

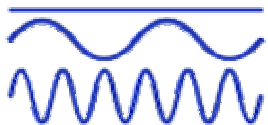
ENERGY REGULATORY COMMISSION
OF THE REPUBLIC OF MACEDONIA



ROLE OF NATIONAL AND REGIONAL BODIES IN THE ENERGY MARKET

**NARUC - Regulatory Partnership Program
(ERC, R. Macedonia – PSB, Vermont)
Montpelier, Vermont, May 23-27, 2005**

Presented by: Natasha Trimcheska, Electricity Expert, ERC



ENERGY REGULATORY COMMISSION
OF THE REPUBLIC OF MACEDONIA



ENERGY COMMUNITY REGULATORY BOARD (ECRB)

NARUC – Regulatory Partnership Program
(ERC, R. Macedonia – PSB, Vermont)
Montpelier, Vermont, May 23-27, 2005

ECRB - Members

- Composed of one representative of the energy regulator of each Contracting Party and the European Community
- The European Community shall be represented by the European Commission, assisted by one regulator of each Participant, and one representative of the European Regulators Group for Electricity and Gas (ERGEG)
- If a Contracting Party or a Participant has one regulator for gas and one regulator for electricity, the Contracting Party or the Participant shall determine which regulator shall attend a meeting of the ECRB, taking account of its agenda

ECRB - Organization

- The ECRB shall elect a President for a term determined by the ECRB
- The European Commission shall act as a Vice-President
- The President and the Vice-President shall prepare the draft Agenda
- The ECRB shall meet in Athens
- The administrative support to the ECRB shall be provided by the Secretariat
- The ECRB shall adopt its internal rules of procedure by Procedural Act

ECRB – Authorizations (1/4)

- Advise the Ministerial Council or the PHLG on the details of statutory, technical and regulatory rules
 - The ECRB should ensure a level playing field in the regional market and may issue recommendations to the competent Institutions.
 - It shall also identify inconsistencies between the regional energy regulatory framework arrangements and national legislation in the countries

ECRB – Authorizations (2/4)

- Issue Recommendations on cross-border disputes involving two or more Regulators, upon request of any of them
 - In the event of disputes involving more than one country, the ECRB can issue recommendations as regards identifying the competent national regulator. In any event, the ECRB could act as the dispute settlement authority at a secondary level itself, at the request of the competent national regulatory authorities. The ECRB will define the details of the dispute settlement mechanism

ECRB – Authorizations (3/4)

- Take Measures, if so empowered by the Ministerial Council
 - The technical detailed rules/measures relating to the daily operation of the market will be decided by the ECRB and will be used to ensure that technical provisions can be kept up to date with market and supervisory developments, while ensuring that technical adaptations are brought about without delays
 - The Ministerial Council may delegate executive powers to the ECRB on other issues as well, where the Council considers that this is appropriate for the implementation of the regional energy regulatory framework

ECRB – Authorizations (4/4)

➤ Take Procedural Acts

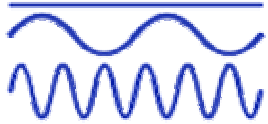
- The ECRB shall adopt its own rules of procedure
- The detailed statutes of the ECRB have to address all the details of its organization, the formation of working groups, the decision-making procedure for the adoption of measures and for the formation of its positions, etc.

Decision Making Process (1/2)

- The ECRB can deliberate if two-thirds of the Parties are represented
- The ECRB shall take Measures on a proposal from the European Commission regarding implementation and extension of the Acquis Communautaire
 - Each Contracting Party shall have one vote
 - The ECRB shall act by a majority of votes cast

Decision Making Process (2/2)

- The ECRB shall take Measures on a proposal from a Party or the Secretariat regarding operation of the network energy markets
 - The ECRB shall act by a two-third majority of the votes cast, including a positive vote of the European Community
- The ECRB shall take Measures on a proposal from a Party regarding creation of a single energy market
 - The ECRB shall take Measures by unanimity



ENERGY REGULATORY COMMISSION
OF THE REPUBLIC OF MACEDONIA



ENERGY REGULATORY COMMISSION OF THE REPUBLIC OF MACEDONIA (ERC)

NARUC – Regulatory Partnership Program
(ERC, R. Macedonia – PSB, Vermont)
Montpelier, Vermont, May 23-27, 2005

ERC - Establishment

- ERC is established to:
 - Provide safe and secure power supply to the consumers in the Republic of Macedonia;
 - Ensure competitive energy market based on principles of objectivity, transparency and non-discrimination;
 - Ensure protection of the environment and nature.
- The members of the ERC were appointed on July 23, 2003
- ERC practically started with operation on January 1, 2004

ERC - Members

- The members and the President of the ERC (who is one of the members), on proposal of the Government of the Republic of Macedonia, are appointed and dismissed by the Parliament of the Republic of Macedonia
- ERC is composed of five members
- The mandate for each member of the ERC is five years and the members can be in that position only for two mandates

ERC – Authorizations (1/2)

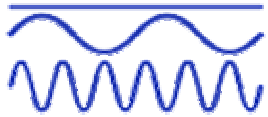
- Prescribe the conditions for safe and reliable power supply of different types of energy
- Take care for promotion of the competition energy market
- Prescribe the methodology for the fixing of prices of different types of energy
- Prescribe the tariff systems for the different types of energy
- Make decisions on the prices of different types of energy, according to the methodology of price fixing, tariff systems for different types of energy and other regulations

ERC – Authorizations (2/2)

- Issue, change, revoke and monitor the enforcement of the licenses for performing of separate activities in the energy domain
- Prescribe rules for connecting to the power supply networks
- Propose initiatives for adoption of laws and other regulations in the energy domain
- Participate in the settlement of disputes and propose measures regarding the dispute
- Submit proposals for taking of measures to the competent authorities, within the scope of their competencies

Decision Making Process

- ERC makes its decisions on the sessions which are chaired by the President of the Commission
- Sessions are public and open for all interested parties (sessions can be secret if confidential information is to be revealed)
- Decisions of the ERC are made by majority of votes of the present members
- Decisions of the ERC are published in the “Official Gazette of the Republic of Macedonia”



ENERGY REGULATORY COMMISSION
OF THE REPUBLIC OF MACEDONIA



**THANK YOU
FOR
YOUR ATTENTION**

Contact: natasha.trimcheska@erc.org.mk