



Extension of CESEC regional cooperation

Presentation to the European Network Of Energy Authorities And Managing Authorities Of The Cohesion Policy 2014-2020

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CESEC extension

Ministerial Agreement to extend CESEC regional cooperation beyond gas taken by the High Level Group in September 2017.

AIM: "to work together to implement measures to be taken at the regional level to promote the cost-effective development of renewable energy and energy efficiency and an efficient, well connected electricity market".

MODALITIES

Memorandum of understanding and rolling action plan

NEW AREAS OF COOPERATION

Electricity, renewables and energy efficiency



CESEC extension



In December 2016, the Commission set two working groups to cover (i) the creation of a regional electricity market including the necessary infrastructure and (ii) boosting renewable energy and energy efficiency in the region

They have looked at specific goals and concrete actions to be achieved.

The agreed goals complement the 2015 Memorandum of Understanding on Gas, the concrete actions are enshrined in a dedicated Action Plan and the revised governance in the Terms of reference.

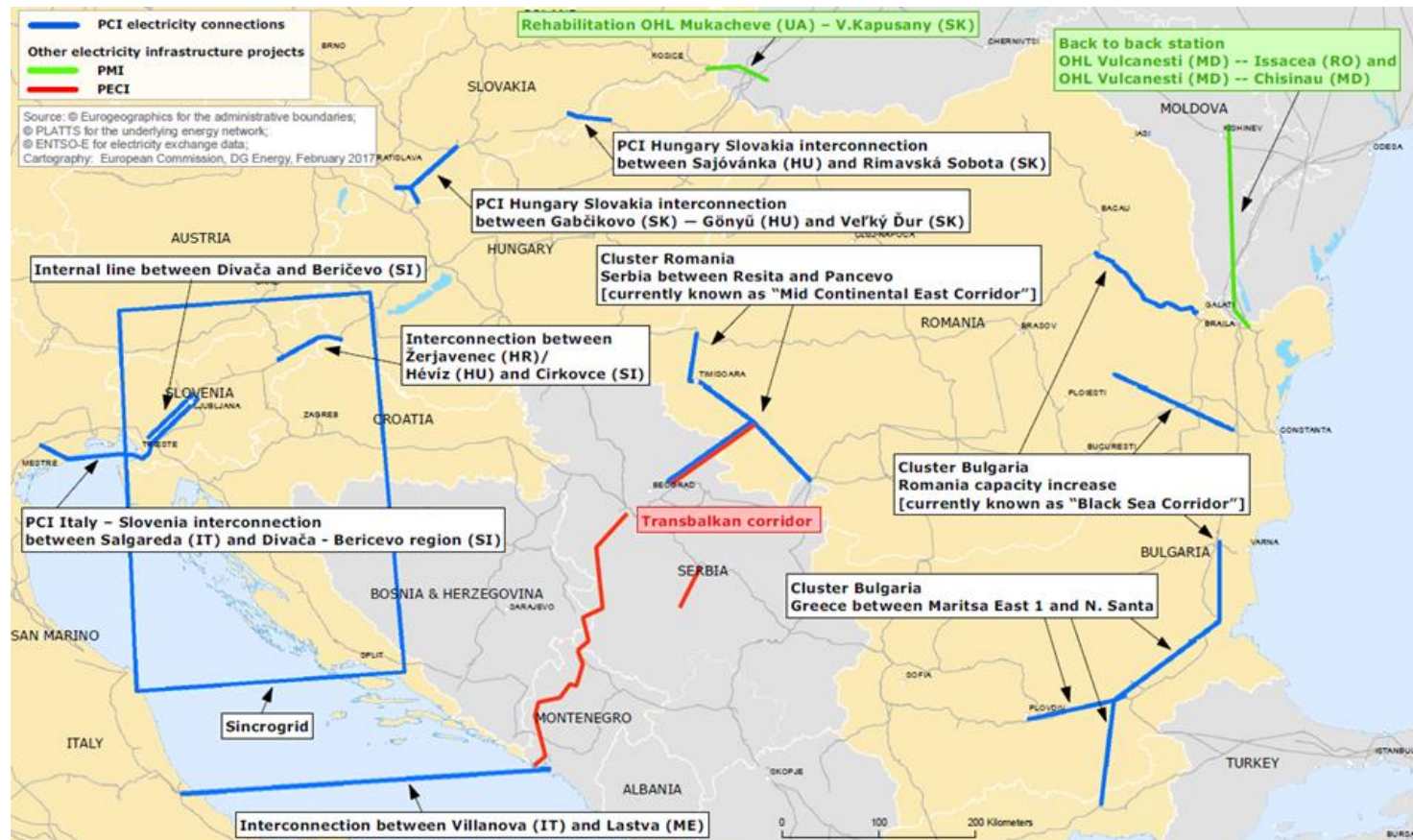
Electricity market



Five market coupling and trading projects between EU Member States and Energy Community Contracting Parties identified to develop a larger, more liquid and competitive regional energy market in the region.

Member State (s) / Energy Community Contracting Parties	Description of the Action
Italy – Montenegro – Serbia	Early implementation of Market Coupling
Bulgaria – Romania – Greece + accession stream for future Western Balkan 6 partners with Croatia & Italy	Accession work stream enabling Western Balkan 6 partners to participate as observers in the development of a common capacity calculation methodology in the South East Europe Region.
Croatia (EU), Bosnia and Herzegovina (Energy Community)	Establish day ahead and intraday electricity market
Serbia – 4M (CZ-SK-HU-RO)	Early implementation of Market Coupling Day-ahead market coupling between Serbia & 4M countries (CZ-SK-HU-RO)
Bulgaria, Romania, Greece + Western Balkan 6 partners	Develop harmonized cross-border forward auctioning processes for ENTSO-e South East Europe Region including non-EU bidding zone borders, including agreement on appropriate platforms

Six electricity projects of significant regional importance (PCIs/PECIs or PMIs)



Security of Electricity Supply: prevent and manage crisis situations by ensuring in time delivery of the obligations set out in the network codes

Member State (s) / Energy Community Contracting Parties	Description of the Action	Responsible entities	Timing
All CESEC members	Adoption of system defence plans (Article 11 of Network Code on Emergency and Restoration)	Transmission system operators (TSOs)	12 months after the Network Code on Emergency and Restoration enters into force (~end 2018)
All CESEC members	Set-up Regional Security Centres:	Transmission system operators (TSOs)	<ul style="list-style-type: none"> • Methodology 12 months after "Guideline on System Operation" enters into force (~end 2018) • 3 months after the approval of the methodology (~1st quarter 2019)

Boosting renewable energy and energy efficiency

The importance of tackling renewable energy and energy efficiency together, especially at decentralised level, is recognised.



A particular focus is put on the promotion of financial instruments for building renovation and small-scale renewable deployment.

It is proposed to assess the renewable energy potential in the region by 2030 and 2050.

As regards energy efficiency, it is proposed to exchange information, best practices on:

- (1) financing and the use of financial instruments to mobilise private financing
- (2) deployment of Project Development Assistance mechanisms and
- (3) energy efficiency measures to address energy poverty



Governance

- (1) Extension of the geographical scope to Kosovo and Montenegro;*
- (2) Enhanced involvement of the Energy Community Secretariat into the regional cooperation, through co-chairing of relevant meetings with DG Energy.*
- (3) While the High Level Group is common to all areas of CESEC regional cooperation - gas, electricity, renewables and energy efficiency - technical groups will be created for the new areas.*

CESEC extension: next steps

Work at technical level starting now

*High Level Group meeting in Bulgaria
spring/summer 2018*



