

EU and Russian/CIS power sectors celebrate 10 years of cooperation

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The EU and Russia have made good progress in establishing open and competitive electricity markets, but the use of cross-border interconnection should be optimised, a [report](#) by EURELECTRIC and the CIS Electricity Power Council has found. At a joint event in Brussels today, both associations looked back on the milestones achieved during the past 10 years of their cooperation, and addressed how to better foster cross-border trade. High-level speakers included Russian Energy Minister Alexander Novak, EU Commissioner for Energy Günther Oettinger, and EURELECTRIC President Fulvio Conti.

"The past ten years have seen positive development in the EU and CIS electricity markets and I am convinced that these will continue for the benefit of both regions if a proper solution is found to make cross-border trade more efficient. Market convergence between EU and CIS will increase competition and overall social welfare and thus contribute to enhance security of supply," Mr Conti said.

The joint EURELECTRIC-CIS EPC report published today compares the electricity trade market rules in Russia and the EU, including inter alia market models, division of responsibilities, network access, and functions of grid operators and power exchanges. It concludes that the differences in wholesale market models have not prevented the development of trade relations across the EU and Russia. However, it finds that the use of cross-border interconnection should be optimised: current access barriers must be reduced and efficiency of cross-border trade improved.

Coordinated actions should be taken in five key areas: increasing the compatibility of electricity markets, determining fair and mutual market access, fostering regional TSO cooperation, reconciling deviations of actual net electricity flows from planned flows, and boosting transparency.

EURELECTRIC and the CIS-EPC will focus in 2013 on preparing concrete proposals for the harmonisation of rules and regulations of the Russian and neighbouring European countries in those key areas.

Background:

The CIS-EPC and EURELECTRIC Joint Task Force on Cross-Border Trade was set up in 2007. It is composed of power sector representatives from Belarus, Russia, Latvia, Lithuania, Estonia, and Finland. Its task is threefold: analysing existing policies and practices of cross-border trade in the region; identifying key differences in electricity trade market rules and obstacles to trade; and developing policy options/measures necessary to increase compatibility of market rules between the two systems and improve the efficiency of cross-border trade. Today's report outlines the key conclusions of the work of the Task Force during the period 2010-2012.