

The background of the slide is a dark blue image of the Earth from space, with glowing blue lines and nodes representing an energy network or power grid.

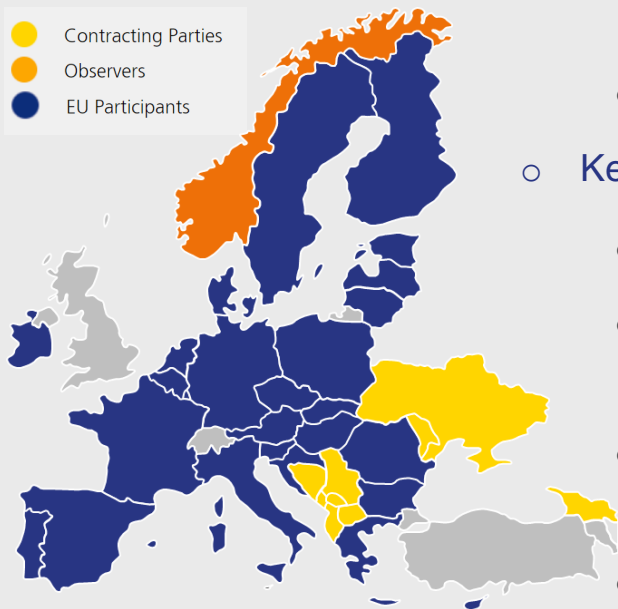
*The new Electricity package in the
Energy Community*

MESC

09 March 2023

Legal framework

The Energy Community



- The Energy Community is
 - an international organization bringing together EU and Eastern neighbors based on a legally binding framework.
 - founded by the Treaty establishing the Energy Community (July 2006).
- Key objectives
 - establish a stable regulatory framework capable of attracting investments;
 - create an integrated energy market allowing for cross-border energy trade and integration with the EU market;
 - enhance security of supply essential for economic development and social stability;
 - improve the environmental situation in the region and foster the use of renewable energy and energy efficiency; and
 - develop competition and exploit economies of scale.

Legal framework I

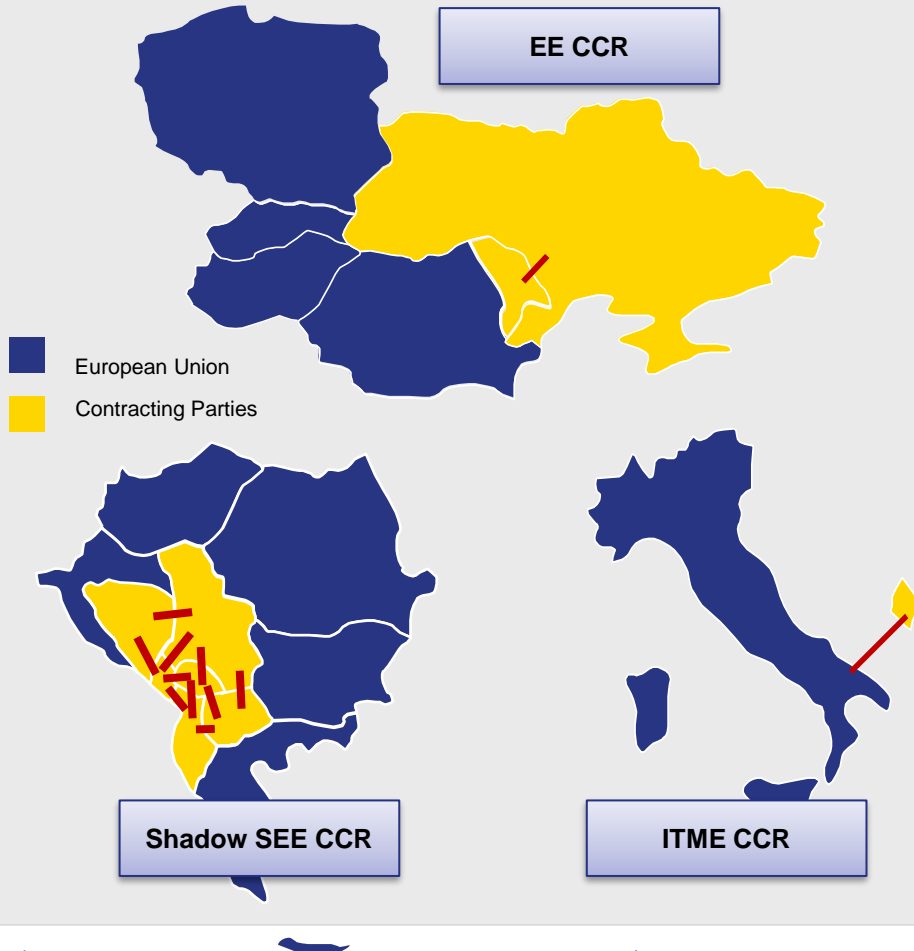
- Contracting Parties (CPs) committed to adopt corner stones of EU legislation.
- Inclusion in the *Energy Community acquis* is based on a two-step approach – legal acts are adapted and adopted by the Ministerial Council based on a proposal by the EC.
- Different to EU MSs, CPs need to transpose legal acts into national law.
- Latest adoption of the Ministerial Council in Dec 22 incorporated missing parts to complete the legal framework for electricity markets (full alignment with EU):
 - Electricity Directive and Regulation, ACER Regulation, Risk Preparedness Regulation; and
 - Network Codes/Guidelines on markets and system operation (FCA, CACM, BAL, SO, E&R).
- Deadline for transposition of the new package: end of 2023.
- Scope of the new package: binding on CPs and EU MSs defined in Article 27 of the Energy Community Treaty (CPs and neighboring EU MSs)

Legal framework II

- Procedural Act on Regional Market Integration accompanies adoption:
 - Level-playing field by reciprocity of rights/obligations for stakeholders for CPs and EU MSs
 - Cross-border cooperation among regulatory authorities
 - ACER to take decisions on issues concerning both CPs and EU MSs
 - ENTSO-E to assume similar role for CPs as in EU MSs to ensure coherence and consistency
- Terms, conditions and methodologies (TCMs)
 - Pan-European: application of existing and future TCMs (incl. ACER amendments)
 - Regional: voting of CP/EU MS TSOs in the same CCR (consensus if less than five CPs/MSs)
- New Annexes of Electricity Regulation and CACM define CCRs, SORs and RCCs and possibilities for them to be changed

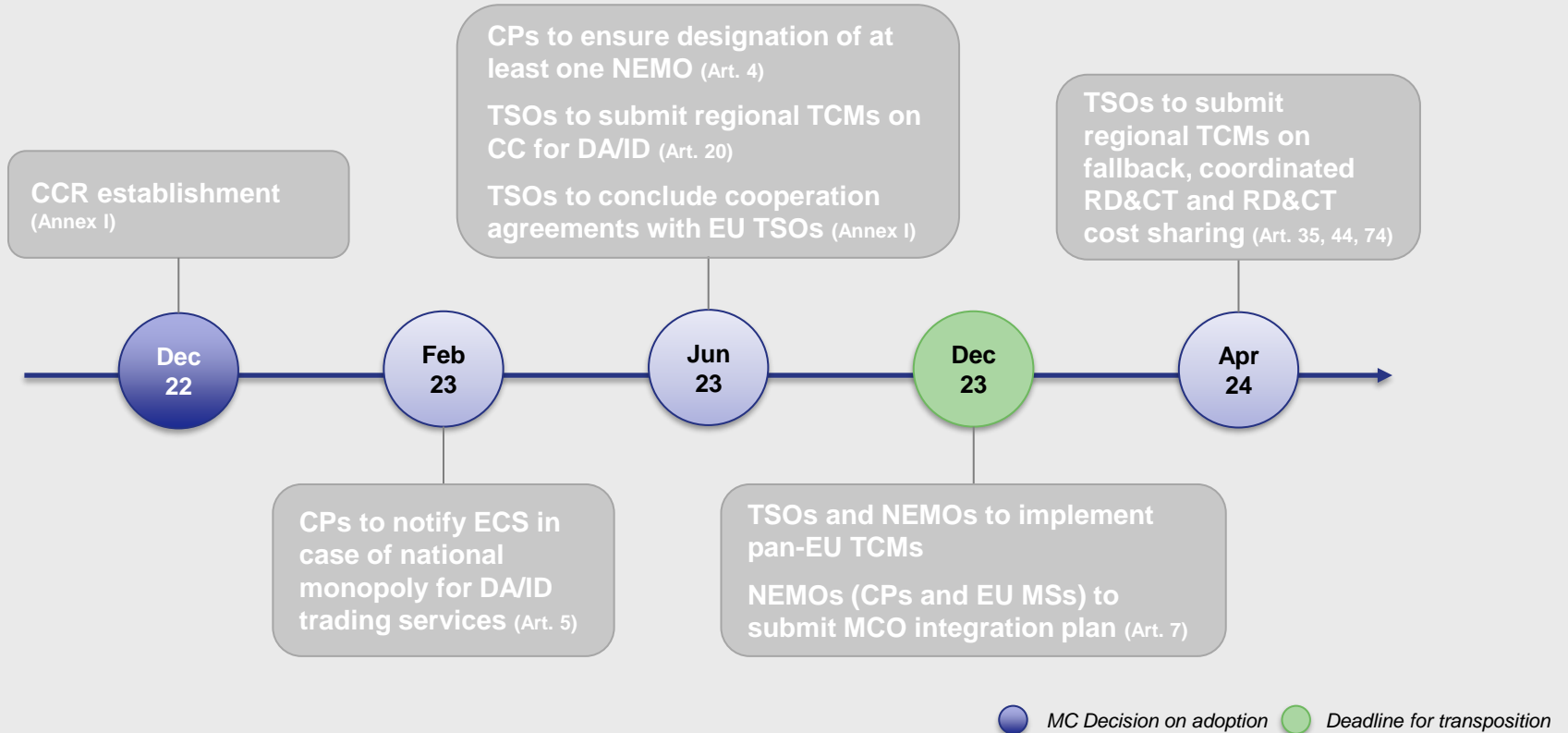
 Legal framework sets target to integrate CPs in SDAC and SIDC as well as other EU projects such as balancing platforms

CCRs for CPs



- CCRs established by Annex to EnC CACM
- Amendments only via pan-EU CCR methodology submitted by EU TSOs in consultation with CP TSOs and decided upon by ACER
- CPs of Shadow SEE and EE CCR to conclude cooperation agreements with neighboring TSOs of MSs by 6 months after entry into force (= 15 June 2023)

Important milestones CACM Guideline in the EnC

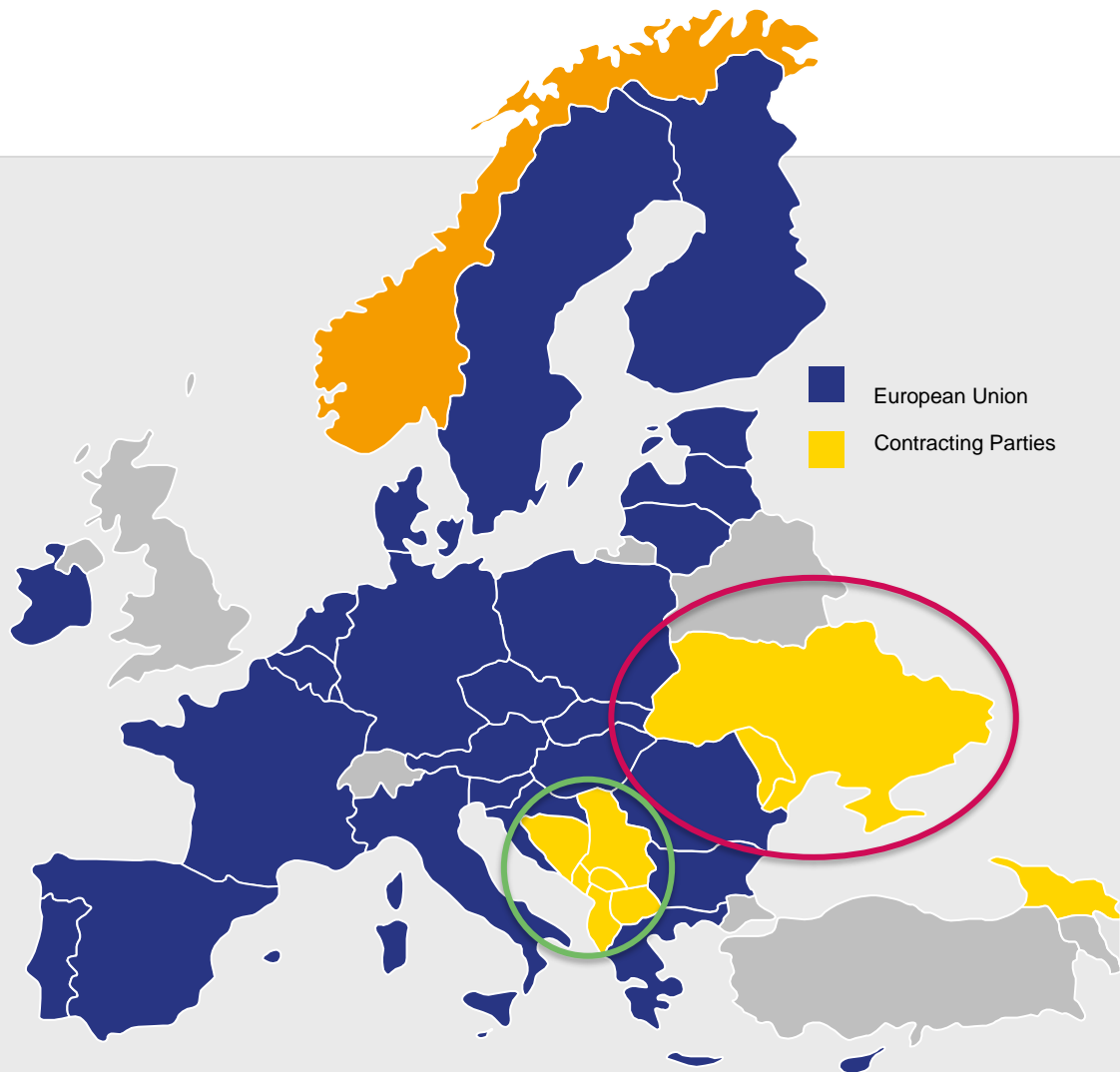


SORs and RCCs

Shadow SEE SOR

- BZ borders between CPs - RCC in EU MS or CP
- BZ borders between MSs and CPs - RCC in Thessaloniki (Greece) or Munich (Germany)
- RCC can be defined in line with Art 35(1) of original Regulation until end of Dec 23, in this case for MS-CP borders RCC in MS or CP if all neighboring EU TSOs agree

Eastern Europe SOR = RCC for
Central Europe SOR



Legal framework and relevant links

2021

[Decision 2021/13/MC-EnC](#)

[Directive \(EU\) 2019/944
\(Electricity Directive\)](#)

[Regulation \(EU\) 2019/941
\(Risk Preparedness\)](#)

2022

[Decision 2022/03/MC-EnC](#)

[Procedural Act 2022/01/MC-EnC on Regional
Market Integration](#)

[Regulation \(EU\) 2019/943 \(Electricity
Regulation\)](#)

[Regulation \(EU\) 2019/942 \(ACER Regulation\)](#)

[Regulation \(EU\) 2016/1719 \(FCA\)](#)

[Regulation \(EU\) 2015/1222 \(CACM\)](#)

[Regulation \(EU\) 2017/2195 \(EB GL\)](#)

[Regulation \(EU\) 2017/1485 \(SO GL\)](#)

[Regulation \(EU\) 2017/2196 \(E&R NC\)](#)

[Energy Community Acquis in force](#)

The background of the slide is a satellite-style image of the Earth, primarily showing the Americas. Overlaid on this is a complex network of glowing blue lines and nodes, representing a global energy or communication network. The lines connect various points across the continents, with some nodes appearing as bright blue circles.

*Thank you
for your attention!*

<https://www.energy-community.org>

Lisa-Marie.Mohr@energy-community.org