



Harmonisation of network access charges

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Introduction

- Regulation provides for the adoption of rules, in guidelines, leading to a progressive harmonisation of national tariff systems
- How should this issue be addressed in the first set of guidelines, i.e. in the short-term?





Current practice in Member States

General principles

- **More costs are allocated to L than to G**
- **Important divergences in the absolute level of in particular G-charges likely to lead to distortions**
- **Harmonisation of values of both G and L charges in the short term unrealistic**

>>Concentrate efforts on G charges





Current practice in Member States

Long-term locational signals

- **Provide price signal in terms of current and future infrastructure costs**
- **Currently not common practice**
- **However, short/medium term signals exist (congestion and losses)**





Conclusions for the guidelines

Two basic issues to be addressed:

- **How best to work towards increased harmonisation of “basic” G-charge?**
- **Should, on top of this “basic” G-charge, an addition charge to provide long-term locational signals be introduced?**





The “basic” G-charge

- **Objective:** narrow as far as possible the value of G (harmonisation of G/L split insufficient?)
- **Three options:**
 - $G = 0$
 - $G = \text{any positive value}$
 - $G = \text{within a range}$
- **Harmonised G would be country average**
- **Would not cover directly attributable costs**
- **Would not cover regulatory charges**





Locational signals

- **Three options:**
 - current short term signals are sufficient
 - existing short term signals need to be strengthened (losses)
 - long-term signals introduced





Locational signals

Possible design of a first long-term system

- **Area=MS**
- **Three different locational G-charges**
- **Average charge per MS**
- **In principle applied to both existing and new generation**
- **Regular update of value, but need for certain predictability**





Conclusion

**Participants are invited to express
their views on these issues**

