


ACER

 Agency for the Cooperation
of Energy Regulators

Regulatory Update

Stakeholder Forum

30 October 2013

Market Codes

Capacity Allocation and Congestion Management (CACM)

- Comitology meeting held on 26th September in Brussels
- Key issues discussed on the day were
 - » Continuous IDT and Regional Auctions
 - » Treatment of Power Exchanges
 - » TSO and NRA Decision Making
- Another comitology meeting held on 29th October
 - » Key outstanding issues

Market Codes

- Forwards
 - » Code was submitted to ACER on 1 October
 - » ACER Opinion will be approved at December ACER Board of Regulators meeting
 - » Key issues are
 - Firmness provisions
 - Revenue Adequacy
 - Harmonised Auction Rules
 - Timelines for Single Platform
 - » SEM 2016 Derogation is important for us
- Balancing
 - » ENTSOE consultation period ended in August 2013
 - » ENTSOE will deliver a finalised Code at year end
 - » Balancing timeframe is very complex when considered on a pan European basis

Technical Codes

- Requirements for Generators (RfG) and Demand Connection (DCC)
 - » No significant issues
 - Will enter comitology after CACM
- High Voltage Direct Current (HVDC)
 - » Under development by ENTSOE
 - » Call for stakeholder input closed 7th June
 - » First draft expected in November 2013

System Operation Codes

- Operational Planning and Scheduling
 - » ACER opinion published 19th June and called for improvements
 - » ENTSOE resubmitted on 24th September
 - » Final ACER Opinion going through internal approvals
- Operational Security
 - » ACER opinion published 19th June and called for improvements
 - » ENTSOE resubmitted on 24th September
 - » Final ACER Opinion going through internal approvals
- Load Frequency Control and Reserves
 - » NC submitted to ACER at 28th June 2013.
 - » Positive ACER Opinion issued on 30th September

- **ACER Consultation on Bidding Zones**
 - » Launched on 31st July
 - Consultation on the influence of existing bidding zones on electricity markets
 - » Part of a joint ENTSOE ACER initiative to perform a review of existing bidding zones based on the process defined in the draft CACM NC
 - » Consultation closed at end of September
 - 32 responses received (incl 1 SEM response)
 - » This is important for SEM as there has been a commitment by the SEM Committee to carry out a review of bidding zone configuration for 2016.
- **Draft Bidding Zone Review Process**
 - » Technical Report
 - » Market Report
 - » Decision to launch review
 - » Review of zones
- **Consultation Paper is related to the market report**
 - » Market review considerations include
 - Hedging Opportunities
 - Liquidity (forward, day-ahead, intraday)
 - Market power
 - Investment signals and impacts on existing players
 - Remedial actions (volume, costs, transparency)

- EC Communication
 - » EC's Communication on delivering the internal energy market had been expected to be published by now
 - » Potential implications for SEM High Level Design Review

Thank you for your attention!



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