

Regional Market Integration: the case of BEMIP

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6th WFER, Concurrent Session IVb:

Regional market integration

26/05/2015, Istanbul, Turkey

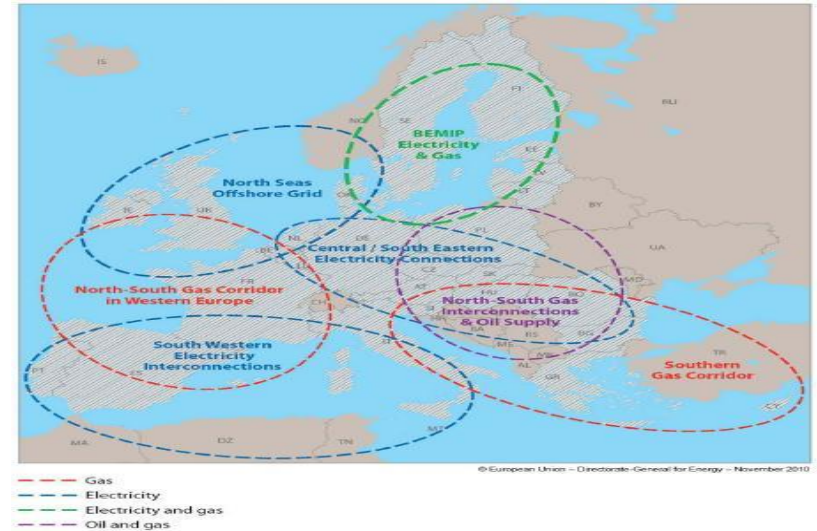


Few fundamental questions

What is the impact of the Lisbon Treaty on EU energy policy?



What is the role of Regional Initiatives?



EU wide, regional or national approach to Energy Policy???



The truth lays somewhere in the middle?

Energy Union Strategy:

„Technical implementation of the different elements of our **Energy Union strategy** will be very complex. Some elements, such as new market arrangements for short term markets in gas and electricity or integrating the operations of transmission system operators **should be developed and implemented at regional level as a step towards full EU-wide market integration.**“

Energy Union Strategy:

„Existing arrangements such as the Pentalateral Energy Forum or the **Baltic Energy Market Interconnection Plan (BEMIP)** are initiatives on which to build further.

Successes in these regions should act as a catalyst for other regions. The Commission will ensure that all regional initiatives evolve in a coherent way **and lead towards a fully integrated Single Energy Market.**“



BEMIP

What corresponds to the success of BEMIP?

Well defined objectives

- Firm political support
- Involvement of key stakeholders

Strong leadership from the EC

- Role of facilitator
- Role as of the Chair

Level playing field

- Predictable regulatory framework (software)
- Infrastructures (hardware) supported financially

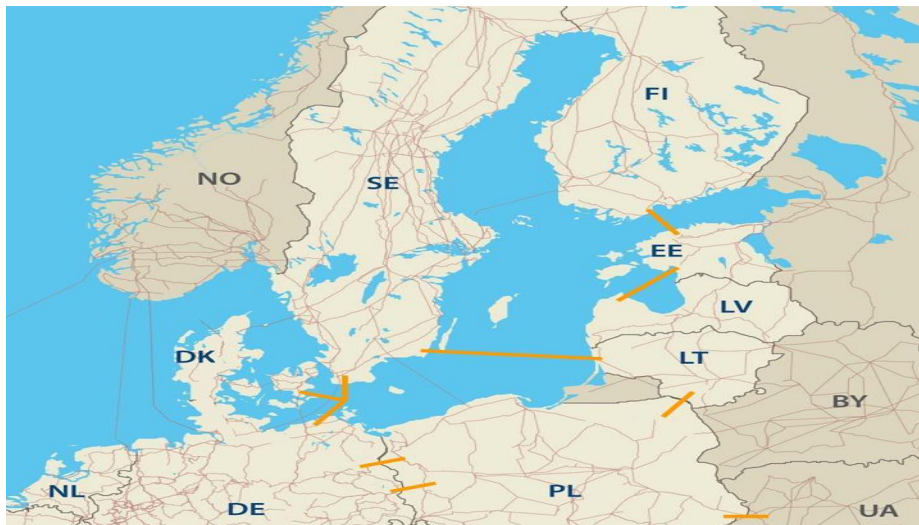
Enforcement of the binding rules that are respected by MS and implemented by the relevant actors in a collective way is crucial

Key objectives of BEMIP

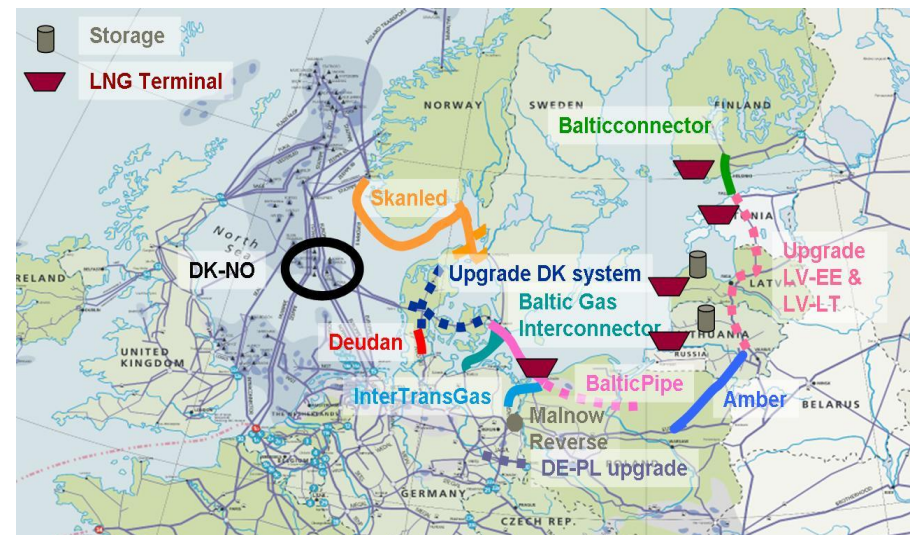
Internal market for electricity and gas

Electricity interconnections and generation capacity

Gas diversification of routes and sources



BEMIP projects in electricity



BEMIP projects in gas

European Commission leadership in BEMIP

- ❑ EC role as facilitator – BEMIP
High Level Groups and Working Groups chaired by the EC
- ❑ EC role on monitoring and reporting on progress
- ❑ Review of BEMIP by the EC due to be finished in June 2015

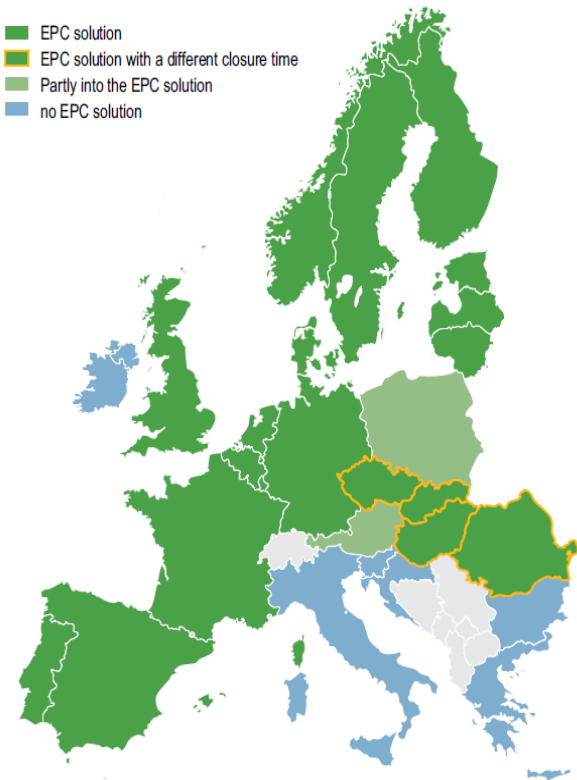


Energy software: predictable regulatory framework

- ❑ 3 BS within NPS since 2013
- ❑ By 2014 extension of **single day ahead** market coupling covering 17 MS and 75 % of electricity delivered **in the EU**
- ❑ Implementation of NCs
- ❑ **Derogations under III Energy Market Package**



- EPC solution
- EPC solution with a different closure time
- Partly into the EPC solution
- no EPC solution



Energy hardware: infrastructures in electricity

□ LitPol Link

- Planned commissioning 2015
- 500 MW from the end of 2015, 1000 MW from 2020
- Expected funding from CEF

□ Synchronous interconnection with European Continental Networks

- Expected by 2020
- CEF funding for study

□ NordBalt

- Planned commissioning 2015
- 700 MW capacity
- Funding from EEPR

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Energy hardware: infrastructures in gas

❑ GIPL

- Planned commissioning 2019
- Capacity – 2.4 bcm per year, possibility to increase to 4.1 bcm. Reverse capacity to PL – 1 bcm
- CEF funding

❑ Klaipėda-Kiemėnai project

- Expected by 2015
- CEF funding

❑ LNGT in Klaipėda

- In operation starting from December 2014



To sum up...

- ❑ BEMIP as successful example of regional cooperation!
- ❑ **Regional cooperation as key factor towards full EU-wide market integration!**



Thank you