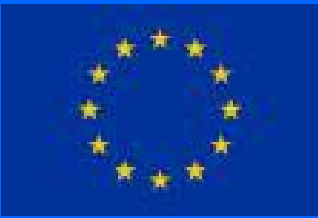




Directives and Regulations

- Directive 2003/54 – Electricity Internal Market
- Directive 2005/89 - Security of Electricity Supply and Infrastructure Investment
- Regulation 1228/2003 – Cross Border Exchange of Electricity

Directive 2003/54 – Electricity Internal Market



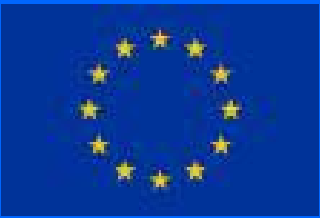
Article 1

- Covers generation, transmission distribution and supply of electricity

Article 2

- Definitions

Directive 2003/54 – Electricity Internal Market



Article 3 – PSOs

- Non-discriminatory, subsidiary, exhaustive
- Universal service – [For small businesses?]
- Supplier of last resort?
- Vulnerable customers
- Economic and social cohesion

Directive 2003/54 – Electricity Internal Market



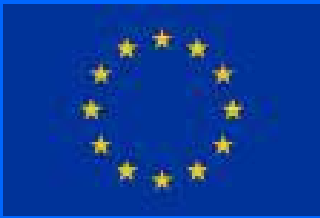
Art. 4 Monitoring of Security of Supply

Art. 5 Technical Rules (UCTE)

Art. 6 Authorisation of new capacity
(mandatory)

Art. 7 Tendering for new capacity (in the
event authorisation does not secure
supply)

Directive 2003/54 – Electricity Internal Market



Transmission System Operator

Art. 8 Designation

Art. 9 Tasks – system stability

Art. 10 Unbundling – legal,
safeguards/minimum requirements,
interpretative note

Art. 11 Dispatching and balancing – non-
discrimination

Art. 12 Confidentiality

Directive 2003/54 – Electricity Internal Market



Distribution System Operators

Art. 13 Designation

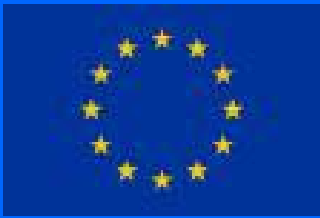
Art. 14 Tasks

Art. 14 Unbundling

Art. 15 Confidentiality

Art. 16 Combined Operator – TSO/DSO

Directive 2003/54 – Electricity Internal Market



Unbundling and Transparency

Art. 18 Right of access to accounts

Art. 19 Unbundling - Audit and transparency

Directive 2003/54 – Electricity Internal Market



Third Party Access

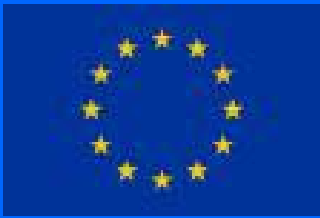
Art. 20 TPA on published Tariffs, prior approval by regulator / Refusal of access for congestion

Art. 21 Market opening – 1 July 2007 all customers, reciprocity of opening

Art. 22 Direct lines

Art. 23 Regulators, NB primarily for TPA

Directive 2003/54 – Electricity Internal Market



Art. 24 Safeguards

Art. 25 Monitoring of imports (mandatory)

Art. 26 Derogations – isolated systems /
classes of customers

Art. 27 Review

Art. 28 Reporting

Art. 29/30/31/32 Repeals / implementation /
entry into force / addresses



Directive 2005/89 - Security of Electricity Supply and Infrastructure Investment

Art. 1 – Scope – preservation of generating margin, supply/demand balance, interconnections

Art. 2 Definitions

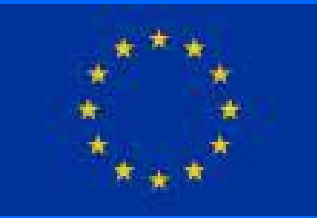
Art. 3 Definition of roles of market participants in order to maintain investment – who does what

Directive 2005/89 - Security of Electricity Supply and Infrastructure Investment



Art. 4 Operational Network Security –
minimum rules, technical transmission
reserve capacity, stochastic provision,
justifiable curtailment in event of
unforeseen event

Art. 5 Supply and demand balance –
wholesale markets, technical generation
reserve capacity, contract based fuel
rationing



Directive 2005/89 - Security of Electricity Supply and Infrastructure Investment

Art. 6 Network Investment – long-term price
signals from regulatory stability

Art. 7 Reporting – additional requirements
for Art. 4 of electricity directive

Art. 8 Transposition

Art. 9 Commission reporting on
implementation – 2010

Art.10/11 Entry into force/addresses



Regulation 1228/2003 – Cross Border Exchange of Electricity

Art. 1 – Scope -Fair rules for cross border trade, including compensation mechanism

Art. 2 Definitions

Art. 3 Inter – Transmission System operator (TSO) Compensation mechanism (CBT) = TSO CBT – Cost based, not a profit centre

Art. 4 Charges – Transparency / Locational signals / non-contract based



Regulation 1228/2003 – Cross Border Exchange of Electricity

Art. 5 Information on interconnector capacity – ‘available transfer capacities’ (ATC) must be published

Art. 6 Congestion Management – non-transaction based solutions (no examination of contracts) / UIOLI (‘use it or lose it’)

Art 7 New Interconnectors – Exemptions from Third party access (like gas directive Art. 22)



Regulation 1228/2003 – Cross Border Exchange of Electricity

Art. 8 Guidelines – not yet used, but ideal for detailed setting of TSO CBT charges

Art. 9 Regulatory authorities – primary authority

Art. 10 Provision of information and confidentiality

Art. 11 Right of MS to have more detailed measures



Regulation 1228/2003 – Cross Border Exchange of Electricity

Art. 12 Penalties

Art. 13 Committee

Art. 14 Commission Report

Art. 15 Entry into force