



**2016/0379(COD)**

11.10.2017

# **AMENDMENTS**

## **257 - 440**

**Draft opinion**

**Ivo Belet**

Internal market for electricity (recast)

Proposal for a regulation

(COM(2016)0861 – C8-0492/2016 – 2016/0379(COD))



## Amendment 257

Françoise Grossetête, Angélique Delahaye, Michel Dantin

### Proposal for a regulation

#### Article 17 – paragraph 4

*Text proposed by the Commission*

4. Transmission system operators shall clearly establish beforehand how any congestion income will be used, and report on the actual use of that income. On an annual basis, and by 31 July each year, the national regulatory authorities shall publish a report setting out the amount of revenue collected for the 12-month period ending on 30 June of the same year and how that revenue was used, including the specific projects the income has been used for **or** the amount placed on a separate account line, together with verification that that use complies with this Regulation **and the methodology developed** pursuant to paragraph 3.

*Amendment*

4. Transmission system operators shall clearly establish beforehand how any congestion income will be used, and report on the actual use of that income. On an annual basis, and by 31 July each year, the national regulatory authorities shall publish a report setting out the amount of revenue collected for the 12-month period ending on 30 June of the same year and how that revenue was used, including the specific projects the income has been used for the amount placed on a separate account line, **or the amount that has been used when calculating network tariffs**, together with verification that that use complies with this Regulation. **In such cases where some of the congestion revenues are used when calculating network tariffs, the report may set out the fulfilment by the TSO of the commitment and balance sheet criteria** pursuant to paragraph 2.

Or. en

*Justification*

*The prohibition to use congestion revenues to lower network tariffs is not justified.*

## Amendment 258

Michel Dantin, Françoise Grossetête, Angélique Delahaye

### Proposal for a regulation

#### Article 18 – paragraph 1

*Text proposed by the Commission*

1. Member States shall monitor resource adequacy within their territory

*Amendment*

1. Member States shall monitor resource adequacy within their territory

based on the European resource adequacy assessment pursuant to Article 19.

based on the European resource adequacy assessment pursuant to Article 19 ***and on a national and regional assessment where appropriate.***

Or. fr

**Amendment 259**  
**Ivo Belet**

**Proposal for a regulation**  
**Article 18 – paragraph 1**

*Text proposed by the Commission*

1. Member States shall monitor resource adequacy within their territory based on the European resource adequacy assessment pursuant to Article 19.

*Amendment*

1. Member States shall monitor resource adequacy within their territory based on the European resource adequacy assessment pursuant to Article 19 ***and on adequacy assessments having a regional scope.***

Or. en

**Amendment 260**  
**Davor Škrlec**

**Proposal for a regulation**  
**Article 18 – paragraph 1**

*Text proposed by the Commission*

1. Member States shall monitor resource adequacy within their territory based on the European resource adequacy assessment pursuant to Article 19.

*Amendment*

1. Member States shall monitor, ***report on and publish*** resource adequacy within their territory based on the European resource adequacy assessment pursuant to Article 19.

Or. en

**Amendment 261**  
**Davor Škrlec**

**Proposal for a regulation**  
**Article 18 – paragraph 2**

*Text proposed by the Commission*

2. Where the European resource adequacy assessment identifies a resource adequacy concern Member States shall identify any regulatory distortions that caused or contributed to the emergence of the concern.

*Amendment*

2. Where the European resource adequacy assessment identifies a resource adequacy concern Member States shall identify any regulatory distortions **and market failures** that caused or contributed to the emergence of the concern.

Or. en

**Amendment 262**

**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

**Proposal for a regulation**  
**Article 18 – paragraph 2**

*Text proposed by the Commission*

2. *Where* the *European* resource adequacy assessment **identifies a resource adequacy concern** Member States shall **identify any regulatory distortions that caused or contributed to the emergence of the concern.**

*Amendment*

2. **If** the **national** resource adequacy assessment **differs from the European assessment**, Member States shall **deliver a report explaining the differences stemming from national considerations.**

Or. fr

**Amendment 263**

**Davor Škrlec**

**Proposal for a regulation**  
**Article 18 – paragraph 3**

*Text proposed by the Commission*

3. Member States shall publish a timeline for adopting measures to eliminate any identified regulatory distortions. When addressing resource adequacy concerns Member States shall **in particular consider**

*Amendment*

3. Member States shall publish a timeline **and an implementation plan** for adopting measures to eliminate any identified regulatory distortions **and market failures**. When addressing resource

**removing** regulatory distortions, enabling scarcity pricing, developing interconnection, energy storage, **demand side** measures **and** energy efficiency.

adequacy concerns Member States shall **first remove those** regulatory distortions, enabling scarcity pricing, developing interconnection **and distributed energy resources**. **Member States shall consider cost-effective alternatives to building additional generation by carrying out a cost-benefit analysis of alternative options, including energy efficiency/demand side management, developing interconnection and energy storage.** **Member States shall notify the timelines to the European Commission for approval. The Commission shall assess whether these measures are sufficient to eliminate the market distortion and issue a decision as to the compatibility of the notified actions in Member States' timelines with the overall objectives of the Energy Union, in particular their contribution to the EU 2030 climate and energy targets and 2050 decarbonisation objectives. Member States shall regularly report on progress towards implementing the actions set out in their timelines.**

**Actions may include:**

- (a) removal of regulatory distortions and market failures, notably hurdles to increased energy efficiency, flexibility and the deployment of renewable energy;**
- (b) elimination of the potential oversupply of capacity in the market by first taking the most polluting and least flexible resources off the grid.**
- (c) removal of price caps;**
- (d) introduction of an administrative shortage pricing function as referred to in Article 44 of [The Commission regulation establishing a guideline on electricity balancing];**
- (e) increasing interconnection capacity where necessary according to the adequacy assessment and interconnection target and reinforce and optimise internal grid to address congestion;**
- (f) increasing energy efficiency, development of demand-side response and**

*storage capacity;*

Or. en

## **Amendment 264**

**Merja Kyllönen**

### **Proposal for a regulation**

#### **Article 18 – paragraph 3**

*Text proposed by the Commission*

3. Member States shall publish a timeline for adopting measures to eliminate any identified regulatory distortions. When addressing resource adequacy concerns Member States shall in particular consider removing regulatory distortions, enabling scarcity pricing, developing interconnection, energy storage, demand side measures and energy efficiency.

*Amendment*

3. Member States shall publish a timeline for adopting measures to eliminate any identified regulatory distortions. When addressing resource adequacy concerns Member States shall in particular consider removing regulatory distortions, enabling scarcity pricing, developing interconnection, energy storage, demand side measures, *self-generation* and energy efficiency.

Or. en

## **Amendment 265**

**Merja Kyllönen**

### **Proposal for a regulation**

#### **Article 18 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

***3a. Member States shall assess whether a capacity mechanism in the form of strategic reserve can address the adequacy concerns. Where this is not the case, Member States may implement a different type of mechanism. Such mechanisms shall not create unnecessary market distortions or inhibit cross-border trade. They shall be open to all generation technologies, storage, energy efficiency and demand-side response. The amount***

*of capacity committed in the mechanism shall not go beyond what is necessary to address the concern. The parameters determining the amount of capacity procured in the capacity mechanism shall be approved by the national regulatory authority.*

Or. en

**Amendment 266**  
**Davor Škrlec**

**Proposal for a regulation**  
**Article 18 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

**3a.** *In case a new capacity mechanism is introduced, the implementation plan shall also entail a comprehensive phase-out strategy including a time frame for this capacity mechanism according to the provisions of Article 23 [and Article 18 a].*

Or. en

*Justification*

*In line with the provisions linked to Article 23 (and 18 a), capacity mechanisms introduced following an identified resource adequacy concern (Article 23 last paragraph) that remains after removal of regulatory distortions, shall be of temporary nature and include a timeframe for phase-out.*

**Amendment 267**  
**Carolina Punset**

**Proposal for a regulation**  
**Article 18 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

**3a.** *Member States shall set indicators to report on the effectiveness of the measures adopted pursuant to paragraph*



**3, and shall review accordingly the potential capacity mechanism put in place.**

Or. en

*Justification*

*It is essential to set a framework ensuring that the recourse to capacity mechanism is a last resort option. Introducing indicators and an obligation to report on the evolution of the identified concern will limit the distortive effect of the capacity mechanism on the market.*

**Amendment 268**  
**Sirpa Pietikäinen**

**Proposal for a regulation**  
**Article 18 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

**3a. Member States shall report, based on set indicators, on the effectiveness of the measures adopted pursuant to paragraph 3, and shall review the potential capacity mechanism accordingly;**

Or. en

**Amendment 269**  
**Davor Škrlec**

**Proposal for a regulation**  
**Article 18 a (new)**

*Text proposed by the Commission*

*Amendment*

**Article 18 a**

**Rules of capacity mechanism**

**1. In case of an adequacy problem identified by the European Resource adequacy assessment, Member States shall be able to address residual concerns that cannot be eliminated by the measures**

*pursuant to Article 18 (3), subject to the provisions of this Article and Union State Aid rules.*

*2. Member States shall assess whether a capacity mechanism in the form of strategic reserve can address the adequacy concerns. Only where this is not the case, Member States may implement a different type of mechanism. Such mechanisms shall not create unnecessary market distortions or inhibit cross-border trade. They shall be open to all generation technologies, storage, energy efficiency and demand-side response. The amount of capacity committed in the mechanism shall not go beyond what is necessary to address the concern. The sizing procured in the capacity mechanism shall be approved by the national regulatory authority.*

*3. Where a Member State applies a capacity mechanism, it shall review that mechanism before [two years after the date of entry into force of this Regulation] and every year thereafter and provide that no new contracts are concluded under that mechanism where:*

*(a) the European resource adequacy assessment has not identified a resource adequacy concern; and/or*

*(b) the measures referred to in paragraph 3 have not been sufficiently implemented in accordance with paragraph 3e.*

*4. Capacity mechanisms shall be temporary. They shall be approved by the Commission for no longer than four years. They shall be phased out or at least phased down, based on the implementation plan pursuant to Article 18(3) and 18 (3a).*

*5. Generation capacity shall be eligible to participate in a capacity mechanism only if*

*(a) its total greenhouse gas emissions per kilowatt hour of electricity produced in*

*the installation do not exceed 350g of CO<sub>2</sub> per kW/h equivalent from [OP: date of entry into force of this Regulation]; and*

*(b) is capable of ramping up and down on-load at least at the level of 5% of their capacity per minute and is able to minimise the necessary level of stable output below 40% of power plants benefitting from capacity mechanisms.*

*6. Capacity providers must comply with any EU environmental quality standards and in particular emissions shall not exceed the stricter levels associated with BAT and higher range of BAT-associated energy efficiency levels of all relevant BAT conclusions set for new plants to participate in capacity mechanisms.*

*7. Without prejudice to the immediate application of the emission limits [and flexibility] requirements set out in paragraph 5, by [two years from the entry into force of this Regulation], Member States shall complete the review of existing capacity mechanisms, and of the related contractual or administrative arrangement, and bring them in compliance with the provisions of this Regulation. They shall submit to the Commission a detailed report on the results of the review and of the measures taken.*

Or. en

#### *Justification*

*Capacity mechanisms can, if not well designed and temporary in nature, create important market distortions. They shall not be used as a life line for conventional generation capacity. It is paramount that such mechanism are open to all market participants, including across borders, and that they include flexibility criteria to effectively being able to provide capacity at short notice and with flexible volumes.*

#### **Amendment 270**

**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

**Proposal for a regulation**  
**Article 19 – paragraph 1**

*Text proposed by the Commission*

1. The European resource adequacy assessment shall cover the overall adequacy of the electricity system to supply current and projected demands for electricity for a ten-year period from the date of that assessment, ***in a yearly resolution***.

*Amendment*

1. The European resource adequacy assessment shall cover the overall adequacy of the electricity system to supply current and projected demands for electricity for a ten-year period from the date of that assessment.

Or. fr

*Justification*

*An annual assessment would undermine the effectiveness of a mechanism designed to cover several years in order to generate appropriate messages for investors.*

**Amendment 271**  
**Davor Škrlec**

**Proposal for a regulation**  
**Article 19 – paragraph 4 – point a a (new)**

*Text proposed by the Commission*

*Amendment*

***(aa) is based on appropriate scenarios that are consistent with the objectives and targets agreed in the policy framework for climate and energy covering the period from 2020 to 2030 and consistent with reaching the long-term objectives as expressed in the Paris Agreement;***

Or. en

*Justification*

*This amendment is intrinsically linked to the amendment on Article 18, paragraph 3*

**Amendment 272**  
**Davor Škrlec**

**Proposal for a regulation**  
**Article 19 – paragraph 4 – point b**

*Text proposed by the Commission*

(b) is based on appropriate scenarios of projected demand and supply including an economic assessment of the likelihood of retirement, new-build of generation assets and measures to reach energy efficiency targets and appropriate sensitivities on wholesale prices and carbon price developments;

*Amendment*

(b) is based on appropriate scenarios of projected demand and supply including an economic assessment of the likelihood of retirement, ***moth-balling***, new-build of generation assets and measures to reach energy efficiency ***and electricity interconnection*** targets and appropriate sensitivities on wholesale prices and carbon price developments ***and appropriately takes account of the contribution of all resources and their potential for technological advancement i.e. via monitoring flexibility available in the system, including existing and potential flexibility from generation, demand-side, interconnections and storage***;

Or. en

**Amendment 273**  
**Davor Škrlec**

**Proposal for a regulation**  
**Article 19 – paragraph 6**

*Text proposed by the Commission*

6. The proposals under paragraphs 2 and 5 and the results of the European resource adequacy assessment under paragraph 3 shall be subject to prior consultation and approval by the Agency under the procedure set out in Article 22.

*Amendment*

6. The proposals under paragraphs 2 and 5, ***the scenarios and assumptions on which they are based*** and the results of the European resource adequacy assessment under paragraph 3 shall be subject to prior consultation ***of all interested stakeholders*** and approval by the Agency under the procedure set out in Article 22.

Or. en

## Amendment 274

Piernicola Pedicini, Eleonora Evi, Dario Tamburrano

### Proposal for a regulation

#### Article 19 – paragraph 6

*Text proposed by the Commission*

6. The proposals under paragraphs 2 and 5 and the results of the European resource adequacy assessment under paragraph 3 shall be subject to prior consultation and approval by the Agency under the procedure set out in Article 22.

*Amendment*

6. The proposals under paragraphs 2 and 5, ***the scenario and assumptions on which they are based***, and the results of the European resource adequacy assessment under paragraph 3 shall be subject to prior consultation ***of all relevant stakeholders*** and approval by the Agency under the procedure set out in Article 22.

Or. en

*Justification*

*The European resource adequacy assessment must be fully transparent, including the underlying scenarios and assumptions, to be adequately scrutinised by stakeholders*

## Amendment 275

Carolina Punset

### Proposal for a regulation

#### Article 20 – paragraph 1

*Text proposed by the Commission*

1. When applying capacity mechanisms Member States shall have ***a reliability*** standard in place indicating ***their desired*** level of security of supply in a transparent manner.

*Amendment*

1. When applying capacity mechanisms Member States shall have ***liability*** standard in place indicating ***the necessary*** level of security of supply in transparent manner. ***A thorough cost benefit analysis shall be carried out to justify the necessity of achieving a certain level of security of supply, as well as to justify the need to adopt capacity mechanisms in order to achieve such necessary level.***

Or. en

## Justification

*The necessary level of security of supply should be established taking into account the value that consumers place on electricity (VoLL – value of lost load), by the match between the incremental cost of insuring consumers against blackouts and the cost of incremental blackouts to consumers. In relation to achieving such necessary level and since capacity remuneration mechanisms distort the market, they should only be adopted after verification of both their technical necessity and their economic efficiency, after having evaluated other alternative options.*

### Amendment 276

Davor Škrlec

#### Proposal for a regulation

##### Article 20 – paragraph 1

###### *Text proposed by the Commission*

1. When applying capacity mechanisms Member States shall have a reliability standard in place ***indicating their desired*** level of security of supply in a transparent manner.

###### *Amendment*

1. When applying capacity mechanisms Member States shall have a reliability standard in place. ***A reliability standard shall indicate the necessary*** level of security of supply ***of the Member State*** in a transparent manner, ***and shall be set at an independently defined level of technical feasibility and cost-effectivity.***

Or. en

### Amendment 277

Daciana Octavia Sârbu

#### Proposal for a regulation

##### Article 20 – paragraph 1

###### *Text proposed by the Commission*

1. When applying capacity mechanisms Member States shall have a reliability standard in place indicating ***their desired*** level of security of supply ***in a transparent manner.***

###### *Amendment*

1. When applying capacity mechanisms Member States shall have a reliability standard in place, ***based on transparent, objective and verifiable criteria*** indicating ***the*** level of security of supply ***that they deem necessary.***

*Justification*

*When identifying the necessary level of security of supply, Member States shall consider the potentially negative environmental impacts of electricity generation and the need to avoid environmentally harmful subsidies.*

**Amendment 278**

**Piernicola Pedicini, Eleonora Evi, Dario Tamburrano**

**Proposal for a regulation****Article 20 – paragraph 1***Text proposed by the Commission*

1. When applying capacity mechanisms Member States shall have a reliability standard in place ***indicating their desired*** level of security of supply in a transparent manner.

*Amendment*

1. When applying capacity mechanisms Member States shall have a reliability standard in place ***to determine the necessary*** level of security of supply in a transparent manner.

*Justification*

*When identifying the necessary level of security of supply, Member States shall consider the potentially negative environmental impacts of electricity generation and the need to avoid environmentally harmful subsidies*

**Amendment 279**

**Françoise Grossetête, Angélique Delahaye, Michel Dantin**

**Proposal for a regulation****Article 20 – paragraph 1***Text proposed by the Commission*

1. ***When applying capacity mechanisms*** Member States shall have a reliability standard in place indicating their desired level of security of supply in a transparent manner.

*Amendment*

1. Member States shall have a reliability standard in place indicating their desired level of security of supply in a transparent manner.



**Amendment 280**  
**Davor Škrlec**

**Proposal for a regulation**  
**Article 20 – paragraph 2**

*Text proposed by the Commission*

2. The reliability standard shall be set by the national regulatory authority based on the methodology pursuant to **Article 19(5)**.

*Amendment*

2. The reliability standard shall be set by the national regulatory authority based on the methodology pursuant to **Article 19(5)**, ***taking into account the principles of necessity and proportionality; the standard shall include a trajectory for the phasing out of environmentally harmful subsidies to fossil fuel and nuclear generation and shall not cause further market distortions, including overcapacity.***

Or. en

**Amendment 281**  
**Piernicola Pedicini, Eleonora Evi, Dario Tamburrano**

**Proposal for a regulation**  
**Article 20 – paragraph 2**

*Text proposed by the Commission*

2. The reliability standard shall be set by the national regulatory authority based on the methodology pursuant to Article 19(5).

*Amendment*

2. The reliability standard shall be set by the national regulatory authority based on the methodology pursuant to Article 19(5), ***taking into account the principles of necessity and proportionality and the need to avoid the negative impacts of environmentally harmful subsidies and market distortions via the creation of overcapacity.***

Or. en

### *Justification*

*When identifying the necessary level of security of supply, Member States shall consider the potentially negative environmental impacts of electricity generation and the need to avoid environmentally harmful subsidies*

#### **Amendment 282**

**Daciana Octavia Sârbu**

#### **Proposal for a regulation**

#### **Article 20 – paragraph 2**

##### *Text proposed by the Commission*

2. The reliability standard shall be set by the national regulatory authority based on the methodology pursuant to Article 19(5).

##### *Amendment*

2. The reliability standard shall be set by the national regulatory authority based on the methodology pursuant to Article 19(5), ***taking into account the principles of necessity and proportionality and the need to avoid the negative impacts of environmentally harmful subsidies and unnecessary market distortions, including overcapacity.***

Or. en

### *Justification*

*When identifying the necessary level of security of supply, Member States shall consider the potentially negative environmental impacts of electricity generation and the need to avoid environmentally harmful subsidies and the creation of overcapacity.*

#### **Amendment 283**

**Pavel Poc**

#### **Proposal for a regulation**

#### **Article 21 – paragraph 1**

##### *Text proposed by the Commission*

1. Mechanisms ***other than strategic reserves*** shall be open to direct participation of capacity providers located in another Member State provided there is a network connection between that

##### *Amendment*

1. Mechanisms shall be open to direct participation of capacity providers located in another Member State provided there is a network connection between that Member State and the bidding zone

Member State and the bidding zone  
applying the mechanism.

applying the mechanism.

Or. en

*Justification*

*The provisions imposing Member States to allow for participation of cross-border capacity in CRM (Art. 21) should be applicable to all types of CRMs, including strategic reserves. This would ensure most efficient use of generation capacity across Europe.*

**Amendment 284**

**Françoise Grossetête, Angélique Delahaye, Michel Dantin**

**Proposal for a regulation  
Article 21 – paragraph 1**

*Text proposed by the Commission*

1. Mechanisms ***other than strategic reserves*** shall be open to direct participation of capacity providers located in another Member State provided there is a network connection between that Member State and the bidding zone applying the mechanism.

*Amendment*

1. ***Capacity*** mechanisms shall be open to direct participation of capacity providers located in another Member State provided there is a network connection between that Member State and the bidding zone applying the mechanism.

Or. en

**Amendment 285**

**Merja Kyllönen**

**Proposal for a regulation  
Article 21 – paragraph 6**

*Text proposed by the Commission*

6. ***Regional operational centres established pursuant to Article 32*** shall ***annually calculate*** the maximum entry capacity available for the participation of foreign capacity taking into account the expected availability of interconnection and the likely concurrence of system stress between the system where the mechanism

*Amendment*

6. ***Where capacity mechanisms are applied, TSOs shall assist relevant regulatory authorities in calculating*** the maximum entry capacity available for the participation of foreign capacity taking into account the expected availability of interconnection and the likely concurrence of system stress between the system where

is applied and the system in which the foreign capacity is located. A calculation is required for each bidding zone border.

the mechanism is applied and the system in which the foreign capacity is located. A calculation is required for each bidding zone border.

Or. en

**Amendment 286**  
**Davor Škrlec**

**Proposal for a regulation**  
**Article 23 – paragraph 1**

*Text proposed by the Commission*

1. To address residual concerns that cannot be eliminated by the measures pursuant to Article 18(3), Member States may introduce capacity mechanisms, subject to the provisions of this Article and to the Union State aid rules.

*Amendment*

1. To address residual concerns that cannot be eliminated by the measures pursuant to Article 18(3), Member States may ***temporarily*** introduce capacity mechanisms ***as a last resort***. ***The Commission may adopt a decision allowing for the requested capacity mechanism to be granted***, subject to the provisions of this Article and to the Union State aid rules. ***The Commission shall inform all Member States of those applications before taking a decision, taking into account confidentiality. That decision shall be published in the Official Journal of the European Union. The Commission may include in its decision conditions to the implementation of the capacity mechanism. Remedies that build on the curtailment of renewable energy generation, forced disconnections of household customers, limited feed-in/dispatch of small-scale self-generators or direct or indirect support to electricity generation from fossil fuels or nuclear energy shall be excluded. The decision shall be limited in time and contain a detailed timeline with measures to phase out the capacity mechanism as well as the foreseen date of expiration of the capacity mechanism.***

*Justification*

*Capacity mechanisms can, if not well designed and temporary in nature, create important market distortions. They shall not be used as a life-line for conventional generation capacity and only be introduced as a last resort.*

**Amendment 287**

**György Hölvényi**

**Proposal for a regulation**

**Article 23 – paragraph 1**

*Text proposed by the Commission*

1. *To address residual concerns that cannot be eliminated by the measures pursuant to Article 18(3), Member States may introduce capacity mechanisms, subject to the provisions of this Article and to the Union State aid rules.*

*Amendment*

1. Member States may introduce capacity mechanisms, subject to the provisions of this Article and to the Union State aid rules.

**Amendment 288**

**Daciana Octavia Sârbu**

**Proposal for a regulation**

**Article 23 – paragraph 1**

*Text proposed by the Commission*

1. To address residual concerns that cannot be eliminated by the measures pursuant to Article 18(3), Member States *may introduce capacity mechanisms, subject to the provisions of this Article and to the Union State aid rules.*

*Amendment*

1. To address residual concerns that cannot be eliminated by the measures pursuant to Article 18(3), Member States *shall prepare a plan providing for appropriate measures to address the said concerns, to be implemented within a maximum period of five years.*

**Amendment 289**  
**Daciana Octavia Sârbu**

**Proposal for a regulation**  
**Article 23 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***1a. The plan under paragraph 1 shall aim at ensuring resource adequacy without additional recourse to capacity mechanisms, via one or more of the following:***

- a) additional renewable energy generation capacity;***
- b) Energy efficiency;***
- c) Demand side response;***
- d) Storage;***
- e) Interconnection.***

Or. en

**Amendment 290**  
**Daciana Octavia Sârbu**

**Proposal for a regulation**  
**Article 23 – paragraph 1 b (new)**

*Text proposed by the Commission*

*Amendment*

***1b. Pending the implementation of the plan under paragraph 1, Member States may introduce capacity mechanisms, subject to the provisions of this Article and to the Union State aid rules.***

Or. en

**Amendment 291**  
**Davor Škrlec**

**Proposal for a regulation**

## Article 23 – paragraph 2

*Text proposed by the Commission*

2. Where a Member State wishes to implement a capacity mechanism, it shall consult on the proposed mechanism at least with its electrically connected neighbouring Member States.

*Amendment*

2. Where a Member State wishes to implement a capacity mechanism, it shall consult on the proposed mechanism at least with its electrically connected neighbouring Member States, ***the Agency as well as with all relevant stakeholders, including with consumer organisations. Prior to submitting a proposal for a capacity mechanism to public consultation, the national regulatory authority shall assess the impact of the capacity mechanism on energy prices in particular to energy prices for household customers. The impact assessment shall be published.***

Or. en

## Amendment 292

Daciana Octavia Sârbu

### Proposal for a regulation Article 23 – paragraph 2

*Text proposed by the Commission*

2. Where a Member State wishes to implement a capacity mechanism, it shall consult on the proposed mechanism ***at least*** with its electrically connected neighbouring Member States.

*Amendment*

2. Where a Member State wishes to implement a capacity mechanism, it shall consult on the proposed mechanism ***with all interested parties, including*** with its electrically connected neighbouring Member States.

Or. en

## Amendment 293

Davor Škrlec

### Proposal for a regulation Article 23 – paragraph 3

*Text proposed by the Commission*

3. Capacity mechanisms shall not create **unnecessary** market distortions and not limit cross-border trade. The amount of capacity committed in the mechanism shall not go beyond what is necessary to address the concern.

*Amendment*

3. Capacity mechanisms shall not create **non-proportionate** market distortions and not limit cross-border trade. **Member States shall introduce appropriate rules to enable all resources to participate in capacity mechanisms, including end-use energy efficiency and demand response.** The amount of capacity committed in the mechanism shall not go beyond what is necessary to address the concern. **Where the European adequacy assessment has not identified a resource adequacy concern, Member State shall not apply capacity mechanisms. Capacity mechanisms shall be applied for a maximum period of four years. Every four years, Member States shall assess their capacity mechanism and in particular:**

- (a) the level of support received by capacity providers**
- (b) the amount of capacity committed in the mechanism**
- (c) the design criteria of the mechanism, including the sustainability criterion.**

Or. en

*Justification*

*Capacity mechanisms can, if not well designed and temporary in nature, create important market distortions. They shall not be used as a life-line for conventional generation capacity.*

**Amendment 294**

**Daciana Octavia Sârbu**

**Proposal for a regulation**

**Article 23 – paragraph 3**

*Text proposed by the Commission*

3. Capacity mechanisms shall not create unnecessary market distortions **and** not limit cross-border trade. The amount of capacity committed in the mechanism shall

*Amendment*

3. Capacity mechanisms shall not create unnecessary market distortions, **particularly by discriminating against renewable energy sources, discouraging**



not go beyond what is necessary to address the concern.

*recourse to flexible consumption and energy efficiency, or raising costs for consumers. They shall not limit cross-border trade. The duration of, and the amount of capacity committed in, the mechanism shall not go beyond what is necessary to address the concern.*

Or. en

**Amendment 295**  
**Davor Škrlec**

**Proposal for a regulation**  
**Article 23 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

**3a. Decentralised resources and demand response must have non-discriminatory access to capacity mechanisms and their structural advantages shall be reflected in any mechanism;**

Or. en

*Justification*

*It is paramount that capacity mechanism are open to all market participants, including across borders, and that they include flexibility criteria to effectively being able to provide capacity at short notice and with flexible volumes.*

**Amendment 296**  
**Davor Škrlec**

**Proposal for a regulation**  
**Article 23 – paragraph 3 b (new)**

*Text proposed by the Commission*

*Amendment*

**3b. When certifying capacities, the specific characteristics of demand-side flexibility and energy storage shall be taken into account, including in product**

**Amendment 297**

**Jadwiga Wiśniewska**

**Proposal for a regulation**

**Article 23 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

**4. Generation capacity for which a final investment decision has been made after [OP: entry into force] shall only be eligible to participate in a capacity mechanism if its emissions are below 550 gr CO<sub>2</sub>/kWh. Generation capacity emitting 550 gr CO<sub>2</sub>/kWh or more shall not be committed in capacity mechanisms 5 years after the entry into force of this Regulation.**

*deleted*

*Justification*

*Capacity mechanisms are linked to energy security and as such should stay technologically neutral. The Commission has not done any impact assessment and this restriction has been introduced in the very last moment for no clear reasons. Its impact on energy prices in coal-reliant Member States may be disastrous. Therefore, it should be deleted from the Regulation.*

**Amendment 298**

**György Hölvényi**

**Proposal for a regulation**

**Article 23 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

**4. Generation capacity for which a final investment decision has been made after [OP: entry into force] shall only be eligible to participate in a capacity**

*deleted*

*mechanism if its emissions are below 550 gr CO2/kWh. Generation capacity emitting 550 gr CO2/kWh or more shall not be committed in capacity mechanisms 5 years after the entry into force of this Regulation.*

Or. en

**Amendment 299**  
**Piernicola Pedicini, Eleonora Evi, Dario Tamburrano**

**Proposal for a regulation**  
**Article 23 – paragraph 4**

*Text proposed by the Commission*

4. Generation capacity *for which a final investment decision has been made after [OP: entry into force]* shall only be eligible to participate in a capacity mechanism if *its emissions are below 550 gr CO2/kWh. Generation capacity emitting 550 gr CO2/kWh or more shall not be committed in capacity mechanisms 5 years after the entry into force of this Regulation.*

*Amendment*

4. Generation capacity shall only be eligible to participate in a capacity mechanism if:  
*(a) its total greenhouse gas emissions per kilowatt hour of electricity produced in the installation do not exceed 350g of CO2 equivalent from [OP: date of entry into force of this Regulation]; and*  
*(b) it is capable of ramping up and down on-load at least at the level 5% of their capacity per minute. Capacity providers must comply with EU Environmental Quality Standards and Best Available Techniques (BATs) to participate in capacity mechanisms.*

Or. en

*Justification*

*The proposed sustainability criteria will directly puts the EU climate commitments in jeopardy by leaving the option open to subsidise some relatively high efficient coal (and potentially lignite) electricity production with heat recovery (i.e. combined heat and power) and/or biomass co-firing plants. It is crucial to tighten the level to 350 gCO2/kWh and make sure that this level decreases over time. Capacity remuneration should only be warranted where it contributes towards system stability, and flexibility is a key way to ensure this*

**Amendment 300**  
**Daciana Octavia Sârbu**

**Proposal for a regulation**  
**Article 23 – paragraph 4**

*Text proposed by the Commission*

4. Generation capacity ***for which a final investment decision has been made after [OP: entry into force]*** shall only be eligible to participate in a capacity mechanism if its emissions are below 550 gr CO<sub>2</sub>/kWh. ***Generation capacity emitting 550 gr CO<sub>2</sub>/kWh or more shall not be committed in capacity mechanisms 5 years after the entry into force of this Regulation.***

*Amendment*

4. Generation capacity shall only be eligible to participate in a capacity mechanism if its emissions are below 550 gr CO<sub>2</sub>/kWh.

Or. en

**Amendment 301**  
**Kateřina Konečná**

**Proposal for a regulation**  
**Article 23 – paragraph 4**

*Text proposed by the Commission*

4. ***Generation capacity for which a final investment decision has been made after [OP: entry into force] shall only be eligible to participate in a capacity mechanism if its emissions are below 550 gr CO<sub>2</sub>/kWh. Generation capacity emitting 550 gr CO<sub>2</sub>/kWh or more shall not be committed in capacity mechanisms 5 years after the entry into force of this Regulation.***

*Amendment*

4. Capacity mechanisms ***other than strategic reserve shall remunerate only availability of capacity and shall not reward electricity production.***

Or. en

*Justification*

*Operating time of installation in this mechanism is by definition very limited. Limit for emission factor proposed by the EC would prevent transfer of installations with high emission*

*factor from market to strategic reserve which brings about substantial decrease of emissions. In this case limitation of emission factor undermines decarbonisation effort because only low emission generation capacity could be transferred to strategic reserve while high emission one would stay in the market.*

**Amendment 302**  
**Davor Škrlec**

**Proposal for a regulation**  
**Article 23 – paragraph 4**

*Text proposed by the Commission*

4. Generation capacity ***for which a final investment decision has been made after [OP: entry into force]*** shall only be eligible to participate in a capacity mechanism if its emissions are below ***550 gr CO<sub>2</sub>/kWh. Generation capacity emitting 550 gr CO<sub>2</sub>/kWh or more shall not be committed in capacity mechanisms 5 years after the entry into force of this Regulation.***

*Amendment*

4. Generation capacity shall only be eligible to participate in a capacity mechanism if its emissions are below ***350gr CO<sub>2</sub>/kWh and if it is capable of ramping up and down on-load at least at the level of 5% of their capacity per minute.***

Or. en

*Justification*

*Capacity mechanisms shall include flexibility criteria to effectively being able to provide capacity at short notice and with flexible volumes.*

**Amendment 303**  
**Carolina Punset**

**Proposal for a regulation**  
**Article 23 – paragraph 4**

*Text proposed by the Commission*

4. Generation capacity for which a final investment decision has been made after [OP: entry into force] shall only be eligible to participate in a capacity mechanism if its emissions are below ***550 gr CO<sub>2</sub>/kWh. Generation capacity emitting***

*Amendment*

4. Generation capacity for which a final investment decision has been made after [OP: entry into force] shall only be eligible to participate in a capacity mechanism if its emissions are below ***550gr CO<sub>2</sub>/kWh. Generation capacity***

550 gr CO<sub>2</sub>/kWh or more shall not be committed in capacity mechanisms 5 years after the entry into force of this Regulation.

emitting 550 gr CO<sub>2</sub>/kWh or more shall not be committed in capacity mechanisms 2 years after the entry into force of this Regulation, *or 5 years for those plants that are part of strategic reserves.*

Or. en

*Justification*

*Phasing out most polluting plants is essential to achieve European emissions target, so the introduction of the Emission Performance Standard for existing generation capacity should be brought forward, with a 5 years long exception for plants that are part of strategic reserves, as it is a much less distortive mechanism.*

**Amendment 304**

**Davor Škrlec**

**Proposal for a regulation**

**Article 23 – paragraph 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***4a. Where a Member State wishes to implement a capacity mechanism, it shall organize a competitive bidding process for capacity providers. This competitive bidding process shall include set of clear and transparent environmental criteria in order to prioritise the most sustainable and energy efficient capacity sources including demand side response. The competitive bidding process criteria must also include flexibility criteria. Eligible capacities should be capable of ramping up and down on-load at least at the level 5% of their capacity per minute. Capacity providers must comply with any EU environmental quality standards and in particular emissions shall not exceed the stricter levels associated with BAT and higher range of BAT-associated energy efficiency levels of all relevant BAT conclusions set for new plants to participate in capacity mechanisms in order to be eligible to bid.***

*Justification*

*Capacity mechanisms can, if not well designed and temporary in nature, create important market distortions. They shall not be used as a life line for conventional generation capacity. It is paramount that such mechanism are open to all market participants, including across borders, and that they include flexibility criteria to effectively being able to provide capacity at short notice and with flexible volumes*

**Amendment 305**  
**Carolina Punset**

**Proposal for a regulation**  
**Article 23 – paragraph 4 a (new)**

*Text proposed by the Commission*

*Amendment*

**4a. Capacity mechanisms, if deemed necessary on the basis of an impact assessment, shall include flexibility criteria in the selection process of generation capacity providers. Such criteria shall aim at maximising the ramping ability, and minimising the necessary level of stable output of power plants benefitting from capacity mechanisms.**

*Justification*

*Including flexibility criteria in the selection process of capacity providers will ensure that aid is primarily granted to the most efficient back-up capacity. Criteria related to maximising ramping ability of available capacity, and reducing the level of lower bound of adjustability of capacity providers will contribute to addressing the issue of overcapacity of inflexible energy sources.*

**Amendment 306**  
**Sirpa Pietikäinen**

**Proposal for a regulation**  
**Article 23 – paragraph 4 a (new)**

*Text proposed by the Commission*

*Amendment*

**4a.** *Capacity mechanisms shall include flexibility criteria in the selection process of generation capacity providers. Such criteria shall aim to maximise the ramping ability, and minimise the level of stable output required from power plants benefitting from capacity mechanisms.*

Or. en

*Justification*

*Including flexibility criteria in the selection process will ensure that aid is primarily granted to the most efficient back-up capacity, with the aim of addressing the issue of overcapacity of inflexible energy sources.*

### **Amendment 307**

**Ivo Belet**

#### **Proposal for a regulation**

**Article 23 – paragraph 4 a (new)**

*Text proposed by the Commission*

*Amendment*

**4a.** *The CO<sub>2</sub> emission factor of an electricity generation installation shall be based on the net efficiency at nominal capacity under ISO conditions.*

Or. en

*Justification*

*Existing units that can operate in very flexible ways to cope with intermittent renewable generation should not be excluded from capacity mechanism.*

### **Amendment 308**

**Merja Kyllönen**

#### **Proposal for a regulation**

**Article 23 – paragraph 4 a (new)**



*Text proposed by the Commission*

*Amendment*

**4a.** *The provisions under paragraph 4 will not apply to strategic reserves which operate for less than 500 hours per year.*

Or. en

**Amendment 309**  
**Davor Škrlec**

**Proposal for a regulation**  
**Article 23 – paragraph 4 b (new)**

*Text proposed by the Commission*

*Amendment*

**4b.** *Capacity mechanisms shall reward the contribution of all resources in the same manner, including demand-side flexibility and aggregated resources. They shall establish clear provisions on non-discriminatory product definitions and include prequalification requirements. Capacity mechanisms shall reflect the structural advantage provided by distributed and demand-side resources.*

Or. en

*Justification*

*It is paramount that such mechanism are open to all market participants, including across borders, and that they include flexibility criteria to effectively being able to provide capacity at short notice and with flexible volumes.*

**Amendment 310**  
**Davor Škrlec**

**Proposal for a regulation**  
**Article 23 – paragraph 4 c (new)**

*Text proposed by the Commission*

*Amendment*

**4c.** *Capacity products should be defined with a time-horizon of no more*

*than 4 years. The same contract lengths should be available to all resources.*

Or. en

## **Amendment 311**

**Davor Škrlec**

### **Proposal for a regulation**

#### **Article 23 – paragraph 5**

*Text proposed by the Commission*

5. Where the European resource adequacy assessment has not identified a resource adequacy concern, Member States shall not apply capacity mechanisms.

*Amendment*

5. Where the European resource adequacy assessment has not identified a resource adequacy concern, Member States shall not apply capacity mechanisms. ***Member States shall also not apply capacity mechanisms in markets with regulated prices or price caps, in case they have not reached their interconnection targets or where network codes and guidelines are not fully implemented and applied.***

Or. en

*Justification*

*Capacity mechanisms should not be introduced in markets that have not yet been fully opened and where interconnection capacity is missing.*

## **Amendment 312**

**György Hölvényi**

### **Proposal for a regulation**

#### **Article 23 – paragraph 5**

*Text proposed by the Commission*

5. Where the European resource adequacy assessment ***has not identified a resource adequacy concern, Member States shall not apply capacity***

*Amendment*

5. Where ***a Member State wishes to implement capacity mechanism, it must explain its consistency with*** the European resource adequacy assessment, ***especially regarding the justification, scope, start***

*mechanisms.*

*and termination, and multi-year implementation.*

Or. en

### **Amendment 313**

**Jadwiga Wiśniewska**

#### **Proposal for a regulation**

#### **Article 23 – paragraph 5**

*Text proposed by the Commission*

*Amendment*

5. Where *the European* resource adequacy assessment has not identified a resource adequacy concern, Member States shall not apply capacity mechanisms.

5. Where *a national* resource adequacy assessment has not identified a resource adequacy concern, Member States shall not apply capacity mechanisms.

Or. en

#### *Justification*

*The Commission's proposal does not consider the principle of subsidiarity. While the monitoring and assessing of resource adequacy at the European level is needed and could prove helpful, only assessments made on a national level would ensure the sufficient level of detail.*

### **Amendment 314**

**Françoise Grossetête, Angélique Delahaye, Michel Dantin**

#### **Proposal for a regulation**

#### **Article 23 – paragraph 5**

*Text proposed by the Commission*

*Amendment*

5. *Where* the European resource adequacy assessment *has not identified a resource adequacy concern, Member States shall not* apply capacity mechanisms.

5. *Member States shall take into consideration the result of* the European resource adequacy assessment *when deciding to* apply capacity mechanisms.

Or. en

**Amendment 315**  
**Pavel Poc**

**Proposal for a regulation**  
**Article 23 – paragraph 5 a (new)**

*Text proposed by the Commission*

*Amendment*

**5a. When designing capacity mechanisms, Member States shall include an exit clause, a provision allowing for efficient phase-out of capacity mechanism in case the resource adequacy assessment proves that the adequacy concern is not present anymore.**

Or. en

*Justification*

*Capacity mechanisms are meant to be a temporary tool till adequacy concerns are resolved. Therefore, they should be designed in a way which allows for their effective phase-out once the adequacy concern is not present. To this aim a new paragraph in Article 23, detailing the need to have an exit clause provision present in each capacity mechanism deployed, is suggested.*

**Amendment 316**  
**Piernicola Pedicini, Eleonora Evi, Dario Tamburrano**

**Proposal for a regulation**  
**Article 23 – paragraph 5 a (new)**

*Text proposed by the Commission*

*Amendment*

**5a. When designing capacity mechanisms, Member States shall have regard to the environmental objective of phasing out environmentally or economically harmful subsidies**

Or. en

**Amendment 317**  
**Daciana Octavia Sârbu**

**Proposal for a regulation**  
**Article 23 – paragraph 5 a (new)**

*Text proposed by the Commission*

*Amendment*

**5a. Capacity mechanisms shall be consistent with the objective of phasing out environmentally harmful subsidies.**

Or. en

**Amendment 318**  
**Ivo Belet**

**Proposal for a regulation**  
**Article 23 a (new)**

*Text proposed by the Commission*

*Amendment*

**Article 23a**

***Electricity Market Design Advisory Board***

***Within 12 months after the entry into force of this Regulation an Electricity Market Design Advisory Board shall be established. The Advisory Board shall be consisting of high-level experts of EU Member States and a relevant and balanced group of experts from the energy sector, including utilities, investors, technology providers, network operators, climate protection groups, consumer representatives and representatives of local energy communities.***

***The Advisory Board will provide the Commission with expertise and insight, and thus advise and assist the Commission in the preparation of future policy initiatives related to the European energy market design. It will do so by formulating opinions, recommendations or reports, where appropriate.***

***Within 24 months after the establishment of the Advisory Board, the European Commission should draw its conclusions***

*from the discussion by means of a Communication laying out the strategic priorities for a European electricity market capable of driving the investments needed for a sustainable, secure and affordable energy transition*

Or. en

*Justification*

*The EU is moving towards an energy system which produces energy at low marginal cost, but which requires high upfront investments. The current electricity market remunerating energy only at the marginal costs does not reflect this shift. Market based remuneration remains a challenge. Shifting the fundamentals about how the EU produces and uses energy to build a low-carbon future requires a thorough reflection about the energy market design.*

**Amendment 319**

**Davor Škrlec**

**Proposal for a regulation**

**Article 24 – paragraph 1**

*Text proposed by the Commission*

Member States applying capacity mechanisms on [OP: entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this Regulation.

*Amendment*

Member States applying capacity mechanisms on [OP: entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, **[18a,]** 21 and 23 of this Regulation. ***Without prejudice to the immediate application of the flexibility requirements set out in Article 23, by [two years from the entry into force of this Regulation], Member States shall complete the review of existing capacity mechanisms, and of the related contractual or administrative arrangement, and bring them in compliance with the provisions of this Regulation. They shall submit to the Commission a detailed report on the results of the review and of the measures taken.***

Or. en

### *Justification*

*To create a level playing field, existing capacity market mechanisms have to be aligned with the general provisions as soon as possible, while giving time to Member States to implement the new provisions and, if adequate, also the concerned industry to carry out the necessary refurbishments and investments.*

#### **Amendment 320** **Kateřina Konečná**

##### **Proposal for a regulation** **Article 24 – paragraph 1**

###### *Text proposed by the Commission*

Member States applying capacity mechanisms on [OP: entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this Regulation.

###### *Amendment*

Member States applying capacity mechanisms on [OP: entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this Regulation *within two years after entry into force of this Regulation.*

Or. en

### *Justification*

*In line with the goal of creating internal (wholesale) electricity market in Europe, for which uniform national market design is needed.*

#### **Amendment 321** **Jadwiga Wiśniewska**

##### **Proposal for a regulation** **Article 24 – paragraph 1**

###### *Text proposed by the Commission*

Member States applying capacity mechanisms on [OP: entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this Regulation.

###### *Amendment*

Member States applying capacity mechanisms on [OP: *5 years after* entry into force of this Regulation] shall adapt their mechanisms to comply with Articles 18, 21 and 23 of this Regulation.

Or. en

### *Justification*

*Under the principle of protection of legitimate expectations, it seems that a reasonable transitional period should be established for Member States which shall apply a capacity mechanism on the date the Electricity Regulation comes into force.*

#### **Amendment 322**

**Davor Škrlec**

#### **Proposal for a regulation**

#### **Article 24 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***Member States and regions that decide - independently from or as a consequence of harmonised rules of capacity mechanisms - to actively phase-out coal fired electricity generation, shall be provided with a long-term enabling framework for a just transition towards a sustainable and flexible electricity system. The managed and planned retirement of coal-fired capacity would help to improve the functioning of the electricity system in addition to reaching EU climate and environmental objectives, for example on CO<sub>2</sub> emissions and clean air.***

Or. en

### *Justification*

*Decarbonisation needs to be inclusive, just and agreed by all stakeholders and consider societal, economic and environmental impacts, as well as sustainable labour alternatives, especially when the phase-out is linked to the closure of mining activities. A preparatory action on the establishment of a coal platform dialogue to discuss aspects of governance, just transition and decommissioning is about to start and EU Electricity Market rules should be in line with those activities.*

#### **Amendment 323**

**Davor Škrlec**

#### **Proposal for a regulation**

#### **Article 25 – paragraph 2**

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*Text proposed by the Commission*

2. In performing its functions under EU law, the ENTSO for Electricity shall act for the European good and independent from individual national interests or the national interests of transmission system operators, and shall contribute to the efficient and sustainable achievement of the objectives set out in the policy framework for climate and energy covering the period from 2020 to 2030, in particular by contributing to the efficient integration of electricity generated from renewable energy sources and to increases in energy efficiency.

*Amendment*

2. In performing its functions under EU law, the ENTSO for Electricity shall act for the European good and independent from individual national interests or the national interests of transmission system operators, and shall contribute to the efficient and sustainable achievement of the objectives set out in the policy framework for climate and energy covering the period from 2020 to 2030, in particular by contributing to the efficient integration of electricity generated from renewable energy sources and to increases in energy efficiency. ***In particular, it shall ensure that the mobilisation of human resources from national transmission system operators does not trigger situations of conflict of interest. The Agency shall be responsible to monitor the compliance of the ENTSO for Electricity with the principles outlined in this Article.***

Or. en

*Justification*

*With existing and new tasks conferred to ENTSO-E through this Regulation (for example according to Article 27), transparency and accountability of the body must be increased to ensure that functions are carried out independent from national or commercial interests.*

**Amendment 324**  
**Carolina Punset**

**Proposal for a regulation**  
**Article 25 – paragraph 2**

*Text proposed by the Commission*

2. In performing its functions under EU law, the ENTSO for Electricity shall act for the European good and independent from individual national interests or the national interests of transmission system operators, and shall contribute to the

*Amendment*

2. In performing its functions under EU law, the ENTSO for Electricity shall act for the European good and independent from individual national interests or the national interests of transmission system operators, and shall contribute to the

efficient and sustainable achievement of the objectives set out in the policy framework for climate and energy covering the period from 2020 to 2030, in particular by contributing to the efficient integration of electricity generated from renewable energy sources and to increases in energy efficiency.

efficient and sustainable achievement of the objectives set out in the policy framework for climate and energy covering the period from 2020 to 2030, in particular by contributing to the efficient integration of electricity generated from renewable energy sources ***in combination with energy storage and demand response*** and to increases in energy efficiency.

Or. en

**Amendment 325**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 27 – paragraph 1 – point e**

*Text proposed by the Commission*

(e) adopt a framework for the cooperation and coordination between regional ***operational centres***;

*Amendment*

(e) adopt a framework for the cooperation and coordination between regional ***security coordinators***;

Or. en

**Amendment 326**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 27 – paragraph 1 – point f**

*Text proposed by the Commission*

(f) adopt a proposal defining the ***system operation*** region covered by each regional ***operational centre***;

*Amendment*

(f) adopt a proposal defining the ***security-coordinated*** region covered by each regional ***security coordinator***;

Or. en

**Amendment 327**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 27 – paragraph 1 – point j a (new)**

*Text proposed by the Commission*

*Amendment*

**(ja) cooperation with relevant DSO organisations for digitalisation of power system and electricity market to ensure, among others, efficient data acquisition by all relevant parties.**

Or. en

**Amendment 328**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 27 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

2. The ENTSO for Electricity shall report to the Agency on shortcomings identified regarding the establishment and performance of regional **operational centres**.

2. The ENTSO for Electricity shall report to the Agency on shortcomings identified regarding the establishment and performance of regional **security coordination**.

Or. en

**Amendment 329**  
**Françoise Grossetête, Angélique Delahaye, Michel Dantin**

**Proposal for a regulation**  
**Article 32 – title**

*Text proposed by the Commission*

*Amendment*

Establishment and mission of regional **operational** centres

Establishment and mission of regional **coordination** centres

Or. en

*Justification*

*This modification should apply to all references made to "regional operational centres".*

**Amendment 330**

**Merja Kyllönen**

**Proposal for a regulation**

**Article 32 – paragraph 3**

*Text proposed by the Commission*

3. Regional ***operational centres*** shall complement the role of transmission system operators by performing ***functions*** of regional relevance. They shall establish operational arrangements in order to ensure the efficient, secure and reliable operation of the interconnected transmission system.

*Amendment*

3. Regional ***security coordinators*** shall complement the role of transmission system operators by performing ***services*** of regional relevance. They shall establish operational arrangements in order to ensure the efficient, secure and reliable operation of the interconnected transmission system.

Or. en

**Amendment 331**

**Merja Kyllönen**

**Proposal for a regulation**

**Article 33 – paragraph 1 – introductory part**

*Text proposed by the Commission*

1. By [OP: six months after entry into force of this Regulation] the ENTSO for Electricity shall submit to the Agency a proposal defining ***system operation*** regions ***covered by regional operational centres***, taking into account existing regional security coordinators, on the basis of the following criteria:

*Amendment*

1. By [OP: six months after entry into force of this Regulation] the ENTSO for Electricity shall submit to the Agency a proposal defining ***security-coordinated*** regions ***for which a cooperative decision-making process as described in article 62 of [Directive on common rules for the internal market in electricity as proposed by COM(2016) 864 final] is established***, taking into account existing regional security coordinators, on the basis of the following criteria:

Or. en

**Amendment 332**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 33 – paragraph 1 – point b**

*Text proposed by the Commission*

(b) the synchronous connection of the *systems*;

*Amendment*

(b) the synchronous connection of the *region*;

Or. en

**Amendment 333**  
**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

**Proposal for a regulation**  
**Article 33 – paragraph 1 – point c**

*Text proposed by the Commission*

(c) the size of the region, *which shall cover at least one capacity calculation region*;

*Amendment*

(c) the size of the region;

Or. fr

*Justification*

*The result of stipulating at least one capacity calculation region must be covered may be excessively large geographical areas which do not make for coherent regional cooperation. Smaller areas, determined on the basis of the size of the region, would make more sense.*

**Amendment 334**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 33 – paragraph 1 – point c**

*Text proposed by the Commission*

(c) the size of the region, *which shall cover at least one capacity calculation*

*Amendment*

(c) the size of the region;

*region;*

Or. en

### **Amendment 335**

**Merja Kyllönen**

#### **Proposal for a regulation**

##### **Article 33 – paragraph 1 – point d**

*Text proposed by the Commission*

(d) the *geographical optimization of balancing reserves*.

*Amendment*

(d) the *relationship to the capacity calculation regions*.

Or. en

### **Amendment 336**

**Merja Kyllönen**

#### **Proposal for a regulation**

##### **Article 33 – paragraph 2**

*Text proposed by the Commission*

2. Within three months of receipt, the Agency shall either approve the proposal defining the *system operation* regions or propose amendments. In the latter case, the Agency shall consult the ENTSO for Electricity before adopting the amendments. The adopted proposal shall be published on the Agency's website.

*Amendment*

2. Within three months of receipt, the Agency shall either approve the proposal defining the *security coordinated* regions or propose amendments. In the latter case, the Agency shall consult the ENTSO for Electricity before adopting the amendments. The adopted proposal shall be published on the Agency's website.

Or. en

### **Amendment 337**

**Merja Kyllönen**

#### **Proposal for a regulation**

##### **Article 34 – paragraph 1 – introductory part**

*Text proposed by the Commission*

*Amendment*

1. Each regional *operational centre* shall perform all the following *functions* in the *system operation* region where *it is established and regional operational centres shall perform at least the following functions, set out in more detail in Annex I:*

1. Each regional *security coordinator* shall perform all the following *services* in the *security coordinated* region where *they are* established:

Or. en

### **Amendment 338**

**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

#### **Proposal for a regulation**

#### **Article 34 – paragraph 1 – point e**

*Text proposed by the Commission*

*Amendment*

*(e) coordination and optimisation of regional restoration;*

*deleted*

Or. fr

### **Amendment 339**

**Merja Kyllönen**

#### **Proposal for a regulation**

#### **Article 34 – paragraph 1 – point e**

*Text proposed by the Commission*

*Amendment*

*(e) coordination and optimization of regional restoration;*

*deleted*

Or. en

### **Amendment 340**

**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

#### **Proposal for a regulation**

**Article 34 – paragraph 1 – point f**

*Text proposed by the Commission*

*Amendment*

*(f) post-operation and post-disturbances analysis and reporting;* *deleted*

Or. fr

**Amendment 341**

**Merja Kyllönen**

**Proposal for a regulation**

**Article 34 – paragraph 1 – point f**

*Text proposed by the Commission*

*Amendment*

*(f) post-operation and post-disturbances analysis and reporting;* *deleted*

Or. en

**Amendment 342**

**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

**Proposal for a regulation**

**Article 34 – paragraph 1 – point g**

*Text proposed by the Commission*

*Amendment*

*(g) regional sizing of reserve capacity;* *deleted*

Or. fr

**Amendment 343**

**Merja Kyllönen**

**Proposal for a regulation**

**Article 34 – paragraph 1 – point g**

*Text proposed by the Commission*

*Amendment*



(g) *regional sizing of reserve capacity;* *deleted*

Or. en

**Amendment 344**

**Pavel Poc**

**Proposal for a regulation**

**Article 34 – paragraph 1 – point g**

*Text proposed by the Commission*

*Amendment*

(g) *regional sizing of reserve capacity;* *deleted*

Or. en

*Justification*

*Aligned with amendment on Article 5, paragraph 7.*

**Amendment 345**

**Kateřina Konečná**

**Proposal for a regulation**

**Article 34 – paragraph 1 – point g**

*Text proposed by the Commission*

*Amendment*

(g) *regional sizing of reserve capacity;* *deleted*

Or. en

*Justification*

*Procurement and sizing of reserve capacity is closely related to system specificities, season, and thus to security of supply. As national TSOs are held responsible for security of supply, they should also preserve right to procure the amount of balancing capacity/reserves, which they find sufficient.*

**Amendment 346**

**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

**Proposal for a regulation**

**Article 34 – paragraph 1 – point h**

*Text proposed by the Commission*

*Amendment*

**(h) facilitate the regional procurement of balancing capacity;** *deleted*

Or. fr

**Amendment 347  
Merja Kyllönen**

**Proposal for a regulation  
Article 34 – paragraph 1 – point h**

*Text proposed by the Commission*

*Amendment*

**(h) facilitate the regional procurement of balancing capacity;** *deleted*

Or. en

**Amendment 348  
Kateřina Konečná**

**Proposal for a regulation  
Article 34 – paragraph 1 – point h**

*Text proposed by the Commission*

*Amendment*

**(h) facilitate the regional procurement of balancing capacity;** *deleted*

Or. en

*Justification*

*Procurement and sizing of reserve capacity is closely related to system specificities, season, and thus to security of supply. As national TSOs are held responsible for security of supply, they should also preserve right to procure the balancing capacity/reserves.*

**Amendment 349  
Pavel Poc**

**Proposal for a regulation**  
**Article 34 – paragraph 1 – point h**

*Text proposed by the Commission*

*Amendment*

**(h) facilitate the regional procurement of balancing capacity;** *deleted*

Or. en

*Justification*

*Aligned with amendment on Article 5, paragraph 8.*

**Amendment 350**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 34 – paragraph 1 – point i**

*Text proposed by the Commission*

*Amendment*

**(i) regional week ahead to intraday system adequacy forecasts *and preparation of risk reducing actions;***

**(i) regional week ahead to intraday system adequacy forecasts;**

Or. en

**Amendment 351**  
**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

**Proposal for a regulation**  
**Article 34 – paragraph 1 – point k**

*Text proposed by the Commission*

*Amendment*

**(k) optimisation of compensation mechanisms between transmission system operators;** *deleted*

Or. fr

**Amendment 352**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 34 – paragraph 1 – point k**

*Text proposed by the Commission*

*Amendment*

*(k) optimisation of compensation mechanisms between transmission system operators;* *deleted*

Or. en

**Amendment 353**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 34 – paragraph 1 – point l**

*Text proposed by the Commission*

*Amendment*

*(l) training and certification;* *deleted*

Or. en

**Amendment 354**  
**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

**Proposal for a regulation**  
**Article 34 – paragraph 1 – point l**

*Text proposed by the Commission*

*Amendment*

*(l) training and certification;* *deleted*

Or. fr

**Amendment 355**  
**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

**Proposal for a regulation**

**Article 34 – paragraph 1 – point m**

*Text proposed by the Commission*

*Amendment*

*(m) identification of regional crisis scenarios according to Article 6(1) of [Regulation on risk preparedness as proposed by COM(2016) 862] if this task is delegated by ENTSO for Electricity;* *deleted*

Or. fr

**Amendment 356**

**Merja Kyllönen**

**Proposal for a regulation**

**Article 34 – paragraph 1 – point m**

*Text proposed by the Commission*

*Amendment*

*(m) identification of regional crisis scenarios according to Article 6(1) of [Regulation on risk preparedness as proposed by COM(2016) 862] if this task is delegated by ENTSO for Electricity;* *deleted*

Or. en

**Amendment 357**

**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

**Proposal for a regulation**

**Article 34 – paragraph 1 – point n**

*Text proposed by the Commission*

*Amendment*

*(n) preparation and carrying out of yearly crisis simulations in cooperation with competent authorities pursuant to Article 12(3) of [Regulation on risk preparedness as proposed by COM(2016) 862];* *deleted*

Or. fr

**Amendment 358**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 34 – paragraph 1 – point n**

*Text proposed by the Commission*

*Amendment*

*(n) preparation and carrying out of yearly crisis simulations in cooperation with competent authorities pursuant to Article 12(3) of [Regulation on risk preparedness as proposed by COM(2016) 862];* *deleted*

Or. en

**Amendment 359**  
**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

**Proposal for a regulation**  
**Article 34 – paragraph 1 – point o**

*Text proposed by the Commission*

*Amendment*

*(o) tasks related to the identification of regional crisis scenarios if and to the extent they are delegated to the regional operational centres pursuant to Article 6(1) of [Regulation on risk preparedness as proposed by COM(2016) 862];* *deleted*

Or. fr

**Amendment 360**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 34 – paragraph 1 – point o**

*Text proposed by the Commission*

*Amendment*

*(o) tasks related to the identification of regional crisis scenarios if and to the extent they are delegated to the regional operational centres pursuant to Article 6(1) of [Regulation on risk preparedness as proposed by COM(2016) 862];* *deleted*

Or. en

#### **Amendment 361**

**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

#### **Proposal for a regulation**

**Article 34 – paragraph 1 – point p**

*Text proposed by the Commission*

*Amendment*

*(p) tasks related to the seasonal adequacy outlooks if and to the extent they are delegated to the regional operational centres pursuant to Article 9(2) of [Regulation on risk preparedness as proposed by COM(2016) 862];* *deleted*

Or. fr

#### **Amendment 362**

**Merja Kyllönen**

#### **Proposal for a regulation**

**Article 34 – paragraph 1 – point p**

*Text proposed by the Commission*

*Amendment*

*(p) tasks related to the seasonal adequacy outlooks if and to the extent they are delegated to the regional operational centres pursuant to Article 9(2) of [Regulation on risk preparedness as proposed by COM(2016) 862];* *deleted*

Or. en

**Amendment 363**

**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

**Proposal for a regulation**

**Article 34 – paragraph 1 – point q**

*Text proposed by the Commission*

*Amendment*

*(q) calculate the maximum entry capacity available for the participation of foreign capacity in capacity mechanisms pursuant to Article 21(6).* *deleted*

Or. fr

**Amendment 364**

**Merja Kyllönen**

**Proposal for a regulation**

**Article 34 – paragraph 1 – point q**

*Text proposed by the Commission*

*Amendment*

*(q) calculate the maximum entry capacity available for the participation of foreign capacity in capacity mechanisms pursuant to Article 21(6).* *deleted*

Or. en

**Amendment 365**

**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

**Proposal for a regulation**

**Article 34 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

*2. The Commission may add other functions to the regional operational centres, not involving decision making power, pursuant to Chapter VII of this Regulation.*

*2. Each regional coordination centre should aim to develop the following functions:*

*(a) coordination and optimisation of*



- regional restoration;*
- (b) post-operation and post-disturbance analysis and reporting;*
- (c) facilitation of the regional dimension of capacity reserves;*
- (d) facilitation of the regional procurement of balancing capacity;*
- (e) optimisation of compensation mechanisms between transmission system operators;*
- (f) training and certification;*
- (g) identification of regional crisis scenarios according to Article 6(1) of [Regulation on risk preparedness as proposed by COM(2016) 862] if this task is delegated by ENTSO for electricity;*
- (h) tasks related to the identification of regional crisis scenarios if and to the extent they are delegated to the regional coordination centres pursuant to Article 6(1) of [Regulation on risk preparedness as proposed by COM(2016) 862];*
- (i) tasks related to the seasonal adequacy outlooks if and to the extent they are delegated to the regional operational centres pursuant to Article 9(2) of [Regulation on risk preparedness as proposed by COM(2016) 862];*

Or. fr

**Amendment 366**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 34 – paragraph 2**

*Text proposed by the Commission*

2. *The Commission may add other functions to the regional operational centres, not involving decision making power, pursuant to Chapter VII of this*

*Amendment*

2. *Other services may be assigned to the regional security coordinators, when it is deemed efficient and so agreed by all*

*Regulation.*

*relevant parties.*

Or. en

**Amendment 367**

**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

**Proposal for a regulation**

**Article 34 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

**4. Regional operational centres shall provide transmission system operators of the system operation region with all the information necessary to implement the decisions and recommendations proposed by the regional operational centres.** **deleted**

Or. fr

**Amendment 368**

**Merja Kyllönen**

**Proposal for a regulation**

**Article 35 – title**

*Text proposed by the Commission*

*Amendment*

Cooperation within **regional** operational centres

Cooperation within **and between security-coordinated regions** operational centres

Or. en

**Amendment 369**

**Merja Kyllönen**

**Proposal for a regulation**

**Article 35 – paragraph 1 – introductory part**

*Text proposed by the Commission*

*Amendment*

1. The day-to-day operation of *regional operational centres* shall be managed through cooperative decision-making. *The cooperative-decision making process shall be* based on:

1. The day-to-day *coordination within and between security-coordinated regions* operation shall be managed through cooperative decision-making process based on:

Or. en

**Amendment 370**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 35 – paragraph 1 – point c**

*Text proposed by the Commission*

(c) a procedure for the adoption of decisions *and recommendations in accordance with Article 38*;

*Amendment*

(c) a procedure for the adoption of *TSO* decisions *taking into account the proposals from regional security coordinators*;

Or. en

**Amendment 371**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 35 – paragraph 1 – point d**

*Text proposed by the Commission*

(d) a procedure for the revision of *decisions and* recommendations *adopted* by regional *operational centres* in accordance with Article 39.

*Amendment*

(d) a procedure for the revision of recommendations *issued* by regional *security coordinators* in accordance with Article 39.

Or. en

**Amendment 372**  
**Davor Škrlec**

**Proposal for a regulation**

## Article 37 a (new)

*Text proposed by the Commission*

*Amendment*

### *Article 37a*

#### *Transparency*

*1. Regional operational centres shall organise a process for stakeholder involvement and organise regular meetings with stakeholders to discuss matters relating to the efficient, secure and reliable operation of the interconnected system as well as to identify shortcomings and propose improvements;*

*2. ENTSO for electricity and regional operational centres shall operate in full transparency towards stakeholders and the general public. All relevant documentation shall be published on the website of the respective regional operation centre. This paragraph shall apply to the proposals, justifications and decisions adopted pursuant to Articles 32, 33 and 35(a) 38 of this Regulation.*

Or. en

#### *Justification*

*ROCs will be subject to extensive discussions in the lead committee. However, from an ENVI perspective provisions on transparency and participation are key. This Article is hence a logical continuation of the previous provisions on ROCs.*

## **Amendment 373**

**Merja Kyllönen**

### **Proposal for a regulation**

#### **Article 38**

*Text proposed by the Commission*

*Amendment*

#### *Article 38*

*deleted*

*Adoption of decisions and*

*recommendations*

- 1. Regional operational centres shall develop a procedure for the adoption of decisions and recommendations.**
- 2. Regional operational centres shall adopt binding decisions addressed to the transmission system operators in respect of the functions referred to in points (a), (b), (g) and (q) of Article 34(1).  
Transmission system operators shall implement the binding decisions issued by the regional operational centres except in cases when the safety of the system will be negatively affected.**
- 3. Regional operational centres shall adopt recommendations addressed to the transmission system operators for the functions referred to in points (c) to (f) and (h) to (p) of Article 34(1).**
- 4. The regulatory authorities of a system operation region may jointly decide to grant binding decision-making powers to the regional operational centre for one or more of the functions provided for in points (c) to (f) and (h) to (l) of Article 34(1).**

Or. en

*Justification*

*Requirements in Articles 38 is redundant with that included in the new version of Article 35 (1), point c.*

**Amendment 374**

**Françoise Grossetête, Angélique Delahaye, Michel Dantin**

**Proposal for a regulation**

**Article 39 – title**

*Text proposed by the Commission*

*Amendment*

Revision of *decisions and*  
recommendations

Revision of recommendations

**Amendment 375**

**Françoise Grossetête, Angélique Delahaye, Michel Dantin**

**Proposal for a regulation**

**Article 39 – paragraph 1**

*Text proposed by the Commission*

1. Regional *operational* centres shall develop a procedure for the revision of *decisions and* recommendations.

*Amendment*

1. Regional *coordination* centres *and transmission system operators* shall *jointly* develop a procedure for the revision of recommendations.

Or. en

**Amendment 376**

**Merja Kyllönen**

**Proposal for a regulation**

**Article 40 – title**

*Text proposed by the Commission*

Management board of regional *operational centres*

*Amendment*

Management board of regional *security coordinators*

Or. en

**Amendment 377**

**Merja Kyllönen**

**Proposal for a regulation**

**Article 40 – paragraph 1**

*Text proposed by the Commission*

1. In order to adopt measures related to their governance and to monitor their performance, the regional *operational centres* shall establish a management

*Amendment*

1. In order to adopt measures related to their governance and to monitor their performance, the regional *security coordinators* shall establish a management

board.

board.

Or. en

**Amendment 378**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 40 – paragraph 3 – point a**

*Text proposed by the Commission*

*Amendment*

(a) drafting and endorsing the statutes and rules of procedure of the regional *operational centre*;

(a) drafting and endorsing the statutes and rules of procedure of the regional *security coordinators*;

Or. en

**Amendment 379**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 40 – paragraph 4**

*Text proposed by the Commission*

*Amendment*

4. The competences of the management board shall exclude those that are related to the day-to-day activities of regional *operational centres* and the performance of its *functions*.

4. The competences of the management board shall exclude those that are related to the day-to-day activities of regional *security coordinators* and the performance of its *services*.

Or. en

**Amendment 380**  
**Davor Škrlec**

**Proposal for a regulation**  
**Article 41 – paragraph 1 – introductory part**

*Text proposed by the Commission*

*Amendment*

1. Regional operational centres shall set up and manage their organisation according to a structure that supports the safety of their functions. Their organisational structure shall specify:

1. Regional operational centres shall set up and manage their organisation according to a structure that supports the safety of their functions ***and that they exercise their powers independent from any market players. Regional operational centres shall ensure that their staff and the persons responsible for their management act independently from any market interest and do not seek or take direct instructions from any government or other public or private entity when carrying out their tasks.*** Their organisational structure shall specify

Or. en

#### *Justification*

*ROCs representatives should act transparently and independently of commercial or national interests.*

#### **Amendment 381 Merja Kyllönen**

#### **Proposal for a regulation Article 41 – paragraph 1 – introductory part**

##### *Text proposed by the Commission*

1. Regional ***operational centres shall set up and*** manage their organisation according to a structure that supports the safety of their ***functions***. Their organisational structure shall specify:

##### *Amendment*

1. ***TSOs shall establish the necessary arrangements for regional security coordinators to*** manage their organisation according to a structure that supports the safety of their ***services***. Their organisational structure shall specify:

Or. en

#### **Amendment 382 Merja Kyllönen**

#### **Proposal for a regulation Article 41 – paragraph 2**



*Text proposed by the Commission*

2. Regional **operational centres** may set up regional desks to address local specificities or back-up **operational centres** for the efficient and reliable exercise of their functions.

*Amendment*

2. Regional **security coordinators** may set up regional desks to address local specificities or back-up **regional security coordinators** for the efficient and reliable exercise of their functions.

Or. en

**Amendment 383**

**Davor Škrlec**

**Proposal for a regulation**

**Article 42 – paragraph 1**

*Text proposed by the Commission*

Regional operational centres shall be equipped with all the human, technical, physical and financial resources necessary for fulfilling their obligations under this Regulation and carrying out their functions.

*Amendment*

Regional operational centres shall be equipped with all the human, technical, physical and financial resources necessary for fulfilling their obligations under this Regulation and carrying out their functions ***independently and impartially***.

Or. en

**Amendment 384**

**Merja Kyllönen**

**Proposal for a regulation**

**Article 42 – paragraph 1**

*Text proposed by the Commission*

Regional **operational centres** shall be equipped with all the human, technical, physical and financial resources necessary for fulfilling their obligations under this Regulation and carrying out their functions.

*Amendment*

Regional **security coordinators** shall be equipped with all the human, technical, physical and financial resources necessary for fulfilling their obligations under this Regulation and carrying out their functions.

**Amendment 385**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 43 – paragraph 1 – introductory part**

*Text proposed by the Commission*

1. Regional *operational centres* shall establish a process for the continuous monitoring of at least:

*Amendment*

1. Regional *security coordinators* shall establish a process for the continuous monitoring of at least:

Or. en

**Amendment 386**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 43 – paragraph 1 – point b**

*Text proposed by the Commission*

(b) the *decisions and* recommendations issued and the outcome achieved;

*Amendment*

(b) the recommendations issued and the outcome achieved;

Or. en

**Amendment 387**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 43 – paragraph 1 – point c**

*Text proposed by the Commission*

(c) the effectiveness and efficiency of each of the *functions* for which they are responsible.

*Amendment*

(c) the effectiveness and efficiency of each of the *services* for which they are responsible.

Or. en

**Amendment 388**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 43 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

2. ***Regional operational centres shall submit to the Agency and to the regulatory authorities of the system operation region the data resulting from their continuous monitoring at least annually.*** ***deleted***

Or. en

**Amendment 389**  
**Michel Dantin, Françoise Grossetête, Angélique Delahaye**

**Proposal for a regulation**  
**Article 43 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

2. Regional operational centres shall submit to the Agency and to the regulatory authorities of the system operation region the data resulting from their continuous monitoring at least annually.

2. Regional operational centres shall submit to the Agency and to the regulatory authorities of the system operation region the data resulting from their continuous monitoring at least annually. ***The regional coordination centres shall publish an annual report explaining how their recommendations have been implemented. The report should provide details of cases where operators have departed from the recommendations and of the justifications they have provided.***

Or. fr

**Amendment 390**  
**Merja Kyllönen**

**Proposal for a regulation**

### Article 43 – paragraph 3

*Text proposed by the Commission*

3. Regional *operational centres* shall establish their costs in a transparent manner and report them to the Agency and to the regulatory authorities of the *system operation* region.

*Amendment*

3. Regional *security coordinators* shall establish their costs in a transparent manner and report them to the Agency and to the regulatory authorities of the *security-coordinated* region.

Or. en

### Amendment 391

Merja Kyllönen

#### Proposal for a regulation

#### Article 43 – paragraph 4

*Text proposed by the Commission*

4. Regional *operational centres* shall submit an annual report concerning their performance to ENTSO for Electricity, the Agency, the regulatory authorities of the *system operation* region and the Electricity Coordination Group established pursuant to Article 1 of Commission Decision 2012/C 353/02<sup>37</sup>.

*Amendment*

4. Regional *security coordinators* shall submit an annual report concerning their performance to ENTSO for Electricity, the Agency, the regulatory authorities of the *security-coordinated* region and the Electricity Coordination Group established pursuant to Article 1 of Commission Decision 2012/C 353/02<sup>37</sup>.

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<sup>37</sup> Commission Decision of 15 November 2012 setting up the Electricity Coordination Group (OJ C 353, 17.11.2012, p.2).

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<sup>37</sup> Commission Decision of 15 November 2012 setting up the Electricity Coordination Group (OJ C 353, 17.11.2012, p.2).

Or. en

### Amendment 392

Merja Kyllönen

#### Proposal for a regulation

#### Article 43 – paragraph 5

*Text proposed by the Commission*

*Amendment*

5. Regional *operational centres* shall report shortcomings identified in the monitoring process under paragraph 1 to ENTSO for electricity, the regulatory authorities of the *system operation* region, the Agency and the competent authorities of Member States responsible for the prevention and management of crisis situations.

5. Regional *security coordinators* shall report shortcomings identified in the monitoring process under paragraph 1 to ENTSO for electricity, the regulatory authorities of the *security-coordinated* region, the Agency and the competent authorities of Member States responsible for the prevention and management of crisis situations.

Or. en

**Amendment 393**  
**Merja Kyllönen**

**Proposal for a regulation**  
**Article 44 – paragraph 1**

*Text proposed by the Commission*

Regional *operational centres* shall take the necessary steps to cover liability related to the execution of their tasks, in particular, where they adopt decisions binding on transmission system operators. The method employed to provide the cover shall take into account the legal status of the regional *operational centre* and the level of commercial insurance cover available.

*Amendment*

Regional *security coordinators* shall take the necessary steps to cover liability related to the execution of their tasks, in particular, where they adopt decisions binding on transmission system operators. The method employed to provide the cover shall take into account the legal status of the regional *security coordinator* and the level of commercial insurance cover available.

Or. en

**Amendment 394**  
**Kateřina Konečná**

**Proposal for a regulation**  
**Article 49 – paragraph 1**

*Text proposed by the Commission*

Distribution system operators which are not part of a vertically integrated undertaking or which are unbundled according to the provisions of Article 35

*Amendment*

Distribution system operators which are not part of a vertically integrated undertaking or which are unbundled according to the provisions of Article 35

[recast of Directive 2009/72/EC as proposed by COM(2016) 864/2], shall cooperate at Union level through a European Entity for Distribution system operators ("EU DSO entity"), in order to promote the completion and functioning of the internal market in electricity, and to promote optimal management and a coordinated operation of distribution and transmission systems. Distribution system operators who wish to participate in the EU DSO entity shall become registered members of the entity.

[recast of Directive 2009/72/EC as proposed by COM(2016) 864/2], shall cooperate at Union level through a European Entity for Distribution system operators ("EU DSO entity"), in order to promote the completion and functioning of the internal market in electricity, and to promote optimal management and a coordinated operation of distribution and transmission systems. Distribution system operators who wish to participate in the EU DSO entity shall become registered members of the entity. ***Statuses shall ensure that decision-making process takes into account regional differences of distribution network.***

Or. en

#### *Justification*

*Distribution networks across Europe vary to a great extent: from voltage level, topology, natural profile of given area to consumption patterns of users. These specificities has to be taken into account in an operation of EU DSO entity.*

#### **Amendment 395** **Davor Škrlec**

#### **Proposal for a regulation** **Article 49 – paragraph 1**

##### *Text proposed by the Commission*

Distribution system operators which are not part of a vertically integrated undertaking or which are unbundled according to the provisions of Article 35 [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2], shall cooperate at Union level through a European Entity for Distribution system operators ("EU DSO entity"), in order to promote the completion and functioning of the internal market in electricity, and to promote optimal management and a coordinated operation of distribution and

##### *Amendment*

Distribution system operators which are not part of a vertically integrated undertaking or which are unbundled according to the provisions of Article 35 [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2], ***or which are financially unbundled and fully independent from energy related entities*** shall cooperate at Union level through a European Entity for Distribution system operators ("EU DSO entity"), in order to promote the completion and functioning of the internal market in electricity, and to

transmission systems. Distribution system operators who wish to participate in the EU DSO entity shall become registered members of the entity.

promote optimal management and a coordinated operation of distribution and transmission systems. Distribution system operators who wish to participate in the EU DSO entity shall become registered members of the entity.

Or. en

**Amendment 396**  
**Ivo Belet**

**Proposal for a regulation**  
**Article 49 – paragraph 1**

*Text proposed by the Commission*

Distribution system operators ***which are not part of a vertically integrated undertaking or which are unbundled according to the provisions of Article 35 [recast of Directive 2009/72/EC as proposed by COM(2016) 864/2]***, shall cooperate at Union level through a European Entity for Distribution system operators ("EU DSO entity"), in order to promote the completion and functioning of the internal market in electricity, and to promote optimal management and a coordinated operation of distribution and transmission systems. Distribution system operators who wish to participate in the EU DSO entity shall become registered members of the entity.

*Amendment*

***All*** distribution system operators shall cooperate at Union level through a European Entity for Distribution system operators ("EU DSO entity"), in order to promote the completion and functioning of the internal market in electricity ***and gas to support the development of a sustainable, decentralized and more integrated energy system***, and to promote optimal management and a coordinated operation of distribution and transmission systems. Distribution system operators ***and associations that represent them at Union level*** who wish to participate in the EU DSO entity shall become registered members of the entity.

Or. en

**Amendment 397**  
**Daciana Octavia Sârbu**

**Proposal for a regulation**  
**Article 49 – paragraph 1 a (new)**

***In performing its functions under EU law, the EU DSO entity shall act for the European good and independent from individual national interests or the national interests of distribution system operators, and shall contribute to the efficient and sustainable achievement of the objectives set out in the policy framework for climate and energy covering the period from 2020 to 2030, in particular by removing obstacles to the integration of electricity generated from renewable energy sources and to increases in energy efficiency.***

Or. en

*Justification*

*Given the tasks ascribed to the new EU DSO entity (in particular the tasks related to the development of network codes and best practices), the entity should have an obligation to act in the interest of Europe, to act independently, and to contribute to the achievement of EU energy and climate objectives. Such an obligation has been proposed to be imposed on ENTSO for Electricity (ENTSO-E) in Article 25(2) of this Regulation and should be replicated for the new EU DSO in order to ensure consistency.*

**Amendment 398**

**Daciana Octavia Sârbu**

**Proposal for a regulation**

**Article 50 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

1. By [OP: twelve months after entry into force], the distribution system operators, with the administrative support of the Agency, shall submit to the Commission and to the Agency the draft statutes, a list of registered members, the draft rules of procedure, including the rules of procedures on the consultation with ENTSO for Electricity and other stakeholders and the financing rules, of the

1. By [OP: twelve months after entry into force], the distribution system operators, with the administrative support of the Agency ***and on the basis of the criteria defined pursuant to paragraph 2***, shall submit to the Commission and to the Agency the draft statutes, a list of registered members, the draft rules of procedure, including the rules of procedures on the consultation with



EU DSO entity to be established.

ENTSO for Electricity and other stakeholders and the financing rules, of the EU DSO entity to be established.

Or. en

#### *Justification*

*Language in this provision should be strengthened to ensure that the process for establishing the new entity is sufficiently and adequately monitored. Specifically, the Electricity Regulation should provide the Agency (ACER) with explicit power to define criteria ensuring that the status, rules of procedure, and membership of the EUDSO entity (i) reflect the need to maintain independence and conformity with unbundling rules, and; (ii) guarantee effectiveness and diverse representation of different DSOs in decision-making.*

#### **Amendment 399**

**Davor Škrlec**

#### **Proposal for a regulation**

#### **Article 50 – paragraph 1**

##### *Text proposed by the Commission*

1. *By [OP: twelve months after entry into force], the distribution system operators, with the administrative support of the Agency, shall submit to the Commission and to the Agency the draft statutes, a list of registered members, the draft rules of procedure, including the rules of procedures on the consultation with ENTSO for Electricity and other stakeholders and the financing rules, of the EU DSO entity to be established.*

##### *Amendment*

1. Distribution system operators shall *cooperate at Union level to contribute to the achievement of the EU climate and energy objectives including the integration of high levels of electricity generated by variable renewable energy sources, to promote the completion and functioning of the internal market in electricity, and to promote optimal management and a coordinated operation of distribution and transmission systems.*

Or. en

#### **Amendment 400**

**Daciana Octavia Sârbu**

#### **Proposal for a regulation**

#### **Article 50 – paragraph 1 – point 1 (new)**

##### *Text proposed by the Commission*

##### *Amendment*

**(1) By [OP: six months after entry into force], the Agency shall define criteria for the elaboration of the draft statutes, the list of registered members, and the draft rules of procedure referred to in paragraph 1 with a view to maintaining independence of the EU DSO entity from its members and to ensuring a balanced representation as well as equitable treatment of all member distribution system operators. The Agency shall formally consult organisations representing all stakeholders on the criteria.**

Or. en

#### *Justification*

*The process for establishing the new entity should be sufficiently and adequately monitored. Specifically, the Electricity Regulation should provide ACER with explicit power to define criteria ensuring that the status, rules of procedure, and membership of the EU DSO entity (i) reflect the need to maintain independence and conformity with unbundling rules, and; (ii) guarantee effectiveness and diverse representation of different DSOs in decision-making.*

#### **Amendment 401 Daciana Octavia Sârbu**

#### **Proposal for a regulation Article 50 – paragraph 2**

##### *Text proposed by the Commission*

2. Within two months of receipt, the Agency, after formally consulting the organisations representing all stakeholders, in particular distribution system users, shall provide **an** opinion to the Commission on the draft statutes, the list of members and the draft rules of procedure.

##### *Amendment*

2. Within two months of receipt, the Agency, after formally consulting the organisations representing all stakeholders, in particular distribution system users, shall **either** provide **a positive** opinion to the Commission on the draft statutes, the list of members and the draft rules of procedure, **or propose amendments. In the latter case, the Agency shall consult distribution system operators and all stakeholders before adopting the amendments.**

Or. en

## *Justification*

*Language in this provision should be strengthened to ensure that the process for establishing the new entity is sufficiently monitored. Specifically, the adoption of the draft statutes, the list of registered members, and the draft rules of procedure and financing rules should be conditional upon the favourable opinion of the Agency. In addition, the Electricity Regulation should enable the Agency to amend, where necessary, the draft statutes, the list of registered members, and the draft rules of procedure and financing rules.*

### **Amendment 402** **Davor Škrlec**

#### **Proposal for a regulation** **Article 50 – paragraph 2**

##### *Text proposed by the Commission*

2. Within two months of receipt, the Agency, after formally consulting the organisations representing all stakeholders, in particular distribution system users, shall provide an opinion to the Commission on the draft statutes, the list of members and the draft rules of procedure.

##### *Amendment*

2. Within two months of receipt, the Agency, after formally consulting the organisations representing all stakeholders, in particular distribution system users, ***consumer organisations and demand response aggregators***, shall provide an opinion to the Commission on the draft statutes, the list of members and the draft rules of procedure.

Or. en

### **Amendment 403** **Daciana Octavia Sârbu**

#### **Proposal for a regulation** **Article 50 – paragraph 3**

##### *Text proposed by the Commission*

3. The Commission shall deliver ***an opinion*** on the draft statutes, the list of members and the draft rules of procedure taking into account the opinion of the Agency provided for in paragraph 2, within three months of receipt of the opinion of the Agency.

##### *Amendment*

3. The Commission shall deliver ***a decision*** on the draft statutes, the list of members and the draft rules of procedure taking into account the opinion of the Agency provided for in paragraph 3, within three months of receipt of the opinion of the Agency.

*Justification*

*Language in this provision should be strengthened to ensure that the process for establishing the new entity is sufficiently monitored. Specifically, the Electricity Regulation should enable the Commission to take an official decision whether to approve the draft statutes, the list of registered members, the draft rules of procedure and the financing rules.*

**Amendment 404****Daciana Octavia Sârbu****Proposal for a regulation****Article 50 – paragraph 4***Text proposed by the Commission*

4. Within three months of the day of receipt of the Commission's **positive opinion**, the distribution system operators shall establish the EU DSO entity and adopt and publish its statutes and rules of procedure.

*Amendment*

4. Within three months of the day of receipt of the Commission's **approval**, the distribution system operators shall establish the EU DSO entity and adopt and publish its statutes and rules of procedure.

*Justification*

*Language in this provision should be strengthened to ensure that the process for establishing the new entity is sufficiently monitored. Specifically, the Electricity Regulation should enable the Commission to approve the draft statutes, the list of registered members, and the draft rules of procedure and financing rules.*

**Amendment 405****Daciana Octavia Sârbu****Proposal for a regulation****Article 50 – paragraph 5***Text proposed by the Commission*

5. The documents referred to in paragraph 1 shall be submitted to the Commission and to the Agency in case of changes thereof or upon their reasoned

*Amendment*

5. The documents referred to in paragraph 1 shall be submitted to the Commission and to the Agency in case of changes thereof or upon their reasoned

request. The *Agency and the Commission shall deliver an opinion in line with the* process set out in paragraphs 2 to 4.

request. The process set out in paragraphs 2 to 4 *shall be followed*.

Or. en

#### *Justification*

*The Electricity Regulation should enable ACER and the Commission to monitor, review, and approve any change to the draft statutes, the list of registered members, and the draft rules of procedure and financing rules.*

#### **Amendment 406**

**Davor Škrlec**

#### **Proposal for a regulation**

#### **Article 51 – paragraph 1 – introductory part**

##### *Text proposed by the Commission*

1. The *tasks of* the EU DSO entity shall *be* the following:

##### *Amendment*

1. The *discussions within* the EU DSO entity shall *encompass* the following:

Or. en

#### **Amendment 407**

**Daciana Octavia Sârbu**

#### **Proposal for a regulation**

#### **Article 51 – paragraph 1 – introductory part**

##### *Text proposed by the Commission*

1. *The tasks of* the EU DSO entity shall *be the following*:

##### *Amendment*

1. The EU DSO entity shall *promote*:

Or. en

#### *Justification*

*The main purpose of Article 51 paragraph 1 is not to define specific and concrete duties for the EU DSO entity, but to lay out the general objectives of the new entity. However, existing language can be interpreted as placing the DSO entity as the main force for developing the tasks listed under (a) to (e) (e.g. integration of renewable energy resources and development*

*of demand response). This is not an appropriate role of an organisation representing industry interests, particularly as not all DSOs are supportive of demand response and self-consumption. The suggested modification would clarify that the DSO entity is required to promote the deployment of specific resources and technologies, and the development of particular activities - but will not act as the driving force.*

**Amendment 408**

**Daciana Octavia Sârbu**

**Proposal for a regulation**

**Article 51 – paragraph 1 – point a**

*Text proposed by the Commission*

*Amendment*

**(a) coordinated operation and planning of transmission and distribution networks;** **deleted**

Or. en

*Justification*

*The main purpose of Article 51 paragraph 1 is not to define specific and concrete duties for the EU DSO entity, but to lay out the general objectives of the new entity. The task to coordinate the “operation and planning of transmission and distribution networks” relates to a specific and concrete duty of the new entity (and not a general objective) and should be moved to another sub-paragraph.*

**Amendment 409**

**Daciana Octavia Sârbu**

**Proposal for a regulation**

**Article 51 – paragraph 1 – point b**

*Text proposed by the Commission*

*Amendment*

**(b) integration of renewable energy resources, distributed generation and other resources embedded in the distribution network such as energy storage;**

**(b) integration of renewable energy resources, distributed generation and other resources embedded in the distribution network such as energy storage;**

Or. en

**Amendment 410**  
**Carolina Punset**

**Proposal for a regulation**  
**Article 51 – paragraph 1 – point c**

*Text proposed by the Commission*

(c) development of demand response;

*Amendment*

(c) development of demand response  
**and energy storage;**

Or. en

**Amendment 411**  
**Daciana Octavia Sârbu**

**Proposal for a regulation**  
**Article 51 – paragraph 1 – point e**

*Text proposed by the Commission*

(e) **data management**, cyber security  
and data protection;

*Amendment*

(e) **a high level of** cyber security and  
data protection, **and impartiality in data  
management.**

Or. en

*Justification*

*The suggested amendment promotes consistency with other changes to Article 51 paragraph 1. Given that one key barrier preventing new market entrants from participating across the electricity sector is discriminatory or unequal treatment, it should be clarified that one of the objectives of the EUDSO entity will be to guarantee DSOs' neutrality in their new functions, particularly in terms of data management and in terms of ensuring that data can be accessed under non-discriminatory conditions, regardless of the data management model chosen by Member States.*

**Amendment 412**  
**Daciana Octavia Sârbu**

**Proposal for a regulation**  
**Article 51 – paragraph 1 – point f**

*Text proposed by the Commission*

*Amendment*

(f) *participation in the elaboration of network codes pursuant to Article 55.* *deleted*

Or. en

*Justification*

*The DSO entity should not have a key responsibility for drafting and submitting proposals for network codes. Instead, the Electricity Regulation should require the EU DSO entity to participate, as a formal participant, in the network codes “drafting committees” along with other affected stakeholders. These “drafting committees” should be renamed “stakeholder committees” in accordance with amendments 52, 54, and 58.*

**Amendment 413**  
**Davor Škrlec**

**Proposal for a regulation**  
**Article 51 – paragraph 2 – introductory part**

*Text proposed by the Commission*

2. In addition the EU DSO entity shall:

*Amendment*

2. In addition the EU DSO entity shall ***deliberate on the following:***

Or. en

**Amendment 414**  
**Daciana Octavia Sârbu**

**Proposal for a regulation**  
**Article 51 – paragraph 2 – point a**

*Text proposed by the Commission*

(a) cooperate with ENTSO for electricity ***on*** the monitoring of implementation of the network codes and guidelines which are relevant to the operation and planning of distribution grids and the coordinated operation of the transmission and distribution networks and which are adopted pursuant to this Regulation;

*Amendment*

(a) cooperate with ENTSO for electricity ***to examine problems and formulate recommendations related to*** the monitoring of implementation of the network codes and guidelines which are relevant to the operation and planning of distribution grids and the coordinated operation of the transmission and distribution networks and which are adopted pursuant to this Regulation;



*Justification*

*It is not appropriate for associations representing industry stakeholders (i.e. ENTSO-E and the DSO entity) to monitor the implementation of network codes. The formal task of monitoring the implementation of and ensuring compliance with the network codes should be attributed to ACER and/or national regulators (as neutral actors promoting the general interest), possibly with the technical support of the EU DSO entity and ENTSO-E.*

**Amendment 415****Daciana Octavia Sârbu****Proposal for a regulation****Article 51 – paragraph 2 – point e***Text proposed by the Commission**Amendment*

**(e) operate in full compliance with competition rules.**

**deleted**

Or. en

**Amendment 416****Daciana Octavia Sârbu****Proposal for a regulation****Article 51 – paragraph 2 – point e a (new)***Text proposed by the Commission**Amendment*

**(ea) participate, as a formal participant in relevant stakeholder committees referred to in Article 55(2), in the elaboration of network codes pursuant to Article 56.**

Or. en

*Justification*

*The suggested amendment clarifies that the DSO entity should not have a key responsibility for drafting and submitting proposals for network codes. Instead, the Electricity Regulation should require the EU DSO entity to participate, as a formal participant, in the network codes “drafting committees” along with other affected stakeholders. In accordance with suggested*

*amendments 52, 54, and 58, these “drafting committees” should be renamed “stakeholder committees” to prevent any misinterpretation regarding their role (i.e. the committees should have a consultative, supporting role but should not be the main platform for the drafting of network codes).*

**Amendment 417**  
**Daciana Octavia Sârbu**

**Proposal for a regulation**  
**Article 51 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

**2a. The EU DSO entity shall operate in full compliance with EU and national competition rules.**

Or. en

*Justification*

*This suggested amendment promotes consistency with other changes to Article 51. It is important that the activity of the EU DSO entity does not result in agreements, concerted practices or unilateral behaviours incompatible with the principle of undistorted competition.*

**Amendment 418**  
**Daciana Octavia Sârbu**

**Proposal for a regulation**  
**Article 51 – paragraph 2 b (new)**

*Text proposed by the Commission*

*Amendment*

**2b. The Commission shall periodically review, and at least on a biannual basis or on the basis of third party complaints, the activities and deliberation of the EU DSO entity, in view of ascertaining its compliance with Articles 101 and 102 of the Treaty and shall adopt the appropriate measures on the basis of Regulation (EC) No 1/2003.**

Or. en

### *Justification*

*It is important that the activity of the EU DSO entity does not result in agreements, concerted practices or unilateral behaviours incompatible with the principle of undistorted competition. For this reason, the Regulation should ensure that the Commission keeps the EU DSO entity's activities under regular scrutiny.*

#### **Amendment 419**

**Daciana Octavia Sârbu**

#### **Proposal for a regulation**

#### **Article 51 – paragraph 2 c (new)**

*Text proposed by the Commission*

*Amendment*

**2c. The EU DSO entity shall provide the public with regular information on its decision-making and activities, including of meetings and deliberations.**

Or. en

### *Justification*

*It is important that the activities of the EU DSO entity do not result in agreements, concerted practices or unilateral behaviours incompatible with the principle of undistorted competition. For this reason, the Regulation should promote public scrutiny over the activities of the EU DSO entity and ensure that timely and accurate disclosure is made on all material matters (e.g. agendas, minutes, and documents) of the EU DSO entity, similar to what is currently proposed for ENTSO-E under Article 27(3) of this Regulation.*

#### **Amendment 420**

**Daciana Octavia Sârbu**

#### **Proposal for a regulation**

#### **Article 51 – paragraph 2 d (new)**

*Text proposed by the Commission*

*Amendment*

**2d. The EU DSO and its members shall make available all information required by the Agency to fulfil its tasks under Article 52a of this Regulation.**

Or. en

### *Justification*

*In order to provide effective oversight of the DSO entity, ACER should have the authority to obtain relevant information upon request from the EU DSO entity, and correspondingly from DSOs.*

#### **Amendment 421**

**Davor Škrlec**

#### **Proposal for a regulation**

#### **Article 52 – paragraph 1**

##### *Text proposed by the Commission*

1. While preparing possible network codes pursuant to Article 55, the EU DSO entity shall conduct an extensive consultation process, at an early stage and in an open and transparent manner, involving all relevant stakeholders, and, in particular, the organisations representing all stakeholders, in accordance with the rules of procedure referred to in Article 50. That consultation shall also involve national regulatory authorities and other national authorities, supply and generation undertakings, system users including customers, distribution system operators, including relevant industry associations, technical bodies and stakeholder platforms. It shall aim at identifying the views and proposals of all relevant parties during the decision-making process.

##### *Amendment*

1. While preparing possible network codes pursuant to Article 55, ***the an inclusive drafting committee also comprising*** the EU DSO entity shall conduct an extensive consultation process, at an early stage and in an open and transparent manner, involving all relevant stakeholders, and, in particular, the organisations representing all stakeholders, in accordance with the rules of procedure referred to in Article 50. That consultation shall also involve national regulatory authorities and other national authorities, supply and generation undertakings, system users including customers, distribution system operators, including relevant industry associations, technical bodies and stakeholder platforms. It shall aim at identifying the views and proposals of all relevant parties during the decision-making process.

Or. en

#### **Amendment 422**

**Daciana Octavia Sârbu**

#### **Proposal for a regulation**

#### **Article 52 – paragraph 1 a (new)**

***1a. The Agency shall monitor the execution of the tasks attributed to the EU DSO entity in Article 51 and ensure its compliance with the obligations under this Regulation and other relevant Union legislation, notably as regards the independence of the EU DSO entity and the requirement to ensure a balanced representation of all distribution system operators across the Union. The Agency shall include the results of monitoring in its annual report pursuant to Article 16 [of the proposed Recast Regulation 713/2009 as proposed by COM(2016) 863].***

Or. en

*Justification*

*ACER should be formally empowered to exercise more robust oversight over the EU DSO entity. In particular, there should be a formal requirement on ACER to ensure the EU DSO entity complies with the criteria contained in its governing statute, in particular that the EU DSO entity complies with criteria for maintaining independence and adequate representation of individual member DSOs. Such changes to the remit of ACER should be cross-referenced in the Recast Regulation 713/2009 as proposed by COM(2016) 863.*

**Amendment 423**

**Daciana Octavia Sârbu**

**Proposal for a regulation**

**Article 52 – paragraph 1 b (new)**

***1b. The EU DSO entity shall submit the draft annual work programme provided for in Article 51 to the Agency for its opinion. Within two months from the day of receipt, the Agency shall provide a duly reasoned opinion as well as recommendations to the EU DSO entity and to the Commission where it considers that the draft annual work programme***

*submitted by the EU DSO entity does not contribute to non-discrimination, effective competition, the efficient functioning of the market or an optimal management and a coordinated operation of distribution and transmission systems.*

Or. en

*Justification*

*ACER should be empowered to provide recommendations to the EU DSO entity where it finds that the draft annual programme of the EU DSO entity does not comply with EU rules or are inconsistent with EU level objectives. Such changes to the remit of ACER should be cross-referenced in the Recast Regulation 713/2009 as proposed by COM(2016) 863.*

**Amendment 424**  
**Davor Škrlec**

**Proposal for a regulation**  
**Article 52 – paragraph 3**

*Text proposed by the Commission*

3. The **EU DSO entity** shall take into consideration the views provided during the consultations. Before adopting proposals for network codes referred to in Article 55 the EU DSO entity shall indicate how the observations received during the consultation have been taken into consideration. It shall provide reasons where observations have not been taken into account.

*Amendment*

3. The **drafting committee** shall take into consideration the views provided during the consultations. Before adopting proposals for network codes referred to in Article 55 the EU DSO entity shall indicate how the observations received during the consultation have been taken into consideration. It shall provide reasons where observations have not been taken into account.

Or. en

**Amendment 425**  
**Daciana Octavia Sârbu**

**Proposal for a regulation**  
**Article 54 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

1. The Commission may, subject to the empowerments in Articles 55 and 57, adopt delegated acts. Such delegated acts can either be adopted as network codes on the basis of text proposals developed by the ENTSO for Electricity, or, where so decided in the priority list pursuant to Article 55 paragraph 2, by the **EU DSO entity and the** Agency pursuant to the procedure in Article 55 or as guidelines pursuant to the procedure in Article 57.

1. The Commission may, subject to the empowerments in Articles 55 and 57, adopt delegated acts. Such delegated acts can either be adopted as network codes on the basis of text proposals developed by the ENTSO for Electricity, or, where so decided in the priority list pursuant to Article 55 paragraph 2, by the Agency pursuant to the procedure in Article 55 or as guidelines pursuant to the procedure in Article 57.

Or. en

#### *Justification*

*It is not appropriate for the DSO entity to be in a privileged position to draft network codes (particularly when their subject matter relates to the operation of the distribution system), which will govern the DSOs' own conduct, as well as the conduct of other market participants such as generators, suppliers, consumers, and aggregators. The EUDSO entity would be in a position to influence the drafting of rules and best practices that will significantly impact the deployment of renewables and demand response, which not all DSOs are supporting. This could increase the risk of network codes that impose additional barriers to demand response and self-consumption. This risk is exacerbated by the fact that EU unbundling rules for DSOs are not very stringent, which would allow large DSOs connected to parent utilities to exert undue influence via the DSO entity.*

#### **Amendment 426** **Kateřina Konečná**

#### **Proposal for a regulation** **Article 55 – paragraph 1 – introductory part**

##### *Text proposed by the Commission*

1. The Commission is empowered to adopt delegated acts in accordance with Article 63 concerning the establishment of network codes in the following areas:

##### *Amendment*

1. The Commission is empowered to adopt delegated acts in accordance with Article 63 concerning the establishment of network codes in the following areas, **taking into account, if appropriate, regional specificities:**

Or. en

*Justification*

*Network codes shall continue to take regional specificities into account.*

**Amendment 427**

**Pavel Poc**

**Proposal for a regulation**

**Article 55 – paragraph 1 – point g**

*Text proposed by the Commission*

(g) capacity-allocation and congestion-management rules ***including curtailment of generation and redispatch of generation and demand*** ;

*Amendment*

(g) capacity-allocation and congestion-management rules;

Or. en

*Justification*

*Aligned with amendment on Article 12.*

**Amendment 428**

**Pavel Poc**

**Proposal for a regulation**

**Article 55 – paragraph 1 – point k**

*Text proposed by the Commission*

(k) rules regarding harmonised transmission ***and distribution*** tariff structures and connection charges including locational signals and inter-transmission system operator compensation rules;

*Amendment*

(k) rules regarding harmonised transmission tariff structures and connection charges including locational signals and inter-transmission system operator compensation rules;

Or. en

*Justification*

*Distribution system operation is very locally specific given the different topology of the grid and consumption patterns. Therefore, it is not advised to harmonise its structure via network*



*codes or guidelines. Set of high-level principles as stated in Article 16: Charges for access to networks is sufficient for the purpose of transparency and fair tariff-setting.*

**Amendment 429**  
**Kateřina Konečná**

**Proposal for a regulation**  
**Article 55 – paragraph 1 – point k**

*Text proposed by the Commission*

(k) rules regarding harmonised transmission **and distribution** tariff structures and connection charges including locational signals and inter-transmission system operator compensation rules;

*Amendment*

(k) rules regarding harmonised transmission tariff structures and connection charges including locational signals and inter-transmission system operator compensation rules;

Or. en

*Justification*

*Distribution networks across Europe vary to a great extent: from voltage level, topology, natural profile of given area to consumption patterns of users. Structure of distribution tariff therefore needs to be unique; national regulatory authorities are best equipped to do this.*

**Amendment 430**  
**Daciana Octavia Sârbu**

**Proposal for a regulation**  
**Article 55 – paragraph 2**

*Text proposed by the Commission*

2. The Commission shall, after consulting the Agency, the ENTSO for Electricity and the other relevant stakeholders, establish a priority list every three years, identifying the areas set out in paragraph 1 to be included in the development of network codes. If the subject-matter of the network code is directly related to the operation of the distribution system and less relevant for the transmission system, the Commission may

*Amendment*

2. The Commission shall, after consulting the Agency, the ENTSO for Electricity and the other relevant stakeholders, establish a priority list every three years, identifying the areas set out in paragraph 1 to be included in the development of network codes. If the subject-matter of the network code is directly related to the operation of the distribution system and less relevant for the transmission system, the Commission may

require the **EU DSO entity for electricity** instead of the ENTSO for Electricity to convene a **drafting** committee and submit a proposal for a network code **to the agency**.

require the **Agency** instead of the ENTSO for Electricity to convene a **stakeholder** committee and submit a proposal for a network code.

Or. en

#### *Justification*

*It is not appropriate for the DSO entity to be in a privileged position to draft network codes. In order to prevent conflicts of interests, tasks concerning the development of network codes which relate to the operation of the distribution system should be transferred to ACER. Furthermore, ACER should also have the authority to convene the network codes “drafting committees”. These “drafting committees” should be renamed “stakeholder committees” to prevent any misinterpretation regarding their role: the committees should have a consultative, supporting role but should not “hold the pen” in the drafting of network codes.*

#### **Amendment 431**

**Daciana Octavia Sârbu**

#### **Proposal for a regulation**

#### **Article 55 – paragraph 8**

##### *Text proposed by the Commission*

8. ***The Commission shall request the ENTSO for Electricity or***, where so decided in the priority list pursuant to paragraph 2, the ***EU DSO entity*** for Electricity, to submit a proposal for a network code which is in line with the relevant framework guideline, to the Agency within a reasonable period of time not exceeding 12 months.

##### *Amendment*

8. Where so decided in the priority list pursuant to paragraph 2, the ***Commission shall request the ENTSO*** for Electricity to submit a proposal for a network code which is in line with the relevant framework guideline, to the Agency within a reasonable period of time not exceeding 12 months.

Or. en

#### *Justification*

*In order to provide clarify around the distinct roles and responsibilities to elaborate network codes, provisions on network codes related to the distribution grid should be dealt with in another sub-paragraph. Hence, the content of this paragraph is limited to network codes falling within the scope of ENTSO-E’s remit.*

#### **Amendment 432**

**Daciana Octavia Sârbu**

**Proposal for a regulation  
Article 55 – paragraph 9**

*Text proposed by the Commission*

9. The ENTSO for Electricity, *or where so decided in the priority list pursuant to paragraph 2, the EU DSO entity*, shall convene a **drafting** committee to support it in the network code development process. The **drafting** committee shall consist of representatives of the ENTSO for Electricity, the Agency, the EU DSO entity, where appropriate of nominated electricity market operators and **a limited number of the main** affected stakeholders. The ENTSO for Electricity *or where so decided in the priority list pursuant to paragraph 2 the EU DSO entity*, shall elaborate proposals for network codes in the areas referred to in paragraph 1 upon a request addressed to it by the Commission in accordance with paragraph 8.

*Amendment*

9. The ENTSO for Electricity shall convene a **stakeholder** committee to support it in the network code development process. The **stakeholder** committee shall consist of representatives of the ENTSO for Electricity, the Agency, the EU DSO entity, where appropriate of nominated electricity market operators and **of other** affected stakeholders **who are likely to have an interest in the network code, including system users, relevant industry associations, technical bodies and consumer associations**. The ENTSO for Electricity shall elaborate proposals for network codes in the areas referred to in paragraph 1 upon a request addressed to it by the Commission in accordance with paragraph 8.

Or. en

*Justification*

*Existing language on the “drafting committee” (renamed “stakeholder committee”) including “a limited number of the main affected stakeholders” is too vague and could limit participation. In order to ensure that the process is not captured by large industry associations, the Electricity Regulation should ensure that all relevant stakeholders who are likely to have an interest in the network code, particularly smaller less-resourced ones, can support the network code development process and are adequately represented. Furthermore, in order to provide clarity around the distinct roles and responsibilities to elaborate network codes, provisions on network codes related to the distribution grid should be moved to another sub-paragraph. Hence, the content of this paragraph is limited to network codes falling within the scope of ENTSO-E’s remit.*

**Amendment 433  
Merja Kyllönen**

**Proposal for a regulation**

## Article 55 – paragraph 9

### *Text proposed by the Commission*

9. The ENTSO for Electricity, or where so decided in the priority list pursuant to paragraph 2, the EU DSO entity, shall convene a drafting committee to support it in the network code development process. The drafting committee shall consist of representatives of the ENTSO for Electricity, the Agency, the EU DSO entity, where appropriate of nominated electricity market operators and a limited number of the main affected stakeholders. The ENTSO for Electricity or where so decided in the priority list pursuant to paragraph 2 the EU DSO entity, shall elaborate proposals for network codes in the areas referred to in paragraph 1 upon a request addressed to it by the Commission in accordance with paragraph 8.

### *Amendment*

9. The ENTSO for Electricity, or where so decided in the priority list pursuant to paragraph 2, the EU DSO entity, shall convene a drafting committee to support it in the network code development process. The drafting committee shall consist of representatives of the ENTSO for Electricity, the Agency, the EU DSO entity, where appropriate of nominated electricity market operators and ***representatives of*** a limited number of the main affected stakeholders, ***such as the consumers***. The ENTSO for Electricity or where so decided in the priority list pursuant to paragraph 2 the EU DSO entity, shall elaborate proposals for network codes in the areas referred to in paragraph 1 upon a request addressed to it by the Commission in accordance with paragraph 8.

Or. en

### *Justification*

*It is important to ensure that consumers' perspectives are adequately represented in the development of network codes.*

## **Amendment 434**

**Daciana Octavia Sârbu**

### **Proposal for a regulation**

#### **Article 55 – paragraph 10**

### *Text proposed by the Commission*

10. The Agency shall revise the network code and ensure that the network code is in line with the relevant framework guideline and contributes to market integration, non-discrimination, effective competition, and the efficient functioning of the market and , submit the revised

### *Amendment*

10. The Agency shall revise the network code ***elaborated by the ENTSO for Electricity*** and ensure that the network code is in line with the relevant framework guideline and contributes to market integration, non-discrimination, effective competition, and the efficient functioning

network code to the Commission within six months of the day of the receipt of the proposal . In the proposal submitted to the Commission, the Agency shall take into account the views provided by all involved parties during the drafting of the proposal led by the ENTSO for Electricity *or the EU DSO entity* and shall formally consult the relevant stakeholders on the version to be submitted to the Commission.

of the market and, submit the revised network code to the Commission within six months of the day of the receipt of the proposal. In the proposal submitted to the Commission, the Agency shall take into account the views provided by all involved parties during the drafting of the proposal led by the ENTSO for Electricity and shall formally consult the relevant stakeholders on the version to be submitted to the Commission.

Or. en

### *Justification*

*In order to provide clarify around the distinct roles and responsibilities to elaborate network codes, provisions on network codes related to the distribution grid should be moved to another sub-paragraph. Hence, the content of this paragraph is limited to network codes falling within the scope of ENTSO-E's remit.*

## **Amendment 435** **Merja Kyllönen**

### **Proposal for a regulation** **Article 55 – paragraph 10**

#### *Text proposed by the Commission*

10. The Agency shall revise the network code and ensure that the network code is in line with the relevant framework guideline and contributes to market integration, non-discrimination, effective competition, and the efficient functioning of the market and , submit the revised network code to the Commission within six months of the day of the receipt of the proposal . In the proposal submitted to the Commission, the Agency shall take into account the views provided by all involved parties during the drafting of the proposal led by the ENTSO for Electricity or the EU DSO entity and shall formally consult the relevant stakeholders on the version to be submitted to the Commission.

#### *Amendment*

10. The Agency shall revise the network code and ensure that the network code is in line with the relevant framework guideline and contributes to market integration, non-discrimination, effective competition, and the efficient functioning of the market and , submit the revised network code to the Commission within six months of the day of the receipt of the proposal . In the proposal submitted to the Commission, the Agency shall take into account the views provided by all involved parties, *in particular the consumers' ones*, during the drafting of the proposal led by the ENTSO for Electricity or the EU DSO entity and shall formally consult the relevant stakeholders on the

version to be submitted to the Commission.

Or. en

### **Amendment 436**

**Daciana Octavia Sârbu**

#### **Proposal for a regulation**

#### **Article 55 – paragraph 11**

##### *Text proposed by the Commission*

11. Where the ENTSO for Electricity **or the EU DSO entity have** failed to develop a network code within the period of time set by the Commission under paragraph 8, the Commission may request the Agency to prepare a draft network code on the basis of the relevant framework guideline. The Agency may launch a further consultation in the course of preparing a draft network code under this paragraph. The Agency shall submit a draft network code prepared under this paragraph to the Commission and may recommend that it be adopted.

##### *Amendment*

11. Where the ENTSO for Electricity **has** failed to develop a network code within the period of time set by the Commission under paragraph 8, the Commission may request the Agency to prepare a draft network code on the basis of the relevant framework guideline. The Agency may launch a further consultation in the course of preparing a draft network code under this paragraph. The Agency shall submit a draft network code prepared under this paragraph to the Commission and may recommend that it be adopted.

Or. en

### **Amendment 437**

**Daciana Octavia Sârbu**

#### **Proposal for a regulation**

#### **Article 55 – paragraph 12**

##### *Text proposed by the Commission*

12. The Commission may adopt, on its own initiative, where the ENTSO for Electricity or the **EU DSO entity** have failed to develop a network code, or the Agency has failed to develop a draft network code as referred to in paragraph 11 of this Article, or upon recommendation of

##### *Amendment*

12. The Commission may adopt, on its own initiative, where the ENTSO for Electricity or the **Agency** have failed to develop a network code **as referred to in paragraphs 8 and 12 of this Article**, or the Agency has failed to develop a draft network code as referred to in paragraph 11

the Agency under paragraph 10 of this Article, one or more network codes in the areas listed in paragraph 1.

of this Article, or upon recommendation of the Agency under paragraph 10 of this Article, one or more network codes in the areas listed in paragraph 1.

Or. en

#### *Justification*

*In order to provide clarity around the distinct roles and responsibilities to elaborate network codes, provisions on network codes related to the distribution grid should be moved to another sub-paragraph. Hence, the content of this paragraph is limited to network codes falling within the scope of ENTSO-E's remit.*

#### **Amendment 438**

**Daciana Octavia Sârbu**

#### **Proposal for a regulation**

**Article 55 – paragraph 13 – point 1 (new)**

*Text proposed by the Commission*

*Amendment*

***(1) Where the subject-matter of the network code is directly related to the operation of the distribution system and less relevant for the transmission system, and where so decided in the priority list pursuant to paragraph 2, the Agency shall submit a proposal for a network code to the Commission within a reasonable period of time not exceeding 12 months. The Agency shall convene a stakeholder committee to support it in the network code development process. The stakeholder committee shall consist of representatives of the Agency, the ENTSO for Electricity, the EU DSO entity, where appropriate of nominated electricity market operators and other affected stakeholders who are likely to have an interest in the network code, including system users, relevant industry associations, technical bodies and consumer platforms. The Agency shall ensure that the network code is in line with the relevant framework guideline***

*and contributes to market integration, non-discrimination, effective competition, and the efficient functioning of the market, and submit the network code to the Commission. In the proposal submitted to the Commission, the Agency shall take into account the views provided by all involved parties during the drafting of the proposal and shall formally consult the relevant stakeholders on the version to be submitted to the Commission.*

Or. en

#### *Justification*

*The suggested amendment lays out the process for elaborating network codes related to the distribution grid. In order to prevent conflicts of interests, the proposed tasks of the EU DSO entity concerning the development of network codes which relate to the operation of the distribution system should be transferred to ACER. ACER should also have the authority to convene the “drafting committees” (renamed “stakeholder committees”) to support it in the network code development process.*

#### **Amendment 439** **Kateřina Konečná**

#### **Proposal for a regulation** **Article 57 – paragraph 4 – subparagraph 1**

##### *Text proposed by the Commission*

Guidelines may also determine appropriate rules relating to charges applied to producers, energy storage and customers (load) under national *distribution and* transmission tariff systems and connection regimes, including the reflection of the inter-transmission system operator compensation mechanism in national network charges and the provision of appropriate and efficient locational signals, in accordance with the principles set out in Article 16.

##### *Amendment*

Guidelines may also determine appropriate rules relating to charges applied to producers, energy storage and customers (load) under national transmission tariff systems and connection regimes, including the reflection of the inter-transmission system operator compensation mechanism in national network charges and the provision of appropriate and efficient locational signals, in accordance with the principles set out in Article 16.

Or. en



*Justification*

*Distribution networks across Europe vary to a great extent: from voltage level, topology, natural profile of given area to consumption patterns of users. Structure of distribution tariff therefore needs to be unique; national regulatory authorities are best equipped to do this.*

**Amendment 440**

**Pavel Poc**

**Proposal for a regulation**

**Article 57 – paragraph 4 – subparagraph 1**

*Text proposed by the Commission*

Guidelines may also determine appropriate rules relating to charges applied to producers, energy storage and customers (load) under national ***distribution and*** transmission tariff systems and connection regimes, including the reflection of the inter-transmission system operator compensation mechanism in national network charges and the provision of appropriate and efficient locational signals, in accordance with the principles set out in Article 16.

*Amendment*

Guidelines may also determine appropriate rules relating to charges applied to producers, energy storage and customers (load) under national transmission tariff systems and connection regimes, including the reflection of the inter-transmission system operator compensation mechanism in national network charges and the provision of appropriate and efficient locational signals, in accordance with the principles set out in Article 16.

Or. en

*Justification*

*Aligned with amendment on Article 55, paragraph 1, point k.*