

Note from the Director

On the review of the ACER Liaison Office in Brussels

For the attention of the Administrative Board

13 June 2013

1. Background

The Multi-Annual Staff Policy Plan (MSPP) for the period 2012-2014, as adopted by the Administrative Board with Decision AB No 05/2011 of 31 March 2011 envisages that the Director may decide to open a liaison office for the Agency in Brussels “in order to efficiently organise and prepare possible meetings of working groups of national energy regulators during an initial start-up phase”. The above mentioned MSPP stipulates that “the need for maintaining such a liaison office in Brussels will be reviewed two years after the Agency started operating in Ljubljana in March 2011”.

In view of the establishment of the Brussels liaison office, a liaison officer, Ms Fay Geitona, employed as NRA coordinator, was appointed on 16 April 2011 with place of employment in Brussels.

This note presents the Director’s assessment of the experience with the liaison office over the first two years of its operation, as envisaged in the MSPP.

2. The Establishment of the Brussels Liaison Office

In its Decision no 13/2011 (of 1st June 2011), the Administrative Board (AB) has acknowledged that, while the Agency has its Seat in Ljubljana, it is deemed essential that it keeps close contact and cooperation with the other European Union institutions, and in particular with the Council, the European Parliament and the Commission, to whom it delivers opinions and recommendations, pursuant to Article 4(c) of Regulation (EC) No 713/2009. Such contacts and cooperation are facilitated by the establishment of a liaison office in Brussels.

By virtue of the same Decision, the AB has accepted the offer from the Council of European Energy Regulators (CEER) for the provision of office space in the CEER premises, Rue le Titien, 28, B - 1000, Brussels, together with logistical and secretarial support, free of any rent, fees or charges, for the establishment of the Agency's liaison office in Brussels and has given a mandate to the Director to implement this Decision and, if necessary, to agree with CEER the terms of utilisation of the offered facilities and services.

The Board of Regulators has recognised in several occasions, most recently in Opinion 01/2013 (of 20 March 2013) on 2014 ACER budget, the need to maintain strong links with the Commission and the Parliament and for a post of the Agency's staff in Brussels. The European Parliament has on several occasions underlined the need to maintain strong links with ACER.

3. The role of the liaison office and officer in Brussels

The establishment of the ACER Liaison Office in Brussels has proved of great value both in fostering close links with the European Institutions, as well as in facilitating the organisation of the Agency Working Groups (AWGs) meetings. The establishment and operation of the Working Groups is at the heart of the Agency's mission to provide an integrated framework within which national regulatory authorities participate and cooperate, given also the joint responsibility of the Agency and NRAs to closely consult and cooperate with each other in all areas of regulatory activity.

During the initial year of the formal operation of the Agency in 2011, two AWGs – the Electricity AWG (AEWG) and Gas AWG (AGWG) were established to undertake work mainly on drafting of Framework Guidelines and on the assessment of Network Codes, as well as in other areas (e.g. Agency's opinions on TYNDP). Given the broadening of the activities of the Agency during the course of 2012, two additional AWGs were established on 31 January 2012 – the Market Integrity and Transparency AWG (AMITWG) and the Implementation, Monitoring and Procedures Working Group AWG (AIMPWG). The four AWGs have established, within their structure, Task Forces (TFs) and Workstreams on specific aspects. At present the four AWGs include 11 Task Forces (5 under the AGWG, 3 under the AEWG, 3 under the AMITWG and 1 under the AIMPWG).

In general the AWGs have been meeting on a monthly basis. The Rules for the functioning of the AWGs state that they should meet in Ljubljana or, when justified, in other locations. The AWGs have met mostly in Ljubljana and Brussels, the latter location involving shorter travelling time and cheaper travel costs for AWG members¹. When meeting in Brussels, the AWGs have used the facilities provided by CEER as part of the agreement supporting the establishment of the Agency's liaison office. In particular, over the past two years:

- more than half of the 24 AEWG meetings,
- 5 of the 23 AGWG meetings,
- 8 of the 13 AMITWG meetings and
- 6 of the 12 AIMPWG meetings

were convened in Brussels. A number of meetings of the TFs and Workstreams have also taken place in the ACER liaison office premises in Brussels.

Furthermore, the existence of the Brussels liaison office has also facilitated a series of meetings of the ad-hoc expert groups of ACER. Six expert groups have been active in 2012 in different areas such as Gas Interoperability Framework Guidelines (FGs), Gas Tariffs FGs, Electricity Balancing FGs, and 3 on REMIT on wholesale energy market surveillance, REMIT implementation measures and IT implementation. These expert groups have also met very often in the ACER liaison office.

Lastly, in the context of the Regional Initiatives, ACER has established the Electricity and Gas Regional Initiatives Coordination Groups which are internal groups to ACER (composed by NRAs and chaired by ACER) to ensure that actions taken by NRAs are consistent, to collect feedback from the regions, to prepare regular progress reports and to boost market integration through regional cooperation. During the last years, 6 out of 18 meetings of the ERI and 6 of 18 meetings of the GRI Coordination Group have been held in the ACER liaison office in Brussels.

Regarding the close links to the European Institutions, the liaison officer, being the only ACER staff member based in Brussels, has represented the Agency in several meetings, workshops and conferences in Brussels, whenever a more specialised contribution was

¹ The Agency does not cover the costs for AWG members to attend the meetings, which are borne by the NRAs.

not required. This has represented a time- and cost-efficient approach (in reducing traveling from Ljubljana of ACER staff).

The liaison officer has also maintained on-going contacts with the European Parliament (ITRE Committee and its ACER Contact Group), the European Commission (DG ENER) and other stakeholders in Brussels, supporting the organisation of meetings attended by colleagues from the Ljubljana headquarters. The liaison officer has also provided constant updates on the European legislative activity and other the developments in Brussels.

The report on the “Assessment of the overall Perception of ACER by its main stakeholders” (by Heinz Hilbrecht, December 2012) confirmed the visibility achieved by the liaison officer and the appreciation of her activity by institutions and stakeholders, as well as the perceived value of a presence of the Agency in Brussels. The report also recommended that the Agency improves its visibility to the “outside world” through increased contacts with European institutions (mainly located in Brussels), presence at conferences and a pro-active role at the political level in Brussels through the Agency's Brussels representative and through regular visits of the Director to the Commissioner, the Director-General, Council and Parliament.

4. The role of the liaison office and officer in Brussels

The experience with the operation of the liaison office in Brussels over the last 2 years has been very positive. The liaison officer has been very effective in strengthening the relations with European Institutions, stakeholders and in better informing the ACER staff on legislative and other developments in Brussels which impact the Agency's work.

Given that CEER provided office space to the Director and the NRAs coordinator which could be used as a hot desk by other ACER staff when they are in Brussels, the Director and staff from the Ljubljana headquarters on mission to Brussels have the possibility of using one working station in the liaison office.

The support provided by CEER in connection with the liaison office has also been very beneficial in other respects, as it has allowed holding AWG and TF meetings in Brussels at no cost to the Agency.

Given the very positive experience with the Brussels liaison office and officer, and in view of:

- the increased range of tasks assigned to the Agency which will require even closer links with the Commission and other EU institutions;
- the objective of increasing the Agency's visibility with EU institution and stakeholders, as recommended by the Hilbrecht's report;
- the intention of the Agency of further increasing its transparency, especially with respect to energy consumers and EU citizens;

the liaison office in Brussels will be maintained beyond the initial two-year period. The posting of the NRA Coordinator in Brussels as liaison officer is also confirmed. Future reviews of the liaison office will be conducted as part of the general review of the Agency's operations.

It is envisaged that the Agency's liaison office will be maintained in the CEER premises, as long as CEER will be available to host it free of rent and any associated charge. Such terms represent a considerable saving for the Agency. ACER and CEER intend to confirm the terms of the hosting agreement through a Memorandum of Understanding.