator exists, too. In order to be able to explain the identified variances and clarify interpretation of the indicator & its variance, the same approach as for the BCE indicator is to be followed.

TRM indicator: significant differences in explaining how TRM is calculated (which exacerbates explaining variances in the indicator). The Chair reminded that NRAs have obligation to review TRM calculation. Also with this indicator, the same approach as with other indicators is to be followed. Concretely, this means that Bob Sinclair will:

- prepare documentation on clarifying inconsistencies in indicator interpretation
- include in future reports where monitoring cycle proves to be not successful
Conclusions

Minutes of the 31st ECRB EWG Meeting

The ECRB-S committed to report on potential cooperation with SEE CAO on data for Market Monitoring Project for next year aiming to widen the application of the MM Guidelines to the capacities allocated through the SEE CAO, through seeking a SPOC for this from each side, with the aim to facilitate data collection, reporting and explaining of variances.

Regional monitor: EWG members presented their positions regarding the proposal for the entity which would perform the role of regional administration entity for Market Monitoring and SEEAMMS. Various proposals and opinions were presented. It was concluded to postpone decision on permanent takeover of regional monitor role and continue the Dry-Run rotation principle for regional MM administrator; ECRB-S to check whether this is covered by mandate and if human resources are available.

Regional reports: discussion, if a more regional reporting would be beneficial. Bob Sinclair will come back with a proposal for more regional indicators or an alternative proposal for more regional reporting.

Participation of new NRAs: Section to draft invitation letter to non-participating NRAs to take part in the SEEAMMS: Turkey, Georgia, Bulgaria, Greece, Hungary, Slovenia, Moldova and Ukraine.

Invite them to report back to the next EWG meeting, whether they would be willing to participate as normal members in the monitoring. Georgia will join SEEAMMS process and assume next monthly rotation.

9. Cross-Sectoral

ECRB-S updated on the progress in the development of a common ECRB policy paper (together with ERRA) on NRA independence. Also in the area of regulatory investment incentives, development of an ECRB policy paper is ongoing, under an ad-hoc Task force under the ECRB headed by Petar Maksimović (AERS), developing a harmonised approach for regulatory investment incentives.

10. AOB

The ECRB-S highlighted that the contributions and the participations from side of NRAs of Parties (especially of Participants which also form part of the 8th Region), Observers and Contracting Parties should be improved. In this meeting, no representatives from Ukraine, Moldova, Slovenia, Turkey, Romania, Bulgaria, and Hungary participated.

The draft Work Programme of the EWG for 2015 was discussed. ECRB-S promised to circulate a draft list of TFs and the Work Programme to members.
Conclusions

Minutes of the 31st ECRB EWG Meeting

11. Next meetings 2015

The first EWG meeting of 2015 will take place on 4 February 2015 in Vienna.