

FOR IMMEDIATE RELEASE

Tunisia learns European experience and practices of interconnectors' management for its planned cross-border cable "ELMED"

Tunis, 6 December 2017

Following the recent release of the European Commission's third list of projects of common interest (PCIs) which features the Tunisian-Sicilian interconnector "ELMED", and in the framework of their "support to national reform" activities, Mediterranean Energy Regulators (MEDREG¹) held a training on European rules for cross-border interconnections for their Tunisian member, the Tunisian Ministry of Energy, Mining and Renewable Energies (MEMER²) on 5-6 December 2017 in Tunis.

The 2-day training aimed at enhancing the knowledge and skills of the Tunisian Energy Ministry's staff concerning the realisation of cross-border electricity interconnection projects, including the identification of appropriate business models that determine how cables are going to be managed, in terms of access to and use of interconnection capacity and appropriate tariffs ensuring the financial sustainability of the project without overburdening consumers. The proposed "ELMED" interconnector has the potential to match Tunisia's increasing demand with Italy's surplus of electricity production and promote south-to-north connectivity.

Opening the training, Mrs Afef Challouf, Director General for Electricity and Renewable Energies at MEMER declared:

"Thanks to the various concrete cases studies, knowledge and experience which will be shared by MEDREG regulators in this training, we will gain a better understanding about the most suitable investment model for our Tunisia-Italy interconnector project. This training will provide us with the knowledge and skills to implement and manage this key infrastructure following the best practices."

After having been informed about the possible energy scenarios for the Mediterranean elaborated by OME³, the staff of the Energy Ministry as well as members of STEG⁴, the Tunisian electricity utility, explored the regulation associated with PCIs and their application to non-EU countries. They learnt the different principles related to the operation and management of cross border interconnections and they discussed the characteristics of existing and projected interconnection infrastructure in the Mediterranean region.

Expressing his interest in the exposed concrete case studies, Mr. Moncef Harrabi, CEO of STEG and President of Med-TSO⁵, the Association of the Mediterranean Transmission System Operators, stated:

"The experience of the Spain-Morocco interconnection and the Italy-Montenegro cable shared by Med-TSO members have been highly inspirational for us and increased our understanding of how interconnections can be operated; capacity calculated and allocated; contracts with users elaborated and cost-benefit defined."

In addition, with the contribution of the French and Italian regulators, various business models were presented and explained, including aspects related to cost benefit analysis and cross-border cost allocation, addressing their application in the European context and providing insights on their possible use in projects involving Southern Mediterranean countries.

In parallel to this training to support Tunisia's energy regulation, MEDREG is undertaking several activities geared at supporting its members on regulatory issues, including carrying out a peer review for its Jordanian member looking at the electricity licensing procedures; supporting its Israeli electricity regulator to establish a competitive wholesale market; and coordinating a TAIEX initiative between the Egyptian gas regulator and the Portuguese regulator on the eligibility criteria for consumers in a liberalized gas market.

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1. MEDREG is the Association of Mediterranean Energy Regulators, which brings together 25 regulators from 21 countries, spanning the European Union (EU), the Balkans and North Africa. MEDREG benefits from the European Union's financial support. Mediterranean regulators work together to promote greater harmonization of the regional energy markets and legislations, seeking progressive market integration in the Euro-Mediterranean basin. Through constant cooperation and information exchange among members, MEDREG aims at fostering consumer rights, energy efficiency, infrastructure investment and development, based on secure, safe, cost-effective and environmentally sustainable energy systems. MEDREG acts as a platform providing information exchange and assistance to its members as well as capacity development activities through webinars, training sessions and workshops as well as personalised hands-on initiatives. The MEDREG Secretariat is located in Milan, Italy. For more information, visit www.medreg-regulators.org

2. MEMER : Ministère de l'Énergie, des Mines et des Énergies Renouvelables tunisien

3. OME: Observatoire Méditerranéen de l'Énergie:

4. STEG : Société Tunisienne de l'Électricité et du Gaz

5. Med-TSO : Association of the Mediterranean Transmission System Operators

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