

Agency for the  
Cooperation of  
Energy  
Regulators

**2011 Work Programme  
of the  
Agency for the  
Cooperation of Energy Regulators**

**21 September 2010**

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# 1 INTRODUCTION

## 1.1 Foreword

*The Agency for the Cooperation of Energy Regulators (ACER) comes to life at a critical time in the creation of the Internal Energy Market (IEM). The Third Legislative Package on the Liberalisation of the Energy Markets, (Directives 2009/72/EC and 2009/73/EC and Regulations (EC) Nos. 713/2009, 714/2009 and 715/2009), provides the suitable legal framework for such a market. It takes advantage of progress achieved under the Second Legislative Package (Directives 2003/54/EC and 2003/55/EC and Regulations (EC) Nos. 1228/2003 and 1775/2005), both within Member States - e.g. with the establishment of independent National Regulatory Authorities (NRAs) and the guarantee of regulated third party access (rTPA) to networks - and at regional level. In this latter respect, the Regional Initiatives, promoted by the European Regulators' Group for Electricity and Gas (ERGEG), and other inter-governmental regional initiatives - such as the Pentalateral Energy Forum, Mibel, the Single Electricity Market in Ireland and the Gas Platform - have promoted cooperation at regional level, among NRAs and between NRAs and other stakeholders, and delivered regional solutions, mainly in the area of capacity allocation and congestion management. However, the ERGEG Regional Initiatives have been based on voluntary cooperation, which somewhat hampered their ability to implement the agreed solutions. And, more generally, there was no agreed common reference/target model for the IEM.*

*Such a model has gradually emerged over the last few years, as a result of the work of NRAs, through the Council of European Energy Regulators (CEER) and ERGEG, the cooperation between the European Commission, NRAs and other stakeholders in the Florence and Madrid Fora and, at least in the case of the electricity sector, the activities of the Project Coordination Group, and more recently the Ad-Hoc Advisory Group. At the same time the Third Legislative Package envisages the adoption of Network Codes which will be binding across the Community.*

*Therefore, the time has come when the target model can be implemented using the more robust legal and institutional framework provided by the Third Legislative Package.*

*ACER is tasked with assisting NRAs in exercising, at Community level, the regulatory functions performed in the Member States and, where necessary, with coordinating their actions. Even though ACER has at present little decision-making powers, it can nonetheless play an important role in this process. In fact, according to the provisions in the Third Legislative Package, ACER will be responsible, inter alia, for:*

- *developing the Framework Guidelines for Network Codes, in areas which will be covered by such Codes and according to the priorities set by the European Commission;*
- *verifying that the Network Codes developed by the European Network of Transmission System Operators for Electricity (ENTSO-E) and the European Network of Transmission System Operators for Gas (ENTSO-G) on the basis of the Framework Guidelines are, in fact, consistent with such Guidelines;*
- *providing opinions on the EU-wide ten-year network development plans and the national network development plans, on their suitability to promote the IEM;*
- *deciding on cross-border capacity allocation and congestion management and on TPA exemptions for new infrastructure when it is asked to do so by the concerned NRAs or when they fail to reach an agreement within a specified time period (generally six months, which can be extended to twelve months);*
- *monitoring the development of the IEM.*

*These will be the main priorities for ACER, as soon as it becomes formally operational on March 3rd, 2011.*

*This Work Programme presents the activities on which ACER is planning to work in 2011 and the expected schedule of deliverables for these activities. It is however to be noted that the timelines of some of the processes in which ACER will be involved are dependent on the input from other institutions: for example, the process of preparing the Framework Guidelines will be initiated by the Commission. Moreover, some of the activities to be performed by ACER are undertaken upon request from NRAs, such as the decisions on cross-border congestion management or on TPA exemptions, or from the European Parliament, the Council and the Commission, and it is at the moment difficult to envisage the exact scale of the effort required to meet these requests. Finally, circumstances in the electricity and gas sectors may evolve over the next year, which again may dictate a revision in the schedule for some activities, as it would be the case, for example, if an early decision were taken to develop a “target model” for the Internal Gas Market. For these reasons, the timing and deliverables in this first Work Programme of ACER may have to be adapted over the year.*

*In any case, in performing its duties, ACER will consult extensively and at an early stage with all energy sector stakeholders and will take full advantage of the significant experience in technical cooperation developed by NRAs within the ERGEG framework.*

*At the same time, ACER will have to continue the recruitment of its complement of staff, a process which was started in May 2010, but which will not be completed by March 2011.*

*Finally, ACER will have to organise itself in its seat in Ljubljana.*

*Therefore 2011 will be an extremely demanding year for ACER, as it strives, despite its establishment stage, to contribute effectively towards the completion of the IEM.*

*Alberto Pototschnig  
Director*

## 1.2 Presentation

The tasks, organisation and operation of the Agency for the Cooperation of Energy Regulators (ACER) are set out in its founding regulation, Regulation (EC) No 713/2009 of the European Parliament and of the Council establishing an Agency for the Cooperation of Energy Regulators of 13 July 2009.<sup>1</sup> More tasks for ACER are specified in the other legal acts forming the Third Legislative Package on the Liberalisation of the Energy Markets.<sup>2</sup>

The Director heads and manages ACER and is its legal representative and public face. The Director is accountable to the Administrative Board (AB) and has to follow guidance from the Board of Regulators (BoR), in particular when it comes to the adoption of opinions, recommendations and decisions.

The Administrative Board will have to ensure that ACER carries out its mission and performs all the tasks assigned to it. It consists of nine members: five designated by the Council and two each designated by the European Parliament and the European Commission.

The Board of Regulators shall comprise senior representatives of the National Regulatory Authorities (NRAs) and one non-voting representative of the Commission. The Board of Regulators shall provide opinions to the Director on the opinions, recommendations and decisions considered for adoption by ACER. In addition, the Board of Regulators, within its field of competence, shall provide guidance to the Director in the execution of his tasks.

In addition, there will be a Board of Appeal (BoA) which will have to decide on appeals against decisions issued by ACER.

The seat of ACER will be Ljubljana. According to Regulation (EC) No 713/2009, ACER needs to be fully operational from 3 March 2011 onwards, making the present document its first work programme.

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<sup>1</sup> Regulation (EC) No 713/2009 of the European Parliament and of the Council of 13 July 2009 establishing an Agency for the Cooperation of Energy Regulators (OJ L 211, 14.8.2009, p. 1).

<sup>2</sup> Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC (OJ L 211, 14.8.2009, p. 55), Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC (OJ L 211, 14.8.2009, p. 94), Regulation (EC) No 714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for cross-border exchanges in electricity and repealing Regulation (EC) No 1228/2003 (OJ L 211, 14.8.2009, p. 15) and Regulation (EC) No 715/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2005 (OJ L 211, 14.8.2009, p. 36).

## Overview of ACER tasks:

ACER task	Type of action	Legal basis
<b>Tasks regarding ENTSOs</b>		
1. Provide opinion on draft statutes, list of members and draft rules of procedure of ENTSOs	Opinion	Article 6(1) Reg 713/2009; Article 5(2) Reg 714 & 715/2009
2. Monitor execution of tasks of ENTSOs	Monitoring	Article 6(2) Reg 713/2009; Article 9 Reg 714 & 715/2009
3. Provide opinion to ENTSOs on network codes, draft annual work programme, draft Community-wide network development plan and other relevant documents (e.g. annual summer and winter supply outlooks)	Opinion	Article 6(3) Reg 713/2009; Article 8(2)+(3), 9(2) Reg 714 & 715/2009
4. Provide opinion to NRA on consistency of 10y-network development plan with Community-wide NDP	Opinion	Article 22(5) Dir 2009/72 & 73
5. Provide opinion/recommendations to ENTSO-E, ENTSG, EP, Council and EC, where draft annual work programme or draft Community-wide NDP do not contribute to internal energy market objectives/principles	Opinion, recommendation	Article 6(4) Reg 713/2009; Article 9(2) Reg 714 & 715/2009
6. Participate in development of network codes	–	Article 6(4) Reg 713/2009; Article 6 Reg 714 & 715/2009
7. Submit non-binding framework guideline to EC, consultation on framework guidelines; if necessary, review non-binding framework guideline and re-submit it to EC	Submit draft	Article 6(4) Reg 713/2009; Article 6(2)-(4) Reg 714 & 715/2009
8. Provide opinion to ENTSO-E or ENTSG on network code	Opinion	Article 6(4) Reg 713/2009; Article 6(7) Reg 714 & 715/2009
9. If necessary, submit network code to EC and recommend that it be adopted	Submit draft	Article 6(4) Reg 713/2009; Article 6(9)+(10), 7(1) Reg 714 & 715/2009
10. Prepare and submit draft network code to EC		
11. Propose amendments of network codes		

ACER task	Type of action	Legal basis
12. Provide duly reasoned opinion to EC, where ENTSO-E or ENTSO-G has failed to implement network code	Opinion	Article 6(5) Reg 713/2009; Article 8(2), 9(1) Reg 714 & 715/2009
13. Monitor and analyse implementation of network codes and Guidelines, report to EC	Monitoring, report	Article 6 Reg 713/2009; Article 9 Reg 714 & 715/2009
14. Monitor progress as regards implementation of projects to create new interconnector capacity	Monitoring	Article 6(7) Reg 713/2009
15. Monitor implementation of Community-wide NDPs	Monitoring, recommendation	Article 6(8) Reg 713/2009; Article 8(11) Reg 714 & 715/2009
16. Investigate reasons for inconsistencies and make recommendations to TSOs, NRAs or other competent bodies		
17. Monitor regional cooperation of TSOs; take due account of outcome when formulating its opinions, recommendations and decisions	Monitoring	Article 6(9) Reg 713/2009; Article 12 Reg 714 & 715/2009
18. Approve compliance programmes of joint undertakings	Approval	Article 6(4) Dir 2009/72 & 73
<b>Tasks regarding NRAs</b>		
19. Adopt individual decisions on technical issues as provided for in 3rd Package legislation [ <i>new interconnectors?</i> ]	Decision	Article 7(1) Reg 713/2009
20. Recommendations for sharing good practices	Recommendation	Article 7(2) Reg 713/2009
21. Provide framework for NRAs' cooperation. Promote cooperation between NRAs and regulatory authorities at regional and EC level. Make recommendations on binding rules for cooperation to EC	Recommendation	Article 7(3) Reg 713/2009; Article 6(2) Dir 2009/72 & 73
22. Provide opinion on whether a decision complies with Guidelines or other relevant provisions	Opinion	Article 7(4) Reg 713/2009; Article 39 Dir 2009/72; Article 43 Dir 2009/73
23. Recommendations on technical rules	Recommendation	Article 5 Dir 2009/72; Article 8 Dir 2009/73
24. Inform EC or MS concerned where NRA does not comply with opinion	Information	Article 7(5) Reg 713/2009

ACER task	Type of action	Legal basis
of Agency		
25. Deliver opinion when NRA encounters, in a specific case, difficulties with application of Guidelines	Opinion	Article 7(6) Reg 713/2009
Tasks regarding terms and conditions for access to and operational security of cross-border infrastructure		
26. Decisions on cross-border infrastructure	Decision	Article 8(1)-(3), (5) Article 7(7) Reg 713/2009; Article 17 Reg 714/2009; Article 36 Dir 2009/73
Other tasks		
27. Exemption decisions for new interconnectors; fees	Decision	Article 9(1) Reg 713/2009; Article 17(5) Reg 714/2009; Article 36(4) Dir 2009/73
28. Provide opinion on decisions of NRAs on certification; Possibly: additional powers (non-decision-making)	Opinion	Article 9(2) Reg 713/2009; Article 3(1) Reg 714 & 715/2009; Article 11(6) Dir 2009/72 & 73
29. Respond to consultation on guidelines	Opinion	Article 18(3) Reg 714/2009; Article 23(1) Reg 715/2009
30. Secretarial services to Board of Regulators		Article 14(6) Reg 713/2009
31. Secretarial services to Administrative Board		Article 12(3) Reg 713/2009
Consultations and transparency		
32. Consult with market participants, TSOs, consumers, end-users, competition authorities	Consultation	Article 10(1), (3) Reg 713/2009
33. Give to the public and interested parties objective, reliable and easily accessible information	Information	Article 10(2) Reg 713/2009
34. Make public agenda, background documents and minutes of meetings of AB, BoR and BoA	Publication	Article 10(4) Reg 713/2009
Monitoring and reporting on the electricity and natural gas sectors		
35. Monitor internal markets in electricity and natural gas	Monitoring	Article 11(1) Reg 713/2009
36. Make public annual report on results of monitoring	Report	Article 11(2), (3) Reg 713/2009



Furthermore, the Agency may, upon a request of the European Parliament, the Council or the Commission, or on its own initiative, provide opinions or recommendations on any of the issues relating to the purpose for which it has been established (Article 5 Regulation (EC) No 713/2009).

### **1.2.1 Priorities**

The range and nature of the tasks assigned to ACER poses a challenge to the Agency in terms of substance and resources. To strike a balance between the demanding tasks and responsibilities bestowed upon ACER and the resource restrictions in terms of time, budget and staff, the following priorities are set for ACER's first year of operation:

- Framework Guidelines for Network Codes (item 7 in the above table), in the priority areas defined by the Commission, will be given the highest priority, as they are in the critical path for the creation of the IEM;
- opinions on the compliance of Network Codes with the corresponding Framework Guidelines (item 8 in the above table);
- ACER's opinion on the draft statutes, list of members and draft rules of procedure of the ENTSOs (item 1 in the above table), in order to allow these associations, which have a central role in developing Network Codes, to become fully operational;
- opinion on the 10-year network development plan (items 3, 4 and 5 of the above table), as greater cross-border capacity is key for a true IEM;
- decisions on cross-border congestion management or TPA exemptions (items 19 and 26 in the above table), upon the joint request of all the concerned NRAs or when these fail to reach an agreement.

It will also be a priority for ACER to organise its monitoring functions (items 13 to 17 and 35 in the above table).

The other tasks assigned to ACER will be implemented as soon as the required resources are available.

In all this, ACER will take full advantage of the cooperation from NRAs, as its mission suggests.

## **2 PERFORMANCE INDICATORS**

The purpose of ACER shall be to assist the regulatory authorities referred to in Article 35 of Directive 2009/72/EC and Article 39 of Directive 2009/73/EC in exercising, at EU level, the regulatory tasks performed in the Member States and, where necessary, to coordinate their action (Article 1 Regulation (EC) No 713/2009).

According to Regulation (EC) No 713/2009, ACER shall be an EU body with legal personality which will play a key role in the functioning of the EU markets in electricity and gas. ACER will in particular

- complement and coordinate the work of NRAs;
- participate in the creation of European network rules;
- take, under certain conditions, binding individual decisions on terms and conditions for access and operational security for cross-border infrastructure;
- give advice on various energy-related issues to the European institutions; and
- monitor and report developments of the energy markets.

In carrying out its tasks ACER shall consult extensively and at an early stage with market participants, transmission system operators, consumers, end-users and, where relevant, competition authorities, without prejudice to their respective competence, in an open and transparent manner, in particular when its tasks concern transmission system operators.

In order to carry out all the obligations and tasks, ACER will have to be able to rely on a stable and smoothly functioning administrative and organisational framework. The setup of ACER involves a range of such administrative tasks that need to be addressed in order to ensure functioning communication with all parties concerned, especially NRAs and TSOs.

The following subchapters give an overview of the objectives to be achieved in ACER's regulatory, administrative and cooperative ambit of action in 2011.

### **2.1 Regulatory topics**

#### **2.1.1 Monitoring of ENTSOs**

##### **2.1.1.1 Statutes**

Regulation (EC) No 713/2009 states that ACER will provide an opinion on the draft statutes, the list of members and the draft rules of procedure of ENTSO-E and ENTSG to the Commission. To guarantee that the ENTSOs can take up operation as soon as possible, thus warranting the timely establishment and operationality of all bodies foreseen by the Third Energy Package, it is envisaged to give an opinion on ENTSO-E and ENTSG's draft statutes by May 2011, no longer than two months after their submission to ACER, which is expected to be made in March 2011.

Deliverable:

Opinion on ENTSO-E and ENTSOG draft statutes to the European Commission (completion of this deliverable relies on the preparatory work of ERGEG in the interim phase).

**2.1.1.2 Work programme**

Further, Regulation (EC) No 713/2009 states that ACER must provide, within two months from the day of receipt, a duly reasoned opinion as well as recommendations to ENTSO-E and ENTSOG and to the Commission where it considers that the ENTSOs' draft annual work programme does not contribute to non-discrimination, effective competition, the efficient functioning of the market or a sufficient level of cross-border interconnection open to third-party access.

Deliverable:

Opinion on ENTSO-E and ENTSOG work programmes to the European Commission (this work will be performed by the ACER staff in close cooperation with the ACER working groups).

**2.1.1.3 10-year network development plan**

While ENTSO-E and ENTSOG are required to draw up Community-wide network development plans, it is for ACER to provide, within two months from the day of receipt, an opinion on these plans, taking into account the objectives of non-discrimination, effective competition and the efficient and secure functioning of the internal markets in electricity and natural gas.

Deliverable:

Opinion on ENTSO-E and ENTSOG Community-wide network development plan to the ENTSOs (this work will be performed by the ACER staff in close cooperation with the ACER working groups and will be based on the preparatory work done by ERGEG).

## 2.1.2 Framework Guidelines

As indicated in section 1.2.1, the task of drawing up Framework Guidelines as a basis for the ENTSOs to establish their Network Codes will be top priority and dominate ACER's substantive work in 2011. Respecting the Framework Guideline drafting process which has to be established as well, it is envisaged to draw up Framework Guidelines in accordance with the priorities established by the European Commission after consultation of the ENTSOs, ACER and other relevant stakeholders and set down in the three-year plan jointly proposed by the Commission, ERGEG and the ENTSOs.<sup>3</sup>

The following Framework Guidelines for Network Codes are envisaged for completion in 2011:

### Electricity

- Capacity allocation and congestion management
- Grid connection
- Operational security
- Balancing

### Gas

- Capacity allocation mechanisms
- Balancing rules
- Harmonised transmission tariff structures
- Interoperability

### Deliverable:

Finalisation of eight Framework Guidelines (see also chapter 3.1.1, 3.1.2, 3.1.3, 3.1.4, 3.2.1, 3.2.2, 3.2.3 and 3.2.4).

(The completion of seven Framework Guidelines is an ambitious target but the work largely relies on the preparatory work achieved by ERGEG during the interim phase, including Initial Impact Assessments and comprehensive public consultation of stakeholders. These areas will be addressed by ACER by way of submitting the well-prepared Framework Guidelines to public consultation after 3 March 2011 and finalise them swiftly.)

## 2.1.3 Monitoring of the internal market

While the task of monitoring the internal energy markets is an extensive one, and while the year of establishment of ACER is clearly characterised by driving progress in the field of Framework Guidelines, there are areas that warrant monitoring exercises in 2011 already. It is envisaged to start carrying out the first monitoring exercises in 2011 and, if possible, complete and publish first monitoring reports in the course of the year.

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<sup>3</sup> The 3-year plans are prepared by the planning group composed by ERGEG, both ENTSOs and the European Commission.

The regulatory framework provides for a wide range of monitoring exercises (see table in chapter 1.2).

In many cases effective and efficient monitoring must be preceded by the solid definition of data requirements, clear and sensible indicators and an adequate structure for presentation. In 2011 this will particularly be the case for the following topics:

- Monitoring progress as regards the implementation of projects to create new interconnector capacity in electricity and gas;
- Monitoring compliance with electricity and gas regulation and related active guidelines;
- Monitoring the regional cooperation of electricity and gas TSOs;
- Monitoring compliance with consumer rights.

In addition ACER will continue the collection of national reports and indicators (previously done by ERGEG) and draft the related assessment/benchmarking report. Another task inherited from ERGEG is a monitoring report on the progress of the Regional Initiatives, which in its future editions will particularly focus on the implementation of Network Codes and related binding rules.

#### Deliverables:

By the end of the year, ACER will have

- developed data requirements and indicators for the above monitoring exercises;
- published an assessment report on the National Reports (see also chapter 3.3.1); and
- published a monitoring report with a status review of the Regional Initiatives (see also chapter 3.3.2)

in close cooperation with the ACER working groups.

## **2.2 Administrative topics**

### **2.2.1 Human resources**

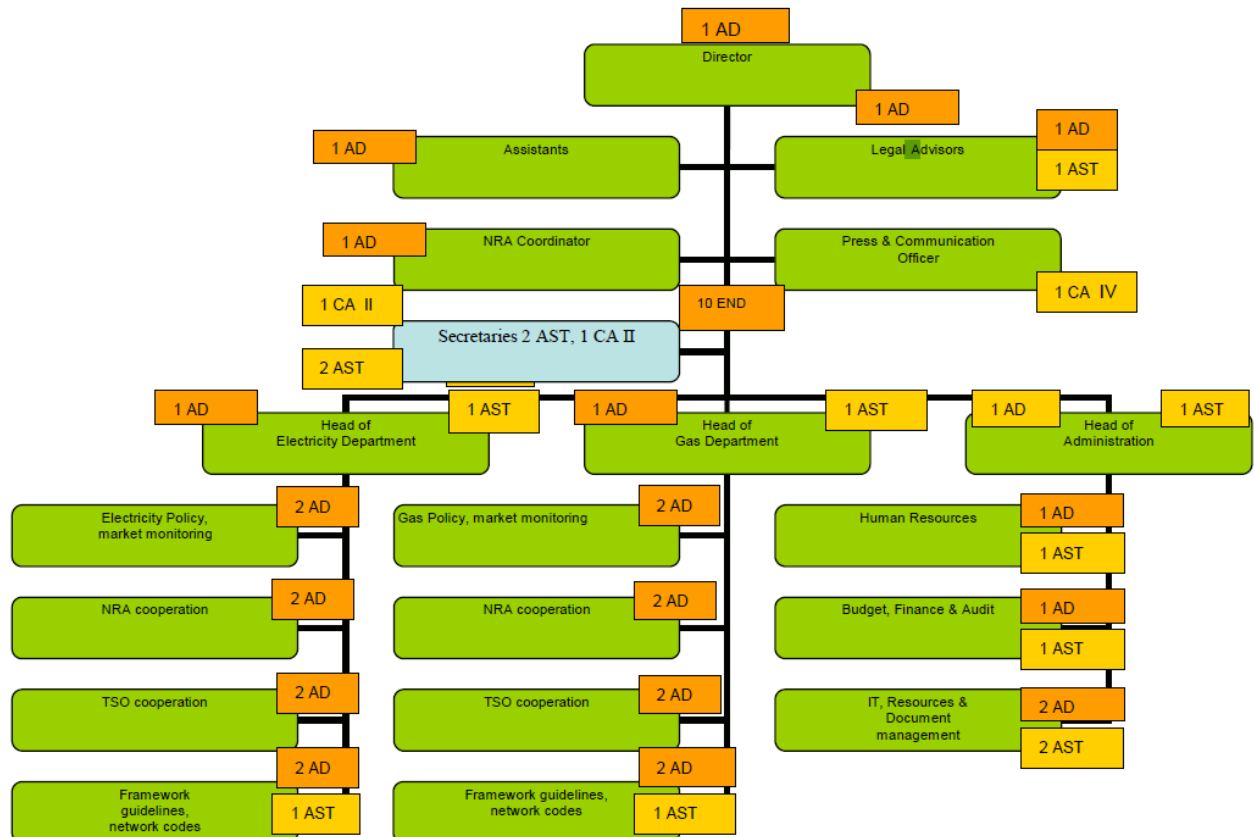
The organisational chart below reflects the final structure of ACER, which will be composed of 40 temporary agents, two contractual agents on long-term employment and up to ten national experts (ENDs).

The recruitment process for the temporary agent positions started in May 2010, with the publication of the first seven vacancy notices related to key positions for the setting up of the Agency. The selection procedure for six of these positions started in June 2010. It is expected that by the end of 2010, the selection process would be completed for twelve to 18 temporary agent positions and one contractual agent position.

The recruitment of staff will therefore continue in 2011, with a view to completing it by the end of the year. During 2011 it is also expected that the ENDs will be selected. The ENDs, seconded from NRAs or Member States, will assist the Director and key staff with particular energy topics within their expertise.

The target is therefore to have:

- half of the full complement of staff in place by the time the Agency becomes formally operational (3 March 2011);
- the full complement of staff in place by the end of 2011.



### 2.2.2 ACER premises

At the time of preparing this work programme (June 2010), no final decision had been taken on premises for the Agency in Ljubljana, where it will be seated. However, it is expected that such a decision will be adopted in the second half of 2010, so that the premises will be available to the Agency in Ljubljana in the first quarter of 2011.

Therefore, the Agency will start its operation in September 2010 – with the Director taking office – in Brussels.

The procurement process for furniture and appliances for the Agency premises will be launched as soon as the decision on the premises is taken, with the aim of receiving delivery as soon as possible after the premises are available.

### **2.2.3 IT infrastructure**

Considering that the primary role of ACER is a coordinating one, effective and efficient communication with all parties concerned is of utmost importance for its functioning. The ACER website will serve as the main communication tool with stakeholders from the very start. It is envisaged to establish a functioning ACER website by the end of 2010 and have all necessary IT infrastructure in place and managed by the ACER staff by 3 March 2011.

In this respect, alternative solutions for IT services will be assessed in the third quarter of 2010 and a final decision will be taken by September 2010, in order for the IT solution to be in place as soon as possible after the premises in Ljubljana are available.

A temporary solution will be identified with the Commission for the period in which the Agency operates in Brussels.

### **2.2.4 Internal organisation**

ACER consists of an Administrative Board, a Board of Regulators, a Director and a Board of Appeal. With the first two of these three bodies already established in the first half of 2010, it is crucial to complete the process of setting up ACER's internal bodies by the time ACER becomes operational.

Therefore, an invitation of expression of interest for members of the Board of Appeal was published in June 2010. It is expected that the selection of the six members and the six alternates will be completed by February 2011 at the latest, so that it will be in place when the Agency becomes formally operational on 3 March 2011.

Finally, the adoption of internal regulations and the development of internal procedures and routines will start as soon as the Agency starts operating in Brussels in the final quarter of 2010 and it is expected that most of them will have been adopted by the end of 2011.

## **2.3 Cooperative topics**

### **2.3.1 Cooperation and communication with stakeholders**

To ensure that ACER's work appropriately reflects the opinions of market participants and other stakeholders, many of its documents are subject to public consultation. Such consultation will give all interested parties an opportunity to voice their views. The first public consultations will be run by ACER starting March 2011.

In the interest of easy handling and consistency of consultations, all will follow the same rules. ACER's primary communication tool with all external parties being its website, public consultations will be executed by way of the website as well. Personalised logins for all interested parties and a high degree of standardisation, together with user-friendly interfaces, will facilitate the public consultation process for all parties involved and grant a lean overall procedure.

In addition to public consultations, ACER will develop, in the course of 2011 and subject to its budget constraints, a policy on workshops, public hearings and conferences, which might prove useful to collect initial ideas from the ground or present finalised documents to the public.

### **2.3.2 Cooperation and communication with NRAs**

Cooperation among the NRAs is currently organised at European level through two bodies: the European Regulators' Group for Electricity and Gas (ERGEG), set up by the European Commission (Decision of 11 November 2003, 2003/796/EC<sup>4</sup>) as its advisory body on internal energy market issues, and the Council of European Energy Regulators (CEER), which was established on the own initiative of regulators in 2001.

While the European Commission has signalled that it will repeal the decision establishing ERGEG once ACER is fully functional, the organisation of the cooperation among NRAs and between NRAs and ACER will be able to build on an already well-tried concept. As platforms for the exchange of information and opinions and in preparation of the meetings of the Board of Regulators, at least a group concerned with electricity and one concerned with natural gas will be established. These groups will consist of ACER staff, delegates from the NRAs and European Commission representatives. They serve to reach agreement at working level and at the same time ensure proper coordination of all issues of substance between ACER, the NRAs and the Commission.

#### Deliverable:

By the end of 2011, all working methods and practices between ACER staff and the NRAs, including the setup of ACER working groups with the representatives of NRAs, will be in place and fully functional.

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<sup>4</sup> OJ 2003, L 296, 34.



### 3 DOCUMENTS

In accordance with the priorities established by the European Commission and in keeping with the tasks bestowed upon ACER by the legislative framework, its work planned for 2011 translates into a number of documents that contribute to the achievement of ACER's goal.

#### 3.1 Electricity

##### 3.1.1 Capacity allocation and congestion management

Deliverable:	Framework Guideline on capacity allocation and congestion management finalised
Legal basis:	Articles 6(2) and 8(6g) Regulation (EC) 714/2009
Status:	ERGEG started work on a pilot framework guideline on capacity allocation and congestion management upon receiving an invitation by the European Commission in March 2010. The draft pilot framework guideline and the related Initial Impact Assessment will be submitted to public consultation in September 2010. The final draft framework guideline will be sent to the Commission in December 2010.
Related documents:	Draft pilot framework guideline on capacity allocation and congestion management - Initial Impact Assessment (E10-ENM-20-36)
Expected start date:	April 2011
Expected completion date:	July 2011
Public consultation:	April-May 2011

### 3.1.2 Electricity grid connection

Deliverable:	Framework Guideline on grid connection finalised
Legal basis:	Articles 6(2) and 8(6b) Regulation (EC) 714/2009
Status:	ERGEG started work on a pilot framework guideline on electricity grid connection in autumn 2009. The Commission sent a letter inviting the regulators to prepare the pilot draft framework guideline in March 2010. The draft pilot framework guideline will be published for public consultation in July 2010. The final pilot framework guideline will be sent to the Commission in December 2010.
Related documents:	Pilot Framework Guideline on Electricity Grid Connection - Impact Assessment (E09-ENM-18-03) Pilot draft Framework Guideline on Electricity Grid Connection (E10-ENM-18-04)
Expected start date:	April 2011
Expected completion date:	July 2011
Public consultation:	April-May 2011

### 3.1.3 Operational security

Deliverable:	Framework Guideline on operational security finalised
Legal basis:	Articles 6(2) and 8(6f) Regulation (EC) 714/2009
Status:	EREG started work on a framework guideline on system operation in March 2010. The draft pilot framework guideline will be published for public consultation in Q4 2010. The final pilot framework guideline will be sent to the Commission in Q1 2011.
Related documents:	EREG Guidelines of Good Practice for Operational Security (E08-ENM-02-04)
Expected start date:	April 2011
Expected completion date:	July 2011
Public consultation:	April-May 2011

### 3.1.4 Electricity balancing

Deliverable:	Framework Guideline on electricity balancing finalised
Legal basis:	Articles 6(2) and 8(6j) Regulation (EC) 714/2009
Status:	The work of the Project Coordination Group presented at the XVII Electricity Regulatory Forum contained the target model for a cross-border balancing market
Related documents:	Revised EREG Guidelines of Good Practice for Electricity Balancing Market Integration (E09-ENM-14-04)
Expected start date:	July 2011
Expected completion date:	December 2011
Public consultation:	September-October 2011

### 3.1.5 ITC compensation

Deliverable:	Public consultation on the assessment of the necessary ITC compensation finished
Legal basis:	Article 5(2) of the draft EC ITC Guidelines
Status:	ACER must make a proposal for the annual cross-border infrastructure compensation sum based on a Union-wide assessment of electricity transmission infrastructure associated with facilitating cross-border flows of electricity. ENTSO-E must provide ACER with all the assistance necessary for the purpose of carrying out this assessment. Until the finalisation of this assessment, a lump sum defined in the ITC Guidelines will be used.
Related documents:	Study on further issues relating to the inter-TSO compensation mechanism – assessment of cost level data, a report prepared for the European Commission, July 2007
Expected start date:	April 2011
Expected completion date:	December 2011

## 3.2 Natural gas

### 3.2.1 Capacity allocation mechanisms (CAM)

Deliverable:	Framework Guideline on capacity allocation mechanisms finalised
Legal basis:	Articles 6(2) and 8(6g) Regulation (EC) 715/2009
Status:	ERGEG started work on a pilot framework guideline on capacity allocation mechanisms upon receiving an invitation by the European Commission in September 2009. The draft pilot framework guideline was published for public consultation in December 2009. The final pilot framework guideline will be sent to the Commission in June 2010.
Related documents:	<p>Draft pilot framework guideline on capacity allocation - Initial Impact Assessment (E09-GNM-10-06)</p> <p>Draft pilot framework guideline on capacity allocation - Evaluation of comments (coming soon)</p> <p>Draft pilot framework guideline on capacity allocation (E09-GNM-10-05)</p> <p>ERGEG principles: Capacity allocation mechanisms and congestion management procedures (E08-GFG-41-09)</p> <p>ERGEG principles: Capacity allocation and congestion management in natural gas transmission – Evaluation of comments (E09-GNM-07-03)</p> <p>ERGEG revised principles on capacity allocation mechanisms and congestion management procedures (E09-GNM-10-03)</p>
Expected start date:	April 2011
Expected completion date:	July 2011
Public consultation:	April-May 2011

### 3.2.2 Gas balancing rules

Deliverable:	Framework Guideline on gas balancing rules finalised
Legal basis:	Articles 6(2) and 8(6j) Regulation (EC) 715/2009
Status:	ERGEG started preparatory work on a pilot framework guideline on balancing in the second quarter of 2010. The draft pilot framework guideline will be published for public consultation in the summer of 2010. The final pilot framework guideline will be sent to the Commission in Q3 2010.
Related documents:	2008 Market Monitoring: Implementation of the Guidelines of Good Practice for gas Balancing (E08-GMM-03-03)  Guidelines of Good Practice on Gas Balancing (E06-GWG-17-04)  Impact Assessment for Guidelines of good Practice on Gas Balancing (E07-GFG-27-03)
Expected start date:	April 2011
Expected completion date:	July 2011
Public consultation:	April-May 2011

### 3.2.3 Transmission tariff structures

Deliverable:	Framework Guideline on harmonised transmission tariff structures finalised
Legal basis:	Articles 6(2) and 8(6k) Regulation (EC) 715/2009
Status:	ERGEG will start work on a pilot framework guideline on harmonised transmission tariff structures in Q3 2010. The draft pilot framework guideline will be published for public consultation in Q4 2010. The final pilot framework guideline will be sent to the Commission in Q1 2011.
Related documents:	Principles on Calculating Tariffs for Access to Gas Transmission Networks (E07-CBT-01-03)  Gas Transmission Tariffs: An ERGEG Benchmarking Report (C06-GWG-31-05)
Expected start date:	April 2011
Expected completion date:	July 2011
Public consultation:	April-May 2011

### 3.2.4 Interoperability

Deliverable:	Framework Guideline on interoperability finalised
Legal basis:	Articles 6(2) and 8(6e) Regulation (EC) 715/2009
Status:	ERGEG will start work on a pilot framework guideline on interoperability in Q3 2011. The draft pilot framework guideline will be published for public consultation in the same quarter. The final pilot framework guideline will be sent to the Commission towards the end of 2011.
Expected start date:	July 2011
Expected completion date:	December 2011
Public consultation:	August-September 2011



### 3.3 Cross-sectoral

#### 3.3.1 Monitoring of the internal markets in electricity and natural gas

Deliverable:	Annual report on the results of monitoring of the internal electricity and natural gas markets finalised
Legal basis:	Articles 11(1) and (2) Regulation (EC) 713/2009 taking into account the reports based on Article 37(1e) Directive 2009/72 and Article 41(1e) Directive 2009/73
Status:	This is the continuance of the collection of national reports and indicators (CEER database) and drafting of the assessment/benchmarking report
Related documents:	National reports ERGEG benchmarking report
Expected start date:	June 2011
Expected completion date:	December 2011

### 3.3.2 Regional Initiatives Status Review

Deliverable:	Monitoring report with a status review of the Regional Initiatives finalised
Legal basis:	Several articles on regional dimension of Regulations (EC) 713/2009, 714/2009 and 715/2009;  (Future) EC Communication on RIs. ("ERGEG RIs" will become "ACER RIs")
Status:	Continuation of ERGEG RIs (Annual) Progress Report but emphasising the implementation of EU requirements (i.e. FGs, NCs, comitology guidelines)
Related documents:	Strategy for delivering a more integrated European energy market: The role of the ERGEG Regional Initiatives;  ERGEG RIs Progress Report 2009
Expected start date:	June 2011
Expected completion date:	December 2011

## **ANNEX I: LIST OF ABBREVIATIONS**

ACER	Agency for the Cooperation of Energy Regulators
AB	Administrative Board
BoA	Board of Appeal
BoR	Board of Regulators
CEER	Council of European Energy Regulators
Dir	Directive
EC	European Commission
END	national expert
ENTSO-E	European Network of Transmission System Operators for Electricity
ENTSOG	European Network of Transmission System Operators for Gas
EP	European Parliament
ERGEG	European Regulators' Group for Electricity and Gas
GGP	Guidelines of Good Practice
IEM	Internal Energy Market
MS	Member State
NDP	network development plan
NRA	National Regulatory Authority
Reg	Regulation
TSO	transmission system operator