



19.5.2017

NATIONAL PARLIAMENT REASONED OPINION ON SUBSIDIARITY

Subject: Reasoned opinion of the Romanian Senate on the proposal for a regulation of the European Parliament and of the Council on the internal market for electricity (COM(2016)0861 – C8-0492/2016 – 2016/0379(COD))

Under Article 6 of the Protocol (No 2) on the application of the principles of subsidiarity and proportionality, national parliaments may, within eight weeks of the date of transmission of a draft legislative act, send the Presidents of the European Parliament, the Council and the Commission a reasoned opinion stating why they consider that the draft in question does not comply with the principle of subsidiarity.

The Romanian Senate has sent the attached reasoned opinion on the aforementioned proposal for a regulation.

Under Parliament's Rules of Procedure the Committee on Legal Affairs is responsible for matters relating to compliance with the subsidiarity principle.

At its plenary sitting of 9 May 2017, the Romanian Senate examined the proposal for a regulation of the European Parliament and of the Council on the internal market for electricity (recast), COM (2016) 861 final, in accordance with Protocol No 1 annexed to the Treaty of Lisbon, and considered that the proposal does not comply with the principle of subsidiarity and proportionality.

1. The Romanian Senate finds that the proposal for a regulation of the European Parliament and of the Council on the internal market for electricity (recast) does not comply with the principles of subsidiarity and proportionality

2. The Romanian Senate takes the view that:

a. The initiatives contained in the clean energy winter package, including this proposal for a regulation, should bolster secure energy supplies in the European Union, reform the electricity market and create an integrated process of governance and monitoring, with the aim of achieving the objectives of the Energy Union.

b. Restructuring the market framework should respond to the specific needs of both conventional energy sources and new technologies, as well as the efficient use of interconnection capacities.

3. Considers that:

a. The legislative package should be designed with the aim of always addressing the issue of the internal electricity market and preventing any potential for isolated regional approaches or the creation of power centres at regional level, so as not to replace the issues linked to the single market with problems linked to regionalisation.

The reform should always bear in mind the costs generated by the transition and the Member States' ability to bear those costs in terms of accessibility and competitiveness.

b. A further sensitive aspect concerns the proposal to exclude capacities emitting more than 550 gr CO₂/kWh from the capacity mechanisms, which requires further analysis, mainly with a view to the issues of adequacy and energy security.

The introduction of the 550 gr CO₂/kWh limit on generation capacity will result in just one technology being removed from the capacity mechanisms – carbon-based energy production. The idea of developing a single methodology for calculating adequacy for all the Member States is sustainable, but the adequacy assessment should first be carried out at national level and subsequently at regional level.

Carrying out an adequacy assessment at European level might supplement the national analyses but should not replace them.

The capacity mechanisms should first be assessed at national level and subsequently at regional level, in order to counter the unpredictable nature of renewables until efficient and accessible storage capacities have been developed.

c. A further aspect concerns the liberalisation of the energy market and the continuation of derogations from regulated tariffs only for purposes of combating energy poverty and protecting vulnerable household consumers.

Each Member State should have the right to protect its vulnerable consumers and ensure that its economic entities are competitive, and this should be clearly reflected in the legislative package.

The onus is on each Member State to establish the level of vulnerability and the way in which it intends to protect those consumers.

The level of vulnerability varies from one country to another, and similarly the resources needed to protect vulnerable consumers are and will remain different.

In the context of combating energy poverty, it is essential, in accordance with the subsidiarity principle, that the way in which vulnerable customers are identified and the measures that can be taken at national level to protect them should remain within the exclusive competence of the Member States, along with the continued existence of a derogation for the application of regulated tariffs.

d. The creation of regional operational centres requires a thorough analysis of the issues relating to the transfer of powers from national level (TSO) to regional level (ROCs).

Granting binding powers to ROCs is incompatible with the Member States' responsibilities regarding secure supplies, and sharing the responsibilities between the national TSO and the regional structure would affect the efficient operation of the national electricity system.

For the Speaker of the Senate
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