

Brussels, 24 March 2009

Key elements of the Internal Energy Market Package as proposed by the Commission on 19 September 2007

- Facilitating cross-border energy trade with the establishment of an Agency for the cooperation of National Energy Regulators, with binding decision powers, to complement National Regulators. This will ensure the proper handling of cross-border cases and enable the EU to develop a real European network working as one single grid, promoting diversity and security of supply.
- Promoting cross border collaboration and investment with a new European Network for Transmission System Operators. EU grid operators would cooperate and develop common commercial and technical codes and security standards, as well as plan and coordinate the investments needed at EU level. This would also ease cross border trade and create a more level playing field for operators.
- Increased solidarity: by bringing national markets closer together, the Commission foresees more potential for Member States to assist one another in the face of energy supply threats.
- Providing for more effective regulatory oversight from national regulators independent and having all necessary powers;
- Ensuring effective unbundling of the generation and transmission of energy so as to eliminate any conflict of interests, promote network investment and prevent any discriminatory behaviour;
- Greater transparency: Steps to improve market transparency on network operation and supply will guarantee equal access to information, make pricing more transparent, increase trust in the market and help avoid market manipulation.

The political compromise reached yesterday strengthens the Common Position adopted by the Council in January 2009 on several key issues:

- the rights of citizens are put at the centre of the market opening process with strong obligations on Member States to protect energy consumers
- market opening should not be detrimental to the more vulnerable customers. Strong obligations are provided for as regards fight against energy poverty.
- the implementation of intelligent metering systems is provided for with a target of 80% of consumers to be covered by 2020. Smart meters allows for consumers to be precisely informed of their consumption and promotes energy efficiency.
- proper regulatory oversight should be ensured: the powers and independence of national energy regulators are strengthened, as well as the powers of the Agency for the cooperation of National Energy Regulators.
- Guarantees of the independence of the Transmission System Operators under the ITO option have been strengthened.

The Parliament now needs to adopt its formal Second Reading Opinion before the Council can formally adopt the Package which is expected to enter into force this Summer.

The package is composed of:

- A Regulation establishing the EU Agency for the cooperation of National Energy Regulators;
- An Electricity Directive replacing the existing Electricity Directive 2003/54;
- A Gas Directive replacing the existing Gas Directive 2003/55;
- An Electricity Regulation replacing the existing Electricity Regulation 1228/03;
- A Gas Regulation replacing the existing Gas Regulation 1775/05.