

CONCLUSIONS OF THE MEETING OF V4 ENERGY REGULATORS

Hungary, 3 December 2015

High-level representatives of the V4 countries' energy regulatory authorities met in Hungary on 3 December 2015 as a follow-up of their meeting in Ostrava in September. Based on the discussions the V4 energy regulators accepted the following conclusions.

PRICE REGULATION PRACTICE IN THE V4 COUNTRIES AND EXPERIENCE IN PRICE CUTS

Each regulator presented the approach of calculating end user prices of electricity and natural gas in their country. Parties decided to establish an expert level working group and will delegate members by the end of 2015. The working group (chaired by the Czech regulator) will regularly meet in 2016 with the task to prepare a joint analysis on energy price deregulation. The objective of the joint analysis will be to evaluate, from a consumer perspective, the advantages and disadvantages of fully liberalized and partly regulated retail markets.

The Hungarian regulator presented its experience as regards residential price cuts and their effect on the energy sector. The Polish authority also had a presentation on the deregulation of electricity prices. The Slovak regulatory authority focused in its presentation on the structure of gas and electricity end-user prices, and also on the issue of statistical reporting in the EU. Parties agreed that introduction of full market liberalization must be preceded with the development of the right rules and conditions for competition in order not to have long-term negative outcomes on consumers.

CROSS-BORDER GAS MARKET INTEGRATION IN ORDER TO MAXIMIZE THE USAGE OF EXISTING AND NEW INFRASTRUCTURE

Parties discussed the Union list of projects of common interest (PCIs) with emphasis on interconnection developments within the V4-countries. The importance of the North-South Corridor and the current status of the Czech-Polish and the Polish-Slovak interconnectors were highlighted. V4 regulators confirmed their willingness to reach a common vision of V4 gas market integration. In that regard and also in order to fulfil provisions of *the Road Map towards the regional gas market among Visegrad 4*, they will organize annual meetings with focus on infrastructure issues and will aim to ensure effective involvement of Transmission System Operators. The V4 regulators will encourage the TSOs to prepare the analysis on cross-border gas market integration in V4 region in order to maximise the usage of existing and new infrastructure.

V4 PARTICIPATION IN INTERNATIONAL ORGANIZATIONS

Participants emphasized that regional cooperation and frequent exchange of knowledge is crucial for V4 regulators. Therefore they will maintain and further enhance their representation at international level by regularly discussing and sharing their strategies and strive to reach common position in regulatory issues. Participants declared their agreement to joint V4 discussions with other regulators from Central-Eastern Europe. Based on the proposal of the Slovak regulator, they also considered possible cooperation of V4 regulators in Twinning Projects.

The next high-level V4 meeting will be held in the Czech Republic in June, 2016.