

European energy regulators 2010 work programme – Eurometaux submission

Eurometaux is thankful for the opportunity for stakeholders to provide feedback on the European energy regulators work programme for 2010. In this context we focus on two issues related to the implementation of the 3rd package related to electricity, harmonisation of grid tariffs and of balancing regimes.

Harmonised electricity grid tariffs

Grid tariffs are touched upon in the Guidelines to Reg. 714/2009 related to Inter TSO Compensation that is in process now. We do, however, see a need for more comprehensive guidelines. Harmonising tariffs in Europe would improve the utilization of and secure optimal development of the European grid. This involves signals to the market participants on the costs they cause in the transmission system in the short term as well as introduction of effective long term locational signals on a Pan-European level.

ETSO has for some years published an overview of transmission tariffs in Europe¹. The tariffs in Europe vary considerably and that the content of the tariffs differs from country to country. The development towards harmonised transmission tariffs in Europe is slow. Eurometaux is concerned that this imbalance could be detrimental to the development of the market, jeopardizing the implementation of the 3rd package and the establishment of a seamless pricing mechanism across Europe.

The work programme for 2010 includes input to harmonised transmission tariffs in the gas sector. We recommend that it also includes harmonisation of transmission tariffs in the electricity sector.

Harmonised framework for balancing services

The 3rd package will involve an introduction of renewable electricity generation in the years to come. Such generation will have limited possibilities to adapt to demand, and there will be increased need for balancing services. In order to contain the increases in balancing cost, there is a need to increase cross-border exchange of balancing services through the development of a harmonised framework and market mechanisms positioning Europe. Thus, we recommend that the work programme for 2010 includes the development of a harmonised framework for balancing services.

Yours faithfully,

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¹ http://www.entsoe.eu/library/publications/etsa/Final_Synthesis_2008_final.pdf