

OPCOM at FOREN 2010

SECTION 2: ELECTRICITY MARKETS

KEY ISSUE 4: THE ELECTRICITY MARKET AND RELATED ENVIRONMENT INSTRUMENTS. NATIONAL, REGIONAL AND EUROPEAN.

Wednesday
June 16th
Complex Ambassador
CH Anotimpuri

16:00-18:00

S2-31: The 3rd Legislative Package of the European Commission for the Liberalisation of the Energy Market, a New Phase of the Cooperation Regarding the Implementation of the European Electricity Market

The process of the energy markets' creation and development and European legislation in this field are evolving interdependently. The energy sector liberalisation and the energy markets' implementation have highlighted the need to improve the existing legislation. Conversely, the adapted legislation has stimulated the national and regional markets development and evolution.

The 3rd Energy Package will come into force in March 2011. At European level, the promotion of the integration at Community level is ensured through coordinated action regarding:

- the development of Framework Guidelines and Network Codes – activity carried out by ERGEG and ENTSO-E;
- further development of regional initiatives (RI) – activity coordinated by ERGEG
- cooperation of all entities involved in the process aiming to establish the mechanisms to create the European market.

S2-6: Have the Southern Eastern European (SEE) countries the will and ability to follow up the path opened by Northern and Western Europe in the process of market integration?

A positive evolution inside the eighth region (South East Europe) from the point of view of the treaty implementation as well as harmonisation obviously exists but current reforms are not giving the evidence of a real market. Long time tested, the flow based congestion management method was abandoned for a while in favour of the traditional method (ATC), but neither this simplification was supporting enough the achievement of the consensus to set up the coordination auction office which should ensure the compliance with EU legislation provisions. Implicit allocations could represent a viable alternative but the states in the region are now realising that besides the lack of consensus for a common entity (CAO), the lack of relevant steps to create national entities which are crucial for both market opening and regional integration: the power exchanges (market operators) becomes evident. The attitude towards this institution will be during the following years the barometer to measure the government interest to fulfill the commitments of the regional treaty, the pressure which the Energy Community members will exercise towards real market opening.

S2-7: Environmental Markets: International Experiences and National Opportunities

Romania's energy strategy for 2007-2020, adopted by the Romanian Government through Decision no. 1069/2007, defines the general and specific objectives for the energy sector, related to energy security, sustainable development and competitiveness. The goals and the action plan directions set for this sector include increasing the energy efficiency, promoting the energy production based on renewable energy sources and cogeneration, as well as limiting the greenhouse gas impact on the environment. The commercial mechanisms that will lead to the achievement of these targets are: the trading of white certificates for achieving the energy efficiency targets, the trading of green certificates for achieving the objectives regarding the promotion of energy production based on renewable energy sources and the trading of black certificates for achieving the greenhouse gas emissions reduction targets.

Taking into consideration the experience gained from administering the platforms dedicated to the trading of electricity and the one dedicated to the green certificates, as well as the fact that the largest number of installations included in the National Allocation Plan are burning installations belonging to companies from the energy sector, OPCOM shall implement two mechanisms dedicated to the trading of emissions certificates. The Ordinance of the Ministry of Economy and business Environment no. 941/19.05.2010 has approved the Regulation concerning the set up and the functioning of the Trading Platform for the greenhouse gas Emission Allowances (TPEA). According to this Regulation, two mechanisms shall be implemented: one dedicated to public auctions sessions and one dedicated to electronic auctions sessions.

