

**EuroPEX Response to the “*ENTSO-E 2010 Work
Programme*”**

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Methodology

EuroPEX response to consultation on “*ENTSO-E 2010 Work Programme*” aims to contribute the proposed strategic perspective on the key areas to be covered by ENTSO-E over 2010. Although all proposed areas capture the essence of the main prior and relevant topics of the electricity topics, EuroPEX response focuses mostly on the issues which are of higher relevance for power exchanges.

I. Introduction

1. On 30th September 2009, ENTSO-E launched a public consultation on *Draft 2010 Work Programme*. The consultation aims to collect the views of interested parties on the proposal which covers key areas including pilot code, preparation of other priority codes and further areas of TSOs cooperation.
2. EuroPEX welcomes the opportunity offered by ENTSO-E to comment on and provide input to the *Draft 2010 Work Programme*. EuroPEX supports the ENTSO-E early preparation of implementation of the third energy package and considers essential that consultation approach remains at the core of the ENTSO-E working methodology, and are applied in an efficient, non-discriminatory and systematic way.

II. Comments on the Work Programme proposal

3. The general approach put forward in this consultation is quite ambitious and will require full coordination of ENTSO-E with all interested stakeholders. The objectives of the work programme of ENTSO-E for the year ahead should not conflict with vision of the European Commission and the objectives aligned by ERGEG and should be in line with the current development of the market and regions toward an integrated European energy market. It is evident that there is a need for better clarification of the aims of deliverables by ERGEG and ENTSO-E mainly with concern to Framework Guidelines and Guidelines for Good Practice which might be conflicting.
4. The deliverables proposed in the ENTSO-E work programme 2010, in general terms, are adequate means to reach the key objectives and EuroPEX considers the proposed priorities appropriate to test the implementation of the third energy package before its effective implementation in 2010.
5. Among different proposed topics, transparency is one of the issues that EuroPEX considers should be kept as priority and the drafting of the pilot code for wind generation connection conditions is essential to evaluate the overall process of preparation of Framework Guidelines and drafting of codes before the start of third energy package.

6. EuroPEX shares the same idea as mentioned in the ENTSO-E work programme that policy must be clear enough before network code can implement policy and that the process of Framework Guideline and Network Code development in a given area should only begin once the policy choices are formulated clearly enough. Furthermore, EuroPEX believes that Framework Guidelines and Network Codes should begin after the implementations of the policies have proven to be realistic and essential for well functioning of the Internal Electricity Market and that the markets are mature enough to cope with such rules. However, ENTSO-E Work Programme 2010 seems to be per se contradictory since in its “Indicative Schedule” outlines the willing of code development for market integration models including Day-Ahead and Intraday timeframes as consequence of the result of the work which is being carried out by the Project Coordination Group (PCG). The contradiction may reside by the fact that the conclusions of the seventeenth Florence Regulatory Forum are not known yet and above all the policy choices are not yet formulated clearly enough.

7. Further to the paragraph immediately above, Art.8 (6) of the Reg. (EC) No 714/2009 is precise and lists twelve (12) areas which cover the network codes that shall be elaborated. Among these areas there is no “Wholesale Market Framework Guideline” described as fields to be transposed into codes. Although Art.18 of the Reg. (EC) No 714/2009 gives the possibility to the EC to adopt legally binding guidelines on its own initiative, including details of rules for the trading respectively electricity, EuroPEX strongly recommends deleting the proposal in the ENTSO-E work programme 2010 aiming to develop codes on Day-Ahead and Intraday timeframes. EuroPEX believes that there are many other prior areas to which ENTSO-E could currently focus on.

8. It is also important to stress that ENTSO-E work programme 2010 as well as some stakeholders’ responses to ERGEG work programme 2010 precipitately call for need to preparation of Framework Guidelines and drafting of codes based on the Target Models and Roadmaps in different timeframes resulting from the PCG. Those Target Models and according to respective Roadmaps are aimed to be implemented by 2015. EuroPEX believes that preparation of any rules in these areas could be considered as possibility only after the implementation of the respective Target Models are concluded and have proven to be realistic and essential for well functioning of the Internal Electricity Market and that the markets are mature enough to cope with such rules.

III. Conclusion

9. ENTSO-E work programme 2010 is very much welcome and the addressed priorities are essential for the preparation of effective implementation of the third energy package. However, revising of ENTSO-E work programme 2010 is required since some proposed functions to be performed over the year ahead are not necessary, particularly with regard to the drafting Framework Guideline and to code development for market integration models (e.g. from PCG) which are out of the scope of the third energy package and have developed no ground yet to be considered.