



2016/0377(COD)

14.6.2017

*****I**

DRAFT REPORT

on the proposal for a regulation of the European Parliament and of the Council
on risk-preparedness in the electricity sector and repealing Directive
2005/89/EC
(COM(2016)0862 – C8-0493/2016 – 2016/0377(COD))

Committee on Industry, Research and Energy

Rapporteur: Flavio Zanonato

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the ▯ symbol or ~~strikeout~~. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

CONTENTS

	Page
DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION.....	5
EXPLANATORY STATEMENT.....	20
ANNEX: LIST OF ENTITIES OR PERSONS FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT	22

DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council on risk-preparedness in the electricity sector and repealing Directive 2005/89/EC (COM(2016)0862 – C8-0493/2016 – 2016/0377(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2016)0862),
 - having regard to Article 294(2) and Article 194 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0493/2016),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Economic and Social Committee of 31 May 2017¹,
having regard to the opinion of the Committee of the Regions of ...²
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the report of the Committee on Industry, Research and Energy (A8-0000/2017),
1. Adopts its position at first reading hereinafter set out;
 2. Approves its statement annexed to this resolution;
 3. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
 4. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

¹ [OJ C 0, 0.0.0000, p. 0. / Not yet published in the Official Journal]

² [OJ C 0, 0.0.0000, p. 0. / Not yet published in the Official Journal]

Amendment 1

Proposal for a regulation Recital 10

Text proposed by the Commission

(10) *To facilitate prevention, information exchange and ex-post evaluation of electricity crises, Member States should designate **one** competent authority as a contact point. This may be an existing or new entity.*

Amendment

(10) *Security of supply is a shared responsibility of many actors, each of which has clearly a defined role to play in the management of electricity systems. Distribution systems operators and transmission system operators play a key role in ensuring a secure, reliable and efficient electricity system in accordance with Articles 31 and 40 of Directive (EU) .../... of the European Parliament and of the Council [proposed Electricity Directive, COD 2016/380]. The regulatory authorities and other relevant national authorities also play an important role in ensuring and monitoring the security of electricity supply, as part of their tasks attributed by Article 59 of Directive (EU) .../... [proposed Electricity Directive]. With the aim to ensuring a timely implementation of this Regulation and a transparent and inclusive involvement of all actors in the tasks to be carried out in accordance with this Regulation, including the preparation of the risk preparedness plans and the regional agreements, Member States should designate one competent authority. This may be an existing or new entity.*

Or. en

Justification

The risk preparedness proposal should recognise the roles and responsibilities that the different actors play today in the security of supply and, with a view to doing so, should refer to the relevant provisions of the Electricity Directive.

Amendment 2

Proposal for a regulation Recital 10 a (new)

(10 a) A common approach to crisis prevention and management requires a common definition of the electricity crisis. In order to overcome the current divergent approaches across the Union, this Regulation should define an electricity crisis, in broad terms, as a situation in which is a significant shortage of, or an impossibility to deliver, electricity is present or imminent. Member States should be required to identify concrete electricity crisis scenarios at the regional and national level and subsequently identify concrete measures by which to address such situations in their risk preparedness plans. That approach ensures that all possible crisis situations are covered, taking into account regional and national specificities such as the topography of the grid, the electricity mix, the size of production and consumption and the dispersion of population.

Or. en

Justification

Currently, there is no common view across Europe of what a crisis situation means and entails. Therefore, and with the view of enabling Member States to define/quantify in their national risk preparedness plans what a 'significant electricity shortage' or an 'impossibility to deliver' means in concrete terms, the definition of 'crisis situation' needs to be broad so to cover all possible crisis situations across Europe.

Amendment 3

Proposal for a regulation

Recital 11

Text proposed by the Commission

Amendment

(11) A common approach to crisis prevention and management requires, above all, that Member States use the same methods and definitions to identify risks

(11) There is also a need for Member States to use the same methods and definitions to identify risks relating to the security of electricity supply and are in a

relating to the security of electricity supply and are in a position effectively to compare how well they and their neighbours perform in that area. The Regulation identifies two indicators to monitor the security of electricity supply in the Union: 'expected energy non served' (EENS), expressed in GWh/year, and 'loss of load expectation' (LOLE), expressed in hours/year. These indicators are part of the European resource adequacy assessment carried out by the European Network of Transmission System Operators for Electricity (ENTSO-E), pursuant to [Article 19 of the proposed Electricity Regulation]. The Electricity Coordination Group shall carry out regular monitoring of the security of supply based on the results of these indicators. The Agency for the Cooperation of Energy Regulators (Agency) should also use these indicators, when reporting on Member States' performance in the area of security of supply in its annual electricity market monitoring reports, pursuant to [Article 16 of the proposed ACER Regulation].

position effectively to compare how well they and their neighbours perform in that area. The Regulation identifies two indicators to monitor the security of electricity supply in the Union: 'expected energy non served' (EENS), expressed in GWh/year, and 'loss of load expectation' (LOLE), expressed in hours/year. These indicators are part of the European resource adequacy assessment carried out by the European Network of Transmission System Operators for Electricity (ENTSO-E), pursuant to [Article 19 of the proposed Electricity Regulation]. The Electricity Coordination Group shall carry out regular monitoring of the security of supply based on the results of these indicators. The Agency for the Cooperation of Energy Regulators (Agency) should also use these indicators, when reporting on Member States' performance in the area of security of supply in its annual electricity market monitoring reports, pursuant to [Article 16 of the proposed ACER Regulation].

Or. en

Justification

Common indicators for the security of supply are crucial for assessing region-wide risks and identifying potential gridlocks.

Amendment 4

Proposal for a regulation

Recital 29

Text proposed by the Commission

(29) An electricity crisis might extend beyond Union borders comprising also Energy Community countries. In order to ensure an efficient crisis management on borders between the Member States and the Contracting Parties, the Union should closely cooperate with the Energy

Amendment

(29) An electricity crisis might extend beyond Union borders comprising also Energy Community countries. ***As Party to the Energy Community Treaty, the Union should promote amendments to that Treaty with the aim of creating an integrated market and a single regulatory***

Community Contracting Parties when preventing, preparing for and handling an electricity crisis.

space by providing and appropriate and stable regulatory framework. In order to ensure an efficient crisis management on borders between the Member States and the Contracting Parties, the Union should closely cooperate with the Energy Community Contracting Parties when preventing, preparing for and handling an electricity crisis.

Or. en

Justification

It explains the scope and purpose of Article 18 whilst recalling the need for a change to the Energy Community Treaty, to ensure that there is a full co-operation on risk preparedness also across the borders with Energy Community countries.

Amendment 5

Proposal for a regulation Article 3 – paragraph 1

Text proposed by the Commission

1. As soon as possible and by [OPOCE to insert exact date: three months after entry into force of this Regulation] at the latest, each Member State shall designate a national governmental or regulatory authority as its competent authority in charge of carrying out tasks set out in this Regulation. Competent Authorities shall cooperate with each other for the purposes of this Regulation.

Amendment

1. As soon as possible and by ... [OPOCE to insert exact date: three months after entry into force of this Regulation] at the latest, each Member State shall designate a national governmental or regulatory authority as its competent authority in charge of carrying out tasks set out in this Regulation, ***without prejudice to the responsibility of the transmission system operator and the distribution system operator for the reliable operation of the electricity system.*** Competent Authorities shall cooperate with each other for the purposes of this Regulation.

Or. en

Justification

System operators, such as TSOs and DSOs, have clearly defined responsibilities for safe and reliable operation of the system. Therefore, competent authorities should involve them in the process.

Amendment 6

Proposal for a regulation

Article 5 – paragraph 1

Text proposed by the Commission

1. By [OPOCE to insert exact date: **two** months after entry into force of this Regulation], ENTSO-E shall submit to the Agency a proposal for a methodology for identifying the most relevant electricity crisis scenarios in a regional context.

Amendment

1. By ...[OPOCE to insert exact date: **four** months after entry into force of this Regulation], ENTSO-E shall submit to the Agency a proposal for a methodology for identifying the most relevant electricity crisis scenarios in a regional context.

Or. en

Justification

A consultation process needs a longer time-frame in order to be carried out and analysed properly.

Amendment 7

Proposal for a regulation

Article 5 – paragraph 4

Text proposed by the Commission

4. Before submitting the proposed methodology, ENTSO-E shall conduct a consultation exercise involving at least the industry and consumer organisations, distribution system operators, national regulatory authorities and other national authorities. ENTSO-E shall duly take into account the results of the consultation.

Amendment

4. Before submitting the proposed methodology, ENTSO-E shall conduct a consultation exercise involving at least the industry and consumer organisations, **generators**, distribution system operators, national regulatory authorities and other national authorities. ENTSO-E shall duly take into account the results of the consultation.

Or. en

Justification

Generators shall be included in the consultation exercise as they are responsible, together with other market actors, for the reliable power system operation.

Amendment 8

Proposal for a regulation

Article 5 – paragraph 6

Text proposed by the Commission

6. ENTSO-E shall update and improve the methodology regularly in accordance with paragraphs 1 to 5. The Agency or the Commission may request such updates and improvements with due justification. Within six months from the request, ENTSO-E shall submit to the Agency a draft of the proposed changes. Within a period of two months of receiving the draft, the Agency shall **amend or approve** the changes and publish it on its website.

Amendment

6. ENTSO-E shall update and improve the methodology regularly in accordance with paragraphs 1 to 5. The Agency or the Commission may request such updates and improvements with due justification. Within six months from the request, ENTSO-E shall submit to the Agency a draft of the proposed changes. Within a period of two months of receiving the draft, the Agency shall **approve or amend** the changes. ***In the latter case, it shall consult with ENTSO-E before adopting the amended version*** and publish it on its website.

Or. en

Justification

In case ACER intends to amend the proposal, it shall consult ENTSO-E before (Article 5.5). The same procedure need to apply also in the case of methodology updates.

Amendment 9

Proposal for a regulation

Article 6 – paragraph 1

Text proposed by the Commission

1. By [OPOCE to insert exact date: **ten** months after entry into force of this Regulation] and on the basis of the methodology adopted pursuant to Article 5, ENTSO-E shall identify the most relevant electricity crisis scenarios for each region. It may delegate tasks relating to the identification of regional crisis scenarios to the regional operational centres.

Amendment

1. By ... [OPOCE to insert exact date: **eight** months after entry into force of this Regulation] and on the basis of the methodology adopted pursuant to Article 5, ENTSO-E shall identify the most relevant electricity crisis scenarios for each region. It may delegate tasks relating to the identification of regional crisis scenarios to the regional operational **centres**. ***When identifying the risk scenarios related to malicious attacks, ENTSO-E and the regional operational centres shall ensure***

that the confidentiality of sensitive information is preserved.

Or. en

Justification

Deadlines for identifying electricity crisis scenarios at regional and national levels should not overlap, and should be mutually consistent. Confidentiality of the sensitive information related to the malicious attacks needs to be ensured during all phases of the risk preparedness regulation, namely when identifying risks, preparing and sharing and reviewing the draft plans via the Electricity Coordination Group and finally when publishing the adopted plan.

Amendment 10

**Proposal for a regulation
Article 7 – paragraph 1**

Text proposed by the Commission

1. By [OPOCE to insert exact date: **ten** months after entry into force of this Regulation], Member States shall identify the most relevant electricity crisis scenarios at the national level.

Amendment

1. By ... [OPOCE to insert exact date: **twelve** months after entry into force of this Regulation], Member States shall identify the most relevant electricity crisis scenarios at the national level.

Or. en

Justification

Deadlines for identifying electricity crisis scenarios at regional and national levels should not overlap, and should be mutually consistent.

Amendment 11

**Proposal for a regulation
Article 8 – paragraph 1 – subparagraph 1 – introductory part**

Text proposed by the Commission

By [OPOCE to insert exact date: **two** months after entry into force of this Regulation], ENTSO-E shall submit to the Agency a proposal for a methodology for assessing short-term adequacy, namely seasonal adequacy as well as week-ahead to intraday adequacy, which shall cover at

Amendment

By ... [OPOCE to insert exact date: **four** months after entry into force of this Regulation], ENTSO-E shall submit to the Agency a proposal for a methodology for assessing short-term adequacy, namely seasonal adequacy as well as week-ahead to intraday adequacy, which shall cover at

least the following:

least the following:

Or. en

Justification

A consultation process needs a longer time-frame in order to be carried out and analysed properly.

Amendment 12

Proposal for a regulation

Article 8 – paragraph 1 – subparagraph 1 – point b

Text proposed by the Commission

Amendment

(b) the probability of the occurrence of
a critical situation;

(b) the probability of the occurrence of
an electricity crisis;

Or. en

Justification

Alignment of the text to the definitions provided in Article 2.

Amendment 13

Proposal for a regulation

Article 8 – paragraph 2

Text proposed by the Commission

Amendment

2. Before submitting the proposed methodology, ENTSO-E shall conduct a consultation involving at least the industry and consumer, distribution system operators, national regulatory authorities and other national authorities. ENTSO-E shall duly take into account the results of the consultation.

2. Before submitting the proposed methodology, ENTSO-E shall conduct a consultation involving at least the industry and consumer, **generators**, distribution system operators, national regulatory authorities and other national authorities. ENTSO-E shall duly take into account the results of the consultation.

Or. en

Justification

Generators shall be included in the consultation exercise as they are responsible, together with other market actors, for the reliable power system operation.

Amendment 14

Proposal for a regulation Article 8 – paragraph 4

Text proposed by the Commission

4. ENTSO-E shall update and improve the methodology regularly in accordance with paragraphs 1 to 3. The Agency or the Commission may request such updates and improvements with due justification. Within six months from the request, ENTSO-E shall submit to the Agency a draft of the proposed changes. Within a period of two months of receiving the draft, the Agency shall **amend or approve** the changes and publish it on its website.

Amendment

4. ENTSO-E shall update and improve the methodology regularly in accordance with paragraphs 1 to 3. The Agency or the Commission may request such updates and improvements with due justification. Within six months from the request, ENTSO-E shall submit to the Agency a draft of the proposed changes. Within a period of two months of receiving the draft, the Agency shall **approve or amend** the changes. ***In the latter case, it shall consult ENTSO-E before adopting the amended version*** and publish it on its website.

Or. en

Justification

In the case ACER intends to amend the proposal, it shall consult ENTSO-E (Article 8.3). The same procedure need to apply also in the case of methodology updates.

Amendment 15

Proposal for a regulation Article 9 – paragraph 1

Text proposed by the Commission

1. All short-term adequacy assessments shall be carried out according to the methodology developed pursuant to Article 8.

Amendment

1. All short-term adequacy assessments, ***whether carried out at national, regional or Union level***, shall be carried out according to the methodology developed pursuant to Article 8.

Or. en

Justification

Whilst the risk preparedness proposal calls for European-wide and regional assessments of

short-term risks, it should be clarified that Member States also maintain the possibility to carry out their own assessments. In fact, according to the System Operation Guidelines (Art. 104), each TSO has to carry out short-term adequacy assessments. This addition also clarifies that all short-term adequacy assessments have to follow the methodology defined according to Art. 8.

Amendment 16

Proposal for a regulation Article 10 – paragraph 1

Text proposed by the Commission

1. On the basis of the regional and national electricity crisis scenarios identified pursuant to Articles 6 and 7, the competent authority of each Member State shall establish a risk-preparedness plan, after consulting the electricity and gas undertakings, the relevant organisations representing the interests of household and industrial electricity customers and the national regulatory authority (where it is not the competent authority).

Amendment

1. On the basis of the regional and national electricity crisis scenarios identified pursuant to Articles 6 and 7, the competent authority of each Member State shall establish a risk-preparedness plan, after consulting the electricity and gas undertakings, the relevant organisations representing the interests of household and industrial electricity customers and the national regulatory authority (where it is not the competent authority). ***The confidentiality of sensitive information relating to the prevention and mitigation of malicious attacks shall be ensured. If a competent authority considers that certain sensitive information is not to be disclosed, it shall provide a non-confidential summary thereof.***

Or. en

Justification

Confidentiality of the sensitive information related to the malicious attacks need to be ensured during all phases of the risk preparedness regulation, also when preparing and sharing the draft plans. However, it is important that those parts of the plan which deal with sensitive risk scenarios are not simply deleted. It is important for the overall assessment of the draft plans by the stakeholders, other competent authorities and ECG that non-confidential summary is provided.

Amendment 17

Proposal for a regulation Article 12 – paragraph 2

Text proposed by the Commission

2. The regional measures to be included in the plan shall be agreed by the competent authorities of the Member States in the region concerned. At least eight months before the deadline for the adoption or the updating of the plan, the competent authorities shall report on the agreements reached to the Electricity Coordination Group. If the competent authorities concerned were not able to reach an agreement, they shall inform the Commission of the reasons for such disagreement. In such case the Commission **may request the Agency to facilitate** the conclusion of an agreement **in consultation with ENTSO-E**.

Amendment

2. The regional measures to be included in the plan shall be agreed by the competent authorities of the Member States in the region concerned. **The Commission may have a facilitating role overall in the preparation of the agreement on regionally coordinated measures. The Commission may request the Agency and ENTSO-E to provide technical assistance to the Member States concerned with the view to facilitating an agreement.** At least eight months before the deadline for the adoption or the updating of the plan, the competent authorities shall report on the agreements reached to the Electricity Coordination Group. If the competent authorities concerned were not able to reach an agreement, they shall inform the Commission of the reasons for such disagreement. In such **a** case the Commission **shall propose a cooperation mechanism for** the conclusion of an agreement **on regional measures**.

Or. en

Justification

As in the case with the Gas SoS regulation, when agreement is not reached the Commission should be entailed to propose a cooperation mechanism for the conclusion of an agreement on regional measures. It is however clear that the final decision on regional measures rests with the competent authorities of the relevant Member States themselves; the Commission nor ACER nor ENTSO-E can impose solutions against their will.

Amendment 18

**Proposal for a regulation
Article 12 – paragraph 3**

Text proposed by the Commission

3. In cooperation with the regional operational centres and with the involvement of relevant stakeholders, the competent authorities of each region shall

Amendment

3. In cooperation with the regional operational centres and with the involvement of relevant stakeholders, the competent authorities of each region shall

carry out annual *crisis* simulations, in particular testing the communication mechanisms referred to in point (b) of paragraph 1.

carry out annual *real time response* simulations *of electricity crisis situations*, in particular testing the communication mechanisms referred to in point (b) of paragraph 1.

Or. en

Justification

This clarification aligns the core text of the proposal with the annex.

Amendment 19

Proposal for a regulation Article 14 – paragraph 2

Text proposed by the Commission

2. Where necessary and possible Member States shall offer each other assistance to prevent or mitigate an electricity crisis. Such assistance shall be subject to compensation.

Amendment

2. Where necessary and *technically* possible Member States shall offer each other assistance to prevent or mitigate an electricity crisis. Such assistance shall be subject to *a* compensation *mechanism defined ex ante*.

Or. en

Justification

The principles of necessity and technical feasibility shall be sufficient for ensuring mutual assistance. It is crucial that compensation schemes be defined ahead of crisis so to avoid ex-post disagreements.

Amendment 20

Proposal for a regulation Article 15 – paragraph 2

Text proposed by the Commission

2. Non-market measures *may* be activated in a crisis situation *and* only if all options provided by the market have been exhausted. They shall not unduly distort competition and the effective functioning of the electricity market. They shall be necessary, proportionate, non-

Amendment

2. Non-market measures *shall* be activated in a crisis situation only if all options provided by the market have been exhausted, *and when the continuation of market activities could lead to the further deterioration of a crisis situation*. They shall not unduly distort competition and the

discriminatory and temporary.

effective functioning of the electricity market. They shall be necessary, proportionate, non-discriminatory and temporary.

Or. en

Justification

Market measures should be suspended not only when they have been exhausted, but also when their application worsen an electricity crisis.

Amendment 21

Proposal for a regulation

Article 16 – paragraph 2 – point f a (new)

Text proposed by the Commission

Amendment

(f a) assistance provided without effective activation;

Or. en

Justification

The documentation of the assistance provided or received by neighbouring countries should be extended to also include assistance deployed but not effectively activated.

Amendment 22

Proposal for a regulation

Article 16 – paragraph 2 – point f b (new)

Text proposed by the Commission

Amendment

(f b) an overview of how the future grid should be designed in order to cope with the consequences resulting from identified crisis situations.

Or. en

Justification

Although grid planning is limited to the n-1 principle, crisis situations go well beyond the normal (n-1) criterion. Risk preparedness should include grid development measures

addressing the consequences of electricity crisis.

Amendment 23

Proposal for a regulation

Annex I – part 3 – subpart 3.2 – point b

Text proposed by the Commission

(b) Describe agreed measures to be used in simultaneous *crisis situations*, including the prioritisation of customers and regional load-shedding plans as well as financial arrangements for assistance in order to prevent or mitigate an electricity crisis. When describing such arrangements include elements such as a definition of a trigger of the assistance, calculation formula or amount, paying and receiving parties and the rules for arbitration. Specify when and how the regional load shedding plans shall be triggered;

Amendment

(b) Describe agreed measures to be used in simultaneous *crises*, including the prioritisation of customers and regional load-shedding plans as well as financial arrangements for assistance in order to prevent or mitigate an electricity crisis. When describing such arrangements include elements such as a definition of a trigger of the assistance, calculation formula or amount, paying and receiving parties and the rules for arbitration. Specify when and how the regional load shedding plans shall be triggered;

Or. en

Justification

Alignment of the text using the definitions provided in Article 2.

EXPLANATORY STATEMENT

Of the five dimensions of the Energy Union's strategy, the first aims to strengthen security and solidarity between Member States, and the second envisages a fully-integrated internal energy market. Running contrary to these principles, energy risks are today dealt with almost exclusively by the respective legislations and technical regulations in force in the Member States.

As the absence of EU provisions constitutes a regulatory gap, so electricity crisis – e.g., January 2017 crisis affecting Bulgaria, Greece and Romania – damage the concerned economies, imperil public safety, harm consumers exposed to increased prices, hamper solidarity and cooperation between neighbouring States. In order to fulfil this regulatory gap, the European Union needs to deliver on an ambitious framework for identifying, assessing, preparing, managing, monitoring, and sharing information on electricity crisis.

Considering today's electricity markets and systems, which are increasingly interlinked across borders and increasingly decentralised, the rapporteurs shares the view that a high level of co-operation and co-operation amongst all actors, within Member States and across borders, is needed. The roles and responsibilities of all relevant actors should be clarified, and proper structures must be put in place to guarantee an effective co-operation amongst all involved.

Common methodology and principles

A crucial element to securing regional preparedness in managing electricity crisis is the common methodology for identifying and assessing situations of significant electricity shortage, or impossibility to deliver electricity to end-consumers.

While recalling that Member States maintain the possibility to carry out their own assessments, the rapporteur recommends that these be carried according to a common, regional methodology in order to avoid inconsistencies, redundancies and loopholes. If today risk-preparedness focuses mainly on the adequacy of the available infrastructure, on the other hand a common methodology for identifying and assessing crisis would prospectively allow to tackle the operational issue of crisis prevention and preparation, crisis management and ex-post evaluation.

Solidarity, mutual assistance and market rules

In case of an electricity crisis, the Commission proposes that Member States offer each other assistance in order to prevent or mitigate its effects. The rapporteur strongly shares this view, suggesting that assessments on the feasibility of assisting a neighbouring Member State should be limited to technical aspects, and that the compensation mechanisms be possibly defined ex-ante, or in the early stages of a crisis, so to avoid ex-post disagreements.

At the same time, the rapporteur believes that the Regulation should explicitly state that risk-preparedness plans shall not leave room for market distortion or optimization. To this respect, non-market rules should be deemed admissible only when market rules risk further deteriorating an electricity crisis.

Confidentiality

While the Commission proposal ensures transparency and information-sharing, there is a need to avoid that sensitive information on power system operation, and on risk preparedness plans, be publicly circulated. As the threat of malicious attacks in the energy sector and elsewhere is a fact, indeed, this Regulation shall ensure that confidentiality of the sensitive information be ensured when identifying risks, and preparing, sharing and reviewing the draft plans via the Electricity Coordination Group.

Governance and participation

When the competent authorities concerned are not able to reach an agreement, the draft Regulation suggests that the Commission may request the Agency to facilitate the conclusion of an agreement in consultation with ENTSO-E. Consistent to the Gas SoS regulation, the rapporteur suggests that in these cases the Commission shall be entitled to propose a cooperation mechanism for the conclusion of regional agreement. Cooperation mechanisms cannot impose solutions on the Member States against their will.

The rapporteur considers that since TSOs and DSOs are ultimately liable for the safe and reliable operation of the system, competent authorities should explicitly involve them in the identification, preparation, management, monitoring and ex-post evaluation process. At the same time, the rapporteur suggests that when ACER amends the methodology proposed or updated by ENTSO-E, it shall consult with ENTSO-E before adopting the amended version.

**ANNEX: LIST OF ENTITIES OR PERSONS
FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT**

The following list is drawn up on a purely voluntary basis under the exclusive responsibility of the rapporteur for the opinion. The rapporteur has received input from the following entities or persons in the preparation of [the draft opinion / the opinion, until the adoption thereof in committee]:

Entity and/or person

The rapporteur and his office have received direct inputs from:

ACER - Agency for the Cooperation of Energy Regulators
CEPS - Centre for European Policy Studies
CEZ - České Energetické Závody
E3G — Third Generation Environmentalism
EDSO for Smart Grids
ENEL
ENTSO-E
Eurelectric
European Commission
Finnish Energy
Iberdrola
National Grid
RTE - Réseau de Transport d'Électricité
Snam
Terna

The rapporteur and his office have also consulted with:

AEGE - Asociación de empresas con gran consumo de energía
Association for Heat Supply
Austrian Federal Chamber of Labour
CEDEC
CEEP - Central European Energy Partners
Centrica
CEWEP - Confederation of European Waste-to-Energy Plants
CIA - The Chemical Industries Association
Confindustria
CRE – Romanian Energy Center
Czech Chamber of Commerce
EDF - Électricité de France
EDISON

EirGrid
Elering
Enedis - Électricité Réseau Distribution France
ENGIE
E-ON
EPPSA - European Power Plant Suppliers Association
ESWET - European Suppliers of Waste to Energy Technology
ETP SmartGrids
Eugine
Euracoal
Eurofuel
European Univeristy Instutute - Florence School Of Regulation
Europex
Fortia Energia S.L.
Fortum
Geode
Government of Kingdom of the Netherlands
Government of the Czech Republic
Government of the French Republic
Government of the Kingdom of Norway
Government of the Kingdom of Sweden
Government of the Republic of Latvia
Government of the Republic of Slovakia
Government of the United Kingdom
IEA - The International Energy Agency
Netz Burgenland
Oesterreichs Energie
Permanent Representation of Estonia to the EU
Permanent Representation of Italy to the EU
Polish Electricity Association
Schneider Electric
Stadtwerke München
Svenska kraftnät
Swissgrid
T&D Europe - The European Association of the Electricity Transmission and Distribution Equipment and Services Industry.
Tempus Energy Technology
TenneT
TINETZ - Tiroler Netze
Utilitalia
Verband kommunaler Unternehmen
Verbund