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Session 4:
The European Agency for the Co-operation of Energy Regulators (ACER)

BUILDING PARTNERSHIPS FOR ENERGY SECURITY

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The European Agency for Cooperation of Energy Regulators (ACER)

Introduction

• ACER was established by Regulation 713/2009 as part of the Third Energy Package
• ACER was officially opened in 2009 at the same time Third Energy Package Was adopted
• ACER is based in Lubljana (Slovenia)
• ACER has a staff of about 50 people
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ACERs Mission

“The purpose of the Agency shall be to assist the [NRAs] in exercising, at Community level, the regulatory tasks performed in the Member States and, where necessary, to coordinate their action” (Article 1 Regulation 714/2009)

ACER is NOT a European Energy Regulator!

- Regulatory powers are still in the hands of the National Regulatory Authorities (NRAs)
- In fact, the 3rd package has reinforced the role and powers of the NRAs
- ACER only has “residual” regulatory powers
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ACER Internal Structure

Internal Audit

Legal Adviser

Director

NRA Coordination

Press and Communication

Electricity Department

Gas Department

Administration Department

Framework Guidelines

Market Monitoring

NRA Cooperation

TSO Cooperation

Framework Guidelines

Market Monitoring

NRA Cooperation

TSO Cooperation

Budget and Finance

Human Resources

IT Resources and Document Management

Internal structure reflects ACER key tasks and competences
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ACER Main Areas of Activity and Tasks:

<table>
<thead>
<tr>
<th>ACER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opinions on the 10-Year EU-wide Network Development Plans</td>
</tr>
<tr>
<td>Framework Guidelines for Network Codes</td>
</tr>
<tr>
<td>Decisions on Terms and Conditions for Access to and Operational Security of Cross-border Infrastructure</td>
</tr>
<tr>
<td>Decisions on TPA Exemptions</td>
</tr>
<tr>
<td>NRA Support</td>
</tr>
<tr>
<td>Market Monitoring</td>
</tr>
</tbody>
</table>
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How can ACER act?

Types of acts which ACER can adopt

- Opinions and recommendations
  - TSOs
  - NRAs
  - EP
  - Council
  - Commission

- Individual decisions in specific cases (residual power)
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Example of ACER’s role in the adoption of common network codes:

1. EC defines Priority Areas
2. ACER develops Framework Guidelines (FG) and submits them to the Commission
3. ENTSO develops Network Codes (NC)
4. ACER checks compliance of NC with FG
5. ACER recommends NC to EC for adoption
6. EC submits NC to Comitology with Scrutiny
7. EC adopts NC which becomes binding

NC: Network Codes
ENTSO: European Network of Transmission System Operators
ACER key achievements to date:

Electricity:
• Framework Guidelines for Electricity System Operation
• Framework Guidelines for Congestion Management and Capacity Allocation
• Framework Guidelines on Electricity Network Connection

Gas:
• Adoption of a reasoned opinion on the first Network Code on Capacity allocation mechanisms for the European Gas Transmission Network proposed by the European Network of Transmission System Operators for Gas (ENTSO-G)
• Evaluation of the Draft Network Codes on Balancing Development of Framework Guidelines on Transportation Tariffs
• Developing the first ACER Market Monitoring Report