

**DECISION AB n°7/2013
of 20 March 2013**

**ON THE ESTIMATE OF REVENUE AND EXPENDITURE OF THE
AGENCY FOR THE 2014 FINANCIAL YEAR**

THE ADMINISTRATIVE BOARD OF THE AGENCY FOR THE COOPERATION
OF ENERGY REGULATORS,

HAVING REGARD to Regulation (EC) No 713/2009 of the European Parliament and
of the Council of 13 July 2009 establishing an Agency for the Cooperation of Energy
Regulators¹ (hereinafter referred to as the “Agency”), and, in particular, Article 23(1)
thereof,

HAVING REGARD to the reasoned opinion of the Board of Regulators on the
preliminary draft ACER budget for 2014, attached to this decision,

Whereas:

- (1) The European Council, on 4 February 2011, confirmed that “*safe, secure, sustainable and affordable energy contributing to European competitiveness remains a priority for Europe*” and that “*the EU needs a fully-functioning, interconnected and integrated internal energy market*”. In this context, the Council set targets for the completion of the internal energy market by 2014 and the removal of energy islands by 2015.
- (2) Since its establishment, pursuant to Regulation (EC) No 713/2009, the Agency has been assigned additional tasks and responsibilities, notably by Commission Regulation (EU) No 838/2010 of 23 September 2010 on laying down guidelines relating to the inter-transmission system operator compensation mechanism and a common regulatory approach to transmission charging² and Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency³ (hereinafter referred to as “REMIT”).

¹ OJ L211 14.8.2009, p.1.

² OJ L250, 24.9.2010, p.5.

³ OJ L326, 8.12.2011, p.1.

- (3) REMIT provides for the monitoring of wholesale energy markets by the Agency in close collaboration with National Regulatory Authorities.
- (4) The establishment of the European register of market participants and the acquisition and processing, for monitoring purposes, of the records of transactions to be provided by market participants, or by other persons or authorities acting in their behalf, require the development of dedicated IT platforms and data exchange protocols.
- (5) The full monitoring system under REMIT should become operational six months after the adoption by the Commission of the Implementing Acts on the records of transactions. Such adoption is expected early in 2014 at the latest.
- (6) The estimate of expenditure and revenue is made on the condition that additional funds in the amount of approximately €3 million will be available to the Agency as soon as possible in 2013 to substantially complete the development of its dedicated IT platforms and data exchange protocols; therefore the 2014 budget includes provisions for the maintenance of the REMIT-related IT system and to cover the additional staff required for operating the market monitoring system under REMIT in the second half of 2014.
- (7) The new Regulation of the European Parliament and of the Council on guidelines for trans-European energy infrastructure and repealing Decision No 1364/2006/EC⁴ (hereinafter “TEN-E Regulation”) envisages additional tasks for the Agency, including in the process for the identification of Projects of Common Interest (PCIs) and the monitoring of the development of such projects.
- (8) The new TEN-E Regulation is expected to enter into force by mid-2013 and the first list of PCIs is expected to be defined and adopted by the end of the year. Therefore, the new TEN-E Regulation requires intensive activities during 2013, in which the Agency will be substantially involved, even though at present no additional resources are envisaged for these activities. In fact, preparatory work already started in late 2012 and continued while the Regulation was in the legislative process.
- (9) The 2014 budget also covers the new staffing for the implementation of the Agency’s tasks under the new TEN-E Regulation.
- (10) The provisions in both REMIT and the new TEN-E Regulation are instrumental for the achievement of the targets set by the European Council in February 2011.

⁴ COM(2011)0658 – C7-0371/2011 – 2011/0300(COD), adopted by the European Parliament on 12 March 2013.

- (11) The Agency already benefits from the support of the National Regulatory Authorities, both in terms of experts being provided for the working groups established by the Agency and as seconded national experts, and logistically, through the provisions, free of any charge, of the facilities for the Agency's office in Brussels.
- (12) On the basis of a forecast of the activities which the Agency will be called to perform in 2014, including for the implementation of REMIT and of the new TEN-E Regulation, a preliminary draft budget for the 2014 Financial Year has been drawn up by the Director pursuant to Article 23(1) of Regulation (EC) No 713/2009.
- (13) On the basis of the above-mentioned preliminary draft budget prepared by the Director, and taking into account the reasoned opinion of the Board of Regulators, the Administrative Board shall make an estimate of revenue and expenditure of the Agency for the following financial year, pursuant to Article 23(1) of Regulation (EC) No 713/2009.
- (14) This estimate should be sent by the Administrative Board to the European Commission by 31 March 2013.

HAS DECIDED that:

The estimate of revenue and expenditure of the Agency for the 2014 Financial Year amounts to 15,525,320 € (euro).

The breakdown of this estimate into the various components of revenue and expenditure can be found in the Annex to this decision.

This decision shall enter into force on the day following that of its adoption.

Done at Ljubljana, on 20 March 2013.

For the Administrative Board:

Piotr Woźniak



Chairman of the ACER Administrative Board

Annex I: ACER Draft Budget 2014

Title Chapter	Heading	EU contribution	Assigned revenue 2012 surplus	Total budget 2014
		€s	€s	€s
TITLE 1	EXPENDITURE RELATING TO STAFF AND RESOURCES			
CHAPTER 11	STAFF IN ACTIVE EMPLOYMENT	9,354,012	517,614	9,871,626
CHAPTER 12	MISSIONS AND DUTY TRAVEL	167,808	9,286	177,094
CHAPTER 13	SOCIOMEDICAL INFRASTRUCTURE	45,503	2,518	48,021
CHAPTER 14	SOCIAL SERVICES	20,087	1,112	21,200
	TOTAL TITLE 1	9,587,411	530,529	10,117,941
TITLE 2	AGENCY'S BUILDING AND ASSOCIATED COSTS			
CHAPTER 20	AGENCY'S PREMISES COSTS	1,364,456	75,504	1,439,960
CHAPTER 21	DATA PROCESSING	377,605	20,895	398,500
CHAPTER 22	MOVABLE PROPERTY AND ASSOCIATED COSTS	124,605	6,895	131,500
CHAPTER 23	CURRENT ADMINISTRATIVE EXPENDITURE	855,727	47,352	903,079
CHAPTER 24	COMPUTER INFRASTRUCTURE TELECOMMUNICATION AND POSTAGE	206,569	11,431	218,000
	TOTAL TITLE 2	2,928,962	162,077	3,091,039
TITLE 3				
CHAPTER 30	REPRESENTATION EXPENSES	30,000	0	30,000
CHAPTER 31	OPERATIONAL MISSIONS	396,200	0	396,200
CHAPTER 32	STAKEHOLDER INVOLVEMENT, PUBLIC RELATIONS AND V	314,600	0	314,600
CHAPTER 33	TRANSLATIONS	60,540	0	60,540
CHAPTER 34	PROFESSIONAL INDEMNITY	15,000	0	15,000
CHAPTER 35	REMIT OPERATIONS	1,500,000	0	1,500,000
	TOTAL TITLE 3	2,316,340	0	2,316,340
	TOTAL BUDGET 2014	14,832,714	692,606	15,525,320

Annex II: ACER Detailed Draft Budget for the Financial Year 2014

Title Chapter Article Item	Heading	EU subsidy	Assigned revenue 2012 surplus	Total budget for the Financial year 2014	Remarks
9	REVENUE				
90	ANNUAL INCOME				
901	Subsidy from the EU general budget			14,832,714	This represents the annual operating subsidy from the European Union budget.
902	Others			692,606	Other revenue including assigned revenue of year N-2.
	CHAPTER 9 0 — TOTAL			15,525,320	
	TITLE 9 — TOTAL			15,525,320	
	GRAND TOTAL			15,525,320	
	EXPENDITURE				
1	EXPENDITURE RELATING TO STAFF AND RESOURCES				
11	STAFF IN ACTIVE EMPLOYMENT				
110	Temporary staff holding a post provided in the establishment plan				
1100	Basic salaries and correction	5,524,240	305,689	5,829,930	Staff Regulations of officials and Conditions of employment of other servants of the European Communities, and in particular Articles 62 and 66 thereof. This appropriation is intended to cover basic salaries and corrections for temporary staff.
1101	Family allowances	738,254	40,852	779,106	Staff Regulations of officials of the European Communities, and in particular Articles 62, 67 and 68 thereof and section I of Annex VII thereto. This appropriation is intended to cover the household, dependent child and education allowances for temporary staff
1102	Expatriation and foreign residence allowances	651,844	36,070	687,915	Staff Regulations of officials of the European Communities, and in particular Articles 62 and 69 thereof and Article 4 of Annex VII thereto.
	Article 1 1 0 — Total	6,914,339	382,612	7,296,951	This appropriation is intended to cover the expatriation and foreign-residence allowances for temporary staff.
111	Other agents				
1110	Contract agents	281,040	15,552	296,592	Conditions of employment of other servants of the European Communities, and in particular Article 4 and Title IV thereof. This item is intended to cover the remuneration and the employer's share of social security contributions for contract agent staff.
1111	Seconded National Experts	682,120	37,746	719,866	Various Seconded National Experts are placed at ACER to fulfil the need for assistance to the agency's work programme. This appropriation includes their daily and monthly allowances
	Article 1 1 1 — Total	963,161	53,297	1,016,458	
112	Further training, retraining and information for staff				
1120	Training and information for staff	202,511	11,206	213,717	Staff Regulations of officials of the European Communities, and in particular the third paragraph of Article 24 a) thereof. This also includes costs related to missions for training events and trainer expenses.
	Article 1 1 2 — Total	202,511	11,206	213,717	
113	Insurance against sickness, accidents and unemployment				
1130	Insurance against sickness	137,988	7,636	145,624	Staff Regulations of officials of the European Communities, and in particular Article 72 thereof. Rules on sickness insurance for officials of the European Communities, and in particular Article 23 thereof. This appropriation is intended to cover the employer's contribution and the official's contribution of the basic salary.
1131	Insurance against accidents and occupational disease	36,222	2,004	38,226	Staff Regulations of officials of the European Communities, and in particular Article 73 thereof. This appropriation is intended to cover the employer's contribution to insurance against accidents and occupational disease (0.675 % of the basic salary).
1132	Unemployment insurance for temporary staff	46,673	2,583	49,256	Council Regulation (ECSC, EEC, Euratom) No 2799/65 of 27 September 1965 amending the Staff Regulations of officials of the European Communities and the Conditions of employment of other servants of the European Communities.
	Article 1 1 3 — Total	220,883	12,223	233,106	This appropriation is intended to insure temporary staff against unemployment.

Title Chapter Article Item	Heading	EU subsidy	Assigned revenue 2012 surplus	Total budget for the Financial year 2014	Remarks
114	Miscellaneous allowances and grants				
1140	Birth and death grants	1,879	104	1,983	Staff Regulations of officials of the European Communities, and in particular Articles 70, 74 and 75 thereof. This appropriation is intended to cover: — the childbirth grant, — Death allowances payable in the event of the death of an official.
1141	Annual travel expenses from the place of work to origin	88,216	4,881	93,097	Staff Regulations of officials of the European Communities, and in particular Article 8 of Annex VII thereto. This appropriation is intended to cover the payment to staff members in each calendar year of a sum equivalent to the cost of travel from the place of employment to the place of origin for themselves and, if they are entitled to the household allowance, for the spouse and dependants.
1142	Schooling fees	238,891	13,219	252,110	This appropriation is intended to cover the additional schooling fees incurred by staff members for their children's education.
115	Overtime	Article 1 1 4 — Total	18,205	347,190	
1150	Overtime			p.m.	Staff Regulations of officials of the European Communities, and in particular Article 56 thereof and Annex VI thereto. This appropriation is intended to cover flat-rate payments or hourly-rate payments for overtime worked by temporary agents in categories AST 1 - AST4 whom it has not been possible to compensate by flex-hours.
116	Expenses on entering and leaving the service and on transfer	Article 1 1 5 — Total	0	0	
1160	Expenditure related to Recruitment	182,486	10,098	192,584	Staff Regulations of officials of the European Communities, and in particular Articles 27 to 31 and 33 thereof. This appropriation is intended to cover the expenditure involved in recruitment procedures.
1161	Travel expenses taking up duty	75,905	4,200	80,105	Staff Regulations of officials of the European Communities, and in particular Articles 2 and 71 thereof and Article 7 of Annex VII thereto. This appropriation is intended to cover the travel expenses of staff (including members of their families) entering or leaving the service.
1162	Installation, resettlement and transfer allowances	194,375	10,756	205,131	Staff Regulations of officials of the European Communities, and in particular Articles 20 and 71 thereof and Article 9 of Annex VII thereto. This appropriation is intended to cover the removal costs of staff obliged to change residence after taking up their appointment or when transferred to a new place of work or when they definitively cease their duties and settle elsewhere.
1163	Temporary daily subsistence allowances	126,843	7,019	133,862	Staff Regulations of officials of the European Communities, and in particular Articles 20 and 71 thereof and Article 10 of Annex VII thereto. This appropriation is intended to cover the daily subsistence allowances due to staff able to prove that they were obliged to change their place of residence after taking up their duties (including transfer).
117	Supplementary services	Article 1 1 6 — Total	32,073	611,683	
1170	Supplementary clerical and interim services	94,757	5,243	100,000	This appropriation is intended to cover the services provided by interim agents employed to cover staffing needs where the establishment plan does not cover requirements
1171	Administrative Assistance	49,757	2,754	52,521	This appropriation is intended to cover the administrative assistance received from PMO in processing the salaries of temporary agents and contract agents.
	Article 1 1 7 — Total	144,524	7,997	152,521	
	CHAPTER 1 1 — TOTAL	9,354,012	577,614	9,871,626	

Title Chapter Article Item	Heading	EU subsidy	Assigned revenue 2012 surplus	Total budget for the Financial year 2014	Remarks
12	MISSIONS AND DUTY TRAVEL				
	Mission expenses, travel expenses and incidental expenditure				
1200	Mission expenses Administrative staff	53,409	2,855	56,364	This appropriation is intended to cover expenditure related to mission of the Administrative department.
1201	Mission expenses - Director	69,599	3,851	73,450	This appropriation is intended to cover expenditure related to the missions of the Director.
1202	Mission expenses Director office staff	44,801	2,479	47,280	This appropriation is intended to cover expenditure related to missions of the Director office staff.
	Article 1 2 0 — Total	167,808	9,286	177,094	
	CHAPTER 1 2 — TOTAL	167,808	9,286	177,094	
13	SOCIOMEDICAL INFRASTRUCTURE				
130	Medical service				
	Medical services and equipment	45,503	2,518	48,021	Staff Regulations of officials of the European Communities, and in particular Article 59 thereof and Article 8 of Annex II plus purchase of medical supplies and equipment.
	Article 1 3 0 — Total	45,503	2,518	48,021	
	CHAPTER 1 3 — TOTAL	45,503	2,518	48,021	
14	SOCIAL SERVICES				
140	Social services				
	Special assistance grants				This item is intended to cover assistance in the form of cash which may be granted to an official, former official or survivors of a deceased official who find themselves in difficult circumstances.
1400	Social welfare of staff	11,371	629	12,000	This appropriation is intended to cover expenditure by the Agency on the social welfare activities of its staff, including schooling/informative events.
1401	Article 1 4 0 — Total	11,371	629	12,000	
141	Staff Committee				
	Staff Committee	8,718	482	9,200	This appropriation is intended to cover the costs such as missions or other administration costs of the Staff Committee representing the staff of ACER.
1410	Article 1 4 1 — Total	8,718	482	9,200	
	CHAPTER 1 4 — TOTAL	20,088	1,112	21,200	
	TITLE 1 — TOTAL	9,587,412	630,529	10,117,941	
2	AGENCY'S BUILDING AND ASSOCIATED COSTS				
20	AGENCY'S PREMISES COSTS				
2000	Rental costs				
2000	Rent	852,809	47,191	900,000	This appropriation is intended to cover the rental costs of ACER premises.
2001	Removal costs	5,685	315	6,000	This appropriation is intended to cover the costs related to the removal of furniture and equipment to new premises.
	Article 2 0 0 — Total	858,494	47,506	906,000	
201	Utilities and Services				
2010	Utilities	204,674	11,326	216,000	This appropriation is intended to cover the utility costs like: water, gas, electricity, waste collection.
2011	Cleaning and maintenance	130,991	7,249	138,240	This appropriation is intended to cover the costs of cleaning and maintenance of the premises.
	Article 2 0 1 — Total	335,666	18,574	354,240	
202	Insurance				
2020	Insurance	9,476	524	10,000	This appropriation is intended to cover the insurance policy premiums including insurance of the building occupied by ACER and its assets.
	Article 2 0 2 — Total	9,476	524	10,000	

Title Chapter Article Item	Heading	EU subsidy	Assigned revenue 2012 surplus	Total budget for the Financial year 2014	Remarks
203	Security of buildings and persons				
2030	Security and surveillance of buildings	100,745	5,575	106,320	This appropriation is intended to cover expenditure on buildings connected with security and safety in particular loss, theft, unauthorized use or access, and other internal or external threats.
2031	Health and safety at work	7,960	440	8,400	This appropriation is intended to cover for the costs of health and safety issues at the work place.
204	Article 2 0 3 — Total	108,705	6,015	114,720	
2040	Other expenditure on buildings				This item is intended to cover expenditures on buildings, renovations and refurbishment including the upgrade and maintenance of existing facilities.
2041	Audio & Video equipment-maintenance	47,378	2,622	50,000	This appropriation is intended to cover the repair and maintenance costs of audio/video equipment.
210	Article 2 0 4 — Total	52,116	2,884	55,000	
21	CHAPTER 2 0 — TOTAL	1,364,466	75,504	1,439,960	
210	DATA PROCESSING				
2100	Equipment, data processing equipment and operating costs				
2101	Consumables	12,792	708	13,500	This appropriation is intended to cover the cost of consumables.
2102	Software	56,854	3,146	60,000	This appropriation is intended to cover the purchase/licensing of software.
2103	Subscriptions IT	213,202	11,798	225,000	This appropriation is intended to cover the subscription costs to various support services and shared applications such as ABAC, Business Objects, ABAC Assets etc.
22	MOVABLE PROPERTY AND ASSOCIATED COSTS				This appropriation is intended to cover the expenditure related to the establishment and maintenance of a disaster recovery site.
221	Purchase, hire, maintenance and repair of furniture				
2210	Purchase of furniture	33,165	1,835	35,000	This appropriation is intended to cover the purchase of furniture.
222	Transportation	33,165	1,835	35,000	
2220	Transportation costs	22,268	1,232	23,500	This appropriation is intended to cover the costs of parking, cabs and hire of vehicles.
223	Documentation and library expenditure	22,268	1,232	23,500	
2230	Library Acquisitions	69,172	3,828	73,000	This appropriation is intended to cover the purchase of hard copies or electronic material, e.g. books, reference works or CD's etc. to support and strengthen the knowledge of the agency.
23	Article 2 2 3 — Total	69,172	3,828	73,000	
230	CHAPTER 2 2 — TOTAL	124,605	6,895	131,500	
2300	CURRENT ADMINISTRATIVE EXPENDITURE				
2300	Stationery and office supplies	33,165	1,835	35,000	This appropriation is intended to cover the purchase of paper and office supplies.
231	Article 2 3 0 — Total	33,165	1,835	35,000	
2310	Financial charges	227	13	240	This appropriation is intended to cover bank charges in relation to the bank accounts held by the agency.
2310	Bank charges	227	13	240	

Title Chapter Article Item	Heading	EU subsidy	Assigned revenue 2012 surplus	Total budget for the Financial year 2014	Remarks
232	Legal expenses				
2320	Legal expenses	18,951	1,049	20,000	This appropriation is intended to cover legal costs and the services of lawyers or other experts.
2321	Expert consultations	497,472	27,528	525,000	This appropriation is intended to cover the expert consultation costs of ACER.
233	Article 2 3 2 — Total	516,423	28,577	545,000	
233	Other operating expenditure				
2330	Administrative Board meetings	37,903	2,097	40,000	This appropriation is intended to cover the costs for the members of the Administrative Board participating to meetings during the year.
2331	Regulators Board meetings	191,256	10,583	201,839	This appropriation is intended to cover the costs for the members of the Regulatory Board participating to meetings during the year.
2332	Board of Appeal meetings	41,693	2,307	44,000	This appropriation is intended to cover the costs for the members of the Appeal Board participating to ACER meetings during the year and the costs of the secretarial support.
2333	External Participants to meetings	23,689	1,311	25,000	This appropriation is intended to cover the costs of external participants to meetings organised by ACER.
2334	EU Agencies Network	11,371	629	12,000	This appropriation is intended to cover the costs of the liaison office in Brussels of the coordination of EU agencies and the IAAAN meeting.
	Article 2 3 3 — Total	305,911	16,928	322,839	
	CHAPTER 2 3 — TOTAL	855,727	47,352	903,079	
24	COMPUTER INFRASTRUCTURE				
240	TELECOMMUNICATION AND POSTAGE				
2400	Postal charges	11,371	629	12,000	This appropriation is intended to cover expenditure on postal and delivery charges, including parcels.
241	Telecommunications	11,371	629	12,000	
2410	Telecommunications subscriptions and charges	104,232	5,768	110,000	This appropriation is intended to cover all telecom related running costs, including fixed lines, mobile telephones and Internet access.
242	Article 2 4 1 — Total	104,232	5,768	110,000	
2420	Equipment and Computer infrastructure				
2420	Hardware and other equipment	90,966	5,034	96,000	This appropriation is intended to cover the purchase of hardware and other equipment for new post holders.
	Article 2 4 2 — Total	90,966	5,034	96,000	
	CHAPTER 2 4 — TOTAL	206,559	11,431	218,000	
3	TITLE 2 — TOTAL	2,928,952	162,077	3,091,039	
30	OPERATIONAL EXPENDITURE				
300	REPRESENTATION EXPENSES				
3000	Entertainment and Representation expenses	30,000	0	30,000	This appropriation is intended to cover costs relating to representation on behalf of ACER.
	Article 3 0 0 — Total	30,000	0	30,000	
	CHAPTER 3 0 — TOTAL	30,000	0	30,000	

Title Chapter Article Item	Heading	EU subsidy	Assigned revenue 2012 surplus	Total budget for the Financial year 2014	Remarks
31	OPERATIONAL MISSIONS				
310	Missions				
3100	Operational Missions - Gas Department	145,000	0	145,000	This appropriation is intended to cover costs of missions related to operational issues of the Gas department.
3101	Operational Missions - Electricity Department	151,200	0	151,200	This appropriation is intended to cover costs of missions related to operational issues of the Electricity department.
3102	Operational Missions - Market Monitoring Department	100,000	0	100,000	This appropriation is intended to cover costs of missions related to operational issues of the Market Monitoring department.
	Article 3 1 1 — Total	396,200	0	396,200	
	CHAPTER 3 1 — TOTAL	396,200	0	396,200	
32	STAKEHOLDER INVOLVEMENT, PUBLIC RELATIONS AND WEBSITE				
320	Stakeholder involvement, Public Relations & Website				
3200	Public hearings, workshops, conferences	153,600	0	153,600	This appropriation is intended to cover the cost of public relations activities including workshops organised by ACER.
3201	Website set-up and maintenance	60,000	0	60,000	This appropriation is intended to cover the costs of setting-up and maintenance of the website as primary communication tool with external party in the co-operation process.
3202	Publications, information material	71,000	0	71,000	This appropriation is intended to cover the cost of promotional material informing the public on ACER's activities.
3203	Reports production	30,000	0	30,000	This appropriation is intended to cover costs relating to the production and distribution of agency's reports.
	Article 3 2 0 — Total	314,600	0	314,600	
	CHAPTER 3 2 — TOTAL	314,600	0	314,600	
33	TRANSLATIONS				
330	Translation of documents				
3300	Translation at CDT	60,540	0	60,540	This appropriation is intended to cover the translation of materials or other operational needs of ACER.
	Article 3 3 0 — Total	60,540	0	60,540	
	CHAPTER 3 — TOTAL	60,540	0	60,540	
34	PROFESSIONAL INDEMNITY				
340	Liability/Insurance				
3400	Insurance	15,000	0	15,000	This appropriation is intended to cover the liability insurance costs.
	Article 3 4 0 - Total	15,000	0	15,000	
	CHAPTER 3 4 - TOTAL	15,000	0	15,000	
35	REMIT OPERATIONS				
350	REMIT Operations				
3500	REMIT hosting service	360,000	0	360,000	This appropriation is intended to cover the expenditure related to the REMIT hosting services.
3501	REMIT applications development	360,000	0	360,000	This appropriation is intended to cover the expenditure related to the development of REMIT applications.
3502	REMIT monitoring software	570,000	0	570,000	This appropriation is intended to cover the expenditure related to REMIT monitoring software.
3503	REMIT consultancy	210,000	0	210,000	This appropriation is intended to cover the expenditure related to consultancy services for REMIT.
	CHAPTER 3 5 - TOTAL	1,500,000	0	1,500,000	
	TITLE 3 — TOTAL	2,316,340	0	2,316,340	
	GRAND TOTAL	14,832,714	692,606	15,525,320	

BOARD OF REGULATORS OPINION no 01/2013

ON THE PRELIMINARY DRAFT BUDGET FOR 2014 FINANCIAL YEAR

HAVING REGARD to Regulation (EC) No 713/2009 of the European Parliament and of the Council of 13 July 2009, establishing a European Agency for the Cooperation of Energy Regulators (hereafter referred to as "Regulation (EC) No 713/2009" and the "Agency", respectively), and, in particular, Article 23(1) thereof;

HAVING REGARD to Decision 01/2010 of the Board of Regulators adopting its Rules of Procedure (hereafter referred to as the "Rules of Procedure") as modified by Decision 03/2012 and, in particular, Article 6 thereof;

HAVING REGARD to the Director's preliminary draft budget for 2014 financial year submitted for the Board of Regulators, pursuant to Article 23(1), and providing the basis for the estimate of revenue and expenditure of the Agency for the 2014 financial year to be prepared by the Administrative Board;

HAVING REGARD to the draft Multi-annual Staff Policy Plan 2014-2016 prepared by the Director accompanying the preliminary budget.

WHEREAS

- (1) The Agency's tasks under Regulation (EC) No 713/2009 complement and coordinate the work of National Regulatory Authorities. The Agency participates in the creation of European network rules; takes binding individual decisions on terms and conditions for access and operational security for cross border infrastructure and on exemptions, subject to certain conditions; gives advice to the European Institutions on various energy issues; monitors and reports developments of the energy markets.
- (2) The European Council, on 4 February 2011, confirmed that "safe, secure, sustainable and affordable energy contributing to European competitiveness remains a priority for Europe" and that "the EU needs a fully-functioning, interconnected and integrated internal energy

- (6) To perform its monitoring activities, the Agency will have to collect trading and fundamental data from wholesale energy markets and undertake an initial assessment and analysis to identify cases where there is ground to believe that breaches of the prohibitions in REMIT have occurred. Such cases will then be notified to the National Regulatory Authorities (NRAs), which have a comprehensive understanding of developments on energy markets in their Member State, and which are responsible for the formal investigation and enforcement. Close cooperation and coordination between the Agency and national authorities is, therefore, essential to ensure proper monitoring and transparency of energy markets and effective enforcement of the prohibitions under REMIT. However, most NRAs currently have little experience or no experience of monitoring market abuse and of collecting wholesale data on a continuous basis, as required under REMIT. The cooperation and coordination between the Agency and NRAs can deliver the expected synergies and benefits only if the Agency is able to perform the monitoring activities assigned to it in a highly effective manner as possible. Therefore, the Agency will need to secure the appropriate human resources and IT tools to fulfil its monitoring mission.
- (7) The Agency is also called to establish and manage the European register of market participants, as well as to arrange access to monitoring data by NRAs and other authorities, ensuring operational reliability and professional secrecy. This requires the development of dedicated IT platforms and data exchange protocols.
- (8) The draft estimate of expenditure and revenue is based on the assumption that funds will indeed be available to the Agency during 2013 to progress substantially in the development of the REMIT-related IT infrastructure. The 2014 budget includes provisions for the completion and maintenance of the REMIT-related IT infrastructure and to cover the additional staff required for the market monitoring.
- (9) Since its establishment, the Agency has been assigned additional tasks and responsibilities, notably by the Regulation of the European Parliament and of the Council on Guidelines for trans-European energy infrastructure and repealing Decision No 1364/2006/EC (hereinafter referred to as “TEN-E Regulation”). These new tasks including in the process of development of the CBA methodology, the selection of projects of common interest and their implementation, have important resource implications.

monitoring under REMIT becomes operational six months after the adoption by the Commission of the Implementing Acts on the records of transactions).

The Board considers it essential that the Agency is not only provided with the necessary human resources but resources which have adequate expertise to undertake both the REMIT responsibilities and the additional tasks assigned to it by the new TEN-E Regulation. Thus substantial reinforcement of the Agency capability in the TSO Cooperation area (with an additional 14 FTE positions in total for both Electricity and Gas Departments) is needed.

The Board, therefore, welcomes the increase in the amount in Title 1, and in particular Chapter 11, to cover personnel costs, in view of the need of the Agency to recruit the extra staff required performing the new tasks under REMIT and the TEN-E Regulation.

The Board of Regulators also welcomes:

- The sum of 1,500,000€ allocated to REMIT operation, to cover the costs of maintaining the REMIT-related IT tools;
- the increase in the amount allocated to cover the costs of expert consultations (amounting to 525,000€ compared to 400,000€ in 2013), provisioned separately from the cost for consultancy services for REMIT;
- the increase in the amount allocated to cover the costs of workshops and public hearings (compared with the 2013 budget). This corresponds to the intensified activities of the Agency including in new areas which require the appropriate involvement of stakeholders.

The Board of Regulators, therefore, endorses the MASPP 2014-2016 which reflects the staffing requirements for the Agency to perform its tasks and responsibilities under the Third Legislative Package, as expanded by REMIT and the new TEN-E Regulation.

Ljubljana, 20 March 2013,

For the Board of Regulators



Lord Mogg, Chair of the Board of Regulators