



Ergeg Public consultation

Implementing the 3rd Package

EDF, European group active in the energy sector, is very much in favour of the achievement of the Internal Energy Market and welcomes the 3rd energy package. Among the proposals issued by the European Commission, **EDF S-A particularly supports the initiatives improving the integration of the various national markets** : as a matter of fact, the priority is to create more links between national markets through the creation of new infrastructures, a better use of the existing ones and a more consistent regulatory framework at European level. In that process, it is of the utmost **importance to take the opinion of market participants into account**.

The legislative process leading to the adoption of the 3rd package is not finished yet. EDF S-A really hopes that the current discussions will deliver fruitful results. Let's hope that Council and European Parliament will come to a compromise as soon as possible because **economic players need visibility and stability of the regulatory framework in the short, medium and long term**. One could imagine that such a compromise could take into consideration **the constructive political agreement reached by the Council on October the 10th as well as the suggestions of the EP in the field of consumer protection**.

1./ EDF **supports initiatives that contribute to regional integration** such as those aimed at coupling the Belgian, French and Dutch markets as well as the Pentalateral Initiative. These regional initiatives enhance coordination between TSOs, accelerate harmonization of the products and the rules of the market and provide a more efficient framework for commercial exchanges.

2./ These initiatives have been made possible through **the political support of the involved Member States and the coordination between the national regulators**. If the third package project is to be adopted in its current state, the regulation scheme will be driven by the subsidiarity principle. As a consequence, the responsibility of an effective unbundling with increasing harmonised rules will remain with each Member state through its national regulator which is basically liable before the EC.

3./ In this framework, the **creation of the ACER as well as of the ENTSO-E should be considered as an opportunity** to strengthen DG TREN's assessment of the implementation of the 3rd package and to contribute to its issuing sensible guidelines. Each body should make proposals related to its core-competency and validation of regulation should remain with the European Commission.

4./ In a subsidiarity-driven framework, the Agency should take advantage of the regulators' efforts towards achieving a level playing field. In particular, **its activity should focus on establishing a common harmonised cross-border framework**. It should not aim to take over missions performed by national regulatory authorities, but might act with a view to **minimize structural differences in grid access rules and related market schemes**.

5./ **ACER should also ensure that national TSOs and regulators duly cooperate**, including at the regional level within the dedicated Regional Initiatives framework. The Agency should also make sure that future grid codes proposed by ENTSO-E are compliant with EU regulation and are properly implemented in Member States. A priority should be given to the gas sector which is less advanced than the electricity sector on this particular point.

6./ **ENTSO-E core mission could be essentially focused on cross-border issues**, such as rules for network security, grid connection, rules of balancing, congestion management.

7./ In its function, **ACER would have to consult stakeholders, especially market participants.** This point is a key issue and these consultations should take place at an early stage in order to enable a transparent and comprehensive exchange of views on principles. The appropriate moment would be the very stage of drafting new guidelines. Of course, **Entso-E could also organise consultations** on technical issues within its competency. In any case, **close coordination between the two institutions** should be a pre-requisite before issuing any consultation or circulating any recommendations.

8./ **Consultations launched at ACER's initiative should primarily - if not only - be organised by the national regulator** in order to ensure a proper involvement at national level. This would definitely contribute to a strong commitment of the national regulators as well as of the stakeholders. It would help strengthen the resulting guidelines or recommendations. Such recommendation may also apply to relations between ENTSO-E and TSO's.