



2024-2026 workplan discussion

Electricity Markets and Economic Regulation Committee

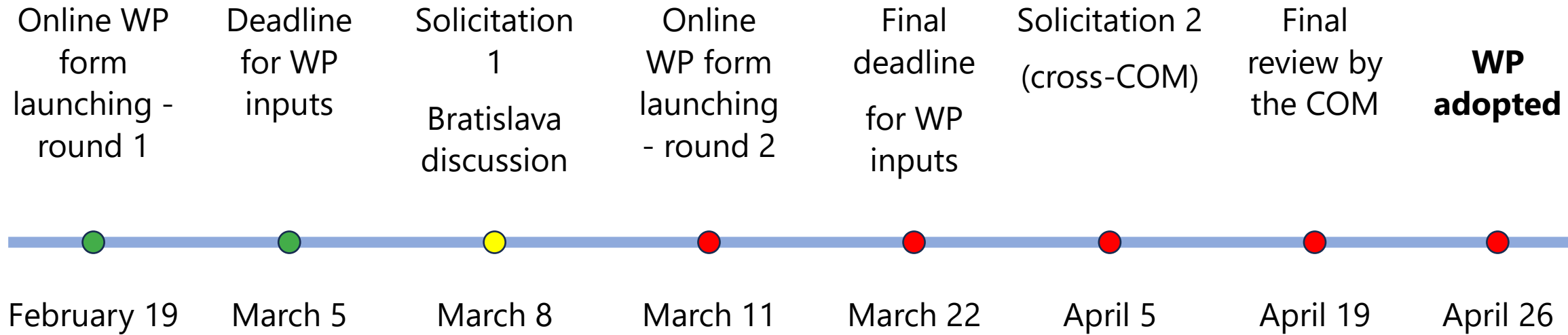
EMER COM Chairs
ERRA Secretariat



ERRA Electricity Markets and Economic Regulation Committee meeting

March 8, 2024 | Bratislava, Slovakia

Tentative workplan timeline



Online workplan form

– your input until March 22 is critical!

- The ownership of the workplan belongs to all committee members and as such its creation is a collegial exercise.
- Every idea proposed is a valuable input!

➔ https://erranet.org/emecom-online-2024_26workplan-form/

(the password for access is: [ERRAcom2024](#))

- Please remember that we ideally need **4 inputs per topic**:
 - ✓ Topic name
 - ✓ Topic description
 - ✓ Topic format (Case study, Roundtable, Report, Leading Presentation, Discussion)
 - ✓ Your „position“ towards the proposed topic:
 - **'Input-type'** item – you or your organization is ready to contribute with expertise
 - **'Output-type'** item – you or your organization does not possess expertise and wants to learn about the topic

Topics collected so far 1-4

(rough list)

Proposed Topic	Proposed Format	Description
Establishment of interruptible contract between the supplier/distributor and the end customer contracts	Case study (CS)	1- Within the enhancing demand side management, the purpose is how to set contract between the supplier/distributor and the end customer to encourage demand response during peak hours, 2- Establishment of a tariffs structure for the sale of electricity to end users with the integration of all other costs related to the end user flexibility and enhancing demand side management
Assessment of electricity generation costs with the integration of means of flexibility and ancillary services cost	Case study (CS)	The purpose is to set tariffs of electricity generation including all costs, in the context of a market with little liberalization (a more or less integrated market) – how to set formulas for the different means of ancillary services
Economic evaluation of gas transmission tariffs	Case study (CS)	1- Economic evaluation of gas transmission tariffs following the conversion and modernization of transmission and distribution networks, 2- Technical and economic study for the valuation of the production costs of H2 and new gases, and impact on the prices of gas to be supplied to end customers,
Assessment of costs of renewable energies	Leading Presentation (LP)	Calculation of margins relating to the costs of renewable energy to end customers with the involvement of implicit and direct subsidies from the State

Topics collected so far 5-9

(rough list)

Proposed Topic	Proposed Format	Description
The methodology for integrating the incentive pricing	Case study (CS)	The methodology for integrating the incentive pricing of distribution networks within a regulated distribution network, and the setting of key performance parameters, loss rate, non-distributed energy, etc.
Prerequisites in terms of electricity pricing methodology for the integration of regional markets.	Report (R)	N/A
Mechanism for the promotion of small-scale decentralized generation in isolated grids, and the operating model of the corporate PPA mechanism	Leading Presentation (LP)	N/A
Construction of a bankable PPA, economic and financial aspects relating to the remuneration of generation	Case study (CS)	N/A
Incentive mechanisms for small-scale roof top PV generation capacity (individual and collective)	Case study (CS)	N/A

Topics collected so far 10-13

(rough list)

Proposed Topic	Proposed Format	Description
Network access and grid planning.	Case study (CS)	According to the new Law on Electricity in the Federation of Bosnia and Herzegovina, Ferk has the obligation to approve one-year, three-year and ten-year investment plans in the distribution system, and therefore experience in this segment would be extremely important to us in terms of the method of approval as well as supervision in the implementation of approved plans.
Economic regulation of Transmission and distribution tariff	Leading Presentation (LP)	to share experience of ECOWAS electricity market
Non-operating income adjustments	Discussion (D)	Principles of adjustment of the RCB corresponding to the income obtained from the use of regulated assets or the use of human resources (the related costs of which are reflected in the tariff). In this context, it is important to consider approaches to reducing tariff costs with additional revenue from the use of such assets.
Shared assets and cost sharing/allocation approaches for multiple activities	Roundtable (RT)	As we know, one regulated asset may be used in several activities (including regulated and non-regulated activities). In this context, it is important to allocate the costs associated with such assets to the relevant activities in order to avoid cross-subsidization.

Topics collected so far 13-17

(rough list)

Proposed Topic	Proposed Format	Description
Approaches to determining an uniform tariff for several TSO's	Report (R)	There are two distribution companies in the electricity sector in Georgia, and all of them have different tariffs based on their Regulated cost base and electricity volume. Accordingly, we may consider the issue of approving a unified DSO tariff for the entire country. In this context, it is important to learn about the experience of other countries on the uniform tariff structure, the administration of regulated revenues and other related issues.
Grid connection capacity issues caused by renewable integration	Roundtable (RT)	Roundtable (results may be summed up in a short paper) Whether there is (an expected) congestion in a given country, how do they calculate grid connection capacity, how often do they publish it, what are the waiting times for RES connection, what are the ways to solve connection and congestion issues, if any. If conclusive. Suggested joint work item of EMER COM and ET COM.
Update on European balancing market integration	Leading Presentation (LP)	Update presentation on the EU balancing market integration process (planned date: 2026)
Incentive regulation (x - factor, output regulation)	Case study (CS)	The topic is relevant to all regulators, as one of the Regulator's main tasks is to set tariffs for regulated system operators and promote the efficient development of the system in the long term.

Topics collected so far 18-21


(rough list)


Proposed Topic	Proposed Format	Description
Effective use of infrastructure	Case study (CS)	One of the basic conditions for low system tariffs and an effective system is to build and maintain an effective system (installed capacity is effectively used). Therefore, information on the experience of other countries in valuation methods and approaches is very important to another countries.
Investment plan evaluation	Leading Presentation (LP)	Investment plan evaluation will always be hot topic to all Regulators, because investments are key elements RAB and future tariffs and key thing to energy transition. Focus on the evaluation methods and project thresholds (investment size from which is starting deeper analyze).
Tariff setting methods best experience (Revenue approach, Totex approach)	Roundtable (RT)	Basic topics about tariff setting approach, with focus on best experience from member countries should always be in the agenda.
DSO Benchmark	Report (R)	Update of the ERRA TSO-DSO revenue paper. The last few years have been very dynamic. This means that there have been a lot of changes in the system. These changes have been caused by a number of factors, including: 1)The development of new technologies 2) The introduction of new policies and regulations 3) The changing needs of consumers and businesses 4) The energy crisis


Topics collected so far 22-24

(rough list)

Proposed Topic	Proposed Format	Description
DSO tariff structure	Roundtable (RT)	Storage tariffs, prosumer tariffs, generation tariffs , etc. - topic actual in this transition times
SAIDI, SAIFI vs growing renewables	Case study (CS)	Possible actions(investment, cabling, automation, support schemes, etc.) towards more reliable T/D network(SAIDI, SAIFI) in terms of rapid growth of renewable energy
RE impact on system cost (T&D)	Case study (CS)	The proposed topic is to explain how the regulator captures the cost of RE generation plants on the T&D network. This kind of cost is implicit in the time when most RE projects are studied. It will help to consider these costs during the determining the required revenue for the utilities.

 'Input-type' proposal

 'Output-type' proposal

 No Indication

Target number of topics in the WP

- In order for the workplan to effectively justify Committee work and meetings for the 2-year mandate period, it should contain:
 - Minimum 16 ,meeting-type' topics ✓
 - Minimum 2 reports ✓
- The 2024-26 workplan is expected to have at least a few cross-Committee topics, which makes the complitation easier and justifies joint work and meetings
- No topics (or no remaining topics) in the workplan means that the Secretariat sees no justification in holding meetings, unless we have volunteers with ad hoc topics/presentations.



**THANK YOU
FOR YOUR ATTENTION!**

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