



SC C5 Electricity Markets and Regulation
CE C5 Marchés de l'Electricité et Régulation

Working Group C5-01

Role of Regulators and Regulation in a Restructured Industry

WG No : C5 - 01	Name of Convener : Dr. Guido BORTONI, Italy
TITLE of the Group : Role of Regulators and Regulation in a Restructured Industry	
Scope ("regulation" hereafter means "regulation (ruling) & control (monitoring)")	
<ul style="list-style-type: none">• General objectives of regulation (context and limits), e.g. promotion of competition in liberalized activities, grid access ruling, tariff setting, design of markets, quality of service and security of supply ruling, terms and conditions for public service obligations, dispute resolution, etc.• Specific types of regulation<ul style="list-style-type: none">- by activities in electricity sectors (liberalized vs monopolized activities, including renewable energies);- by type of intervention (ex-ante vs ex-post regulation);- by nature of ruling (technical vs economic conditions);- by operators (integrated utilities, TSOs, wholesale suppliers, retailers, distributors, etc.);• Approaches, methods and tools to regulate electricity sectors:<ul style="list-style-type: none">- design of transmission access pricing,- rules for generation interconnection,- regulator objectives.• Regulatory bodies and relevant legal framework (accountability, independence, governance, disputes resolution alternatives ,etc.)• Harmonization of regulation in integrated (supra-national) markets: general criteria, objectives, subsidiarity and constraints.	
Deliverables	
Two (2) reports (one of each of the following subjects):	
<ol style="list-style-type: none">1. <u>Regulation (& control) of liberalized activities in the electricity sector</u> (e.g. generation, supply, trading, import/export, retail, metering, etc.);2. <u>Regulation (& control) of non-liberalized activities</u> (reserved or licensed activities) (e.g. pricing, transmission, dispatching, distribution, metering, franchised retail, etc.);	
Each report shall have:	
<ul style="list-style-type: none">- Clear definitions and scopes;- Grid of criteria to describe, group together and evaluate regulation practices around the world;- Description and return-of-experience of regulation practices and outcomes around the world (trying to group into families of approaches, e.g. EU and American frameworks, emerging Countries, etc.);- Reports delivered will be technical brochures (high-level generalist papers).	
Time schedule	
Start-up time: January 2003 - Deadline: end of 2005.	
Phase 1: Constitution of 2 TFs, Task Force leaders and members recruitment	(May 2003)
Phase 2: General issues, questionnaire drafting and its final issuing	(October 2003)
Phase 3: Collecting and compiling information	(June 2004)
Phase 4: Preparing final report	(end of 2005)



International Council on Large Electric Systems
Conseil International des Grands Réseaux Electriques

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Target groups

Regulators, institutions, planner, economists, investors in developed and emerging electricity sectors

Papers issued : N/A

Approval by TC Chairman :

Date :