



MINISTRY OF INDUSTRY AND TRADE
OF THE CZECH REPUBLIC

The Czech Republic contribution to the Commission's Public Consultation Paper

Establishment of the annual priority lists for the development of network codes and guidelines for 2016 and beyond

The Czech Republic considers the network codes and guidelines to be an important action to be taken to integrate the internal energy market. We support the Commission's view on the importance of the full implementation of the Third Energy package in all Member States as well as the development of the energy infrastructure, both interconnectors and internal grids, and work of regional initiatives next to the development of the network codes and guidelines.

Electricity

The Commission decided to develop the technical, operational and market rules governing the electricity grids in both possible forms, namely network codes (according to Art. 6 Regulation (EC) No 714/2009) and guidelines (according to Art. 18 Regulation (EC) No 714/2009). The form of guideline changes the adoption process of the new law and reduces the involvement of the stakeholders in the preparation and formation of the guideline. The Czech Republic emphasizes the importance of the detailed discussion on all rules between the Commission and the stakeholders (ACER, ENTSOs and Member States) regardless whether a network code or a guideline is being developed. We also consider the role of the discussion in the Electricity cross-border Committee as crucial.

The Czech Republic agrees with creation of annual priority list for the year 2016 as proposed by European Commission in the Public Consultation Paper, point 1.1 Tentative annual priority list 2016 regarding electricity network rules since we consider the finalisation of the current list of network codes of high importance for the market integration.

On the other hand, we have to repeat our position of the last year related to the harmonised transmission tariffs. From our point of view, there has still been the lack of information about "rules regarding harmonised transmission tariff structures". It is not clear, if it relates to the investment incentives in the meaning

of Regulation No. 347/2013 or if it is the modification of the entire tariff system. In case of the second option, we do not consider the harmonisation of transmission tariffs in excess of Regulation No. 838/2010 (i.e. G-charge) currently in need. Network tariffs relate to the particular Member State's transmission and distribution grids, i.e. the scope, quality, necessary investment etc. Hence, justifiable differences among Member States shall continue. The harmonization can focus on the methodology, but not on the value of inputs and outputs of the methodology.

Gas

The Commission already decided to develop rules regarding harmonised transmission tariff structures in the form of a new network code (according to Art. 6 Regulation (EC) No 715/2009) and rules regarding an EU-wide market-based approach on the allocation of incremental gas transmission capacity in the form of an amendment of the existing network code on capacity allocation mechanisms (according to Art. 7 Regulation (EC) No 715/2009). The Czech Republic emphasizes the importance of the detailed discussion on those rules between the Commission and the stakeholders (especially ACER, ENTSOG and Member States) before and during the upcoming Comitology Procedure which is planned to adopt those new rules.

The Czech Republic agrees with the creation of the annual priority list for the year 2016 as proposed by the European Commission in the Public Consultation Paper, point 1.2 "Tentative annual priority list 2016 regarding gas network rules" since we consider the finalisation of the current list of network codes and amendments under development (including the current work under the CEN mandate) of high importance for the EU gas market integration. The development of further network codes or further amendments of existing network codes should be considered carefully after the current development processes is finalized and the respective network codes is implemented, in order to enable their proper and thorough implementation and the subsequent assessment of the resulting impacts on the EU gas market.

