



# **European Energy Regulators’ 2010 Work Programme**

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## 1. INTRODUCTION

The Council of European Energy Regulators (CEER) and the European Regulators' Group for Electricity and Gas (ERGEG) represent Europe's national energy regulators, through voluntary cooperation in the former, and as formal advisors to the European Commission in the latter. Cooperation between national regulatory authorities will in the future take place within a Community structure with clear competences through the Agency for the Cooperation of Energy Regulators (ACER) to be established following the entry into force of the 3<sup>rd</sup> Package on 3<sup>rd</sup> September 2009. Being set up during 2010 (fully operational from 3<sup>rd</sup> March 2011), the Agency will provide the regulatory framework necessary to establish an integrated European grid in electricity and gas. The Agency's independence will safeguard the interest of Europe's consumers.

At the heart of the 3<sup>rd</sup> Package<sup>1</sup> legislation is also the development of EU-wide network codes in 12 areas for the integration of the electricity and gas markets. These codes should be in line with framework guidelines which are developed by the Agency.

The year ahead will be a year of transition for the European energy regulators in preparation for the new Agency for the Cooperation of Energy Regulators. In anticipation of the Agency over the coming months, with the first staff to start in the 1st half of 2010, the European Energy Regulators will provide input to the European Commission and the new Agency not only on institutional, practical and organisational challenges but also on the preparatory work on framework guidelines. Regulators will also develop relevant input for the future material work of the Agency, including also recommendations on the 10-year network development plan to be produced by the European Networks of Transmission System Operators (ENTSOs) for electricity and gas. Following the adoption and entry into force of the 3<sup>rd</sup> Package there is also a clear framework for enhanced cooperation with the organisations of the European transmission system operators: ENTSO-E and ENTSO-G as well as with other stakeholders. This cooperation is notably needed for the preparation of regulators' input for the future work of the Agency. In the year ahead, we will also have the opportunity to work with the new European Commission (in place by February 2010) and the newly elected members of the European Parliament (already in place).

The European energy regulators' work programme for 2010 is set against a background of increasing demands on the regulators by stakeholders and the European Commission. In previous years, the European Energy Regulators' work programme presented a very ambitious and lengthy set of deliverables. Though we have maintained our ambition and pursue our goals as decidedly as ever, we have adopted a more restrictive approach around seven key areas for our work programme this year so as to give a more focused strategic perspective on the issues to

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<sup>1</sup> The 3<sup>rd</sup> legislative Package of the European Commission with proposals for the European Internal Market in Energy, included 5 legislative proposals: 2 amended Directives on the Directives of the European Parliament and of the Council amending Directive 2003/54/EC and Directive 2003/55/EC concerning common rules for the internal market in electricity and the internal market in natural gas, respectively; 2 amended Regulations on the European Parliament and of the Council Amending Regulation (EC) No 1228/2003 on conditions for access to the network for cross-border exchanges in electricity and Regulation (EC) No 1775/2005 on conditions for access to the natural gas transmission networks; and a new Regulation establishing an Agency for the Cooperation of Energy Regulators. The Package was finally adopted on 13 July 2009. <http://eur-lex.europa.eu/JOHtml.do?uri=OJ:L:2009:211:SOM:EN:HTML>

be covered for the year ahead. As a result, we will continue with a stronger focus on fewer issues, but with those issues having been prioritised not just by the regulators but also by stakeholders.

In addition, and following European energy regulators' work to date, further key issues for the European energy future will be addressed with high priority during 2010: (i) smart grids, the electricity networks of the future; and (ii) smart metering, a new technology for metering & billing which can open up important possibilities for customer involvement. Regulators will also consider such issues as wind generation, financial services and retail market monitoring. Furthermore, European energy regulators will continue to strengthen their international cooperation with other regulators, including through the South East Energy Community and the International Confederation of Energy Regulators. The full range of the 2010 work is explained below.

### **Key areas of work**

The 2010 work programme of the European energy regulators focuses on seven areas:

- ① Implementation of the 3<sup>rd</sup> Package
- ② Security of Supply
- ③ Affordability and Consumer Issues
- ④ Climate Change and Energy Issues
- ⑤ Financial Services
- ⑥ Regional Market Integration
- ⑦ External Issues

Whilst the 3<sup>rd</sup> Package is inevitably a major focus of our work, it is only one of seven priority areas. Strengthening regional cooperation, which is strongly emphasised in the 3<sup>rd</sup> Package, raises the need for a roadmap towards integrating the regions of the ERGEG Regional Initiatives as a step towards a single European market. Full implementation of the 2<sup>nd</sup> Package is equally critical for achieving a single EU energy market: to this end we continue our intensive work in monitoring implementation of the legislation currently in force and advising the European Commission in cases of non-compliance<sup>2</sup> so as to determine whether markets are delivering for consumers. We also seek to engage in a more proactive policy of consumer empowerment. Security of supply remains a critical issue. Other issues for 2010 result from the adoption of the new Climate Change and Energy Package in 2009. Europe's energy regulators continue to actively contribute to the discussion on sustainable development and the transition to a low-carbon economy. Our 2010 work programme reflects that energy regulators – within the ambit of their responsibilities – can help influence the 'greening' of the energy sector. The growing interdependencies of the energy and financial markets and external issues also feature in our work programme.

This document sets out the framework and provisional timelines for our foreseen deliverables. For each of these, stakeholders will find information on the public consultations and public

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<sup>2</sup> In this context in 2009, the European Commission initiated some infringement procedures against Member States.

hearings/workshops planned so as to enhance their possibility to plan ahead.

The European Energy Regulators' work programme 2010 is divided into two main parts: first, an overview of the seven priorities and their objectives; secondly, a brief explanation of the documents (deliverables) we intend to produce. The documents are presented in the following table format:

key areas	<b><i>Title of the document that will be produced (working group)</i></b>					
document #	Public consultation	<i>(date)</i>	Public hearings, workshops	<i>(date)</i>	Finalisation	<i>(date)</i>
<i>short description of the goal pursued with this document</i>						

The documents are divided into three main groups (electricity, gas or cross-sectoral) and then further grouped by the specific issues they address.

Three annexes are meant to facilitate the reading: I) a short description of the working groups of CEER/EREGG; II) a list of the abbreviations used in the work programme; and III) a description of the CEER/EREGG document types.

## 2. KEY AREAS OF WORK IN 2010

### ① Implementation of the 3<sup>rd</sup> Package

During 2010, the Agency will be gradually set up in order to assume fully its responsibility in March 2011. The European energy regulators will be providing assistance to the Commission to ensure that the timing for its establishment is not delayed.

The momentum of the 3<sup>rd</sup> Package negotiations must not be lost. The European energy regulators will, at the end of 2010, have in place:

- a tested and well-structured process for the development of framework guidelines and network codes, based on the experience of producing a pilot framework guideline for gas and electricity; and
- substantial work on draft framework guidelines in the priority areas we have identified in our “next steps” paper<sup>3</sup>.

### ② Security of Supply

Security of supply will continue to be a key issue of European energy policy. Ensuring that the regulatory framework is predictable in order to provide clarity and confidence to investors remains a major objective of the European energy regulators. This is particularly important at a time when investment may be affected by the global financial crisis and perhaps even more because of a descent into conservative thinking by investors during troubled times. Our main message remains: the completion of the single EU energy market is vital for Europe's security of supply. In the year ahead, we will work on advice for the development of the 10-year electricity network development plan, in line with our 2009 work on recommendations on the 10-year gas network development plan (E08-GNM-04-03).

### ③ Affordability and Consumer Issues

The implementation of the 3<sup>rd</sup> Package provisions will be the main objective for 2010. The policies are clear and already in place but much remains to be done in terms of proposing concrete measures to implement, in particular, the provisions on energy poverty and smart metering, as well as sharing experiences and good practice.

### ④ Climate Change and Energy Issues

The European energy regulators will work on determining the impact of climate change policies on the regulation of networks. If the EU is to reach the ambitious targets that it has set for itself, this will have an impact on the work of regulators, who need to ensure that the interests of consumers are always taken into account and competition is not distorted. This will imply continuing to provide advice to the European Commission at EU level, and sharing experience

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<sup>3</sup>Implementing the 3<sup>rd</sup> Package: The next steps - C09-GA-52-06a.

and spreading good practice among members. The European energy regulators will cooperate with other regional regulatory associations through the International Confederation of Energy Regulators, and will take a leading role with respect to work on sharing information and best practice on the international regulatory response to climate change, including reporting to the G8 meeting in June 2010.

#### ⑤ Financial Services

The European energy regulators have made concrete proposals to remove major barriers to competition and liquidity, in particular in relation to energy trading transactions. This implies that we will also actively participate in the follow-up of our recommendations to the European Commission on a tailor-made framework for energy on market abuse, and on transparency, record-keeping and the exchange of information between energy regulators and financial supervisors.

#### ⑥ Regional Market Integration

The European energy regulators will aim to establish the Regional Initiatives (RIs) in a concrete role within the 3<sup>rd</sup> Package. In order to achieve this, a roadmap for the integration of the regions towards a European market will be drawn up. Efforts on the ground will continue to ensure that the Regional Initiatives continue to deliver progress and market integration.

#### ⑦ External Relations

Raising the profile of energy regulators globally and promoting the European model of independent energy regulation will underpin the European energy regulators' initiatives in the area of international cooperation. We will actively contribute to the follow-up of the outcome of the World Forum on Energy Regulation (WFER IV): we will participate and follow up the activities of the working groups of the International Confederation of Energy Regulators (ICER), further develop the International Energy Regulatory Network (IERN) and continuously support the exchange of best practices through training and research with our counterparts elsewhere in order to enhance energy security. We will continue our work on the Energy Community for South East Europe (SEE) and pursue our dialogue with key partners.

For the most part, European energy regulators activities under this priority do not involve individual deliverables or documents; rather they consist of ongoing contacts, exchanges and dialogue with regulatory counterparts around the world. To learn more about the joint work of the world's energy regulators through ICER, visit [www.iern.net](http://www.iern.net).

### 3. Outcome of the public consultation

2009 marked the first time that European energy regulators have submitted their work programme to a full public consultation. The consultation yielded a total of 28 responses (1 of which confidential), the vast majority of which expressed appreciation for the regulators' initiative to invite stakeholders' comments.

The comments received in response to the European energy regulators' draft 2010 work programme were mostly positive. Only a few implied changes to the work programme, which indicates that the European energy regulators have addressed the current concerns in electricity and gas regulation largely adequately.

In responding to the results from the public consultation, European energy regulators have made the following adaptations to the work programme for 2010 to meet the concerns voiced by several stakeholders:

- two deliverables (EREGEG Response on energy efficiency and EREGEG Compliance Monitoring Report on the implementation status of DSO unbundling) were deleted;
- two new deliverables (# 11, "EREGEG Conclusions paper on the regulatory aspects of the integration of wind generation in European electricity markets", and # 14, "EREGEG Compliance Monitoring Report on the Gas Congestion Management Guidelines") were added;
- a number of additional workshops were introduced to give stakeholders increased possibilities to voice their opinion and provide feedback on the European energy regulators' work.

Several deliverables relating to electricity were renamed as requested by the XVII Florence Forum in December 2009.

## 4. EUROPEAN ENERGY REGULATORS' WORK IN DETAIL

### 3.1 Electricity

#### 3.1.1 Regulatory aspects of grid management

<b>① ②</b>	<b>Pilot Draft Framework Guideline on electricity grid connection (EWG)</b>					
# 1	Public consultation	Q3	Public hearings, workshops	Q3	Finalisation	Q4
<p><i>With this document, the European energy regulators will test and adjust the process developed by ERREG to prepare framework guidelines according to the amended Regulation 714/2009.</i></p>						
<b>① ⑥</b>	<b>Draft Framework Guideline on capacity allocation and congestion management (EWG)</b>					
# 2	Public consultation	Q3	Public hearings, workshops	Q1	Finalisation	Q3 <sup>4</sup>
<p><i>This document will provide advice on an intra and inter-regional coordinated congestion management method for the allocation of electricity cross-border capacity by following the ERREG Initial Impact Assessment process<sup>5</sup>.</i></p>						
<b>① ②</b>	<b>Draft Framework Guideline on operational security (EWG)</b>					
# 3	Public consultation	Q4	Public hearings, workshops	Q2	Finalisation	2011
<p><i>The document will set out the European energy regulators' recommendations on operational security. Operational security was widely acknowledged to be a priority issue during the 2008 autumn consultation (on implementing the 3<sup>rd</sup> Package). The document will be provided to the Agency once it has been fully set up.</i></p>						
<b>① ② ⑥</b>	<b>ERREG Conclusions Paper on long-term allocation rules for electricity (RIG)</b>					
# 4	Public consultation	N/A	Public hearings, workshops	N/A	Finalisation	Q3
<p><i>The document will build upon the 2009 benchmarking exercise and the feedback of stakeholders. It aims to facilitate the sharing of knowledge and best practices among regions on capacity allocation mechanisms (CAM) and congestion management (CMP) principles.</i></p>						

<sup>4</sup> This deliverable foresees the commissioning of a study with the aid of the European Commission. Should the European Commission decide not to support this study in the course of its budgetary debate, the timeline for this deliverable will be adjusted to give the European energy regulators more time.

<sup>5</sup> cf. Implementing the 3<sup>rd</sup> Package: next steps (C09-GA-52-06a), June 2009.

<b>① ② ⑥</b>	<b>EREGEG Status Review on regional electricity interconnection management and use (RIG)</b>					
# 5	Public consultation	N/A	Public hearings, workshops	N/A	Finalisation	Q4
<p><i>The optimisation of the use of existing cross-border capacity is a top priority for European energy regulators aiming to create a reliable regulatory climate for new and massive investments in the cross-border capacity that the EU needs. The document will gather the main conclusions and results of these regional experiences.</i></p>						

### 3.1.2 Regulatory aspects of electricity infrastructure development

<b>① ② ⑥</b>	<b>EREGEG Advice on the Community-wide ten-year electricity network development plan (EWG)</b>					
# 6	Public consultation	Q1	Public hearings, workshops	Q1	Finalisation	Q2
<p><i>This document will present the European energy regulators' views on the contents and requirements for ENTSO-E's 10-year network development plan.</i></p>						

<b>②</b>	<b>EREGEG Call for Evidence on generation adequacy treatment (EWG)</b>					
# 7	Public consultation	Q1	Public hearings, workshops	N/A	Finalisation	N/A
<p><i>The document will set out principles for a well-defined, stable and effective framework that delivers adequate supply of electricity.</i></p>						

<b>① ④</b>	<b>EREGEG Conclusions Paper on smart grids (EWG)</b>					
# 8	Public consultation	Q1	Public hearings, workshops	Q1	Finalisation	Q3
<p><i>Smart Grids are currently among the most intensively discussed issues in the European electricity sector. EREGEG has undertaken to analyse all aspects and develop guidance on regulatory aspect of smart grids, preparing the initial consultation paper in 2009. The document will be publicly consulted upon in 2010, discussing Smart Grids and the regulatory aspects thereof so that these can be taken into account in the design of networks and related projects, and in the development of the related regulatory framework. This shall also follow the related provisions in Article 3(11) of the new Electricity Directive 2009/72/EC.</i></p>						

### 3.1.3 Regulatory aspects of electricity wholesale market issues

<b>①</b>	<b>EREGEG Advice on the Comitology Guideline on transparency in electricity (EWG)</b>					
# 9	Public consultation	Q4	Public hearings, workshops	Q2	Finalisation	Q4
<p><i>The document will set out rules for transparency concerning physical market information on electricity. Transparency was considered a high-priority issue by stakeholders in the 2008 autumn consultation. The European energy regulators will also take into consideration that there are inter-relations with the financial markets in this area.</i></p>						

### 3.1.4 Regulatory aspects of electricity quality of supply

<b>③</b>	<b>CEER Guidelines of Good Practice on harmonised surveys on quality of electricity supply (EWG)</b>					
# 10	Public consultation	N/A	Public hearings, workshops	N/A	Finalisation	Q4 <sup>6</sup>
<p><i>The objective of this task is to achieve a framework for customer surveys related to quality of supply that will be helpful for use by NRAs at national level. The framework, to be included in the document, is aimed to include improved methodology, possible questionnaires, checklist and guidelines.</i></p>						

### 3.1.5 Regulatory aspects of sustainable development issues

<b>④</b>	<b>EREGEG Conclusions paper on the regulatory aspects of the integration of wind generation in European electricity markets (EWG)</b>					
# 11	Public consultation	2009-Q1	Public hearings, workshops	Q1	Finalisation	Q2
<p><i>This deliverable completes the work undertaken in 2009 on wind generation and serves to illustrate European energy regulators' reflection upon and consideration of the responses received during the public consultation, with respect to regulators' position(s) associated with wind integration issues, where relevant.</i></p>						

<sup>6</sup> This deliverable foresees the commissioning of a study. Should CEER decide not to commission this study in the course of its budgetary debate, deliverable will be dropped.

<b>④</b>	<b><i>CEER Status Review of the implementation of the Climate and Energy Package (EWG)</i></b>					
# 12	Public consultation	N/A	Public hearings, workshops	N/A	Finalisation	Q4
<i>The document will analyse the implementation of the Climate and Energy Package. The European energy regulators will focus on analysing the regulatory framework and associated issues but will also continually adapt to new, emerging needs.</i>						

## 3.2 Gas

### 3.2.1 Regulatory aspects of grid management

<b>① ⑥</b>	<b>Draft Pilot Framework Guideline on CAM and Draft Comitology Guidelines on CMP (GWG)</b>					
# 13	Public consultation	Q1	Public hearings, workshops	Q1	Finalisation	Q1

*The European energy regulators will use the interim period to prepare a sound framework according to which ENTSO-G shall prepare detailed network codes. As guidance for ENTSO-G, the regulators will develop a pilot framework guideline on capacity allocation mechanisms (CAM) and will provide input to the European Commission's Comitology Guidelines on congestion management (CMP) principles. Measures must be transparent and non-discriminatory; they must combine technical and economic efficiency while addressing the various needs of market participants.*

<b>① ⑥</b>	<b>EREGEG Compliance Monitoring Report on the Gas Congestion Management Guidelines (GWG)</b>					
# 14	Public consultation	N/A	Public hearings, workshops	Q2	Finalisation	Q3

*The European energy regulators will produce this document in order to provide the European Commission and the Gas Committee with a sound basis for deliberation on the Congestion Management Guidelines.*

<b>① ② ⑥</b>	<b>EREGEG Guidelines of Good Practice on CAM &amp; CMP to storage facilities (GWG)</b>					
# 15	Public consultation	Q2	Public hearings, workshops	Q2	Finalisation	Q2

*Capacity allocation and congestion management are important issues as most European storages are fully booked. The DG Competition Sector Inquiry Report<sup>7</sup> also indicated that in a number of cases, storages will be congested for many years. The European energy regulators will provide Guidelines of Good Practice on this topic to facilitate allocation procedures and congestion management procedures for storage in the future.*

<sup>7</sup> COM(2006)851, 10 January 2007, <http://ec.europa.eu/competition/sectors/energy/inquiry/index.html>

<b>① ⑥</b>	<b>Draft Framework Guideline on gas balancing rules (GWG)</b>					
# 16	Public consultation	Q2	Public hearings, workshops	Q2	Finalisation	Q3
<p>The European energy regulators will use the interim period to prepare a sound framework according to which ENTSO-G shall prepare detailed network codes. As guidance for ENTSO-G, the regulators will develop a draft framework guideline on balancing rules, including network-related rules on nomination procedures, rules for imbalance charges and rules for operational balancing between transmission system operators' systems. Based on ERGEG's existing GGP-GB<sup>8</sup>, the European energy regulators will work towards achieving greater standardisation and harmonisation of the requirements outlined in the GGP-GB.</p>						

<b>① ②</b>	<b>ERGEG Advice on best practices applied in all types of LNG terminals regarding congestion management procedures, anti-hoarding measures and notices periods (GWG)</b>					
# 17	Public consultation	N/A	Public hearings, workshops	Q2	Finalisation	Q2
<p>This project follows the request of the European Commission, which identified anti-hoarding as one of the priority areas for LNG. This priority was widely agreed upon among the European Commission, the European energy regulators and stakeholders. The document will propose improvements to the existing practices in Europe.</p>						

### 3.2.2 Regulatory aspects of gas infrastructure development

<b>① ② ⑥</b>	<b>ERGEG Response to GTE+'s 10-year gas network development plan based on CEER model-based analysis (GWG)</b>					
# 18	Public consultation	N/A	Public hearings, workshops	Q1	Finalisation	Q1
<p>The European energy regulators consider the 10-year gas network development plan a key tool to improve competition and security of supply. European TSOs and NRAs have recognised the importance of developing a long-term network development plan. CEER launched a study on model-based analysis of the European gas network in 2009; the results of the study and an evaluation of existing national network development plans will be used to respond to the TSOs' work.</p>						

<sup>8</sup> ERGEG Guidelines of Good Practice for Gas Balancing (GGP-GB) (E06-GFG-17-03), April 2006.

<b>① ② ⑥</b>	<b>EREGEG Status Review of intra and inter-regional coordination of open seasons (RIG)</b>					
# 19	Public consultation	N/A	Public hearings, workshops	N/A	Finalisation	Q4
<p><i>The report will gather all experience by the three regions of the Gas Regional Initiative in this context and, building on experiences, will make recommendations on how to make projects more feasible, notably when they have an inter-regional dimension. It will also emphasise how the Regional Initiative support and facilitate open season processes.</i></p>						

### 3.2.3 Regulatory aspects of tariffication

<b>① ⑥</b>	<b>Draft Framework Guideline on harmonised transmission tariff structures (GWG)</b>					
# 20	Public consultation	Q2	Public hearings, workshops	Q3	Finalisation	Q3
<p><i>The European energy regulators will use the interim period to prepare a sound framework according to which ENTSO-G shall prepare detailed network codes. As guidance for ENTSO-G, the regulators will develop a draft framework guideline on transmission tariffs. Due to the natural monopoly characteristics of transmission system operators, tariff setting by an independent authority is of fundamental importance to ensure the maximisation of the social welfare.</i></p>						

<b>① ②</b>	<b>EREGEG Benchmarking Report on storage tariffs (GWG)</b>					
# 21	Public consultation	N/A	Public hearings, workshops	Q3	Finalisation	Q4
<p><i>The document will evaluate the differences in storage tariffs and contain a qualitative analysis of the reasons for the differences identified. The benchmarking results will provide input to NRAs for the regulation of access to storage facilities.</i></p>						

### 3.3 Cross-sectoral

#### 3.3.1 Regulatory aspects of customer affairs

<b>①</b>	<b>EREGEG Guidelines of Good Practice on retail market monitoring (CWG)</b>					
# 22	Public consultation	Q2	Public hearings, workshops	2009	Finalisation	Q3
<p><i>The Guidelines of Good Practice will define indicators and present a commonly agreed methodology for collecting and presenting retail market monitoring data by European regulators individually and within the Agency.</i></p>						
<b>①</b>	<b>EREGEG Guidelines of Good Practice on regulatory aspects of smart metering for electricity and gas (CWG)</b>					
# 23	Public consultation	Q2	Public hearings, workshops	2009	Finalisation	Q4
<p><i>The Guidelines of Good Practice will serve as guidance for the industry and governments on intelligent meters (as defined in the EU legislation): what is required so that smart metering systems actually assist the active participation of consumers in the electricity and gas retail markets, and what requirements must they fulfil to comply with EU legislation in terms of frequency and interoperability.</i></p>						
<b>① ③</b>	<b>EREGEG Guidelines of Good Practice on customer complaint handling for service providers and third-party bodies (CWG)</b>					
# 24	Public consultation	2009	Public hearings, workshops	Q1	Finalisation	Q2
<p><i>The Guidelines of Good Practice on customer complaint handling will be developed on the basis of the 2009 recommendations document (Ref. E09-CEM-26-03) and will give an indication on how to handle, report on and classify customer complaints.</i></p>						
<b>③</b>	<b>EREGEG Status Review on end-user price regulation as of 1 January 2010 (CWG)</b>					
# 25	Public consultation	N/A	Public hearings, workshops	N/A	Finalisation	Q2
<p><i>This new report will assess end-user price regulation based on 1 January 2010 data throughout Europe and the progress of the Member States regarding the EREGEG recommendations (2007) and compared to the EREGEG Status Review as of 1 July 2008, which showed that little progress had been accomplished in the first year of EU-wide market opening for household consumers.</i></p>						

### 3.3.2 Regulatory aspects of wholesale energy markets

<b>⑤</b>	<b>EREGG Advice on the regulatory oversight of energy exchanges (FIS WG)</b>					
# 26	Public consultation	N/A	Public hearings, workshops	Q4	Finalisation	Q4
<i>Based on a 2009 benchmark on the supervision of energy exchanges, this document will set out recommendations on the supervision of energy exchanges.</i>						

<b>⑤</b>	<b>EREGG Responses on market supervision issues (FIS WG)</b>					
# 27	Public consultation	N/A	Public hearings, workshops	N/A	Finalisation	2011
<i>In 2008, ERGEG and CESR issued advice on energy trading supervision and transparency to the European Commission. In 2009 and 2010, this is followed up by the Commission through informal ad-hoc working groups including participation from energy regulators and all relevant stakeholders. This deliverable deals with issues related to market abuse (insider trading, market manipulation).</i>						

<b>⑤</b>	<b>EREGG Response on transparency in energy trading (FIS WG)</b>					
# 28	Public consultation	N/A	Public hearings, workshops	N/A	Finalisation	2011
<i>In 2008, ERGEG and CESR issued an advice to the Commission on energy trading supervision and transparency. In 2009 and 2010, this is followed up by the Commission through informal ad-hoc working groups including participation from energy regulators and all relevant stakeholders. This deliverable deals with issues related to the transparency of trading transactions in wholesale markets.</i>						

<b>⑤</b>	<b>CEER Response on interdependencies with other markets (FIS WG)</b>					
# 29	Public consultation	Q2	Public hearings, workshops	Q4	Finalisation	Q3
<i>There are substantial interdependencies between electricity / gas markets and some other markets, such as CO<sub>2</sub> emission allowances markets and other energy markets (e.g. coal and oil markets). This document will contribute to a thorough understanding of these interdependencies and their effects on electricity and gas price formation.</i>						

<b>⑤</b>	<b>EREGG Advice on wholesale trading licenses (FIS WG)</b>					
# 30	Public consultation	N/A	Public hearings, workshops	Q3	Finalisation	Q4
<i>A study on existing national wholesale trading licensing requirements and possibilities for a single European trading passport will be conducted by a consultant. Based on the results of the study, the European energy regulators will develop their advice on this issue.</i>						

<b>① ⑥</b>	<b>Status Review on the ERGEG Regional Initiatives (RIG)</b>					
# 31	Public consultation	N/A	Public hearings, workshops	N/A	Finalisation	Q4
<p>The European energy regulators will in this document monitor the coherence and convergence of all regions towards the final target (of full market integration); and will provide recommendations to foster regional/European market integration.</p>						

### 3.3.3 Institutional issues of national regulatory authorities and the Agency

<b>①</b>	<b>CEER Advice on the modification and enforcement of network codes (ENP WG)</b>					
# 32	Public consultation	N/A	Public hearings, workshops	N/A	Finalisation	Q3
<p>As a follow-up to the publication of our position concerning the proposed procedure for the development of framework guidelines and network codes<sup>9</sup>, the European energy regulators will develop views on the modification of network codes and on what rules and procedures for their enforcement would be needed. These papers will be provided to the Agency once it has been fully set up.</p>						

<b>①</b>	<b>ERGEG Status Review of the liberalisation and implementation of the energy regulatory framework (ENP WG)</b>					
# 33	Public consultation	N/A	Public hearings, workshops	N/A	Finalisation	Q4
<p>Based on the Electricity and Gas Directives (both under the 2<sup>nd</sup> and 3<sup>rd</sup> packages), the national regulatory authorities must provide the European Commission with yearly national reports. The European energy regulators will use the information provided by the individual NRAs to develop a summary report, which will be provided to the European Commission as input.</p>						

<b>① ⑥</b>	<b>ERGEG Conclusions Paper on a strategy for delivering a more integrated European energy market through the Regional Initiatives (RIG)</b>					
# 34	Public consultation	N/A	Public hearings, workshops	N/A	Finalisation	Q2
<p>The European energy regulators started work (in 2009) on the role of the Regional Initiatives in the context of a wider strategy to achieve the Internal Energy Market. This document will present the conclusions on this role of the Regional Initiatives in the new context of the 3<sup>rd</sup> Package and on the treatment of regional issues by the Agency.</p>						

<sup>9</sup> See Footnote 5.

## **ANNEX I: ORGANISATION OF CEER/EREG WORKING GROUPS**

The work of the European energy regulators is structured according to a number of working groups that are composed of staff members of national regulatory authorities. These working groups deal with different topics in line with their members' fields of expertise:

The Customer Working Group (CWG) will continue its work on customer empowerment and retail market functioning to facilitate the development of competition in the energy consumers' interests.

The Energy Community Working Group (ENC WG) will participate in and closely follow the work of the Energy Community Regulatory Board (ECRB) of South-East Europe, to enable the European energy regulators to formulate their advice to the European Commission in accordance with Decision 2003/796/EC.

The Energy Package Working Group (ENP WG) was established to provide input for the 3<sup>rd</sup> Energy Liberalisation Package during its legislative process and follow its implementation during the so-called "interim period" until the Agency for the Cooperation of Energy Regulators is fully operational. The ENP WG is currently preparing advice on the developments of the 3<sup>rd</sup> Package for the CEER General Assembly, but also for discussion with the Commission and with external stakeholders where these are impacted. The documents to be developed during 2010 prepare for the establishment of the Agency and for its becoming fully operational at the end of the interim period (i.e. on 3 March 2011).

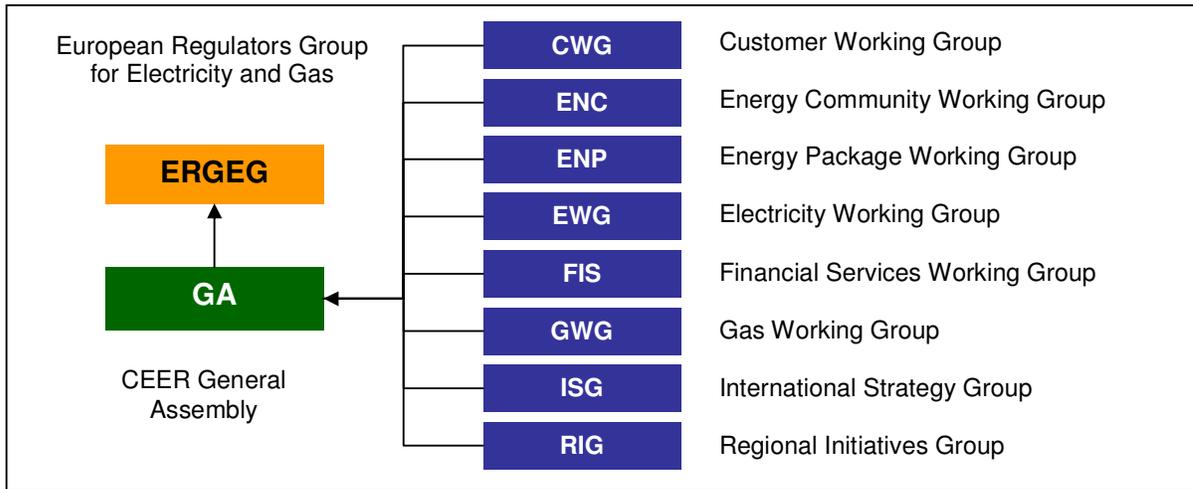
The Electricity Working Group (EWG) addresses issues related to European electricity grids and the EU electricity market.

The Financial Services Working Group (FIS WG) deals with the interdependencies between financial and energy markets.

The Gas Working Group (GWG) addresses regulatory matters in relation to the European gas markets.

The International Strategy Group (ISG) is responsible for coordination of the European energy regulators' activities in the field of international cooperation and training.

The role of the Regional Initiatives Group (RIG) is to facilitate work in the seven electricity and three gas regions in moving forward in a coordinated way towards a single EU market in electricity and gas.



**ANNEX II: LIST OF ABBREVIATIONS**

ACER	Agency for the Cooperation of Energy Regulators
CAM	Capacity Allocation Mechanisms
CEER	Council of European Energy Regulators
CESR	Council of European Securities Regulators
CMP	Congestion Management Procedures
CWG	Customer Working Group
DG	Directorate General (of the European Commission)
DSO	Distribution System Operator
EC	European Commission
ECRB	Energy Community Regulatory Board
ENC WG	Energy Community Working Group
ENP WG	Energy Package Working Group
ENTSO-E	European Network of Transmission System Operators for Electricity
ENTSO-G	European Network of Transmission System Operators for Gas
EREGEG	European Regulators' Group for Electricity and Gas
EWG	Electricity Working Group
FIS WG	Financial Services Working Group
GA	(CEER) General Assembly
GGP	Guidelines of Good Practice
GGP-GB	EREGEG Guidelines of Good Practice on Gas Balancing
GTE	Gas Transmission Europe
GWG	Gas Working Group
ICER	International Confederation of Energy Regulators
IERN	International Energy Regulation Network
ISG	International Strategy Group
LNG	Liquefied Natural Gas
NRA	National Regulatory Authority
RI	Regional Initiatives
RIG	Regional Initiatives Group
SEE	South East Europe
TSO	Transmission System Operator
WFER	World Forum on Energy Regulation

## ANNEX III: DOCUMENT TYPES

The European energy regulators produce a variety of public documents, each intended for a specific purpose. These documents are:

- Draft Framework Guidelines is preparatory work for future framework guidelines as provided for in the new Electricity and Gas Regulations and will be provided as advice to the new Agency.
- Draft Comitology Guidelines are drafts for guidelines which could subsequently be adopted by the Commission via Comitology in order to make them binding.
- Guidelines of Good Practice are an agreed set of non-binding principles or recommendations that parties should follow on a particular topic. They relate to the implementation of a specific piece of law and are addressed to NRAs, TSOs, or others.
- A Benchmarking Report provides and compares information pertaining to two or more parties in an attempt to develop a common “benchmark” or standard, against which something can be measured.
- A Status Review presents the state of play of a particular issue among Member States, without including a best-practice review.
- A Compliance Monitoring Report assesses the extent to which certain bodies conform or comply with particular legislation, standards or guidelines.
- Advice sets out CEER/EREGEG views on a particular topic. It may be solicited or unsolicited.
- A Response sets out CEER/EREGEG thinking in response to proposals from external bodies, be it the Commission or stakeholders.
- A Conclusions Report is the final document following a public consultation. It sets out CEER/EREGEG's conclusions and recommendations.