

# PRINCIPLES ON REGULATORY CONTROL AND FINANCIAL REWARD FOR INFRASTRUCTURE

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# AN OVER ARCHING PRINCIPLE

The full liberalisation of the market is the dominant prerequisite for the efficient infrastructure and the development of new infrastructure

# PRINCIPLE 1

## PUBLIC AUTHORITIES' COMPLIANCES

Public authorities should endeavour sufficient investment in gas and electricity networks in order to implement the internal energy market, facilitate efficient competition and safeguard security of supply

Public authorities need to maintain oversight of infrastructure decisions in order to promote both security of supply and network efficiency

# PRINCIPLE 2

## MANAGEMENT COMPLIANCE FOR TSOS'

Transmission System Operators must manage their networks in a way that ensures the efficient use of infrastructure

# PRINCIPLE 3

## A SUSTAINABLE REGULATORY ENVIRONMENT

Public authorities should establish transparent, non-discriminatory and standardised options for the development of infrastructure and aim as far as possible to minimise regulatory risks

# PRINCIPLE 4

## LONG TERM TRANSPARENCY

Public authorities should enforce a minimum procedure for the publication of the Transmission System Operators' infrastructure plans

# PRINCIPLE 5

## ETSOS' INDEPENDENCE

Transmission System Operators must be effectively unbundled to ensure that there is no conflict of interest when making investment decisions and to ensure that there are sufficient incentives to provide non-discriminatory third party access. Unbundling of ownership is the preferred route to follow

# PRINCIPLE 6

## REGULATION PRINCIPLES

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# PRINCIPLE 6 A TRANSPARENCY AND PREDICTABILITY

Public authorities should establish, in advance and in a transparent manner, which regulatory regime is to be applied for both national and cross-border investments

# PRINCIPLE 6 A TRANSPARENCY AND PREDICTABILITY

That regulatory regime should include a clear description of its applicability, the relevant criteria for the financial reward for the new infrastructure investment and should describe the relevant criteria applicable to third party access to the new infrastructure

# PRINCIPLE 6 B

## SPECIFIC REGULATION FOR MERCHANT LINE

Merchant infrastructure have to be decided on case-by-case basis and should continue to be subject to an ex-ante regulatory control for each individual case.

Where the merchant status is granted on a time –limited basis, the ongoing regulatory status should be properly re-appraised at the end of this period

# PRINCIPLE 7

## FAIR AND EFFICIENT LICENSING PROCEDURES

Public authorities should guarantee that procedures applicable to granting required licences for new investments in gas and electricity network infrastructure are non-discriminatory and efficient

# PRINCIPLE 8

## EFFICIENT PROCEDURES

Swifter, more expeditious administration authorisation procedures are required for infrastructure development, particularly those for interconnection infrastructure

**END**

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