

129th ACER Board of Regulators Meeting

28 January 2025 | 10:00 - 14:00

Virtual meeting

MINUTES

Represented institutions	Names ¹
E-CONTROL (Austria)	M: Wolfgang Urbantschitsch; A: Dietmar Preinstorfer; O: Christine Materazzi-Wagner; O: Katharina Ledermann-Tappeiner
CREG (Belgium)	M: Koen Locquet; A: Geert Van Hauwermeiren
EWRC (Bulgaria)	A: Blagoy Golubarev; O: Borislava Petrakieva; O: Ralitsa Karakonova
HERA (Croatia)	-
CERA (Cyprus)	O: Maria-Elena Delenta
ERU (Czech Republic)	A: Vladimír Vajnar
DUR (Denmark)	M: Carsten Smidt; A: Brigitta Bundgaard
ECA (Estonia)	A: Marilyn Tilkson
EV (Finland)	M: Simo Nurmi
CRE (France)	A: Ivan Faucheux; O: Claire Hellich-Praquin; O: Natalia Baudry; O: Kseniya Khromova; O: Amélie Redotier
BNetzA (Germany)	M: Annegret Groebel; O: Alexander Linov
RAAEEY (Greece)	M: Athanasios Dagoumas; O: Yuriy Bilen
MEKH (Hungary)	M: Pál Sagvari; O: Szabolcs Koppányi; O: Réka Kerékgyártó
CRU (Ireland)	M: Jim Gannon; O: Clodagh Hunt-Sheridan; O: Eilís McDonnell; O: Barry Hussey
ARERA (Italy)	M: Clara Poletti; A: Francesco Cariello; O: Ilaria Galimberti
PUC (Latvia)	M: Rota Šņuka; O: Alda Ozola; O: Lija Makare

¹ M: Member; A: Alternate; O: Observer.

NERC (Lithuania)	A: Irma Zdanienė; O: Benas Skublickas
ILR (Luxembourg)	M: Claude Rischette
REWS (Malta)	-
ACM (Netherlands)	A: Michiel Denkers O: Nora Meray
URE (Poland)	M: Rafał Gawin; A: Małgorzata Kozak
ERSE (Portugal)	M: Pedro Verdelho; A: Natalie McCoy; O: Joao Diogo; O: Rita Laranjeira
ANRE (Romania)	A: Tatiana Iosiper; O: Patricia Adegbuyi
URSO (Slovakia)	A: Mária Bronišová
AGEN-RS (Slovenia)	M: Duška Godina; A: Bojan Kuzmic
CNMC (Spain)	A: Esther Espeja; O: Gema Rico
EI (Sweden)	M: Ulrika Hesslow; A: Caroline Tornqvist;
NVE-RME (Norway)	A: Anne Dønnem
EEA-EFTA State - Iceland	M: Hanna Björg Konráðsdóttir
EFTA Surveillance Authority	O: Anne De Geeter
ACER	Christian Zinglensen, Christophe Gence-Creux, Rafael Muruais Garcia, Karin Lunning, Karina Knaus, Csilla Bartok, Bart Vereecke, Athina Tellidou, Tina Voncina, Mitsuko Akiyama, Argyro Lykaki
European Commission	Christof Lessenich, Annamaria Manchi, Eva Hoos

1. OPENING

1.1. Approval of the agenda & declaration of conflicts of interest

The agenda of the 129th BoR meeting was approved with the addition of an AOB relating to a consultation of Trading Hub Europe in Germany regarding a new product to ensure the filling targets of the Gas Storage Regulation are met.

The draft agenda was sent to the European Parliament.

The BoR Chair asked for declarations of conflict of interest. None was declared.

1.2. Minutes of the 128th BoR meeting

The minutes of the 128th BoR meeting were approved and sent to the European Parliament on 9 January 2025.

Decisions/Conclusions

1.1	The BoR approved the agenda with the addition of an AOB.
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2. UPDATES FROM THE ACER DIRECTOR AND THE BOR CHAIR

2.1 Update from ACER

The ACER Director informed the BoR members about the recent changes in the Agency's management: in mid-January 2025, Ms Karin Lunning assumed leadership of the Market Surveillance and Conduct Department, and Ms Karina Knaus took charge of the Market Information and Transparency Department.

Ms Akiyama reported back on the first meeting between ACER and the UK regulatory authority designated under Article 310 of the Trade and Cooperation Agreement held on 15 January 2025.

2.2 Update from the BoR Chair

The BoR Chair recalled the obligation for BoR members and alternates (as well as AWG Chairs and Vice Chairs and TF conveners) to submit their duly signed annual Declarations of Interests (DoIs) and CVs. Following their submission, the Review Panel will assess the documents and assign the appropriate risk levels. The documents will then be published on the ACER website.

The BoR Vice Chair invited all BoR members to attend the 5 March BoR meeting in Warsaw, and on DUR's invitation, the September BoR meeting will take place in Copenhagen.

3. WIDER ENERGY UNION

3.1. Updates from the European Commission

Mr Lessenich announced that the European Commission is currently working on the Action Plan on Affordable Energy, which is expected to be published by the end of February.

Following up on the discussion of the independence of national regulatory authorities in tariff setting at the previous BoR meeting, Mr Lessenich informed members of the actions the European Commission has taken to safeguard regulatory independence in its role as guardian of the EU treaties and legislation, currently in particular regarding the Slovenian NRA (AGEN-RS). Director Godina also provided an update on the evolving situation.

The BoR Chair reaffirmed firm support for AGEN-RS and underlined that these discussions should continue.

3.2 Initial exchange of views on 2025 strategic priorities

The ACER Director outlined the strategic focus areas that are expected to shape near-term discussions at the EU and national political levels. He emphasised that providing factual insights from the regulatory community on select areas could support more informed decision-making and asked for NRA feedback on identified strategic focus areas for 2025.

Members expressed support for the approach of informing political discussions with evidence-based analysis: Ms Groebel, Mr Verdelho and the BoR Chair emphasised the importance of providing factual input to the current debate (whether in respect of the decoupling of gas and electricity prices and price differentials between the EU and global markets in the competitiveness debate, or hydrogen pathways), which suggests a perception that the system is not working when the reality is different. The crucial role of ACER in connecting various aspects and offering a more integrated perspective was highlighted, and the ACER Director confirmed the Agency's readiness to provide such input.

3.3 Status of LNG imports

ACER presented an overview of LNG volumes to the EU per data from its LNG monitoring.

3.4 Disruption of Estlink2 cable and its effects

Mr Nurmi informed the BoR of the recent disruption of the submarine cable Estlink2 and its national and regional implications. Finnish authorities are suspecting that Eagle S, a tanker registered in the Cook Islands, was involved in causing the rupture. The Finnish TSO, Fingrid, has estimated that the repair work will take several months. The damage has not endangered the operation of the Finnish electricity system.

The presentation was complemented by Ms Tilkson, who stressed that in beginning of February Estonia, Latvia and Lithuania are entering a new energy situation by desynchronisation from Russia to connect to the European grid, a step for which these Member States have been preparing for 20 years and which would require all available electricity generation. The electricity production is sufficient even without Estlink 2, but its absence affects market price. Moreover, she informed members that Estonian and Finnish

TSOs had curtailed the Financial Transmission Rights (FTR) on the EE-FI border, alleging force majeure, and that the matter is being examined.

4. ITEMS FOR BOR OPINION/APPROVAL/AGREEMENT

4.1 Draft Programming Document 2026-2028

In line with the ACER Regulation, each year, the Director prepares a draft Single Programming Document containing annual and multi-annual programming and submits the draft programming document to the Administrative Board and to the Board of Regulators. The Administrative Board adopts the draft programming document after receipt of a favourable opinion of the Board of Regulators, and submits it to the European Parliament, the Council and the Commission no later than 31 January.

The Director presented the draft Single Programming Document: in collaboration with NRAs, ACER will work towards implementing the Clean Energy Package and electricity and gas network codes and guidelines and monitoring their effects, increase the transparency of wholesale energy markets and promote their integrity under REMIT and implementing REMIT revisions, contribute to addressing the EU's decarbonised energy infrastructure challenge under the TEN-E Regulation, implement the Gas Decarbonisation Package and reform of the electricity market design and contribute to safeguarding security of supply, along with broader challenges.

The BoR unanimously approved the draft Programming Document and expressed support for the provisional estimates of ACER revenue and expenditure for the 2025 financial year in the amount of €50,754,043.

4.2 ACER's Decision on the TSOs' proposal for the amendment of the Harmonised Cross-Zonal Capacity Allocation Methodology

On 31 July 2024, ACER received a proposal from TSOs to amend the Harmonised Cross-Zonal Capacity Allocation Methodology, which provides a harmonised approach for effective allocation of cross-zonal capacity for the exchange of balancing capacity or sharing of reserves.

Following an orientation discussion at the December BoR, ACER submitted the draft Decision along with the AEWG advice.

The BoR Chair invited members to vote on the proposal with clarificatory changes and the BoR granted its favourable opinion by consensus of the 25 members present and represented.

4.3 ACER Decision on hedging opportunities between the Netherlands and Norway

The Commission Regulation (EU) 2016/1719 (the FCA Regulation) lays down detailed rules on cross-zonal capacity allocation in the forward markets. According to Article 30(1) of the FCA Regulation, the TSOs shall issue long-term transmission rights (LTTRs) on a given bidding zone border unless the competent regulatory authorities of the bidding zone border have adopted coordinated decisions not to issue long-term transmission rights on that border. According to Article 30(2) of the FCA Regulation, where LTTRs do not exist on a bidding zone

border at the entry into force of the FCA Regulation, the competent regulatory authorities of the bidding zone border shall adopt coordinated decisions on the introduction of long-term transmission rights.

On 16 August 2024, ACM informed ACER that they were not able to agree with NVE-RME to adopt coordinated decisions pursuant to FCA Article 30(2) and (5) to address the insufficient hedging opportunities identified in the Dutch and NO2 bidding zones. Therefore, ACM requested ACER to adopt a decision with respect to the NL-NO2 bidding zone border.

The draft Decision was circulated along with the AEWG advice and by the deadline of 21 January, there was no proposal for comment/amendment.

The BoR Chair invited members to vote and the BoR granted its favourable opinion by the requisite majority of the 25 members present and represented.

Decisions/Conclusions	
4.1	The BoR unanimously approved the draft Programming Document 2026-2028
4.2	The BoR issued its favourable opinion on the ACER Decision on the TSOs' proposal for the amendment of the Harmonised Cross-Zonal Capacity Allocation Methodology by consensus of the members present and represented.
4.3	The BoR issued its favourable opinion on the ACER Decision on hedging opportunities between the Netherlands and Norway by the requisite majority of the members present and represented.

5. AWG KEY ISSUES

5.1. AWG/ARC key updates

- AEWG update

The AEWG Chair drew members' attention to significant delays in connection with the Bidding Zone Review, Ten-Year Network Development Plans and the European Resource Adequacy Assessment (ERAA). The AEWG Chair also informed members about: developments with regard to the Energy Community; the synchronization of the Baltic Synchronous Area with the Central Europe Synchronous Area planned for 9 February; long-term flow-based implementation; the impact of recent amendments and new connections to the PICASSO platform; the process for the completion of ACER's assessment of the impact of developing peak-shaving products, to be completed by 30 June 2025 pursuant to Article 66a of Directive 2019/944 and Article 7a(8) of Regulation 2019/943; and the prolonged call for interest for an NRA co-lead for the Distribution Network Development Plans Expert Group. Mr Muruais Garcia also informed members that the ACER opinion on the Polish resource adequacy assessment is expected by 3 February 2024.

- AGWG update

Mr Verdelho announced the new appointment of Mr. René-Pascal Poismans as Co-Convener of the Gas Interoperability Task Force.

- ARC update

Mr Vereecke, ARC co-chair, informed members of the timeline and next steps in connection with the REMIT Implementing Regulation: it will be discussed in comitology in the coming week, its adoption is normally foreseen for May and its publication in the Official Journal for June. Possible difficult points might be exposures, entry into force of the Regulation stipulations. The implementation schedule is foreseen in phases with exposures being the first, still this year. There is also the Delegated Act on Reporting Mechanisms and Inside Information Platforms which will be tackled in February. Mr Vereecke also referred to recent updates to the REMIT Guidance, the Transaction Reporting User Manual (TRUM) and ACER Guidance on reporting LNG market data, and thanked the 24 NRAs that have signed the consolidated ACER-NRA Memorandum of Understanding.

5.2. Demand Response Network Code

The European Commission cleared ACER's framework guideline (FG) on demand response in March 2023, and asked the DSO Entity and ENTSO-E to draft the proposal for the new, binding EU rules. On 8 May 2024, ACER received the electricity system operators' proposal for an EU-wide network code on demand response.

Ms Tellidou presented the process followed to date with respect to the upcoming ACER Recommendation on the revisions to the DR NC, which will be submitted for BoR favourable opinion on 5 March and to the European Commission on 7 March. In September 2024, ACER consulted on its revisions of the System Operators' (SOs') proposal, which aimed to ensure a legally consistent draft that is compliant with the FG and provides content direction also in line with the objectives of the Electricity Regulation and the broader framework comprising notably new rules on demand response, electricity market design, Grid Connection Codes etc.

The DR NC covers broad areas including market access rules, prequalification, market-based procurement of local services and SO coordination. The BoR was invited to focus the orientation debate on such matters as the scope and timeline for national implementation.