

This year's Electricity Forum focused on the next key steps for regional electricity market integration and wholesale market opening – the realization of coordinated electricity auctions across all countries in the 8th region, the development of power exchanges and market-based electricity balancing in the Energy Community Contracting Parties. Forum Participants welcomed the EU's recognition of the Energy Community Contracting Parties as an integral part of the Energy Union. The Forum's conclusions will feed into the preparations for the Western Balkans Summit in August this year in Vienna.

The Forum underlined the increased pressure on the 8th Region to reform their legal and regulatory frameworks. It concluded that there was no alternative to introducing electricity market coupling as an essential prerequisite for the integration of the Contracting Parties' electricity markets with the European Union. The adaptation of the legal and regulatory framework remains highest priority for establishing market-based balancing and organised markets in the Contracting Parties. "The implementation of regional solutions, which increase market efficiency and thereby reduce system costs for the benefit of end-users, is not possible if barriers in the national legal frameworks persist", Janez Kopač, Director of the Energy Community Secretariat, stressed.

Recognizing the progress achieved by the Coordinated Auction Office in South East Europe in conducting capacity auctions on additional country borders and Serbia's commitment to join a capacity allocation mechanism by the end of the year, Director Kopač underlined: "If all expected milestones will be reached this year then Bulgaria and former Yugoslav Republic of Macedonia risk remaining the last two transmission system operators in the 8th Region that do not comply with their legal obligations on forward capacity allocations. The Secretariat will thus continue to proceed with the dispute settlement procedure against the former Yugoslav Republic of Macedonia".

For the first time, the Forum discussed distribution related aspects. Recognising the increased role of electricity distribution system operators, Forum participants discussed the challenges faced by DSOs and how they could be taken into account in the regulatory process.

The Forum was briefed on the recent developments of the Turkish day-ahead and intra-day market and its potential to provide liquidity for future integration into the Energy Community market.

Source; Energy Community