



13th Meeting of Florence Forum

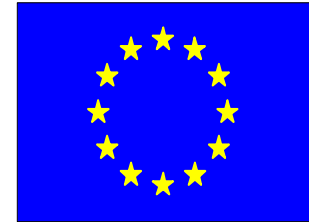
“Congestion management guidelines”

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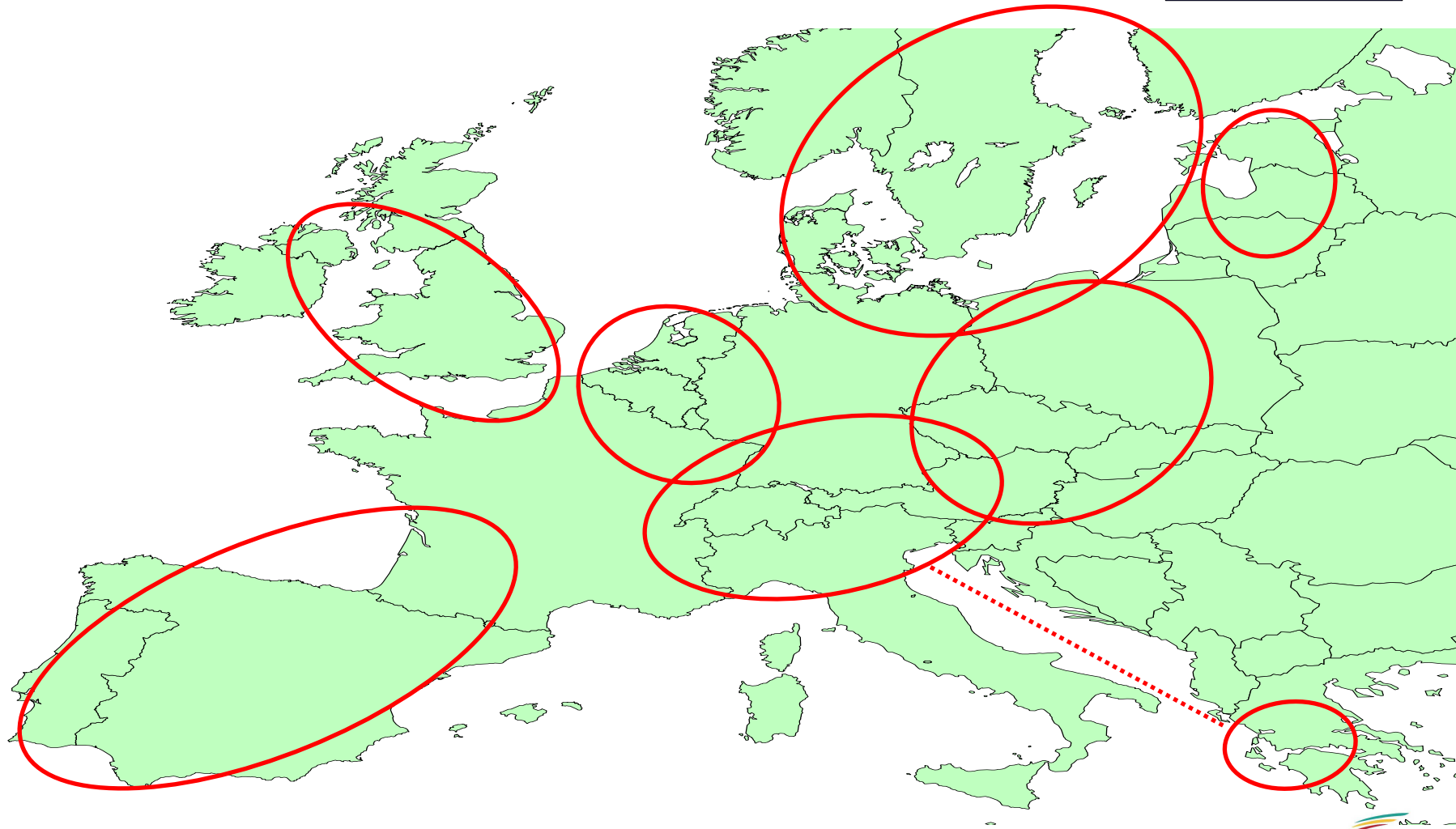
Process



- **Cross-border electricity committee gave a positive opinion on the guidelines in June 2006**
- **European Parliament has the scrutiny right until 28 September 2006**
- **Commission will proceed to adopting the guidelines immediately after the EP scrutiny ends**
- **Entry into force when published**



Regional approach



Directorate-General for Energy and Transport



Common method required



From 1 January 2007:

- **Common network model, flow based**
- **Common market based allocation system**
- **Common products (conditions, timeframes etc.)**



Implementation



- **Priority in Electricity Regional Initiatives**
- **Monitoring and enforcement by the Regulators and ERGEG**
- **Guidelines are directly applicable law**
- **Commission is ready to start infringement procedures if needed**



Guidelines to be operational



- **Work done in the Electricity Regional Initiatives**
- **Shall be reflected in detailed operational rules like capacity allocation and system operation rules**
- **ETSO transparency platform**



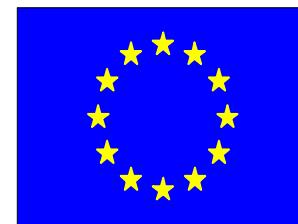
Cross border intra-day trade



- **Already happens at some borders (for example Nordic countries, French borders, Germany-Austria)**
- **Will be an obligation in 2008**
- **Is expected to improve competition in balancing markets**



Transparency



- **Market information**
 - load forecasts
 - interconnections and cross-border trade
 - information on generation plants
- **Information exchange between TSOs**
 - ☒ **Good basis for improved transparency**
 - ☒ **However, details need to be defined**



Long-term contracts



- **Judgement of the Court of Justice on case C17/03**
- **Some long term priority reservations have already been cancelled, not all**
- **Commission has started infringement procedures against remaining priority reservations**



Way forward



- **Guidelines are a living document**
- **Interval of updates not fixed, could be (1-2 years?)**
- **Discussion in the context of Green Paper, how they should be developed**

