



EUROPEAN REGULATORS GROUP FOR ELECTRICITY AND GAS
RULES OF PROCEDURE
(Agreed 5 October 2005)

The European Regulators Group for Electricity and Gas (EREG),

Having regard to:

- (1) Directive 2003/54/EC of the European Parliament and of the Council of 26 June 2003 concerning common rules for the internal market in electricity and repealing Directive 96/92/EC, Directive 2003/55/EC of the European Parliament and of the Council of 26 June 2003 concerning common rules for the internal market in natural gas and repealing Directive 98/30/EC and Regulation No 1228/2003 of the European Parliament and of the Council of 26 June 2003 on conditions for access to the network for cross-border exchanges in electricity;
- (2) Commission Decision of 11 November 2003 on establishing the European Regulators Group for Electricity and Gas;

considering that the role and aim of the EREG shall be to advise and assist the Commission in ensuring the creation and smooth functioning of the internal energy market with regard to amongst other things cross-border tariffication and capacity allocation, whilst ensuring appropriate co-ordination with the Council of European Energy Regulators;

considering the importance of regulatory authorities acting independently in fulfilling this role;

considering that it is necessary to give regulatory cooperation and coordination a more formal status in order to facilitate the completion of the internal energy market;

considering that it is important to consult extensively, via a range of appropriate methods, and at an early stage with consumers, market participants, system and market operators, in an open and transparent manner;

considering that important contributions have been made by the European Electricity Regulatory Forum and the European Gas Regulatory Forum to issues related to cross-border electricity and gas trade;

considering that the EREG shall fully respect the prerogatives of Member States and of the institutions, and the institutional balance established by the Treaty;

having consulted the European Commission;

has adopted the following rules of procedure:

Article 1 – Purpose

- 1.1 The EREG, on its own initiative or at the request of the Commission, shall advise and assist the Commission in consolidating the internal energy market, in particular with respect to the preparation of draft implementing measures in the field of electricity and gas, and on any matters related to the internal market for gas and electricity.
- 1.2 The EREG shall facilitate consultation, coordination and cooperation of national regulatory authorities, contributing to a consistent application, in all Member States, of the provisions set out in Directive 2003/54/EC, Directive 2003/55/EC and Regulation (EC) No 1228/2003, as well as of possible future Community legislation in the field of electricity and gas.

Article 2 – Members of the EREG

- 2.1 The EREG shall be composed of the heads of the national energy regulatory authorities or their representatives.
- 2.2 Heads of the national energy regulatory authorities from the EEA Member States and from those States that are candidates for accession to the European Union shall have the right to participate as observers.
- 2.3 Members of the EREG (and all observers) may be accompanied by appropriate experts.
- 2.4 The Commission shall designate a high-level representative to participate at the meetings of the EREG.
- 2.5 The EREG may invite other experts to take part in its meetings, on a case-by-case basis, where this would help support the activities of the EREG mentioned under Article 1.
- 2.6 Members (and all observers) will have a moral obligation to keep the other national and regional energy regulators of their States informed about its discussions and, where necessary, make all appropriate national arrangements to be in a position to speak for the national competent energy regulators as a whole in the event that other national or regional regulators have an interest in the matter discussed.
- 2.7 Every Member (and every observer) will appoint a member of its staff or of the staff of the Energy Regulatory Authority of which he/she is the senior representative who will act as a communications officer. His/her task will consist of facilitating the relevant information exchange between his/her organisation and the other Members.

Article 3 – Chairperson and Board of Directors

- 3.1 The EREGG Board of Directors shall comprise at least three and no more than six directors (one Chairperson and two or more Vice Chairpersons).
- 3.2 The Chairperson is elected pursuant to Articles 6.1 to 6.5.
- 3.3 The Chairperson will be elected by the EREGG for a period of two years, which may be extended for a period of up to one year. In the case of a resignation of the Chairperson during the two year period, a new Chairperson will be appointed under the same terms for a period of up to two years.
- 3.4 The Vice-Chairpersons will be elected by the EREGG, following the same procedure, on the same terms and conditions as for the Chairperson. A Vice Chairperson shall replace the Chairperson at the EREGG meetings in the case of absence or impediment

Article 4 – Meetings

- 4.1 The EREGG meeting will be convened in principle at least four times a year and more frequently when appropriate.
- 4.2 Any meeting of the EREGG may be convened by the Chairperson or by the Board of Directors. The EREGG meeting must be convened by the Board of Directors at the request of at least one fifth of its Members. The meeting should take place within two months of the Commission's receipt of the request, unless exceptional circumstances require otherwise.
- 4.3 The Chairperson, or as the case may be the Board of Directors, shall establish an agenda for the meeting. Any proposal from any Members will be added to the agenda. Unless otherwise agreed by the Board, proposed agenda items should be submitted in writing three weeks in advance of the meeting.
- 4.4 The proposed agenda of the meeting and all supporting documentation shall be circulated to the Members (and observers) at least two weeks in advance of the meeting.
- 4.5 The agenda and a note of the decisions agreed upon at the EREGG meeting shall be published on the EREGG web site as soon as is reasonably possible after the meeting.

Article 5 – Working procedures

- 5.1 The ERGEG shall adopt an annual work programme. The work programme shall be published on the ERGEG web site.
- 5.2 The ERGEG may set up working groups chaired by an ERGEG member (or delegated to an expert from an authority that qualifies as a member of the ERGEG) to study specific subjects on the basis of a mandate and as it deems appropriate.
- 5.3 The Commission and observers mentioned in Article 2.2 may attend all meetings of such working groups.

Article 6 – Deliberations

- 6.1 The Members present or represented at the meetings shall use their best efforts in order to reach consensus.
- 6.2 In its working and/or deliberation and/or outputs, the ERGEG will respect the national and EU legislation regarding secrecy and confidentiality.
- 6.3 Where the Commission informs the ERGEG that the advice requested or the question raised is of a confidential nature, Members as well as observers and any other person shall be under an obligation not to disclose information which has come to their knowledge through the work of the ERGEG or its working groups. The Commission may decide in such cases that only Members may be present at meetings. The ERGEG may also request, where the presence of observers would materially affect its deliberations, that observers are not present for part(s) of the discussion.
- 6.4 If consensus is not achieved under Article 6.1, the matter must be put to vote and the reasoned opinion of the ERGEG must be carried by qualified majority pursuant to Article 6.5.
- 6.5 Members' votes will be weighted in accordance with the voting principles of the Council of the European Union as foreseen in Article 205 (2) EC-Treaty. Members have as many votes as the Member State they represent. Unless the law or these Rules provide for a stricter majority, reasoned opinions are taken by a two thirds majority of the votes.
- 6.6 The ERGEG shall identify and report any dissenting opinions of individual Members and communicate that there are dissenting opinions together with the decision reached, identifying the dissenting member authorities. This shall be achieved by posting the dissenting opinions on the ERGEG website

and in the minutes of the meeting or in a separate document attached to the minutes with reference being made thereto in the minutes. The EREG is not required to communicate the dissenting opinions to third parties.

- 6.7 Where a matter is urgent, the Chairperson may seek agreement to a position or reasoned opinion by electronic procedure. In such cases, the Chairperson shall ensure that each Member is aware that an agreement or reasoned opinion is sought by electronic procedure and shall set out clearly the time-scale for comments and the consequences of failure to respond within that time-scale. Agreement to a position or reasoned opinion using electronic procedure requires consensus.
- 6.8 If two thirds of the Members are not present or represented at the first meeting, at least 15 days after the first meeting, a second meeting may be convened which may validly deliberate irrespective of the number of Members present or represented.

Article 7 – Consultation and transparency

- 7.1 The EREG will use appropriate processes to consult consumers, market participants, system operators, market operators and interested parties which may include, inter alia:, public hearings and roundtables, industry and European fora (including the European Electricity Regulatory Forum – “Florence Forum” - and the European Gas Regulatory Forum – “Madrid Forum”) and written and Internet consultations.
- 7.2 The EREG may publish on the EREG web site consultative documents, statements of agreed principles, press releases, consultation procedures, summaries of responses to consultations and other documents which assist interested parties to understand the work of the EREG. Comments shall be invited either individually or jointly to be addressed to the EREG in written form, preferably by email. Comments received in response to consultation documents shall be published on the EREG web site, unless a respondent explicitly requests that their submission is not made available to others on confidentiality grounds.
- 7.3 The EREG may decide to meet interested parties to discuss matters of common interests. As appropriate, the Chairperson or the Vice-Chairperson may represent the EREG at such a meeting or Members may be nominated to do so. The Chairperson, where appropriate, will communicate the official position of the EREG. The Chairperson may, on his own initiative, describe the work or explain the views of the EREG to the press or other interested parties, in response to enquiries or otherwise in cases of urgency. Where a Member refers in public to the views or position of the EREG it must do so in an accurate manner.



Article 8 – ERGEG Secretariat

- 8.1 The Commission shall provide the secretariat of the ERGEG. The function of the Secretariat shall be to organise the ERGEG meetings, to circulate the meeting agenda and to draft and circulate the minutes of the meetings.

Article 9 – Accountability

- 9.1 The ERGEG shall submit an Annual Report to the Commission. The Commission shall transmit the Annual Report to the European Parliament and to the Council, where appropriate with comments.
- 9.2 The Chairperson of the ERGEG will report to the European Parliament and to the Committees established under Article 30 of Directive 2003/55/EC and Article 13 of Regulation (EC) No 1228/2003 when requested.

Article 10 – Publication and Modification of the Rules of Procedure

- 10.1 The Rules of Procedure shall be made public.
- 10.2 When necessary, members of the ERGEG shall agree on interpretation of the Rules of Procedure. The ERGEG may deliberate on amendments of these Rules only if at least two thirds of the Members are present or represented. These decisions require two thirds majority of Members and of weighted votes as defined pursuant to Article 6.5.
- 10.3 The Chairperson of the ERGEG will take the necessary measures to set up and maintain the ERGEG website.
- 10.4 Operating under the procedure in Article 6, the ERGEG may decide to amend or adopt additional rules to facilitate its operations provided that consistency with Commission Decision of 11 November 2003 is maintained.