XXIX EUROPEAN ELECTRICITY REGULATORY FORUM FLORENCE 9 October 2015 CONCLUSIONS

- 1. The Forum reiterates the need for the swift conclusion of the process of development and adoption of network codes and guidelines and calls upon the Commission, ACER, ENTSO-E and Member States to adhere to the agreed timetable.
- 2. The Forum agrees on the need for swift decision-making in order to meet the deadlines set out in CACM for its implementation. It calls on all parties to be ambitious in their decisions and stresses the need for close cooperation.
- 3. The Forum urges ENTSO-E to carefully consider the feedback coming from stakeholders and develop an ambitious proposal regarding capacity calculation regions, avoiding fragmentation and taking into account feasibility and interdependencies, and preferably including a reduced number of regions. The Forum recommends considering the interaction with other related regional developments such as regional security coordinators, regional adequacy assessments, investment planning and coordinated balancing areas.
- 4. The Forum welcomes the progress made so far and stresses the importance that the intraday project develops in a stable environment so that its implementation is a success, including local implementation projects. The Forum agrees on the need that, during this stage, it is necessary to establish an orderly procedure leading to the potential accession of non-NWE+ parties. The Forum welcomes the proposal made by XBID in this regard, and urges the Commission to provide its view on the legal compatibility of the proposal. The Czech Republic and Slovak Republic informed the Forum about their request to participate in the first phase of the XBID solution for intraday markets integration in the EU with their intraday project.
- 5. The Forum stresses the importance of developing the balancing market via the swift adoption of the Balancing guideline and pilot projects that have the potential to contribute to a European solution, and calls for efforts to deliver ambitious results on the formation of coordinated balancing areas. In this context, the Forum underlines the importance of stakeholder engagement and transparency in the framework of ENTSO-E's cost-benefit analysis for the imbalance settlement period.
- 6. The Forum notes that capacity remuneration mechanism might be warranted under certain circumstances, notably when they are linked to a regional assessment and do not undermine price signals. The Forum identified that the most important elements to be addressed are: the need for a common

- European methodology to generation adequacy; development of a common definition of reliability standards; a framework for cross-border participation and demand side; and governance issues.
- 7. The Forum takes note of the Commission's plans to provide a European framework for an enhanced system adequacy assessment and for cross-border participation in national capacity remuneration mechanisms. The Forum invites the Commission to take particular account of physical limitations, value for money for consumers, and administrative regimes.
- 8. The Forum underlines the need for analyzing and further elaborating the roles, tasks, responsibilities and consider possible governance structures of ACER and ENTSO-E. It further stresses the need to observe and consider possible governance structures for other bodies, including DSOs and power exchanges, and for NEMO cooperation. Stakeholders are encouraged to participate from early on and fully in the discussions of the energy market design initiative.