



European Union Agency for the Cooperation
of Energy Regulators

70% minimum target

Article 16(8) of the Electricity regulation

MESC - 09/03/2022

- 1. Harmonising the monitoring for the years to come**
- 2. Overview of action plans and derogations for 2021 and 2022**

Dec 2019

Following 1 year of discussion with NRAs and TSOs, ACER issued a Recommendation on monitoring the 70% min. target



2020-2021

A number of reports (ACER, individual TSOs reports centralised by ENTSO-E, NRAs) were published to monitor/assess compliance



1 Jan 2020

70% min. target (or transitory target) became binding



Nov 2021

MESC market participants (EFET, IFIEC, Eurelectric) raised that multiple reports with multiple methodologies provide “a blurry picture” and shared their joint position on “Reporting over the minimum 70% requirement”

We are doing our homework!

1. Resolving differences among regulators first
2. Considering the input from stakeholders (several MESC members' joint position). ACER/NRAs to agree on common principles to harmonise monitoring and main underlying charts of all 70% reports (see next slide)
3. NRAs will approach TSOs individually with a view to ensure maximum alignment

What will the harmonisation outcome look like?

- We are striving for a **joint ACER/NRAs agreement** on:
 - **Common methodological principles** (regulatory choices, no new discussions on technical issues), covering the main issues raised by MESC members
 - **Common minimum set of charts** to be used in all reports
 - **Common period** for publishing all reports related to 70%
- **Important remark:**
 - We strive for maximum alignment but discrepancies with very few NRAs and topics will remain
 - In some cases, discrepancies are resolved by ‘compromises’ (e.g. publishing charts with and without third countries flows)
 - To ensure transparency, where differences remain, they will be transparently communicated
- **As a result**, we will publish a short document together with our next MACZT report including
 - The agreed principles
 - The approach of each NRA with regard to monitoring (e.g. who publishes report, who relies on ACER’s report)
 - Any deviation from the ‘common approach’ on specific topics/NRAs.

- ACER publishes on its website the list (with the main characteristics) of all action plans and derogations granted to the TSOs

Measure	Year	# of MS*	Member States
Action plans	2020	3	DE, NL, PL
	2021	5	+ AT, RO
	2022+	7?	+ HR? +HU?
Derogations	2020	16	AT, BE, BG, CZ, ES, FR, GR, HR, HU, IT, NL, PL, PT, RO, SE, SK
	2021	15	-RO
	2022	13	-FR, - GR, - HU, +RO, (SE**)

*That requested a measure for at least one of their bidding-zones

**Not yet approved

A reminder about previous considerations on derogations:

The informal guidance on derogations provided by Regulators during previous MESC meetings, remains valid. In particular

- Regulatory authorities should grant derogations, as a last resort measure, and only where necessary for maintaining operational security.
- TSOs and regulatory authorities should ensure that the subsequent derogations gradually increase the cross-zonal capacity offered to the market, with a view to meeting the 70% minimum target.
- In particular, derogations should set intermediate targets.
- In the foreseeable future, with the implementation of coordinated capacity calculation and other key methodologies (cost sharing), the need/importance of derogations should decrease

Thank you.

The contents of this document do not necessarily reflect the position or opinion of the Agency.



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