



Stefano da Empoli – OPEF, Italy

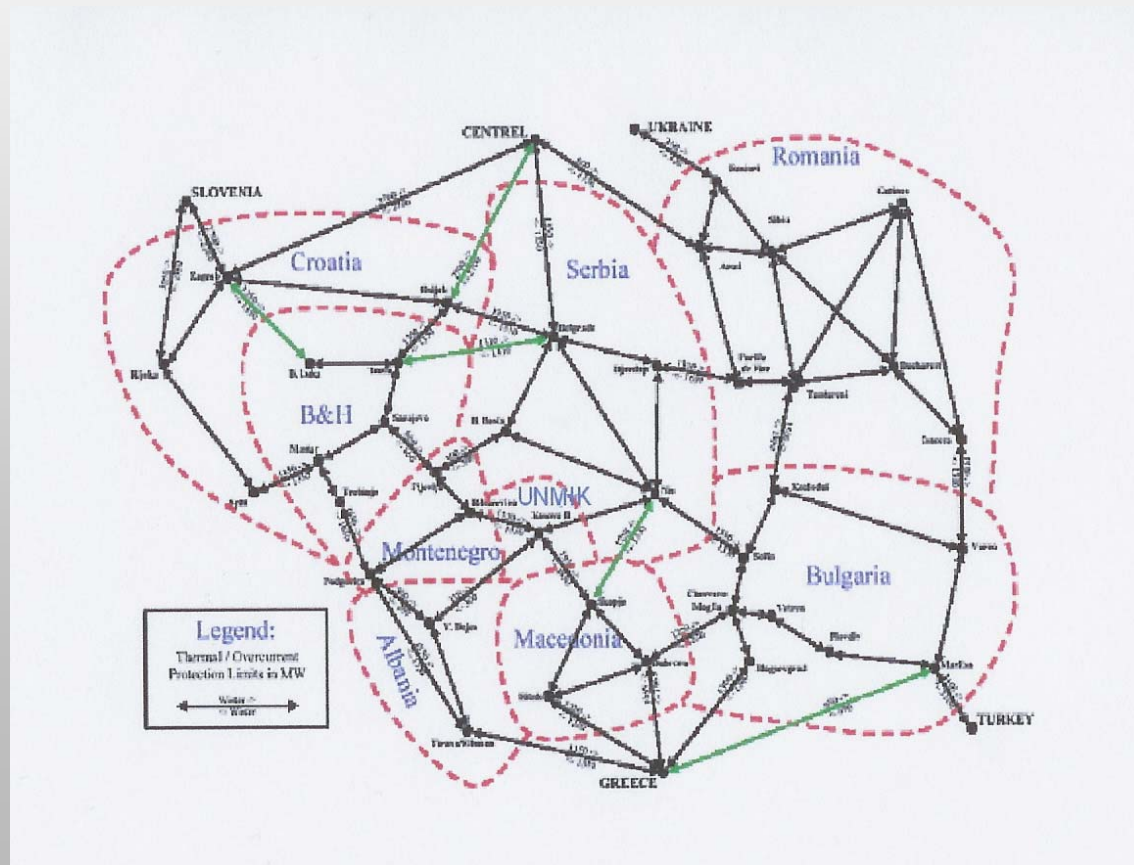
# The South East Europe Regional Electricity Market (REM)

**SESSA Conference, Berlin, 9 – 10 December, 2004**

# ECSEE COUNTRIES

- **ALBANIA**
- **BOSNIA AND HERZEGOVINA**
- **BULGARIA**
- **CROATIA**
- **KOSOVO**
- **MACEDONIA**
- **MOLDAVA**
- **SERBIA AND MONTENEGRO**
- **TURKEY**

# THE REGIONAL NETWORK



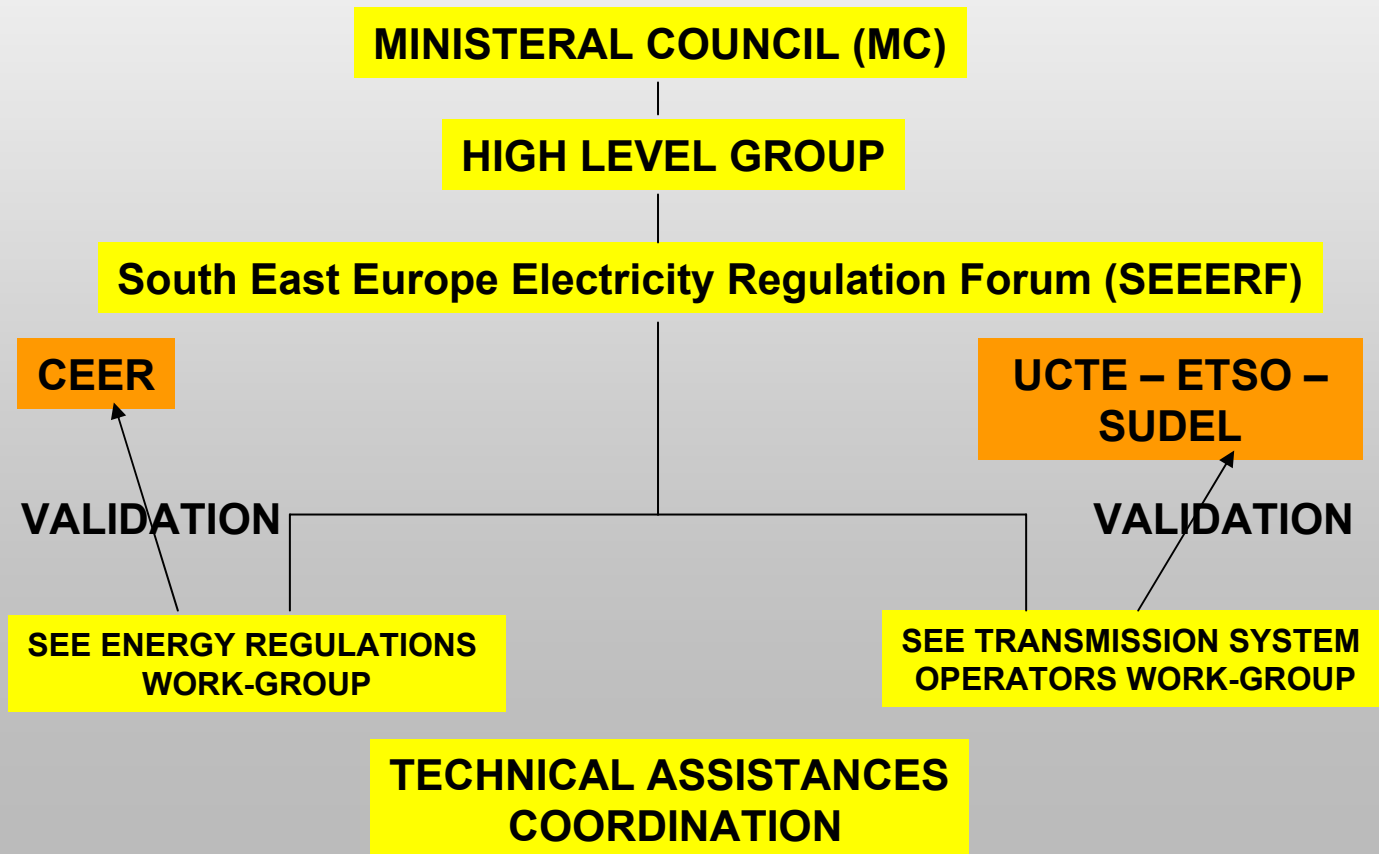
# **PRECONDITIONS FOR AN INTERIM ECSEE**

- **Third party access, interconnector capacity allocation**
- **Independent TSO/ISOs and regulators**
- **Freedom to contract for eligible customers**
- **Rules to cover trading and market participation**
- **Dispute resolution process**

# **ADDITIONAL PRECONDITIONS FOR A FULL ECSEE**

- **Regional institutions**
- **Day ahead market and power exchange**
- **No restrictions on number of bilateral contracts**
- **Balancing market**
- **Regional Grid Code**
- **Ancillary services pricing principles, contracts and monitoring**
- **Regional market rules**

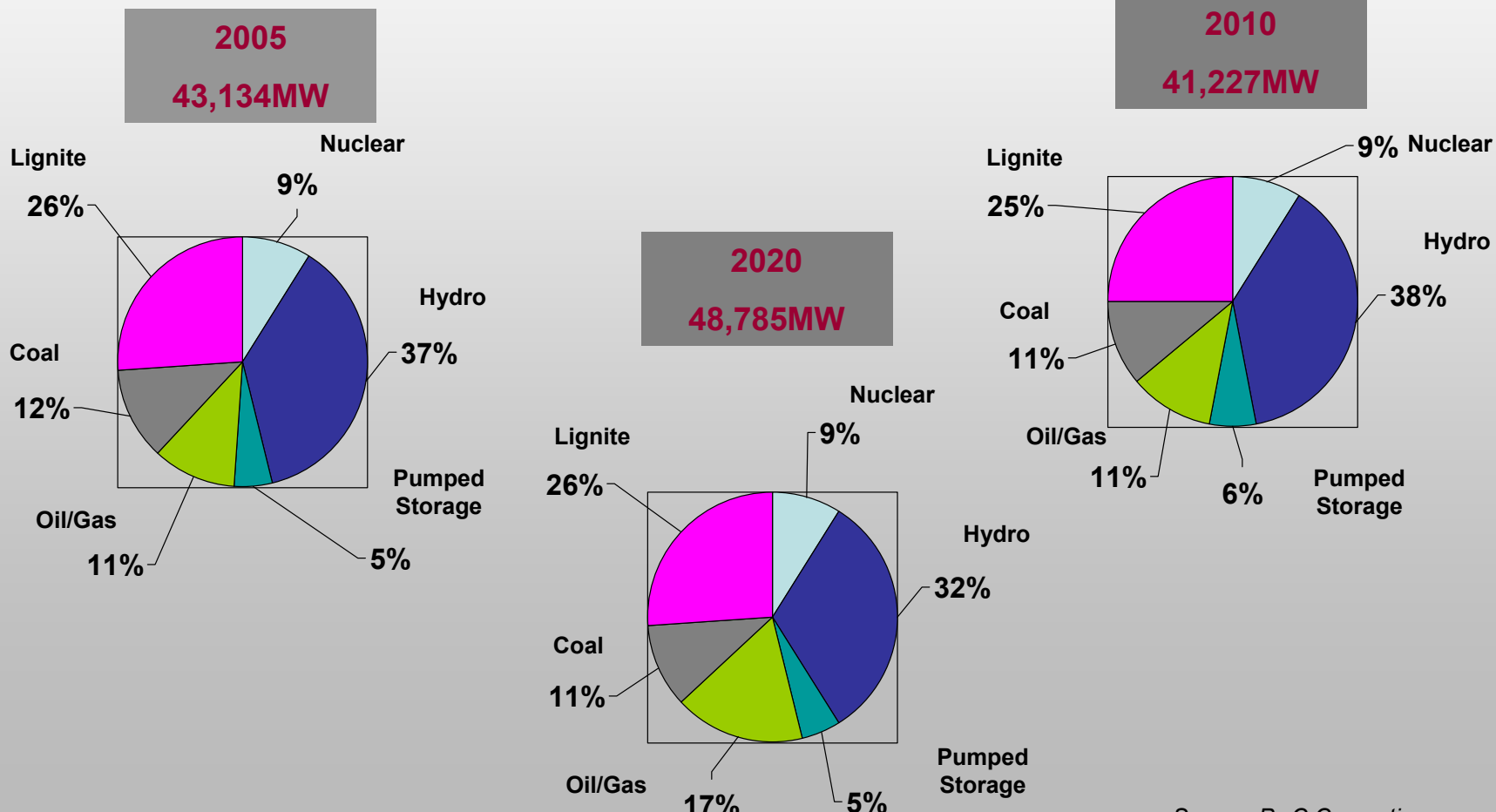
# REGIONAL STRUCTURE FOR SEE ELECTRICITY MARKET DEVELOPMENT



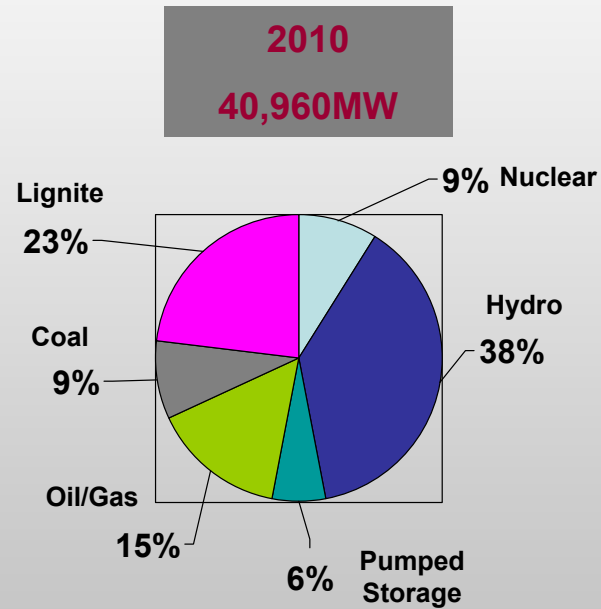
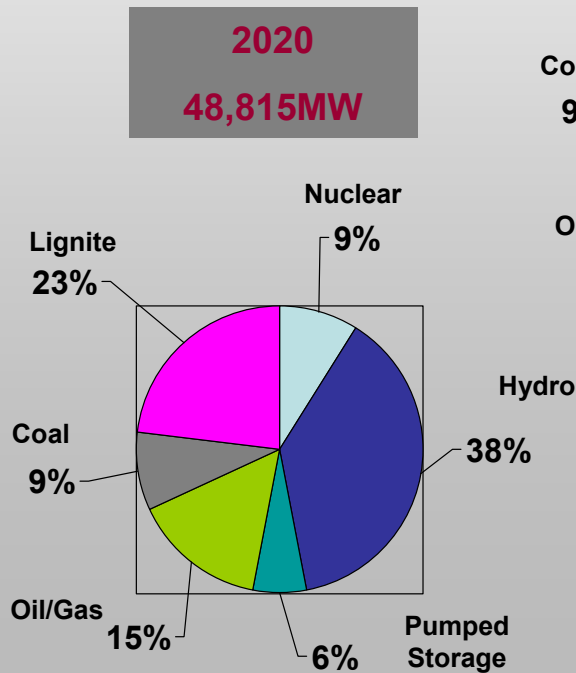
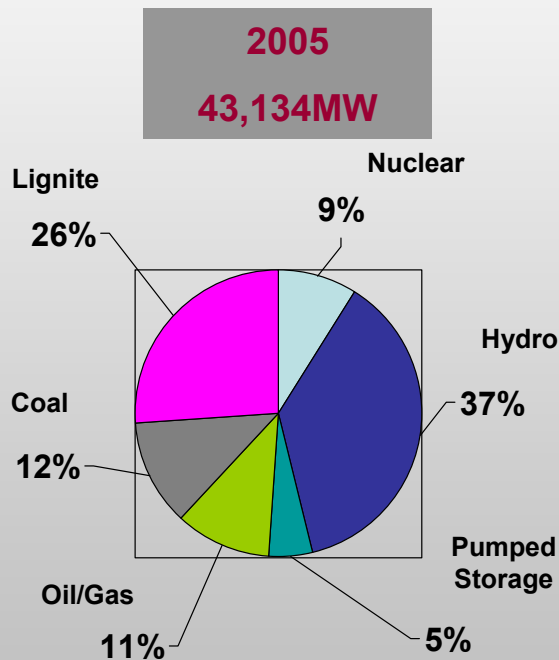
# EXPECTED DEMAND GROWTH under two different scenarios

	Compound annual growth value in gross electricity demand 2003 - 2020	
	Case 1	Case 2
Albania	2.0%	4.0%
Bulgaria	0.8%	1.6%
Bosnia and Herzegovina	2.3%	3.0%
Croatia	2.5%	3.2%
Kosovo	0.2%	1.6%
Macedonia	1.5%	2.5%
Montenegro	- 1.7%	- 0.4%
Romania	1.2%	2.6%
Serbia	1.1%	1.1%
<b>SEE</b>	<b>1.3%</b>	<b>2.2%</b>

# EVOLUTION OF GENERATION MIX Case 1

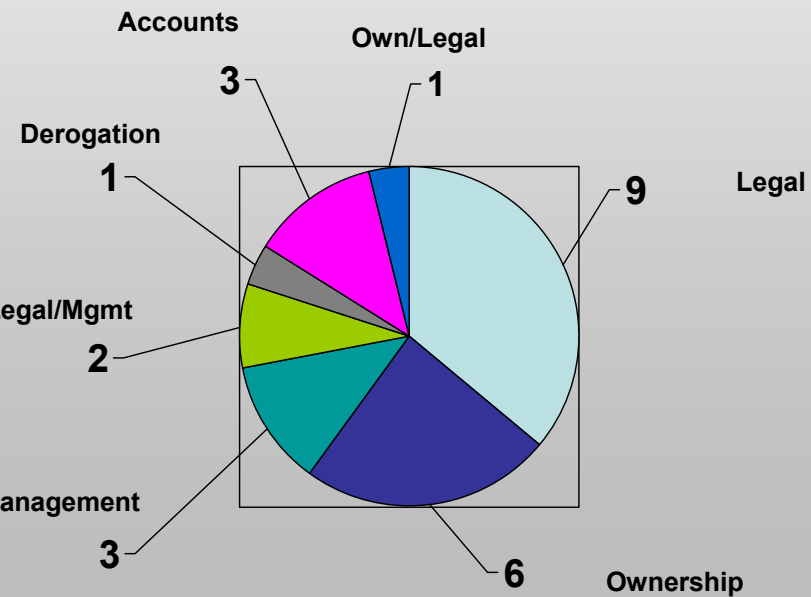


# EVOLUTION OF GENERATION MIX Case 2

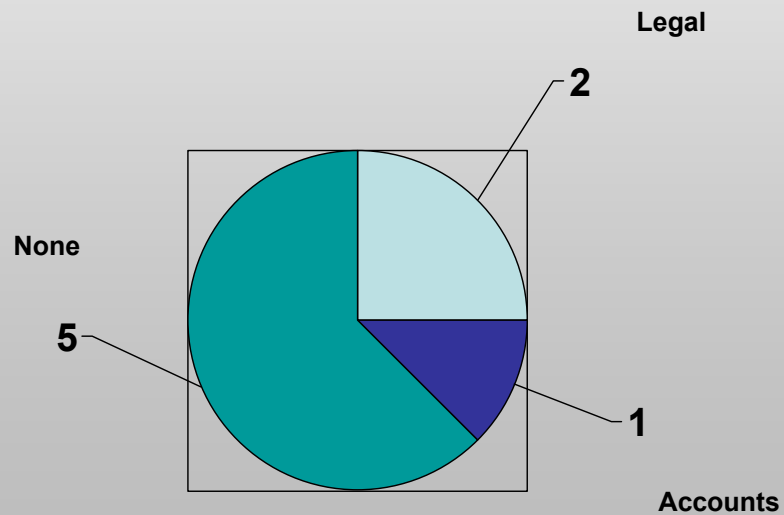


# UNBUNDLING: TSOs

**EU 25**

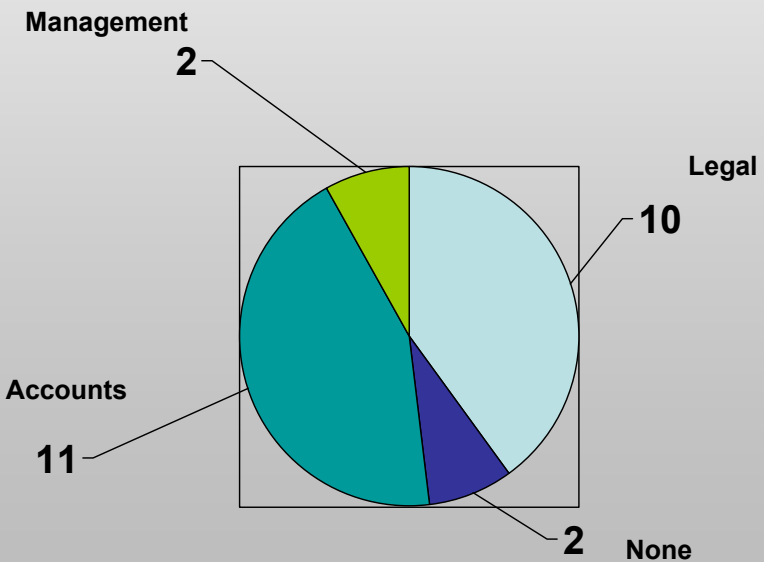


**ECSEE**

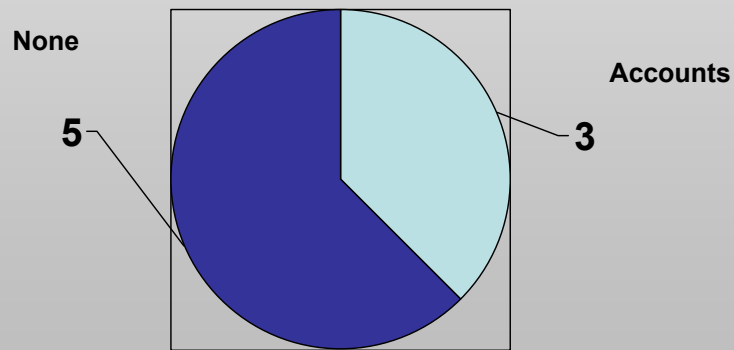


# UNBUNDLING: DSOs

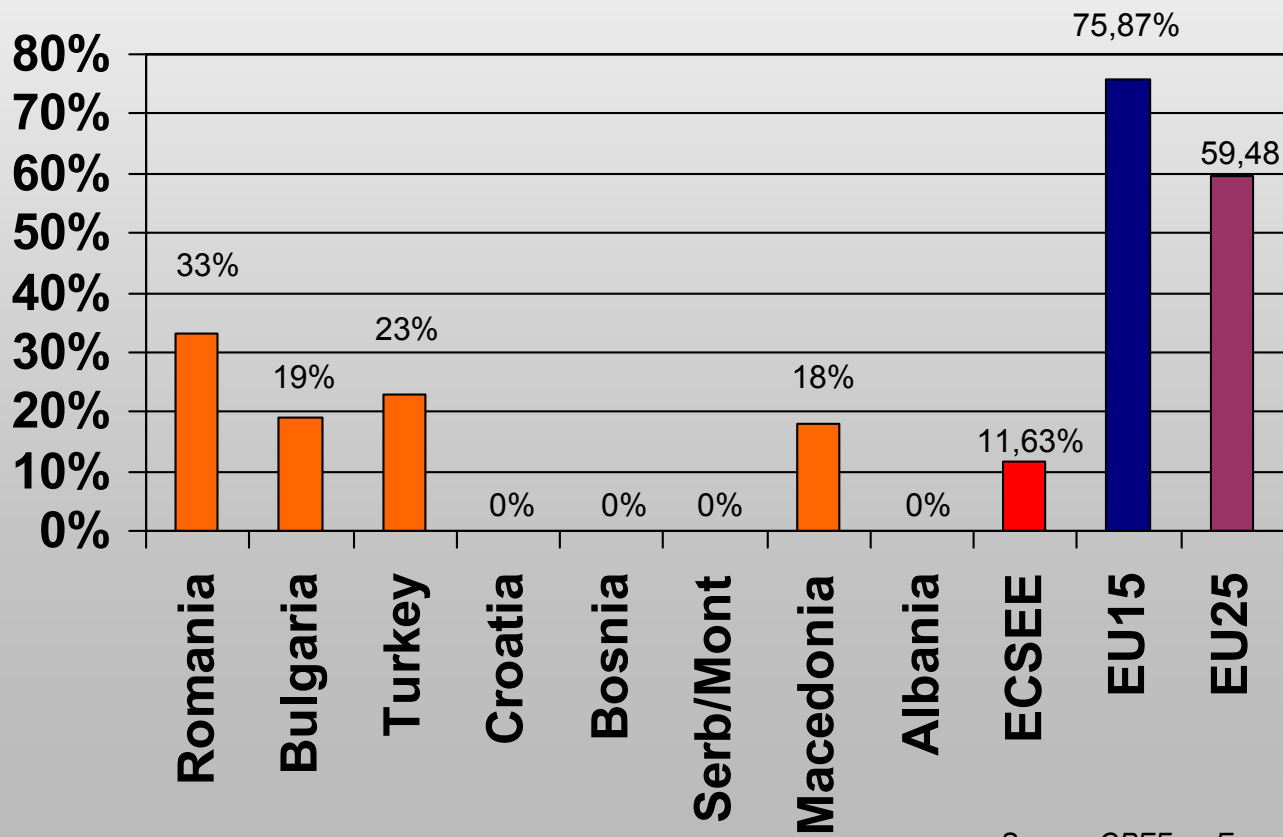
**EU 25**



**ECSEE**

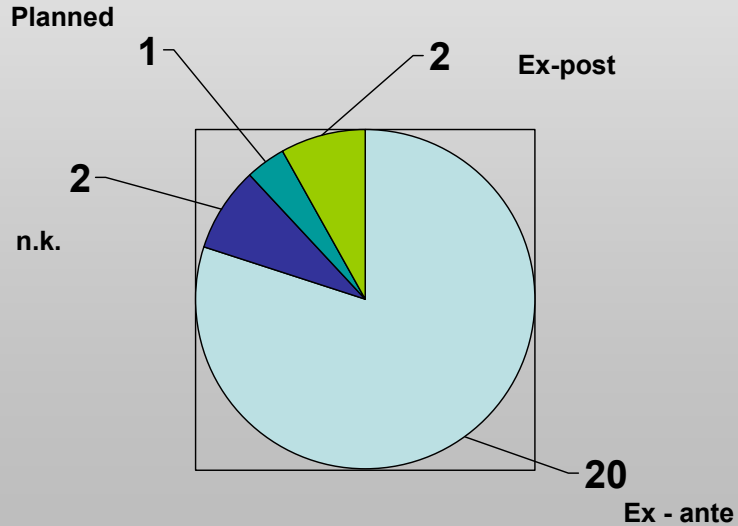


# MARKET OPENING

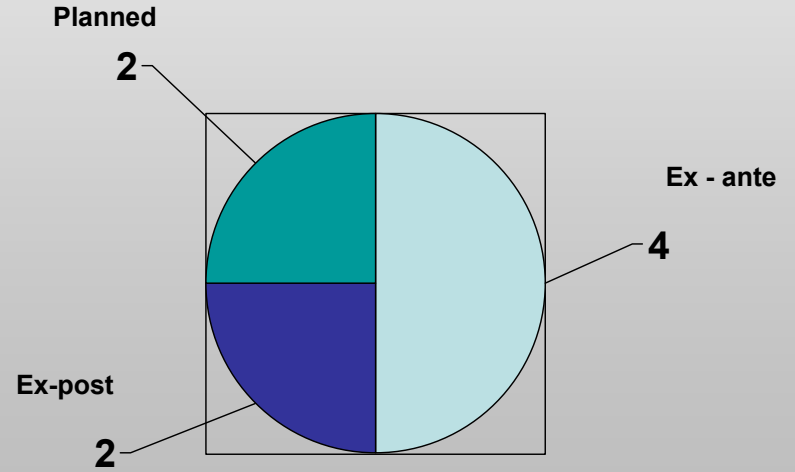


# REGULATION

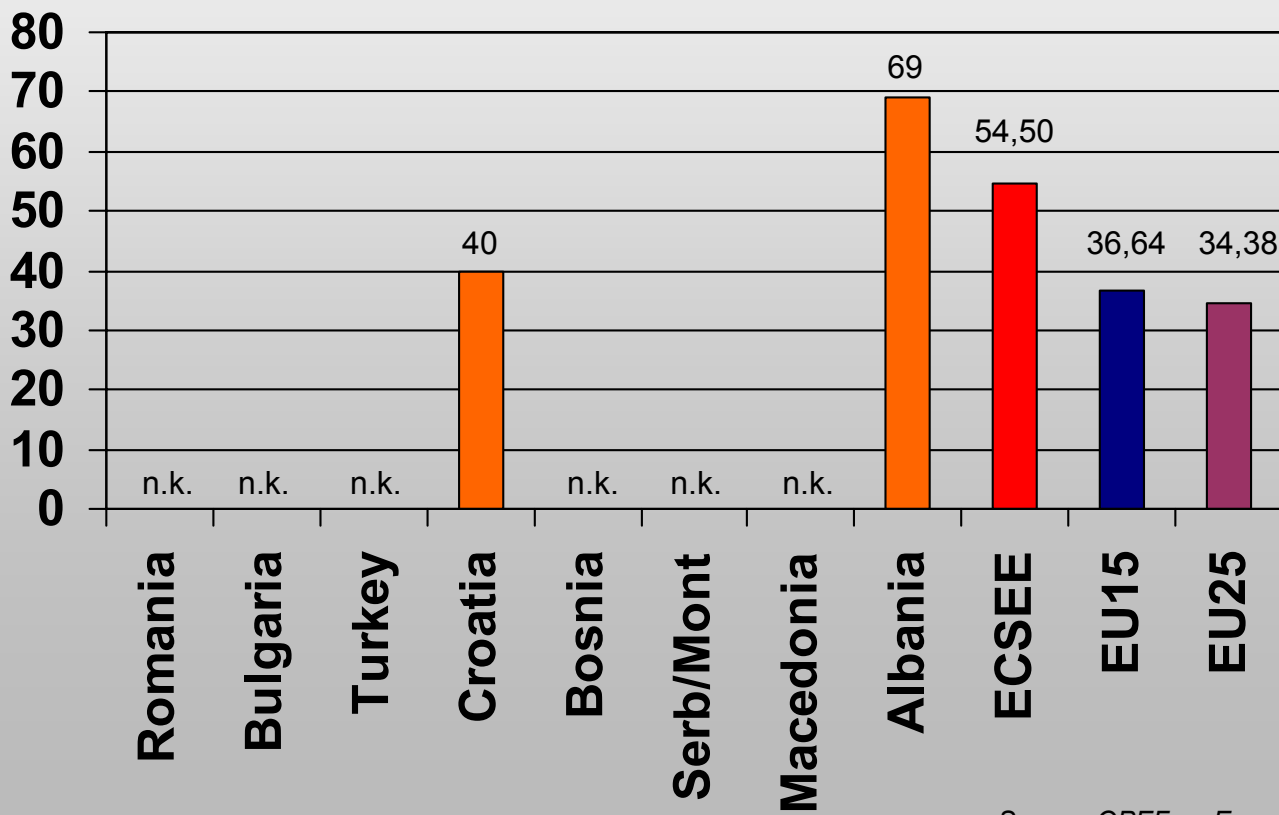
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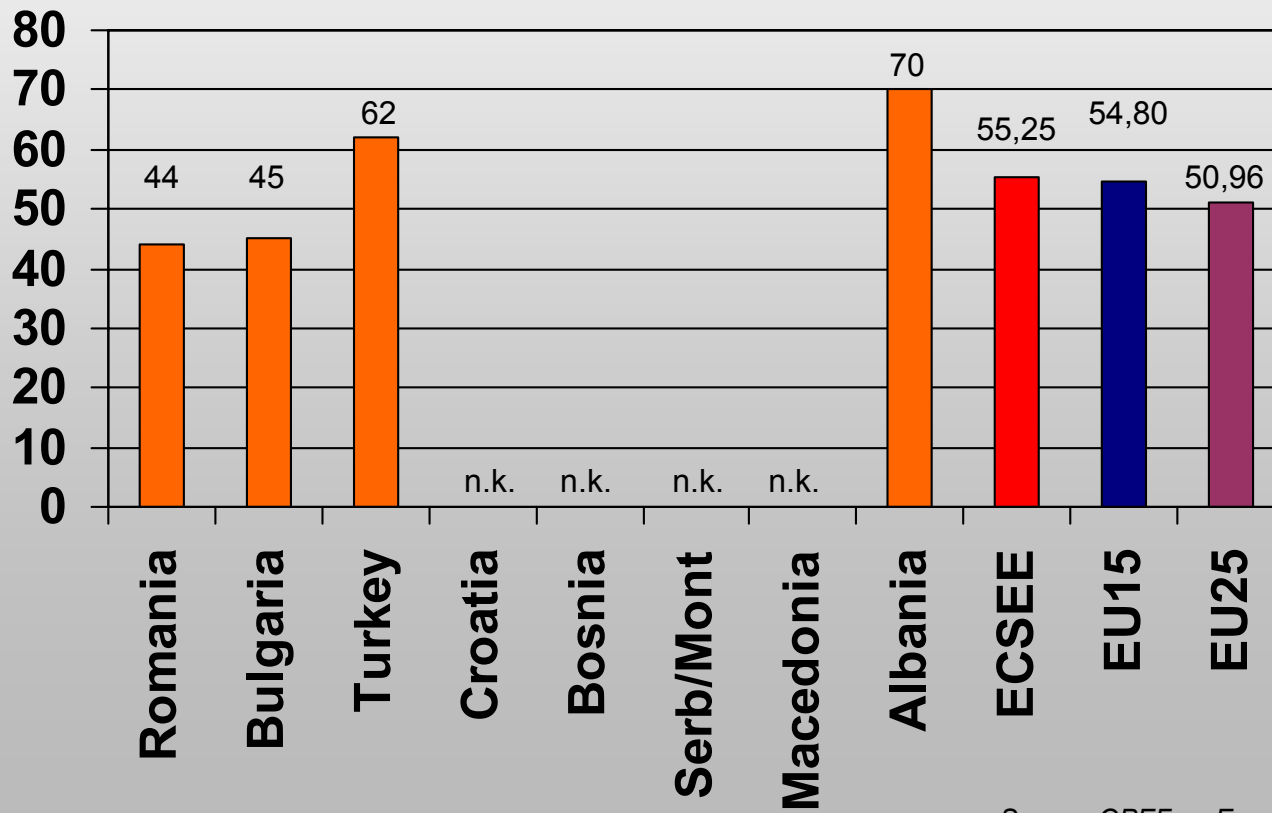
**ECSEE**



# BIGGEST GENERATORS' SHARE OF CAPACITY (%)



# LARGEST 3 GENERATORS' SHARE OF CAPACITY (%)



# NETWORK ACCESS

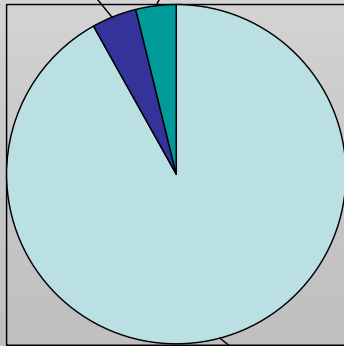
EU 25

ECSEE

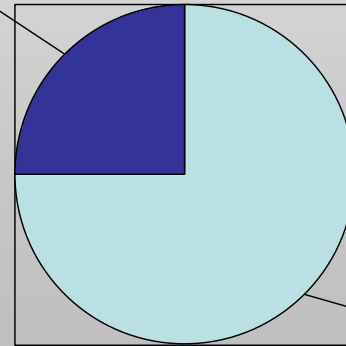
S.Buyer

1 1 Neg.

(Reg.)



2

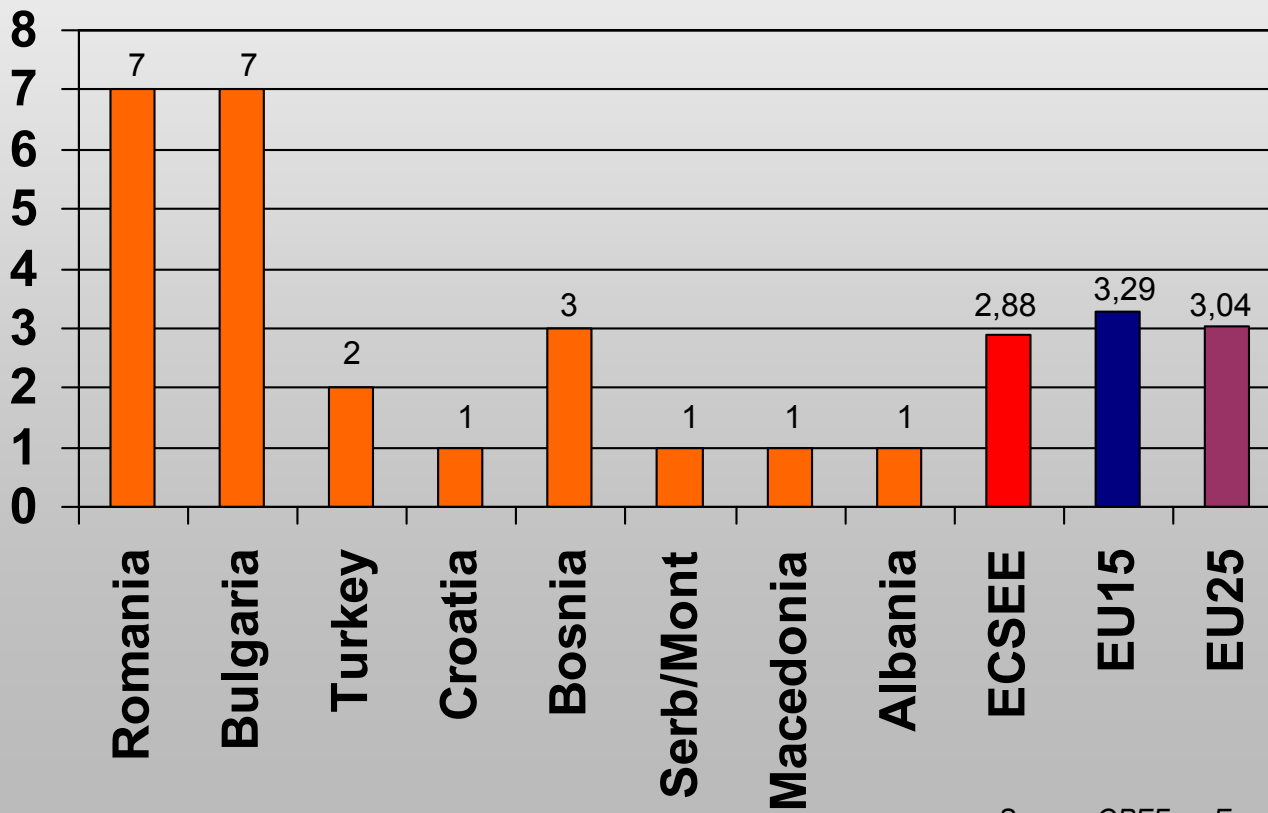


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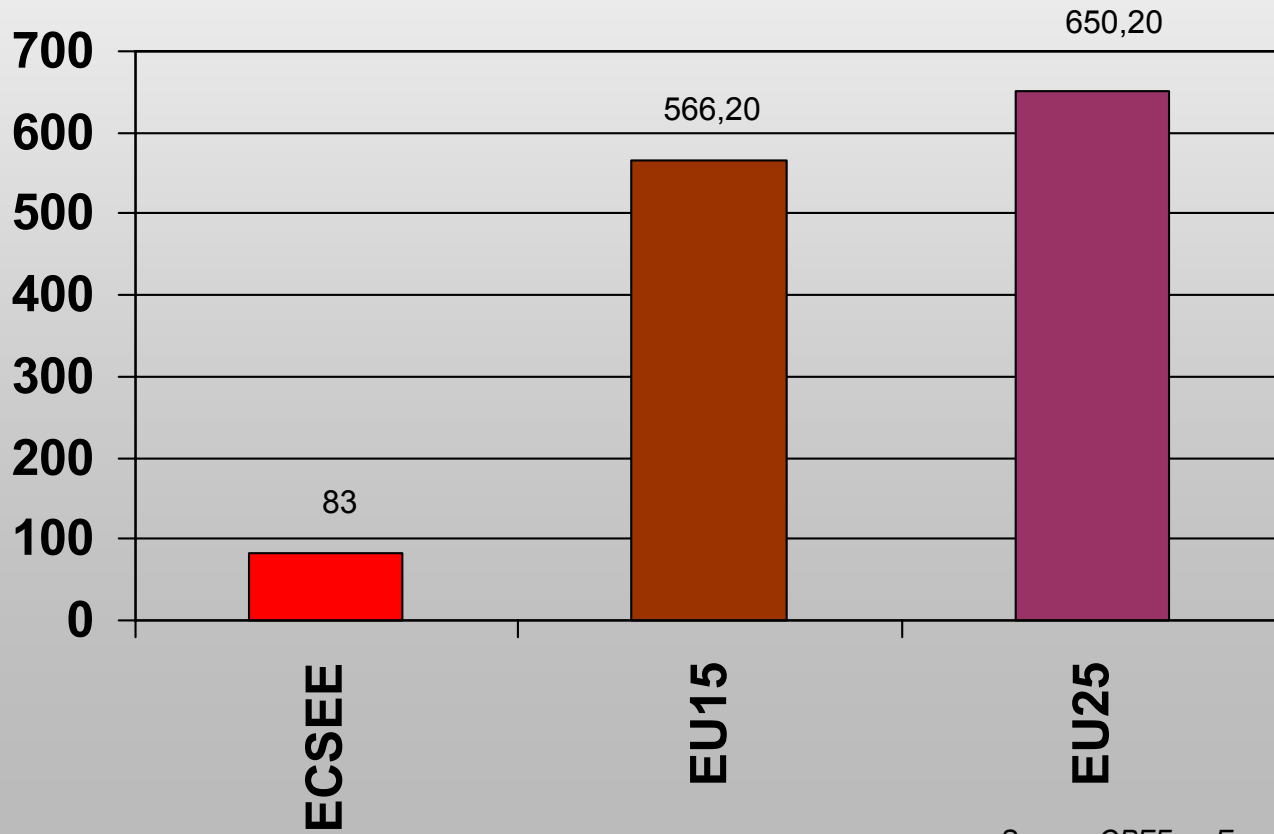
23 Reg.

Reg.

# COMPANIES WITH AT LEAST 5% SHARE OF INSTALLED CAPACITY

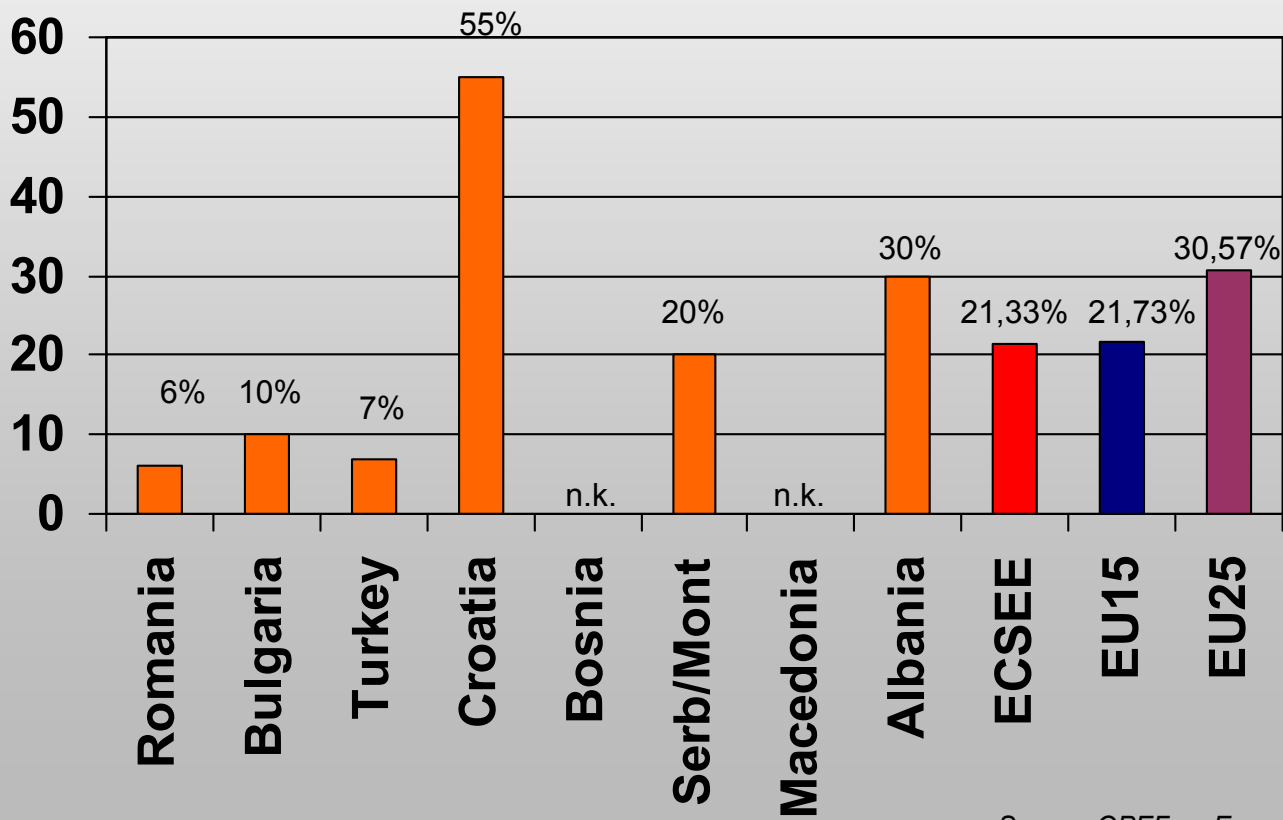


# INSTALLED GENERATION CAPACITY (GW)

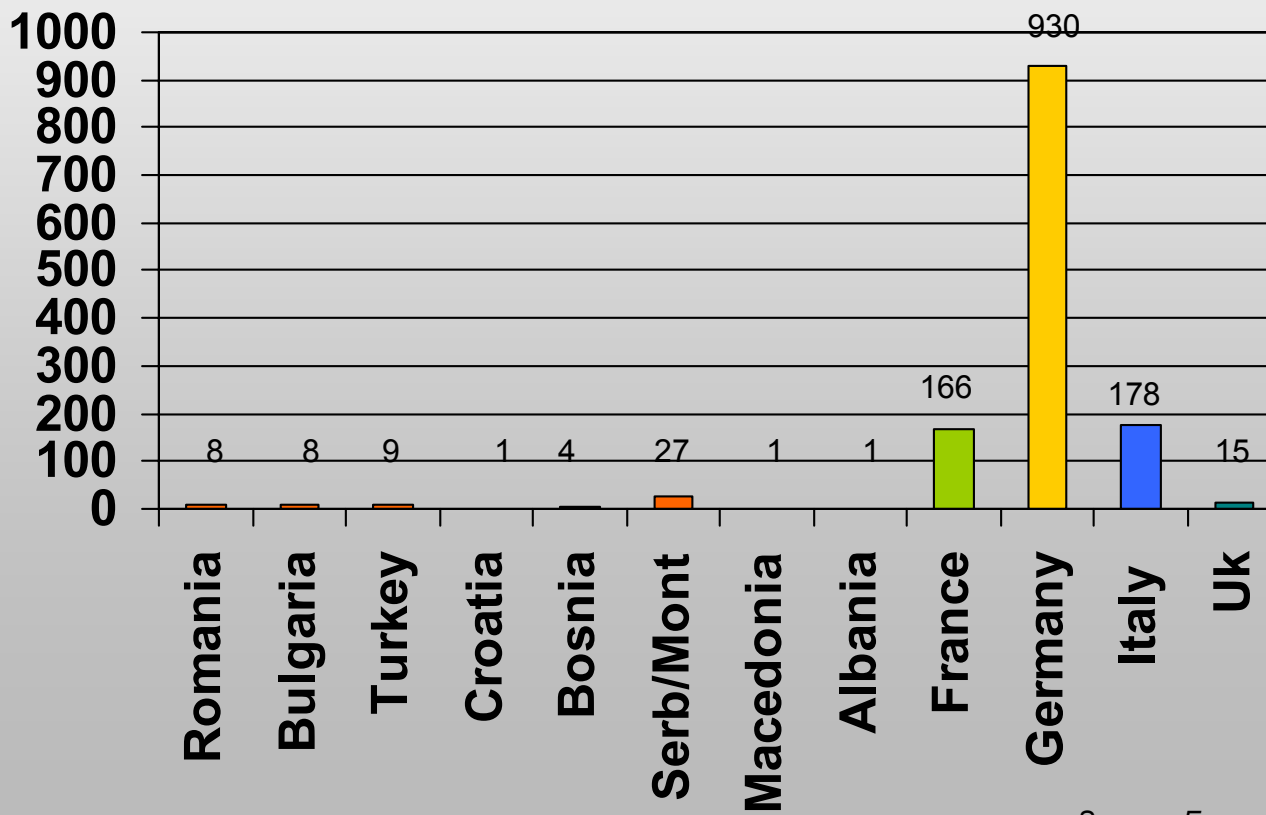


# IMPORT CAPACITY

S % OF INSTALLED  
CAPACITY



# NUMBER OF DISTRIBUTION COMPANIES



# MARKET SHARES RETAIL SUPPLY

COMPANIES WITH  
MARKET SHARE >  
%

