Regulatory Cooperation in Europe

Natalie McCoy,
CEER Secretary General
INOGATE Conference - Brussels, 1 February 2013
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CEER at a Glance
What is CEER?

Voice of Europe’s national energy regulators at European and international level

Organisation created by national regulators towards creation of a single EU electricity and gas market

Belgian not-for-profit association

Voluntary Membership
CEER Members

**Members:**
National Regulatory Authorities from the 27 EU Member States + Regulatory Authorities from Iceland and Norway

**Observers:**
Switzerland + Former Yugoslav Republic of Macedonia (FYROM)
CEER’s Activities

- **Policy Proposals**
  - Guidelines
  - Position Papers
  - Advice
  - ...

- **Analysing state of play in EU countries**
  - Benchmarking Reports
  - Monitoring Reports
  - Status Reviews
  - ...

- **Stakeholder Dialogue**
  - Consumer Associations
  - EU Institutions
  - Industry Associations
  - ...

- **Participation in EU Initiatives**
  - EC Working Groups on vulnerable consumers, price transparency, smart grids
  - standardisation activities with CEN/CENELEC
  - ...

Brussels, 1 February 2013
Brussels, 1 February 2013

Regulatory Cooperation Over Time

- CEER helps European Commission on sectoral inquiry into failings of energy markets
- Legal formation as not-for-profit association
- 10 Regulators sign MoU to establish CEER
- With EU enlargement Romania and Bulgaria join
- 10 new Regulators join
- CEER Secretariat opens in Brussels
- first CEER public consultation (on gas storage)
- Adoption of 3rd Energy Liberalisation Package
- CEER launches process to define EU Gas Target Model
- CEER creates Regional Initiatives
- CEER creates International Federation of Regulators (ICER)
- CEER 2020 Vision for Customers
- Endorsement of Gas Target Model
- Switzerland and FYROM join as observers
- CEER wins Energy Transparency Award
- Opening of ACER HQ in Slovenia

Brussels, 1 February 2013
The Energy Customer:

- CEER 2020 Vision for Customers
- 2nd CEER pan-European Customer Conferences in Brussels
- Customer Conference with the Energy Community 2013
CEER and the Agency for the Cooperation of Energy Regulators (ACER)
EU Agency of National Energy Regulators from EU Member States

ACER has its own staff and resources in its HQ in Ljubljana, Slovenia

National Regulators volunteer significant resources to preparing ACER’s work

What is ACER?
ACER Tasks

• Development of (non-binding) Framework Guidelines (Basis for Network Codes)

• Recommendations to transmission system operators, involving monitoring of the European Network of TSOs (ENTSO) and their tasks in particular

• Provision of opinions and recommendations to the European institutions

• Decision making (in the context of cross-border infrastructure access or pipeline/interconnector exemptions)

• Promote cooperation between Regulatory Authorities and provide opinion on specific issues to Regulatory Authorities

• Monitoring of wholesale energy markets
## ACER Basic Structure

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<th>Board of Regulators</th>
<th>Administrative Board</th>
<th>Board of Appeal</th>
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<tr>
<td>Head of ACER</td>
<td>1 representative of each Member State’s Regulatory Authority (+ 1 deputy)</td>
<td>9 members (5 from the European Council, 2 from the European Commission and European Parliament respectively)</td>
<td>6 members plus 6 reserve members</td>
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<tr>
<td>Appointed by Administrative Board following a favorable opinion of the Board of Regulators</td>
<td>1 member of the European Commission</td>
<td>Administrative Tasks</td>
<td></td>
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<td>1 vote per Member State</td>
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CEER and ACER

A complementary approach to energy regulation in Europe:

**ACER**
Statutory tasks related to cross-border market development and oversight

**CEER**
Broader variety of issues (e.g. customer rights, sustainable development and climate change, technological development of electricity and gas networks), and a broader vision of Europe’s energy landscape both within and beyond EU borders (e.g. CEER’s international work)

CEER works closely with and supports the work of ACER (incl. timing and process of developing our 2013 Work Programmes)
European Energy Regulators and the European Network of Transmission System Operators (ENTSOs)
• The 3rd Energy Liberalisation Package calls for a new institutional framework between European Energy Regulators and European Transmission System Operators

• Regulators and Transmission System Operators have clear roles in the process of developing:
  • EU-wide Network Codes (NCs)
  • EU 10-year Network Development Plan (TYNDP)
Network Codes

Third Energy Package
The basis for European harmonisation

Framework Guidelines (Art. 6)
Non-binding directions

Network Codes (Art. 8.6)
Implementing acts

European Regulators
ENTSOs
Brussels, 1 February 2013

EC defines priorities for network codes

6 Months
Agency prepares Framework Guidelines

EC requests ACER to submit framework guidelines

12 Months
ENTSO-E/G prepares network codes

EC requests ENTSO-E/G to submit network code

3 Months
ACER approves network codes

ENTSO-E/G submits network code to ACER

ACER submits network code to EC when satisfied, recommending approval via Comitology
Community-wide Ten-Year Network Development Plans are adopted by the ENTSOs every two years and submitted to ACER for opinion.

ACER opinion on the TYNDP

- Recommendations to ENTSOs where it considers that the TYNDP does not contribute to non-discrimination, effective competition, the efficient functioning of the market or a sufficient level of interconnection open to 3rd parties.
- Assessment of the compliance of national ten-year network development plans with the Community-wide TYNDP.
International Cooperation Activities
Work with 3rd country partners in a spirit of mutual respect

Learn further from the experience of fellow regulators and authorities

Provide experience and assistance to interested counterparts worldwide
CEER’s 3 international core objectives:

- Exchange experience and best regulatory practices with regulators and regional regulatory associations around the world
- Provide regulatory advice and assistance beyond EU borders if requested
- Raise awareness of independent and accountable energy regulatory practices at international level
• CEER Workshop with Regulatory Authorities from the Eastern Partnership Region* in Tbilisi, June 2013
• Bilateral Meeting with the Russian Regulator FTS
• CEER Workshop with Regulators from the Southern Mediterranean Region
• Roundtable with US Regulators
• Roundtable with Latin American Regulators
• ...

* Armenia, Azerbaijan, Georgia, Moldova, Ukraine, Belarus
Brussels, 1 February 2013

CEER Worldwide

CEER also supports the worldwide exchange of experience and best practices on regulatory matters of global concern through our membership in the International Confederation of Energy Regulators (ICER)
• ICER offers a voluntary framework for cooperation between energy regulatory associations from around the globe

• The main goal is to improve public and policy-maker awareness and understanding of energy regulation
• Key ICER deliverables proposed for 2012-2015 include:
  • Good practice reports on cross-border investments; consumer protection and empowerment; regulation of infrastructure; and technology change
  • Case studies
  • Workshops
Conclusions
Conclusions

- CEER has engaged in European Energy Regulation since the beginning of the liberalisation process.

- Regulators from all 27 EU Member States are voluntary members and active participants in CEER activities.

- Regulatory cooperation among European Regulators and other institutions has proven to be effective and productive; substantial experience could be gained in the past 12 years.

- CEER is global minded and has established a wide international network.
Thank you for your attention!

www.energy-regulators.eu