



# Association of Mediterranean Energy Regulators

## ACTION PLAN

### 2016-2018



MEDREG is supported by the European Union

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## **DISCLAIMER**

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The conclusions and interpretations expressed in this document are those of MEDREG alone and should in no way be taken to reflect the policies or opinions of the European Union.

# 1. MEDREG's Mission and Objectives

MEDREG started in May 2006 as a voluntary working group to establish cooperation among Mediterranean Energy Regulators and became a permanent regional organisation in November 2007. The European Union (EU) has been a continuous promoter of MEDREG since its creation, through the active involvement notably of the DG Energy and DG Development and Cooperation of the European Commission, which encourages and financially supports its activities.

Through MEDREG, Mediterranean energy agencies can jointly discuss and design a common legal framework for energy regulation, based on equal representation of participants and a bottom-up approach. MEDREG promotes an holistic attitude, which combines market liberalization with investments, environmental protection, and capacity-development activities, as well as a regional approach to improve the stability and transparency of rules related to the energy sector, on which investments are strongly dependent.

MEDREG intends to consolidate its role and mission as a permanent regional organisation for regulators, with the official endorsement of the European Union and the Union for the Mediterranean (UfM). The perspective of a Mediterranean Energy Community constitutes the main political and institutional goal for MEDREG on a mid- to long-term basis, and represents the future framework for the progressive evolution of the Association into a permanent regional organisation of Mediterranean energy regulators.

MEDREG aims to implement a clear, stable and harmonized regulatory energy framework in the Mediterranean.

MEDREG's actions focus on:

- **Promoting a greater harmonization of the energy markets and legislations and seeking progressive market integration in the Euro-Mediterranean region.** One of MEDREG's main objectives is to contribute to the creation of independent regulatory authorities responsible for electricity and natural gas in each Mediterranean country. The Association studies the characteristics and needs of Mediterranean energy markets to identify common challenges and best practices. It identifies the role regulators should play and principles governing the mission and competences of Mediterranean national regulatory authorities (NRAs).
- **Fostering sustainable development in the energy sector through greater efficiency and integration of energy markets based on secure, safe, cost-effective and environmentally sustainable energy systems.** In the framework of the UfM Energy Platforms, MEDREG is actively contributing through a dedicated task force to the setting up of clear rules for the regional enhancement of energy efficiency and the use of renewable energy sources in its capacity of animator of the WG 'Best Practices in Regulatory and Policy Framework'. This role complements MEDREG's studies on the development of smart generation and distributions systems in the region.
- **Supporting initiatives of common interest in key areas such as infrastructure investment and development, innovative financing solutions for the Mediterranean area and research in the field of energy regulation.** MEDREG considers that dialogue and technical coordination between regulators and TSOs, both at national and regional level, is becoming pivotal to build an effective and efficient regional energy market. MEDREG is now implementing its cooperation agreement with the Association of the Mediterranean Electricity Transmission System Operators (Med-TSO) and works to support the establishment of an association for the Mediterranean gas TSOs.
- **Providing capacity building activities through working groups, training sessions and seminars.** MEDREG wants to create a common regulatory culture across the different Euro-Mediterranean countries. To this scope, it works to share information, expertise and good practices among its members, thus helping them to reinforce their institutional capacities and guarantee appropriate reforms. To reach its objectives, MEDREG promotes a permanent exchange of know-how between European and non-European members, data collection and dissemination of expertise through comprehensive studies, recommendations, reports as well as specialised training sessions.
- **Fostering cooperation, information exchange and assistance among members, providing a permanent discussion framework and cooperation network.** Aiming towards a common, transparent approach of consumer protection principles in the Mediterranean region, MEDREG has started to set up a public internet platform for the exchange and publication of data on Mediterranean gas markets (such as structure, actors and responsible entities, flows).

## 2. MEDREG Approach to Mediterranean Cooperation

MEDREG considers that a regional approach is the appropriate starting point for cooperation on energy regulation, in the perspective of an integrated and efficient Mediterranean market requiring functioning and interconnected infrastructures. This approach entails the progressive harmonization of the legislative and regulatory frameworks in the energy field which is a fundamental precondition to attract the necessary investments and contribute to the long-term economic and social development of the Mediterranean region. In particular it would be necessary to define common consumer protection principles, with a particular focus on the definition of energy poverty.

### *Involving all MEDREG Members*

MEDREG primarily focuses on promoting exchange of know-how and expertise among its members essentially through its Working Groups and Task Forces, which operate under the umbrella of the Association's General Assembly (GA) and Steering Committee (SC). MEDREG means of action also include specialized training courses, capacity building seminars and studies related to energy regulation.

MEDREG will continue to encourage even more the involvement of all Mediterranean Energy Regulators in its activities, including representatives of Libya when the situation is stabilized, as well as of Lebanon and Mauritania which are not yet members of MEDREG.

### *Consolidating the dialogue with all Euro-Mediterranean stakeholders*

Following the terms of the framework cooperation protocol between Med-TSO (the Association of Mediterranean Transmission System Operators for Electricity) and MEDREG (signed in September 2013), their cooperation will be developed on specific topics especially as regards the drafting of grid codes, as well as the management and operation of regulated energy infrastructures. On 19 November 2014 in Rome was signed a Memorandum of Understanding (MoU) between the European Commission (DG ENER), MEDREG and Med-TSO.

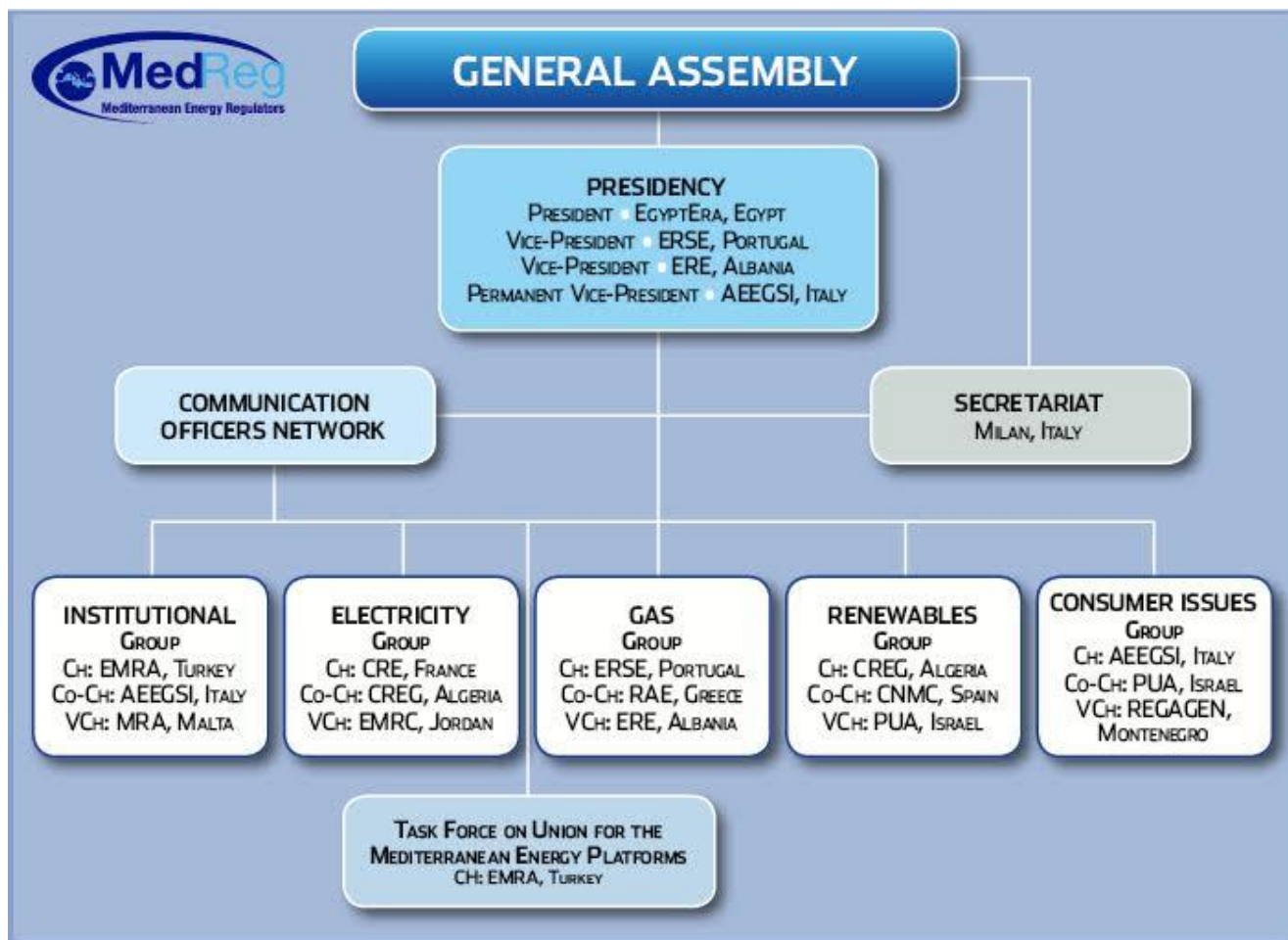
To achieve these objectives, the parties agree to intensify their institutional cooperation also in the framework of the "Euro-Mediterranean Platform on Regional Electricity Market" that has been established in the context of the Union for the Mediterranean process. This platform will organize and support a systematic dialogue of all the concerned public and private stakeholders. The purpose of the platform is to provide a permanent forum for discussing policy objectives and measures, with a view to identifying concrete partnership actions and following-up on their implementation.

Furthermore, MEDREG has good relations with other industrial initiatives such as Medgrid, MEDENER (the network of Mediterranean Agencies for Energy conservation) and MEDELEC (an organisation grouping together the Mediterranean electricity industry) and RES4MED (private initiative for the development of RES in the Mediterranean region). MEDREG is also cooperating with the above mentioned associations in the framework of the Union for the Mediterranean Renewable Energy Efficiency Platform (REEE).

MEDREG has developed contacts with other key associations and institutions, such as the European Bank for Reconstruction and Development, the European Investment Bank, OME (Observatoire Méditerranéen de l'Energie), RCREEE (Regional Centre for Renewable Energy & Energy Efficiency).

In addition, **MEDREG organized in November 2014 its 1<sup>st</sup> Forum on Energy Regulation in the Mediterranean**, which was opened to all stakeholders of the energy sector. This Forum was an opportunity to exchange their views and consult external partners on the main industrial orientations and regulatory challenges in the region. Pursuant to the success of this initiative, the 2<sup>nd</sup> edition of the Forum will be held during the first half of 2017, focusing on consumer issues.

### 3. MEDREG's Organisation and Strategy



#### 3.1. MEDREG's Strategy 2020-2030

##### 3.1.1. A sound institutional regulatory framework

Mediterranean countries are diversified; as a result that the regulatory frameworks vary greatly among members countries, notably between the Southern and Eastern shores. To intensify the cooperation between them, a minimum set of common principles have to be agreed on in order to create a Mediterranean market for the long run. An independent regulator with clear powers and competences should exist in each Mediterranean country. In the long run, national legal and regulatory frameworks have to be improved and common network codes/standards need to emerge based on a common understanding shared by all energy actors in the region.

##### 3.1.2. Optimal conditions for infrastructure investments

In order to facilitate cross-border trade, member countries need to manage existing and new infrastructures efficiently. As a first step, countries should develop proper interconnection capacities and congestions as well as transparent and non-discriminatory access for third parties to the transmission systems. Interconnected countries should operate with the best cost-efficiency rate. Barriers to new investment need to be minimized with the purpose to establish optimal conditions for new investors in the infrastructure. New incentives for efficient investments in RES generation and energy efficiency have to be established in order to increase the share of generated electricity from RES. Barriers to investment should also be minimized.

##### 3.1.3. Functioning, competitive and transparent electricity and gas markets

A proper market design needs to be developed in order to progressively integrate the wholesale and retail markets. This means that markets should implement an ownership unbundling of the generation, supply, transmission, storage and distribution. This will increase competition and bring benefits to industrial and final consumers. As follow Transparency and access to information should therefore be increased. This will support NRAs in efficiently monitoring the energy market.

### 3.1.4. Efficient consumers protection taking into account the particular situation of vulnerable consumers

As consumers bear most of the costs of the decisions made by the actors in the energy sector (governments, undertakings, and regulators), their protection is one of the main missions of regulators. By 2020, consumers should be aware of their rights, have access to information and the choice between different suppliers, which implies the opening up of retail markets and another important aspect of consumer protection is access to energy. They have access to necessary information regarding billing and their rights. Also a clear definition on Vulnerable consumers need to be made in setting up the protected categories.

### 3.1.5. Intensified regional cooperation and setting up of pilot projects

When developing sub-regional projects it is also important to ensure their compatibility at regional level. MEDREG will work to promote cross-regional coordination and define joint market integration principles to set up pilot projects.. With the acknowledgement that flexibility is needed in the transitional period (in particular allowing bilateral contracts for supply and for capacity allocation for some time), common regional roadmaps to establish regional exchanges and capacity allocation mechanisms should be established.

## 3.2. Enhancing Participation

MEDREG Working Groups (WGs) and Task Forces (TFs) are the main pillars of the Association ensuring the implementation of the Action Plan. They elaborate guidelines, draft reports and studies assessing the status of different aspects of Mediterranean energy sector and develop recommendations to establish a common regulatory framework in the region. The contribution of all members is very important to carry out the analysis and collect data. The WGs and TFs are also the place where members exchange experience and know how on regulatory issues.

However, for different reasons (e.g. political, economic, financial) some regulators face difficulties to provide continuous input to the WGs and TFs. In order to help overcome these difficulties and to improve the activity of the WG, MEDREG has developed an online communication tool for the members. It is very important that members make full use of this existing tools, as this will increase the interaction between them. The Web-Conference tool can help increase the numbers of meeting for the WG/TF. In addition to their biannual “physical” meetings, WG/TF may decide to hold “virtual” meetings by video- or telephone conference.

If some WG and TF have common topics of interest, they are encouraged to organise back to back meetings. In order to clarify the work programme of the WGs and TFs, the WG Chairs could agree on a more detailed and reliable timetable for the deliverables and propose to prioritise the work that needs to be carried out throughout the working year. This is likely increase the involvement of the WG members by carrying out different tasks and at the same time will increase the interaction among them.

MEDREG organises training and scientific activities for its member countries. This will be addressed through the regular issuing of scholarships for training courses and capacity development workshops, as well as the organization of training activities tailored on specific needs of some members and WGs. Training offer may involve different partner organizations and experts, depending on the specific needs of a member.

## 3.3. Communication Strategy

The **objectives** of the communication strategy are to reinforce and consolidate internal collaboration and relations among MEDREG members and enhance the Association’s external relations and accountability.

The **targeted audience** of MEDREG communication activities includes members and staff of energy regulatory authorities of the Mediterranean countries, EU institutions and international organizations, financial institutions, regional and international associations (such as regulators, companies, consumers, traders), press and media.

The active collaboration among the **24 MEDREG Communication Officers (COs)**, allows the dissemination of coherent messages, activities and practices to all MEDREG members. It also allows MEDREG to contribute to the implementation of its communication strategy at national and regional level, under the coordination of the Communication Manager. The Communication Officers network meets twice a year.

Communication activities are continuously developed and implemented to support the Association’s strategic objectives. These tasks include:

- Management and constant improvement of the MEDREG website, both in terms of content and interaction tools.
- Participation to conferences and events concerning Mediterranean energy issues to maintain high-level, institutional contacts with MEDREG partners and promote the opening of new network contacts.

- Relations with the media, and periodical release of press statements and newsletters (MEDREG News). MEDREG continues collaborating with the ENPI Info Centre and the press officers of EU delegations to implement the Association's communication activities and ensure an adequate visibility to the project throughout the 2015-2017 period.
- Publication and diffusion of the Annual Reports and ad-hoc publications in regard to the Association will contribute in strengthen its visibility and accountability.
- Reinforcement of MEDREG joint communication activities with other regulators' associations and consolidation of contacts with communication departments of relevant external partners.
- Set up of an ad-hoc communication strategy for the second edition of the MEDREG Forum (Spring 2017), in cooperation with specialized communication agencies.
- Production of an institutional video presenting the vision, mission and values of MEDREG. It will be used as a give-away for target audiences and for MEDREG presentations in occasion of conferences and seminars.
- Development of a project for the possible use of social media as part of MEDREG communication tools.

## 4. Working Groups and Task Forces

### 4.1 Working Group on Institutional Issues (INS)

The INS Working Group has the objective of enhancing closer coordination among MEDREG members through the promotion of the role and competencies of independent energy regulatory authorities. The WG coordinates the dialogue on energy regulation notably with the European Union, international institutions, regional organisations of regulators and other bodies. The WG also works on the institutional evolution of the association.

Working Group on Institutional Issues (INS)	
<b>Objectives 2015-2020</b>	<p><b>Guiding MEDREG members in implementation of a common set of principles that should characterize the missions, powers, competences and organisation of independent energy regulatory authorities in the Mediterranean region.</b></p> <p><b>Assisting member countries in creation of independent energy regulator for electricity and gas in charge of market monitoring, network regulation, tariff setting and regulation of natural monopolies.</b></p> <p><b>Supporting other WGs along the process of improvement of the national legal and regulatory frameworks of Mediterranean countries, taking national specificities into account, in order to facilitate the deepening of regional cooperation and energy exchanges.</b></p> <p><b>Assessing and understanding the impact of national decisions in the energy sector at the regional level</b></p>
<b>Main Activities</b>	<ul style="list-style-type: none"> <li>▪ Periodically assess the current status of regulatory frameworks and institutions, their competencies, resources and expertise</li> <li>▪ Carry out thematic studies on specific topics, and where relevant prepare position papers upon request of the president</li> <li>▪ Support regulators in training and exchange of experiences, as well as other tools of capacity building</li> <li>▪ Coordinate and support the dialogue on energy regulation, notably with the European Union, international institutions, regional organisations of regulators and other bodies</li> <li>▪ Manage MEDREG' relations with external partners in cooperation with the Secretariat.</li> <li>▪ Support the institutional development and consolidation of MEDREG</li> </ul>

Task nr.	Title and elements of deliverables	Completion deadline (month/year)	Support requested <sup>1</sup>	Referent regulator
T1	Peer reviews (for two voluntary member organization)	1 <sup>st</sup> PR: May 2016 2 <sup>nd</sup> PR: May 2017	Consultation with voluntary regulator(s) and their stakeholders Study visits Cooperation with the PR Team	1st PR (AEEGSI, EMRA, CRE, CREG, RAE) 2nd PR (TBD)
T2	Support the TF on UfM Energy Platforms with regard to the Regional Platform of Electricity Markets (REM), Renewable Energy Efficiency (REEE) and Gas	2016 and beyond	Consultation with Stakeholders (UfM, EC) Cooperation with TF on UfM Energy Platforms	EMRA/AEEGSI
T3	Peer review of MEDREG	November 2017	Consultation with Stakeholders	TBD
T4	Regulatory Outlook	November 2016	Consultation with stakeholders Cooperation with all MEDREG WGs/TF	EMRA

<sup>1</sup> Training activities, consultation with stakeholders, back to back meetings with other Working Groups



## 4.2 Working Group on Electricity (ELE)

The ELE Working Group (ELE WG) is in charge of assessing the current status of electricity markets and regulatory frameworks in MEDREG countries and their possible developments. The ELE WG has the mission to identify and propose basic requirements that will lead to the harmonization of electricity regulation in the MEDREG region, developing a competitive, strengthened and running regional electricity market in the region.

Working Group on Electricity Issues (ELE)	
<b>Objectives 2015-2020</b>	<p><b>Monitoring of the implementation of an integrated electricity market: information exchange on performance indicators and efficient regulatory framework to assess necessary infrastructure investment</b></p> <p><b>Development of a market design model to support the unbundling of the electricity sector, transparency of market information and services, non-discriminatory TPA to infrastructure and services, tariff methodologies, price regulation and the possibility for the establishment of smart grids in MEDREG countries</b></p> <p><b>Regular exchange of data on transmission capacity and creation of national auction mechanisms</b></p> <p><b>Support the establishment of Third Party Access to energy infrastructure</b></p> <p><b>Support MEDREG countries in reaching a proper function of the market, which will allow the efficient use of interconnections by allocating transmission capacity in the most efficient way and at market prices. Development of an efficient cross border trade, which should be implemented on all interconnections. This will stimulate the competition between different national markets and will increase regional integration, as well as security of supply. At the same time this will harmonize the transmission capacity, the auction mechanisms and common grid codes in a mid-term perspective.</b></p>
<b>Main Activities</b>	<ul style="list-style-type: none"> <li>▪ Jointly elaborate with Med-TSO proposals for grids codes covering data sharing among electricity transmission system operators and cross-border electricity exchanges (if necessary differentiated by sub-region) with a view to have them approved and implemented, on a voluntary basis, by Mediterranean electricity transmission system operators.</li> <li>▪ Define present and future interconnection needs (for the establishment of an integrated electricity market) from the technical, economic and financial perspectives.</li> <li>▪ Study operational issues concerning cross border exchange and congestion management practices; monitor electricity exchange activities among member countries, propose general rules/guidelines for electricity exchange in the Mediterranean.</li> <li>▪ Study the possibility of establishing a Control Centre to monitor the activity of the TSOs in member countries.</li> <li>▪ Establish a road map to implement the cross border trade guidelines.</li> <li>▪ Establish a Mediterranean Electricity Market Observatory (MEMO) for monitoring evolutions in national and regional markets as well as sub-regional market development.</li> </ul>

Task nr.	Title and elements of deliverables	Completion deadline (month/year)	Support requested <sup>2</sup>	Referent regulator
T1	Performance indicators and penalties applicable to generators in case of failure of the power plant	Nov 2016	None	CREG
T2	Methodologies used by regulators to evaluate investment projects and investment plans : case studies	May 2016	workshop (in 2017 tbc)	CRE
T3	Cooperation with Med-TSO: <ul style="list-style-type: none"> <li>• Information exchange with Med-TSO based on the signed bilateral (MEDREG-Med-TSO) and trilateral (MEDREG-Med-TSO-DG ENER) MoUs</li> <li>• Input to the TF on Union for the Mediterranean (UfM) Energy Platforms with regard to the UfM Regional Electricity Market Platform (REM)</li> </ul>	2016 and beyond	Bilateral meetings Cooperation with WG + TF on Energy Platforms INS UfM	EMRC, AEEGSI, EgyptERA

<sup>2</sup> Training activities, consultation with stakeholders, back to back meetings with other Working Groups

<b>T4</b>	Electricity Market Observatory Report (MEMO)	2017 (every 3 years)	Coordination with Arab Electricity Regulators Forum (AERF)	EgyptERA
<b>T5</b>	Recommendation regarding cost benefit analysis of existing infrastructures in order to optimize their use	2017 (and beyond)	Workshop Cooperation with Med-TSO	tbd in autumn
<b>T6</b>	"The impact of smart grids on network regulation and energy efficiency measures in MEDREG countries: case studies".	2017	Cooperation with RES WG	AEEGSI, CRE
<b>T7</b>	Fact finding on challenges in emerging markets	2017/2018 (after the MEMO's adoption)		EgyptERA, ERE, REGAGEN (tbc)
<b>T8</b>	MEDREG participation to the next CEER EQS report	2018		tbd

### 4.3 Working Group on Gas (GAS)

The GAS Group assesses the current status of natural gas and LNG markets in Mediterranean countries, their relevant regulatory frameworks and possible evolutions. The Group elaborates Guidelines of Good Practice (GGP) and recommendations that can lead to the development of an integrated, competitive, secure and effective gas market in the region.

Working Group on Gas Issues (GAS)	
<b>Objectives 2015-2020</b>	<p><b>Establishment of an integrated gas market framework; development of gas infrastructures plans in MEDREG countries detailing existing infrastructures and new investments needs</b></p> <p><b>Identify proper means for increasing member countries' security of supply through an increased diversification of gas sources and routes, as well as the development of liquid markets.</b></p> <p><b>Assess the evolution of cross-border exchange capacities and gas storage, which are the steps for a better market integration. Monitoring of the transparency of market information and services, as well as the quality of supply to consumers</b></p> <p><b>Promote the creation of a regional cooperation network among Mediterranean gas TSOs on the model of Med-TSO in the gas sector.</b></p>
<b>Main Activities</b>	<ul style="list-style-type: none"> <li>▪ Study the present and future infrastructure needs from the technical, economic and financial perspectives, to reach a double objective:               <ul style="list-style-type: none"> <li>○ the establishment of a regional integrated gas market;</li> <li>○ the improvement of the security of supply within the region</li> </ul> </li> <li>▪ Study methodologies for non-discriminatory TPA to gas infrastructure (including definition of gas transport/transit services, congestion management, UIOLI provisions, operational issues, role, responsibilities and rights of the shippers and system operators)</li> <li>▪ Analyse cross-border capacities and gas storage in the context of increasing market integration</li> <li>▪ Benchmark of the tariff methodologies in MEDREG countries: improve and expand national tariff methodologies</li> </ul>

Task nr.	Title and elements of deliverables	Completion deadline (month/year)	Support requested <sup>3</sup>	Referent regulator
<b>T1</b>	Monitoring of compliance with the Guidelines of Good Practice (GGP) on TPA for gas in MEDREG countries	November 2015 - done	None	ERSE/CREG
		November 2017		Ask for volunteers NRA
<b>T2</b>	Monitoring of compliance with the Guidelines of Good Practice (GGP) on Transparency for gas in MEDREG countries	May 2015 - done	None	CNMC
		May 2017		Ask for volunteers NRA
<b>T3</b>	Regular yearly update on transparency platform	November 2015 - done	None	ERE/Secretariat
		November 2017		
<b>T4</b>	Assessment of competition indicators and market prices within MEDREG countries - Methodology	November 2015 - done	Training activities/knowledge sharing about tariffs and prices, tariff structures and benchmarking	ERSE/CREG
	Assessment of competition indicators and market prices within MEDREG countries - Questionnaire	May 2016		Ask for volunteers NRA

<sup>3</sup> Training activities, consultation with stakeholders, back to back meetings with other Working Groups

	Assessment of competition indicators and market prices within MEDREG countries - Final Assessment Report	May 2017		
	Assessment of competition indicators and market prices within MEDREG countries - Good practices on tariff's methodologies	November 2016		
<b>T5</b>	Assessment of the current status of gas markets, of sector regulation in the MEDREG countries, and its expected evolution ('benchmarking report'), to be continuously updated according to the needs and evolution of gas (and, more broadly, energy) regulation in the member countries (2016)	2017	None	RAE/EMRA Ask for volunteers NRA
<b>T6</b>	Gas infrastructure map of the Mediterranean region - Methodology	May 2016	None	ERE/EMRA/EGAS
	Gas infrastructure map of the Mediterranean region - Questionnaire	November 2016		
	Gas infrastructure map of the Mediterranean region - Final Assessment Report	May 2017		
<b>T7</b>	Input to the TF on Union for the Mediterranean (UfM) Energy Platforms with regard to the Gas Platform	2016 and beyond	Cooperation with TF on UfM Energy Platforms	ERSE/RAE/ERE
<b>T8</b>	Establishment of MEDREG Guidelines of Good Practice on Capacity Allocation – Methodology and structure	November 2016	Training activities/knowledge sharing about capacity allocation mechanisms/invite ENTSO-G	RAE/AEEGSI
	Establishment of MEDREG Guidelines of Good Practice on Capacity Allocation – Questionnaire to assess current status (capacity allocation mechanisms currently employed by MEDREG members)	November 2016		
	Establishment of MEDREG Guidelines of Good Practice on Capacity Allocation – Report on current status	November 2017		
	Establishment of MEDREG Guidelines of Good Practice on Capacity Allocation – Report on Good Practice Guidelines	November 2018		
	Establishment of MEDREG Guidelines of Good Practice on Capacity Allocation - Periodical assessment of the implementation of MEDREG Guidelines	2019		

## 4.4 Working Group on Environment, Renewable Energy Sources and Energy Efficiency (RES)

The RES Group focuses on the legislative and regulatory mechanisms used to promote renewable electricity generation and energy efficiency and RES deployment in the Mediterranean area.

Working Group on Environment, Renewable Energy Sources and Energy Efficiency (RES)	
<b>Objectives 2015-2020</b>	<p><b>Implementation of harmonised regulatory options to promote RES in a cost- Effective way; implementation of advanced distributed generation, grid parity and net metering frameworks in Mediterranean electricity systems.</b></p> <p><b>Evaluation of the costs associated with the fulfillment of national RES targets</b></p> <p><b>Assessment of the social impact associated with RES promotion and Development in each member country</b></p> <p><b>Promote the exchange of information, knowledge and experiences</b></p>
<b>Main Activities</b>	<ul style="list-style-type: none"> <li>▪ Benchmarking RES electricity (update 2014)</li> <li>▪ Analyse certification systems for RES electricity and Combined Heat and Power (CHP).</li> <li>▪ Analyse improvement son energy efficiency by smart grids, smart metering and Energy Service Companies and the cost that such and improvement in network</li> <li>▪ Analyse main regulatory mechanism like: environment protection; promotion of Renewable Energy Sources (RES) and Combined Heat and Power (CHP); energy efficiency promotion including integration to the grids and smart metering issues and their impact of costs</li> <li>▪ Promote the exchange of information, knowledge and experiences</li> <li>▪ Evaluate the results of the different mechanisms in the national contexts, analysing success factors and critical issues</li> <li>▪ Analyse the possible effects of the introduction at a national level of successful mechanisms adopted in other countries</li> <li>▪ Assess the possibility of collaboration as regards the flexible mechanisms introduced by the Directive 2009/28/EU</li> <li>▪ Study best options to promote RES in isolated systems</li> <li>▪ Participation in the ICER Virtual Working Group<sup>2</sup> (Technology Change)</li> <li>▪ Analyse the cost of integration of a smart grid</li> </ul>

Task nr.	Title and elements of deliverables	Completion deadline (month/year)	Support requested <sup>4</sup>	Referent regulator
<b>T1</b>	Yearly benchmarking for RES electricity( update2015)	2016	Data from all RES WG members	CNMC (supervisor) PUA /ERE (Drafters)
<b>T2</b>	Report on certification systems for origin of electricity from renewable sources and Combined Heat and Power (CHP).	2016-2017		Volunteer (Suggestion: E.U. regulator)
<b>T3</b>	Analyze improvements on energy efficiency by smart grids, which involve smart metering, net metering, storage of energy, and Energy Service Company contributions. The cost/benefit analysis	2017-2018	In collaboration with Working Group of Electricity and  Consumers Working Group	Volunteer. (Suggestion: E.U. Regulator) TBD
<b>T4</b>	Publication studying the "Value of Solar (VOS)" methodology and findings for different MENA states	2016-2017	In collaboration with Working Group of Electricity	PUA Volunteer TBD

<sup>4</sup> Training activities, consultation with stakeholders, back to back meetings with other Working Groups

## 4.5 Working Group on Consumer Issues (CUS)

The Consumers Issues WG works on enhancing the protection of household consumers in the MEDREG countries. That includes surveys and recommendations on energy billing, consumer protection and information. The CUS WG also identifies and promotes best practices in consumer protection, including vulnerable customers and quality of service for electricity and gas from the point of view of final consumers.

Working Group on Consumer Issues (CUS)	
<b>Objectives 2015-2020</b>	<p><b>Development and diffusion of best practices in the management of final consumers</b></p> <p><b>Definition of an harmonised regulatory framework regarding consumer issues in the Mediterranean region</b></p> <p><b>Establishment of an integrated consumer protection framework in the Mediterranean energy sector</b></p> <p><b>Enhance Stakeholders' engagement in the regulation process, such as consumers associations</b></p>
<b>Main Activities</b>	<ul style="list-style-type: none"> <li>▪ Update MEDREG recommendations on the minimal requirements to ensure consumer protection in the Mediterranean region</li> <li>▪ Compare existing procedures and regulation on energy billing to final consumers in the Mediterranean energy market</li> <li>▪ Compare existing experience in consumer education and information to final consumers in the Mediterranean energy market</li> <li>▪ Analysis of existing policy instruments targeted to vulnerable consumers, including a survey of "vulnerability" definitions at national level; analysis of the potential role for energy regulators in this field</li> <li>▪ Analysis of consumers' engagements in the regulatory process, including a survey of existing consumers associations.</li> </ul>

Task nr.	Title of and elements of deliverables	Completion deadline (month/year)	Support requested <sup>5</sup>	Referent regulator
<b>T1</b>	Survey on existing policy instruments targeted to vulnerable consumers; analysis of the potential role for energy regulators in this field (on-going)	May 2016	Training course on support schemes for vulnerable consumers  Electricity poverty measurement - index	PUA Support by: ERE/PERC/ ERSE
	Survey on disconnection procedure	November 2016		PUA Support by EMRC/REWS/CN MC
<b>T2</b>	Workshop on vulnerable Consumers	Spring 2017 Back to back with the next MEDREG FORUM		AEEGSI-PUA Support by: MEDREG Secretariat
<b>T3</b>	Consumer Section on MEDREG Website	November 2016 (annual update)		REGAGEN (tbc) Support by MEDREG Secretariat
<b>T4</b>	Participation to the WAME: Survey on Energy Access	November 2016		AEEGSI MEDREG Secretariat
<b>T5</b>	Consumers Associations Engagement: best practise and tools  - Finalising Survey on CAs	May 2016		AEEGSI Support by PERC/ EMRA

<sup>5</sup> Training activities, consultation with stakeholders, back to back meetings with other Working Groups

	<ul style="list-style-type: none"> <li>- Drafting a report on Best Practices of CAs in the energy sector”</li> <li>- Guidelines and recommendations to promote a better and more efficiently CAs engagement</li> <li>- Creation of a database of CAs which are active</li> <li>- Involvement of CAs in MEDREG Forum</li> <li>- Promotion of a CAs common declaration</li> </ul>	<p>End 2016</p> <p>End 2016</p> <p>End 2016</p> <p>Spring 2017</p> <p>Mid 2017</p>		
<b>T6</b>	Behavioural Regulation to support consumer empowerment: Preliminary presentation (September 2016)	June 2017		TBD/ AEEGSI
<b>T7</b>	Dispute settlement - Update on the complaint handling and dispute settlement mechanisms active in the region	Spring 2017	Training on monitoring and enforcement on the retail market	REWS
<b>T8</b>	“Survey on Regulatory Practices on Handling Technical and Non-Technical Losses”	end 2017		TBD Support MEDREG Secretariat by

## 4.6 Transversal issues

### 4.6.1. Integration of Electricity Markets of Maghreb countries (IMME)

MEDREG has contributed since 2010 to the implementation of the IMME Action Plan 2010-2015 which aims at strengthening regional and sub-regional cooperation within the Mediterranean Basin, developing the main commitments into concrete measures towards the integration of electricity markets, including possible harmonised network codes.

During the first phase (2010-2013) MEDREG organised 3<sup>rd</sup> capacity-building seminars and published in November 2013 detailed recommendations on the main priority actions to be taken by the interested parties. The activity has been put on hold since then due to the absence of indications or update of the operational Action Plan received from the Technical Committee of IMME. Depending on the re-launching of the cooperation process, a series of studies and recommendations could be developed in 2015.

Integration of Electricity Markets of Maghreb Countries (IMME)	
<b>Objectives</b>	<b>Definition of an harmonised regulatory framework in view of the integration of electricity markets of Maghreb countries by 2015</b>
<b>Main Activities</b>	<ul style="list-style-type: none"> <li>▪ Set up ad-hoc training sessions for representatives of the ministries , energy companies and other relevant national entities of Maghreb countries</li> <li>▪ Elaborate studies under the guidance of the IMME Technical Committee to provide regulatory support to the IMME project</li> </ul>

Task nr.	Title and elements of deliverables	Completion deadline (month/year)	Support requested <sup>6</sup>	Referent regulator
<b>T1</b>	Benchmarking on TPA: drafting of a questionnaire, evaluation of responses	tbd		
<b>T2</b>	Study on a common methodology for the calculation of cross-border tariffs	tbd		
<b>T3</b>	Study on a common approach for congestion management	tbd		

<sup>6</sup> Training activities, consultation with stakeholders, back-to-back meetings with other Working Groups and others.

## 4.6.2. Task Force on Union for the Mediterranean (UfM) Energy Platforms

Recognizing the importance of addressing energy challenges, governments of Mediterranean countries and the EU, have decided to work together towards the enhancement of synergies in the fields of renewable energies and energy efficiency, integration of electricity markets and gas in the Mediterranean region. It is in this spirit that the UfM SOM approved the establishment of three UfM high-level Energy Platforms in March 2015:

1. The **UfM Regional Electricity Market Platform** (UfM REM Platform) for promoting gradual establishment of regional and sub-regional inter-connected electricity markets.
2. The **UfM Gas Platform** (UfM Gas Platform) for reinforcing the security of gas supply and regional gas exchanges.
3. The **UfM Renewable Energy and Energy Efficiency Platform** (UfM REEE Platform) for assisting the deployment of renewable energy and energy efficiency technologies and projects.

The idea of integrating and harmonizing the approaches in the electricity and gas markets, and deployment of renewable energies of different countries lies in the assumption that a common view on regional basis is more effective than fragmented national ones in delivering benefits in terms of more secure, more stable and more affordable energy supply. In particular, the potential for regional electricity trade among UfM countries and sub regions is considerable, given the great complementarity of supply and demand structure across the region.

Task Force on Union for the Mediterranean (UfM) Energy Platforms	
<b>Objectives 2015-2020</b>	<b>Contributing to the integration of Mediterranean electricity markets, which fosters enhanced deployment of renewable energies and energy efficiency; and, Contributing to the integration of Mediterranean gas markets.</b>
<b>Main Activities</b>	<ul style="list-style-type: none"> <li>▪ Supporting the UfM Energy Platforms (electricity, gas, and renewables) process in accordance with the MEDREG Strategy and Action Plan, and in conjunction with relevant working groups;</li> <li>▪ Drafting a joint work program together with Med-TSO for the Integration of the electricity markets, and following deliverables;</li> <li>▪ Contributing to the preparation of reports, work plans, activities, etc. of secretariats and/or animators of UfM Energy Platforms;</li> <li>▪ Identifying additional studies and a timeline for updates along this process.</li> </ul>

Task nr.	Title and elements of deliverables	Completion deadline (month/year)	Support requested <sup>7</sup>	Referent regulator
<b>T1</b>	Joint work with the Mediterranean Transmission System Operators (Med-TSO) for the achievement of the UfM Regional Electricity Market (REM) Platform	2016 and beyond	Cooperate with the ELE and INS WG	EMRA Support by AEEGSI/Egypt/ERA/EMRC MEDREG Secretariat
<b>T2</b>	Contribute to the UfM Gas Platform for regulatory issues	2016 and beyond	Cooperate with the GAS and INS WG	EMRA Support by ERSE/RAE/ERE MEDREG Secretariat
<b>T3</b>	Contribute to the UfM Renewable Energy Efficiency (REEE) Platform	2016 and beyond	Cooperate with the RES and INS WG	EMRA Support by CNMC/PUA/Egypt/ERA MEDREG Secretariat

<sup>7</sup> Consultation with stakeholders, back to back meetings with other Working Groups and others.



## 5. MEDREG Indicative targets for 2020-2030

Topic	Target	Timeframe	
		Medium-term	Long-term
Institutional consolidation towards a stable legislative and regulatory framework	<b>Harmonization of the rules and principles</b> governing the mission, organization and resources of <b>independent energy regulatory authorities</b>	2015-2020	
	<b>Harmonization of the legal framework governing cross-border exchanges of electricity</b> among Euro-Med countries -cooperation INS/ELE Working Groups	2015-2020	
	<b>Harmonization of settlement of dispute mechanisms</b> regarding non-discriminatory TPA to electricity and gas infrastructures	2015-2020	
	<b>Support to the setting up of a Mediterranean Energy Community</b>		2030
Electricity markets integration and interconnection	<b>Implementation of common guidelines for the development of Smart electricity grids</b> in the Mediterranean region	2015-2020	
	<b>Establishment of a Control Centre</b> to monitor the activities of TSOs in different countries (reliability council)	2015-2020	
	Contribution to the <b>integration of Mediterranean electricity markets, including completion of an operational MEDRING</b>		2030
Gas markets integration and transparency	Periodical assessment of the implementation of <b>MEDREG Guidelines of Good Practice on TPA Transparency</b>	2015-2020	
	Periodical assessment of the implementation of <b>MEDREG Guidelines of Good Practice on Capacity allocation</b>	2015-2020	
	Contribution to the <b>integration of gas markets of Mashreq countries</b>	2015-2020	
Environment, RES and Energy efficiency	Assess the possibility of collaboration as regards the flexible mechanisms introduced by the Directive 2009/28/EU	2018-2020	
	Analyse main regulatory mechanism son: environment protection; promotion of Renewable Energy Sources(RES) and Combined Heat and Power (CHP); energy efficiency promotion including integration to the grids and smart metering issues	2018-2020	
	Evaluate the results of the different mechanisms in the national contexts, analysing success factors and critical issues	2017-2020	
	Participation in the ICER Virtual Working Group2 (Technology Change)	2017-2020	
	Analyse the possible effects of the introduction at a national level of successful mechanisms adopted in other countries	2017-2020	
	Study best options to promote RES in isolated systems	2017-2020	
	Promote the exchange of information ,knowledge and experiences	2017-2020	
	Analyse the cost of integration of a smart grid	2017-2020	
Infrastructure investment	<b>Definition of common and updated regulatory positions</b> on each electricity and gas infrastructure project in the Mediterranean (priorities, financing, pricing methodology, etc.)	2015-2020	
Customer issues	<b>Development of best practices in consumer information, protection, and empowerment</b> , including vulnerable consumers	2015-2020	
	<b>Dissemination of best practices in the management of final consumers</b> in the energy markets	2015-2020	
	<b>Establishment of an integrated Consumer protection framework</b> in the Mediterranean energy sector		2030