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PRESS RELEASE

New Cross-Border Congestion Management Methods jointly elaborated by the French (CRE), German (BNA) and Austrian (E-CONTROL) regulators

Last summer, the Commission de Régulation de l'Énergie (CRE) launched three public consultations with, respectively, the Belgium and Dutch regulators, the Austrian regulator and the German one. These public consultations aimed at collecting stakeholders opinion, in order to develop Explicit Auction rules compliant with the EC Regulation n°1228/2003 of 26th of June.

The regulators' initiative has been largely welcomed by respondents whose contributions have been useful to define common positions, presented in these roadmaps. These roadmaps, published today, define improvements requested to TSOs for cross-border congestion management methods, firstly, for France-Italy and Austria-Italy interconnections, and, secondly, for the France-Germany interconnection. The roadmap elaborated with the Belgium and Dutch regulators will be published at the end of this week.

The roadmaps call for the following improvements:

- by the 1st January 2006, implementing explicit auction methods for the annual, monthly and day-ahead timeframes;
- by the 1st July 2006, implementing secondary interconnection capacity markets;
- by the end of 2006, elaborating, publishing and implementing a coordinated and transparent capacity calculation method between TSOs, approved beforehand by regulators;
- by the beginning of 2007, implementing cross-border intraday and balancing trade.

Roadmaps and synthesis of consultations are available on regulators' websites.¹ Regulators consider that the above improvements represent an important step towards further integration of European electricity markets. They will watch over their strict realization by TSOs.

¹ (CRE) www.cre.fr, (BNA) www.bundesnetzagentur.de, (E CONTROL) www.e-control.at

Furthermore, regulators intend to pursue their collaboration on the following issues:

- further harmonization of congestion management methods;
- greater market transparency and TSOs' transparency;
- better cooperation between TSOs.

Regulators also agreed to develop tightened market monitoring for cross-border trade. For this purpose, a regulatory task force will be implemented on each interconnection by the 1st January 2006. An annual report will be published in order to provide stakeholders feedback with respect to the functioning of explicit auction methods.

Installée le 24 mars 2000, la CRE a pour mission de veiller au fonctionnement régulier des marchés du gaz et de l'électricité et à l'absence de toute discrimination, subvention croisée ou entrave à la concurrence.

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