European Union Agency for the Cooperation of Energy Regulators. Recast

2016/0378(COD) - 14/06/2019 - Final act

PURPOSE: to update the legislative framework for the Agency for the Cooperation of Energy Regulators (ACER) in order to adapt regulatory supervision to the new realities of an increasingly interconnected European energy market.

LEGISLATIVE ACT: Regulation (EU) 2019/942 of the European Parliament and of the Council establishing a European Union Agency for the Cooperation of Energy Regulators.

CONTENT: the Regulation updates the provisions concerning the role and functioning of the European Agency for the Cooperation of Energy Regulators (ACER), including the tasks of its Director and the Board of Regulators.

The recast of the Regulation establishing ACER, the <u>Regulation</u> on the electricity market and the <u>Directive</u> on common rules for the internal market in electricity as well as the <u>Regulation</u> on risk preparedness are part of the Commission's broader set of initiatives entitled 'Clean Energy for All Europeans'. This package includes the Commission's main proposals for implementing the Energy Union.

Enhanced missions and powers

The Agency shall assist the regulatory authorities referred to in the recast Directive on electricity and Directive 2009/73/EC of the European Parliament and of the Council on common rules for the internal market in natural gas to exercise, at Union level, the regulatory tasks performed in the Member States, and, if necessary, to coordinate their action and to mediate and settle disagreements between them as to whether or not there has been a breach of obligations.

ACER shall also contribute to the adoption of high quality common regulatory and supervisory practices, and thus to a coherent, effective and efficient application of Union law in order to achieve the Union's climate and energy objectives.

In carrying out its tasks, ACER shall act independently and objectively and in the interest of the Union. It would make its decisions autonomously, independent of private or corporate interests.

General tasks

ACER shall, at the request of the European Parliament, the Council or the Commission, or on its own initiative, issue an opinion or recommendation to the European Parliament, the Council and the Commission on all matters relating to the purpose for which it has been established.

At the request of ACER, the regulatory authorities, the European Network of Transmission System Operators for Electricity (ENTSO-E), the ENTSO for Gas, the Regional Coordination Centres, the EU Entity for Distribution System Operators (EU DSOs), transmission system operators and designated electricity market operators shall provide it with the information it needs to fulfil its tasks.

ACER shall be empowered to adopt decisions for the purpose of requests for information.

Monitoring and reporting

ACER, in close cooperation with the Commission, Member States and relevant national authorities, including regulatory authorities, shall monitor the wholesale and retail markets for electricity and natural gas, including (i) retail prices for electricity and natural gas, (ii) respect for consumer rights, (iii) the impact of market developments on residential customers, (iv) access to networks, including access to electricity from renewable energy sources, (v) progress made with regard to interconnectors, (vi) potential barriers to cross-border trade, (vii) regulatory barriers faced by new market entrants and smaller players, (viii) state interventions preventing prices from reflecting actual scarcity.

ACER shall publish an annual report on the results of its monitoring activities.

Governance

ACER consists of an Administrative Board, a Board of Regulators, a Director and a Board of Appeal. ACER's headquarters are located in Ljubljana, Slovenia.

The new regulation defines the division of tasks between the Board of Regulators and the Director of ACER.

In preparing the Agency's opinions, recommendations and decisions, the Director shall take into account any observations or amendments made by the Board of Regulators, or provide justification where they are not taken into account. Where the Board of Regulators does not approve the revised text, the Director may revise it again or withdraw it and submit a new text.

ACER shall be accountable to the European Parliament, the Council and the Commission, where appropriate.

ENTRY INTO FORCE: 4.7.2019.