


ACER

 Agency for the Cooperation
of Energy Regulators

ACER Public Debrief

- *Lord Mogg, ACER BoR Chair*
- *Alberto Pototschnig, ACER Director*

17 July, 16.15-16.45

First ACER Public debriefing

What is ACER? European Union Agency established by the 3rd package to support the achievement of an EU Internal Energy Market (IEM) for gas and electricity

What is the ACER Board of Regulators? One of the three independent Boards of ACER

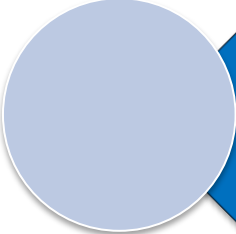
New Initiative: Why ? Transparency and awareness of the Agency's work and operation

What is to be covered and how often?
Presentation of recent ACER activities - BoR outcomes
- Quarterly basis

Introduction to the ACER BoR



**BoR important role in ACER
regulatory activities (consultation,
formal opinions, guidance)**



**Composition: Senior
representatives from 28 MS NRAs,
EC (non-voting)**



**Lord Mogg, BoR Chair, Walter Boltz
Vice Chair**

Tasks of the BoR

Involved in adoption of ACER Acts - provides favourable opinion before adoption, when required (e.g. FGs, NCs, Opinions on ENTSOs) or consulted (e.g. REMIT) see diagram

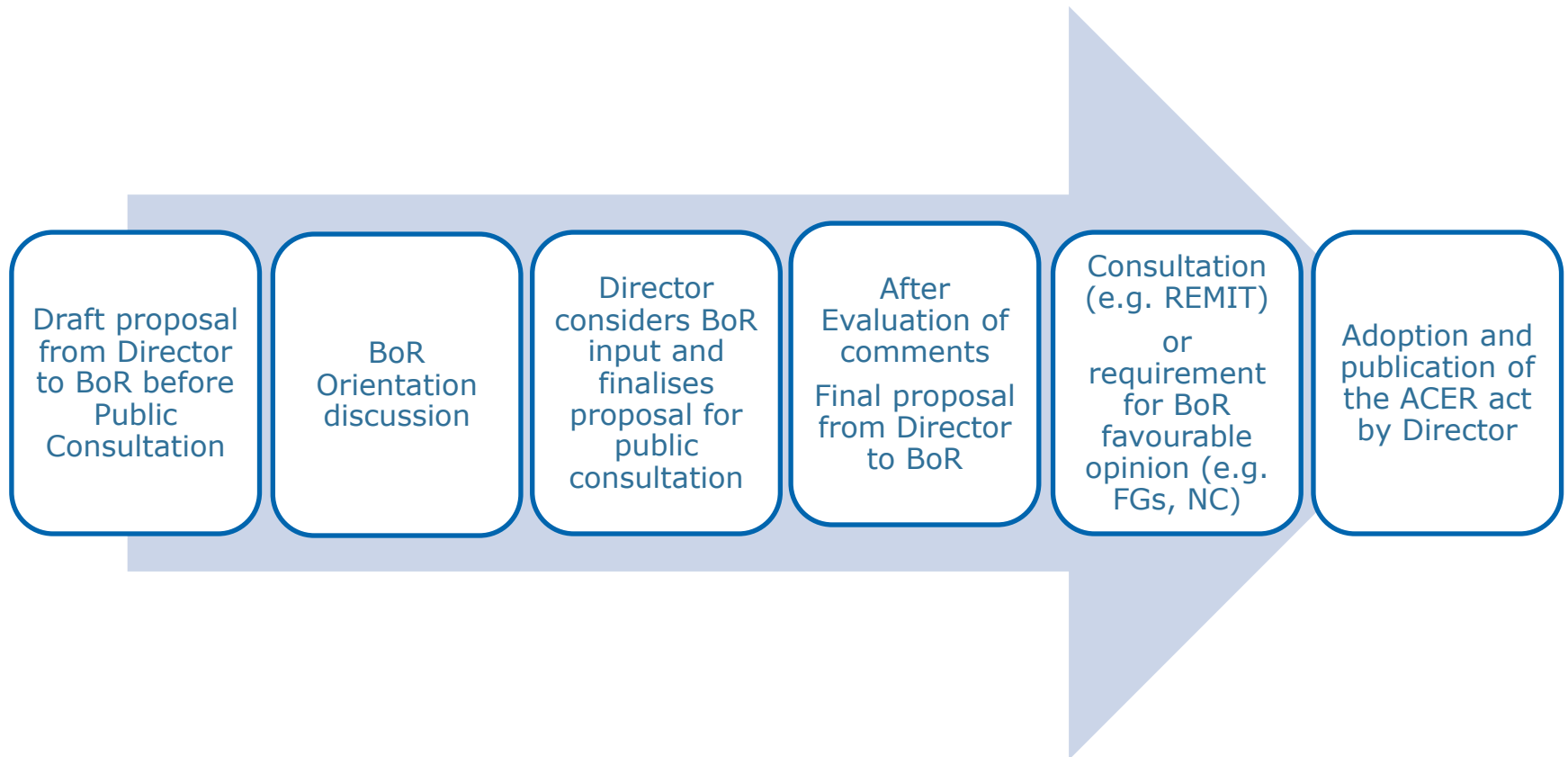
Approves the Work Programme, adopts the regulatory activities section AAR, is consulted on the Agency's budget

Provides guidance to the Director (within its ambit of competence)

Is consulted by the Director on other issues of regulatory policy (e.g. RI)

Is consulted on all aspects of implementation of REMIT

How does the BoR participates in the ACER development of regulatory policy



Main highlights of the 30 BoR meeting

- We welcome HERA our 28 BoR member!
- Approval of ACER 2014 WP
- Draft Gas Tariffs FG – Orientation discussion ahead of the launch of the PC
- BoR favourable opinion on the ACER opinion on PCI regional lists
- Discussion of the draft ACER opinion on ENTSOG TYNDP
- Signing of the MOU ACER and NRAs on REMIT - we reinforce our cooperation!
- BoR favourable opinion on ACER opinion on ENTSO-E Annual report

ACER Opinions on the draft PCI lists (1)

- Focus on the consistent application of selection criteria and cost-benefit analysis (CBA) across regions
 - » However, a proper CBA methodology not yet in place
- Early support of ACER to NRAs to ensure consistency
 - » Common templates/indicators for NRAs' assessment
- The opinions will be adopted shortly, following the favourable opinion of the BoR today

ACER Opinions on the draft PCI lists (2)

- Key messages:

- » The PCI selection process/results are as good as they could have been, given the circumstances of the first selection round (e.g. limited data for some projects, lack of CBA methodology, ...)
- » The lists merit to be adopted and the projects granted PCI status ...
- » ... however, the projects granted PCI status now should be fully re-evaluated in the next round, using proper CBA methodologies currently being developed

Draft FG Gas Tariff Structures

**Transparency:
methodology,
costs,
congestion,
tariff
evolution**

Chapter 1-2
General provisions,
publication requirements

**Avoid
risk of
discrimination
between
cross-border
and domestic**

Chapter 3
Cost allocation
Determination of the
reference price

**Enable CAM:
reserve price,
revenue
recovery and
payable price**

Chapter 4-8
Revenue recovery, reserve
price, virtual
interconnection points,
bundled capacity products,
payable price

non-discrimination, effective competition and functioning of the market
cost-reflectivity, avoid cross-subsidies, promote efficient new investment, greater transparency

ACER delivered on EC's initial request

Cost allocation and determination of the reference price

Objectives

- Prevent occurrence of cross-subsidy and discrimination
- Harmonise capacity / commodity tariff split
- Level playing field for storage

Content

- Same methodology for all entry and exit points
- Capacity based tariffs; commodity charges for fuel costs
- Avoid double charging of gas entering and exiting storage facilities

Main themes in the 2014 Work Programme

Theme 1: 2014 Market Integration Target

- Network Codes
- Early Implementation
- Internal Market Monitoring

Theme 2: Wholesale Energy Market Integrity and Transparency

- Completing REMIT Implementation
- Wholesale Market Monitoring

Theme 3: The Infrastructure Challenge

- TEN-E Regulation Implementation
- TYNDPs

Theme 4: Future Challenges, including RES Integration Challenge

- Enhancement of the Electricity and Gas Target Models

The future Calendar for ACER events

Save the day!

18 July – 18 September Public consultation on Gas tariffs FGs

7 August and 3 September: workshops on the Gas tariffs FGs

5 November, next ACER public debrief

6 November, stakeholder workshop “post 2014 challenges in electricity and gas”

28 November, presentation of 2nd MMR

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Thank you for your attention!

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