

# European Commission legislative proposal for a Regulation on Risk-Preparedness in the electricity sector

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A EURELECTRIC position paper

April 2017

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## KEY MESSAGES

- EURELECTRIC welcomes the European Commission's proposal for a Regulation on Risk-Preparedness in the electricity sector. We recognise the importance of this proposed Regulation which addresses how Member States should prepare themselves and co-operate with each other in order to identify and manage risks relating to security of electricity supply.
- EURELECTRIC supports the establishment of a common framework of rules on how to prevent and manage electricity crisis situations across Europe.
- EURELECTRIC supports the clear statement saying that measures for crisis management may only be used when all market-based instruments are exhausted.
- The proposed Regulation puts an emphasis on transmission grid operators and consumers' issues. However, little focus is given to power generators. EURELECTRIC believes that generators are the first frontier in the prevention and management of crises. EURELECTRIC therefore considers that there should be specific requirements on ENTSO-E to consult directly with the generators, as well as with suppliers and other market participants.
- The proposal stipulates that a number of new entities are to be established, while some existing ones will be reinforced. Further information is therefore needed regarding who will be responsible for the establishment of these new entities as well as their relevant level of competence and who will bear the corresponding costs and be responsible for providing resources. Defining competences, role and responsibilities of stakeholders and new entities should be clear in order not to create overlaps/conflicts between entities. Their added value and necessity should also be assessed as to not overcomplicate the structure.
- It should be noted that detailed rules on emergency arrangements have recently been agreed in the Emergency & Restoration Network Code. EURELECTRIC therefore proposes to introduce a review mechanism to ensure that the Regulation and the Emergency & Restoration Network Code are fully consistent and do not overlap, as well as ensuring appropriate cross-references to the Code.
- It is important that prevention is the key focus and Member States are encouraged to take all possible provisions to avoid crisis situations: the mitigation of the consequences of a crisis should be considered as a last resort solution.