

Smart unbundling?

Jaap de Keijzer

***The Netherlands Competition Authority /
Member of the Board***

8th US/EU Round table Berlin, 26-27
October 2010

Session VI: Structural changes in the
market

Agenda

1. Current situation in the Netherlands
2. Future challenges

=> *Share & Discuss!*

Unbundling | EU

“... ensure a level playing field within the EU...”

“..removing any conflict of interests....”

- ⇒ access to networks
- ⇒ access to commercially relevant information
- ⇒ necessary investments in networks
- ⇒ transparent and efficient regulatory regime

1. Current situation | unbundling

“... more efficiency after unbundling?”

- ⇒ Inefficient past
- ⇒ Ownership unbundling TSOs and DSOs
- ⇒ DSOs stalled June 2010
- ⇒ (Inter)national co-operation TSOs
- ⇒ Competition versus Regulation

1. Current situation | unbundling

*“... more innovation and facilitation
sustainability...
.....after unbundling?”*

- ⇒ TSOs versus DSOs
- ⇒ Cooperation
- ⇒ Smart grids & smart meters
- ⇒ Technical versus commercial approach

1. Current situation | shareholders

*“... private and (semi) public shareholders...
...TSOs and DSOs?”*

- ⇒ Long term versus short term
- ⇒ Political optimum
- ⇒ Institutional investors? Foreign TSOs?

1. Current situation | policy & regulation

“... sustainability versus incentives in regulation”

- ⇒ Efficient & sustainable investments
- ⇒ Profit versus quality
- ⇒ Policy and regulation

1. Current situation | energy exchanges

“... pivotal role in integrating national markets”

- ⇒ Commercial business
- ⇒ Exclusive task
- ⇒ Monopoly in DA / ID cross-border trading
- ⇒ Different regulatory frameworks
- ⇒ Regulation needed?

2. Future challenges | license system for traders

“... some traders are more equal than others”

- ⇒ Diverging national license regimes
- ⇒ Barrier to entry?
- ⇒ Regulating input or output
- ⇒ MiFID-type passport: will it help?

2. Future challenges | market integrity and transparency

“... monitoring an integrated market”

- ⇒ Focus on market manipulation, insider dealing
- ⇒ Systemic risk?
- ⇒ Regulation of exchanges
- ⇒ Cooperation ACER, NRAs and financial regulators