

MINUTES
19th ACER Administrative Board meeting
Thursday, 18 December 2014, 9.00 – 13.00
ACER, Trg Republike 3, Ljubljana

Present:

Mr Razvan Nicolescu, Chair, Member

Mr Piotr Woźniak, Vice-Chair, Member

Mr Jochen Penker, Member

Mr Alfonso González Finat, Alternate, with voting right, replacing Mr Guido Bortoni

Mr Pál Kovács, Alternate, with voting right, replacing Mr Guy Lentz

Ms Agnieszka Kazmierczak, Member, with proxy from Mr Dominique Ristori

Mr Rene Tammist, Member

Lord John Mogg, Chair of the Board of Regulators, Observer

Mr Alberto Pototschnig, Director of ACER, Observer

Ms Marie-Christine Jalabert, Adviser

Main conclusions of the meeting

1.)	The Board held a first exchange of views on the implementation of REMIT and raised concerns on the lack of resources.
2.)	The Board accepted the proposed text of the ACER CoI policy, while it was still waiting for the feedback from the other two Boards. As soon as this feedback is received and the text finalised, a written procedure will be launched. The Board confirmed its governance responsibility for all ACER Boards. When adopted, a letter to the EP and to the Council will be sent, informing them about the new rules.
3.)	The Board adopted the ACER Anti-fraud strategy (ANNEX1).
4.)	The Board adopted the ACER Whistleblowing Strategy (ANNEX 2).

5.)	The Board adopted the Decision on the language regime of the Agency. English was adopted as a working language of ACER (ANNEX 3).
6.)	The Board adopted the Decision on the adoption of the Implementing Rules to the Financial Regulation of ACER (ANNEX 4).
7.)	The ACER 2015 Budget was adopted (ANNEX 5). The Board mandated the Director to resend the letter on the possibility for ACER to charge fees to the new Commissioner.
8.)	The Board adopted the Decision on the modification of the establishment plan of ACER (ANNEX 6).
9.)	The Board endorsed the IAS mission charter for the bodies under Art. 208 of the Financial Regulation and the Chairman and the Director signed it.
10.)	The Board congratulated the Director for the good report from the European Court of Auditors.
11.)	The Board granted the Permission to the Director to engage in academic cooperation with the Florence School of Regulation in 2015 (ANNEX 7) and to publish an article in a publication by the Oxford University Press.

Opening

1. Approval of the Agenda

The following agenda of the 19th ACER Administrative Board meeting was approved:

Agenda Topics	Accompanying documents	Rapporteur
<p>Opening</p> <p>1. Approval of the agenda</p> <p>2. Minutes of the 18th Administrative Board meeting</p>	<p>Doc 1 for approval</p> <p>Doc 2.1 for approval</p> <p>Doc 2.2 for information</p>	<p>AB Chair</p> <p>AB Chair</p>
<p>Reporting on developments</p> <p>3. Report on ACER developments and on the activities of the Board of Regulators</p>	<p>Oral update</p>	<p>ACER Director</p> <p>BoR Chair</p>
<p>General ACER work</p> <p>4. ACER Policy for the prevention and management of conflicts of interest</p> <p>5. ACER Anti-fraud strategy</p> <p>6. ACER Whistleblowing strategy</p> <p>7. Outline of the Work programme for 2016</p> <p>8. Decision AB n° [XX]/2014 on the language regime of the Agency</p>	<p>Doc 4 for discussion</p> <p>Doc 5 for adoption</p> <p>Doc 6 for adoption</p> <p>Oral update</p> <p>Doc 8 for adoption</p>	<p>ACER Director</p> <p>ACER Director</p> <p>ACER Director</p> <p>ACER Director</p> <p>ACER Director</p>
<p>Administrative work</p> <p>9. Decision AB n° [XX]/2014 on the adoption of the Implementing Rules to the Financial Regulation of the Agency for the Cooperation of Energy Regulators</p> <p>10. Decision AB n° [XX]/2014 on the adoption of the 2015 budget for the Agency of the Cooperation of Energy Regulators</p> <p>11. Director Decision 2014-14 of 7 November 2014 on budget transfers - November 2014</p>	<p>Doc 9 for adoption</p> <p>Doc 10 for adoption</p> <p>Doc 11 for information</p>	<p>ACER Director</p> <p>ACER Director</p> <p>ACER Director</p>

Agenda Topics	Accompanying documents	Rapporteur
12. Decision AB n° [XX]/2014 on the modification of the establishment plan of the Agency for the Cooperation of Energy Regulators, in compliance with Art.38 of Commission Delegated Regulation (EU) No 1271/2013 of 30.9.2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and the Council	Doc 12 for adoption	ACER Director
13. The new IAS mission charter for the bodies under Art. 208 of the Financial Regulation	Doc 13.1 for information and 13.2 for endorsement	AB Chair ACER Director
14. The 2014 IAS Final Audit Report on Development of Framework Guidelines and Opinion on Network Codes in the Agency for the Cooperation of Energy Regulators (ACER) and the ACER Action Plan on the recommendations	Doc 14.1 and 14.2 for information	ACER Director
15. Opinion of the Court of Auditors on the Agency's Final Accounts	Doc 15 for information	ACER Director
16. Report on the outside activities of the Director in 2014 and Permission to the Director to engage in academic cooperation with the Florence School of Regulation in 2015	Doc 16.1 for consideration Doc 16.2 for adoption	ACER Director
17. Authorisation for the publication of the article "Capacity remuneration mechanisms and the EU internal electricity market - The regulators' view: ACER's report on capacity remuneration mechanisms" (with Martin Godfried) in a forthcoming book to be published by Oxford University Press	Doc 17 for approval	ACER Director
18. 2014 AB Decisions, by delegation of the Administrative Board to the Chairman via Decision AB 05bis/2010 of 21 September 2010	Doc 18 for information (decisions since the last AB meeting only)	AB Chair
AOB ACER Annual conference 2015		AB Chair ACER Director

2. Minutes of the 18th Administrative Board meeting

One comment received was included in the final draft. The Minutes of the 18th Administrative Board meeting were approved.

3. Report on ACER developments and on the activities of the Board of Regulators

Resources:

The Director reported on the latest developments at the Agency. He outlined that there were currently 23 different nationalities employed by the Agency, and gave an overview of the secondees employed. There were also nine trainees, each employed for a five-month period. The Director noted that there were three vacancies available. Additional vacancy notices were to be published before the end of the year.

The EU Budget for 2015 was approved on the day (18 December): no additional resources were awarded to ACER. He outlined two issues to consider: firstly, how to manage the definitive budget in 2015, and secondly, what should be done for 2016 (see also point 7). The first exchange of views on the implementation of REMIT, with a raised concern on the lack of resources, took place.

Lord Mogg, BoR representative, explained that the cost-free SNEs could not fill the resources gap in REMIT. Most NRAs are under great resource constraints themselves and therefore they could not offer a solution for ACER. Nevertheless, he anticipated that Ofgem would continue to provide the cost-free expert and several SNEs. Moreover, the envisaged post-employment policy could further dissuade SNEs coming to Ljubljana. The Director said that 22 percent of ACER staff are SNEs and are performing very similar activities to staff. Therefore, the same requirements regarding conflict of interest and post-employment policy should apply. The member appointed by the Commission noted that national rules on conflict of interest vary among NRAs.

The regulatory aspects:

The first electricity network code (on Capacity Allocation and Congestion Management) was adopted in comitology on 5 December. 75% of Europe is already coupled in the day-ahead market, Italy and Slovenia will join from March 2015. In November 2014 Romania joined the 4MMC project (Czech Rep. Hungary and Slovakia) using the same platform.

The gas Interoperability and Data exchange network code was adopted in comitology on 4 November 2014.

Moreover, ACER received two peer review requests under article 7(4) of the ACER Regulation including a self-referral one from the Lithuanian regulator on gas tariffs (regarding its decision to implement an entry-exit tariff system) and one from the Polish NRA on the decisions on cross-border capacity allocation in the CEE region by the relevant NRAs and their compliance with the Regulation 714.

On infrastructure, there was another request to ACER for cross-border cost allocation (CBCA) decision on the Lithuanian-Polish border, although this case involved an electricity interconnector and had additional complexity as it involves only one side of the border. The request was received on 9 December and ACER needed to provide its decision by 9 March 2015.

Lord Mogg, BoR representative, viewed the self-referral case as a good development. On BoR activities, he reported that: 1.) a format was agreed to monitor the implementation of the Bridge to 2025 conclusions; 2.) The updated Gas Target Model will be published early in the new year, 3.) The electricity intraday project will be further delayed.

One AB member appreciated the work of ACER, saying that it has a good record of delivering on time, often before the formal deadlines. The Director confirmed that ACER only missed 2 deadlines (by 2 days each time) since its establishment.

ACER Contact Group

The Director updated the AB on the first meeting with the ACER Contact Group of the new ITRE Committee, which took place on 9 December. Seven Members of the European Parliament (MEPs) out of the 20 Group members attended: this was a positive turnout and in general was perceived to be one of the most successful meetings held with the Parliament.

During the meeting, the Director and the BoR Chair delivered a presentation on the Agency. The discussions were interesting and an action plan was agreed, namely to hold meetings on a regular basis, at least two or three times per year.

Lord Mogg also reflected on the success of the first Contact Group meeting. A number of members attended but also the assistants of many others. ACER was able to highlight the more political aspects of its work, including potential consequences of the lack of resources for the implementation of REMIT.

REMIT:

The Director informed the members that the REMIT Implementing Acts were approved on 17 December 2014. The entry into force of the Implementing Acts followed twenty days after their publication in the Official Journal of the European Union. The entry into force of the Implementing Acts would trigger important deadlines for data

reporting under REMIT. Market participants and third parties reporting on their behalf would have to:

- within nine months, report transactions in wholesale energy contracts admitted to trading at Organised Market Places and fundamental data from the ENTSOs central information transparency platforms, and
- within fifteen months, report transactions in the remaining wholesale energy contracts (OTC standard and non-standard supply contracts; transportation contracts) and reportable fundamental data from TSOs, LSOs and SSOs.

The Implementing Acts required the Agency to develop a number of documents - namely the Transaction Reporting User Manual, the Manual of Procedures on transaction and fundamental data reporting, the Requirements for Registered Reporting Mechanisms (RRMs) and a List of Organised Market Places - to support transaction data reporting and to issue them upon entry into force of the Implementing Acts. ACER staff working document versions of these documents had already been published in early December 2014 and presented during a public workshop on 10 December 2014.

Moreover, FERC signaled its readiness to sign the MoU with ACER. The MoU will be signed in the very near future.

Volker Zuleger, the Head of the ACER Market Monitoring department, made a presentation on the REMIT implementation. The number of REMIT suspicious cases is increasing. Out of 50 identified cases over the last three year, 5 were confirmed breaches of REMIT. He provided some context on the procedures that were followed. He also provided details on the complexities of REMIT implementation, including increasing workload and other challenges the Market Monitoring Department (MMD) is facing.

Lord Mogg, the BoR representative underlined the fine achievement of the MMD team and recognised a huge amount of effort that was put in the implementation of REMIT despite limited resources. He pointed out that security aspects could still affect the implementation phase.

The member appointed by the EC investigated about the possibilities for outsourcing and about DG DIGIT's assistance possibilities. Mr Zuleger replied that DG DIGIT unfortunately could not support the hosting of REMIT, all options had been thoroughly examined. He also outlined the measures taken to prevent the dependency on a single consultant.

4. ACER Policy for the prevention and management of conflicts of interest

The Director made a presentation outlining that the Conflict of Interest (CoI) policy was part of a package which also included an Anti-Fraud strategy and whistleblowing policy, as part of a broader integrity and transparency drive. The Administrative Board had already approved some basic guidelines on conflict of interest on 5 December 2012. However, conflict of interest has become a very important issue at the EU level and special focus is made on the decentralised agencies. The Common Approach provisions, on the one hand, and the Court of Auditors and the EP in its discharge procedure (2012), on the other hand, called on the Agency to set up a CoI policy review on the basis of the Commission's Guidelines on the Prevention and Management of Conflict of Interest in EU Decentralised Agencies, which were adopted in 2013. The Agency carried out its risk assessment and on the basis of the results prepared its CoI policy. ACER intended to have a policy that would go beyond the minimal standards. The aim was to have a meaningful and proportionate process, where if an interest were highlighted, it would be appropriately managed.

The main change was the obligation for the three Board members to provide a new format for the declarations of interest (similar to the one used this year for the BoR; the declarations would now be envisaged also for ACER staff, including SNEs; introduction of criteria and procedures for examination of potential conflicts of interest; the requirement to publish the CVs; and the policy would be extended also to Agency working groups. This new policy would require an amendment of the Rules of Procedure of the three Boards, and the new Administrative Board decision on SNEs.

The Director informed the Board that ACER had just received a written question on the conflict of interest policy from the European Parliament in the framework of the 2013 discharge procedure in view of a debate to be held in the Parliament in late January 2015.

Regarding the Boards, they already had a requirement to act independently and, therefore, to demonstrate this. There was already a practice in place to submit and publish the declarations of interest, but these forms were not satisfactory and needed to be upgraded. As regards the BoR, national legislation already existed making sure Board members were free from any conflicting interest. However some interests relevant for the Agency were not necessarily covered at national level: an interest in another part of Europe that may not be significant at national level but could become relevant at ACER level.

The Director also presented his proposal for the composition of the review panel for the declarations of interests. The proposed text had already been consulted with the Chairs of the three Boards. No comments had been received from the Administrative Board except from the members appointed by the EC. However, there had been comments from both the BoR and BoA. ACER however kept the aspiration to have a similar approach across all Boards. The aim was to have the policy in place by the end of 2014, as required for all decentralised agencies by the discharge authority.

The Chairman welcomed the Director's approach to aim at going beyond the minimal standards of the CoI policy and to be very ambitious. He illustrated different practices in other decentralized EU agencies as regards the financial compensation of Board members and asked the EC to provide, if possible, more information on this.

Lord Mogg, the BoR representative, underlined the distinction of the BoR from the other two Boards. He noted that the EC Guidelines on the prevention and management of conflicts of interest in EU were not legally binding but rather provided an indication of the optimal approach for the Agencies.

However, the policy proposed did not take account of the respective firm obligations on conflicts of interest applying to all NRAs' staff and management Boards which were to be implemented by the Member States. These were set against strong dissuasive penalties and sanctions (as reflected in the EC's interpretative note on NRAs). BoR members sat at the BoR not in a personal capacity but as senior representatives of their NRAs and are thus bound by the above requirements. This was made clear during the discussion had taken place at the BoR meeting on 17 December. He suggested that ACER's CoI policy reflects this distinction, which is also reflected in the ACER Regulation which does not set the requirement of CoI for the BoR, but only for the members of the other Boards.

Specifically, he proposed that the review panel for the BoR was composed of the Chair, Vice-Chair and one appointed BoR member (Director would have an observer status). In case of unresolved issues, the case could be referred to the Commission as the guardian of the Treaties. He also proposed some minimal changes to the template of the declarations of interest.

Finally, his main concerns, reflecting BoR Members comments the previous day, related to the director's intention to control SNEs whilst in the Agency, but particularly in respect of their post ACER employment and to the oversight and possible interventions the Director proposed.

The member appointed by the Commission said that the Interpretative Note of the EC intended to guide Member States when implementing the Third energy package, but it was not binding. She was ready to support the document as drafted. She said that all ACER Boards should be covered by one CoI policy, adopted by the Administrative Board, and conceded to permit minor differences among their arrangements based on different responsibilities. The agreement from other Boards was preferable.

The Chairman was willing to take on board some minimal suggestions deriving from the BoR discussions, underlining that the responsibility on the governance of the ACER and its bodies rested with the Administrative Board. He gave the example of appointments of the BoR members and alternates.

Lord Mogg accepted to make a proposal for the BoR CoI arrangements, which would be acceptable to the Administrative Board. He was against the Administrative Board imposing a policy, which would go against the existing legislation (Interpretative note of the Commission on the 3rd package implementation).

The member appointed by the Commission said the Commission would provide an opinion on the option for the Administrative Board to refuse an appointment of a nominated BoR member/alternate. The Commission would also provide an overview of the Board member reimbursement practices at other decentralised agencies.

Most members said they were used to providing several declarations of interest to different entities and therefore another for ACER would not pose any problems.

One AB Member suggested that before any appointment of a new AB Member the Chairman should invite the appointing EU institutions to take into considerations CoI aspects.

Action: The Board accepted the proposed text of the ACER CoI policy in respect of its own members, while it was still waiting for the feedback from other two Boards. As soon as this feedback is received and the text finalised, a written procedure will be launched. The Board confirmed its governance responsibility for all ACER Boards. When adopted, a letter to the EP and to the Council would be sent, informing them about the new rules.

5. ACER Anti-fraud strategy

The Director explained that anti-fraud policies were coming to the forefront of interest at the EU level. On 24 June 2011 the Commission adopted its new Anti-Fraud Strategy (CAFS), requesting that the management boards of the new agencies adopt an anti-fraud strategy, prepared by the director, which is proportionate to their fraud risks. On 25 November 2013, OLAF issued its Methodology and guidance for anti-fraud strategies for EU decentralised agencies. Following that, the Director was presenting ACER's Anti-Fraud Strategy for the period 2015-2017, together with an Action plan for its implementation. The main objectives were:

- To raise the level of fraud awareness in the Agency, including increasing knowledge and capacity for performing preventive and detective controls
- To support effective prevention and detection of fraud risk, in particular through development of procedures, guidelines or specific anti-fraud measures and controls, where necessary
- To establish appropriate internal procedures for reporting and handling potential fraud cases and their outcomes.

The AB member appointed by the Commission agreed with the policy, but commented on the need for changes in the action plan.

Action: The Board adopted the ACER Anti-fraud strategy except for the action plan (ANNEX1).

6. ACER Whistleblowing strategy

The Director explained that the ACER Whistleblowing policy was part of the package of policies envisaged by the Common Approach. The rules on whistleblowing were included in the Staff Regulations (articles 22a and 22b) and were applicable also to the Agency staff subject to these Regulations. Some staff might nevertheless be reticent to make full use of the whistleblowing procedure, because of fear of negative repercussions on their reputation or career. He underlined that as part of the Agency's duty to have regard to the interests of staff, it was necessary to ensure that members of staff who reported serious wrongdoings or concerns in good faith would afford utmost confidentiality and greatest degree of protection against any retaliation as a result of their whistleblowing. Accordingly, the Agency issued the Whistleblowing strategy, based on a template of the Commission and agreed with OLAF.

No comments were received. On a request of a member, the Director agreed to present the ACER's risk register at the next AB meeting.

Action: The Board adopted the ACER Whistleblowing Strategy (ANNEX 2).

7. Outline of the Work programme for 2016

The Director said that it seemed premature to be considering the situation for 2016, however, ACER was having some preliminary discussions on the draft 2016 budget to be sent to the Commission (DG ENER) by 31st January. He indicated that he intended to propose the same structure for additional resources for 2016 as he did for 2015, given that the legal mandate of the Agency remained the same and thus the assessment of required resources that the Agency did not receive in 2015 is unchanged. In fact, 3 extra additional resources will be demanded since the assistance from INEA on the monitoring of PCIs under the TEN-E Regulation, which seemed at one stage possible, was unlikely to materialise and therefore these tasks would return to the Agency. Therefore he would propose 44 additional FTEs. He asked the Board to support this approach. The Board itself would have to approve the estimate of expenditure in 2016.

The Member appointed by the Commission confirmed that even though some Agencies received extra resources, those were already envisaged in the Commission's 2013

Communication on Programming of human and financial resources for decentralised agencies 2014-2020.

The Director underlined that failing to receive the required resources ACER would need to cut actions.

The Chairman supported the 2016 ACER outline.

8. Decision on the language regime of the Agency

The Director explained that ACER prepared a document on the language regime of ACER, because whilst maintaining its obligations towards Member States or persons subject to the jurisdiction of a Member State, it was necessary for the Agency to ensure an efficient functioning of its daily operational activities, taking into account its available financial and human resources. EU institutions and bodies were granted a degree of operational autonomy on the choice of the working language regime, provided the choice objectively met the functional needs of the body concerned and did not give rise to unjustified differences of treatment as between Union citizens. He proposed that ACER working language be English. He also explained that when ACER issued decisions, those were translated in the languages of all parties involved.

Action: The Board adopted the Decision on the language regime of the Agency (ANNEX 3).

9. Decision on the adoption of the Implementing Rules to the Financial Regulation of the Agency for the Cooperation of Energy Regulators

The Director explained that the new Financial Regulation entered into force on 1 January 2014. The Agency therefore needed to update the Implementing rules that detail the new financial rules. No comments were received from the members.

Action: The Board adopted the Decision on the adoption of the Implementing Rules to the Financial Regulation of ACER (ANNEX 4).

10. Decision on the adoption of the 2015 budget for the Agency of the Cooperation of Energy Regulators

The Director confirmed that the Budgetary authority approved the EU budget on the day. The Board needed to adapt its estimate according to the adopted EU budget (€11,266,000). Some discussion was held whether a possible future income (fees) should be indicated as pm, but the Board decided against.

Action: The ACER 2015 Budget was adopted (ANNEX 5). The Board mandated the Director to resend the letter on the possibility for ACER to charge fees to the new Commissioner.

11. Director Decision 2014-14 of 7 November 2014 on budget transfers - November 2014

The Director presented the Director's decision 2014-14 to inform the members about the budgetary transfers made within the limit of 10% within the budget lines (authorised by the Director). Article 27(4) of the Financial Regulation requires the Director to inform the Board about such transfers. He said that the savings from staff were mainly used for REMIT. The Director also informed the members about other budgetary transfers that had taken place during 2014 (Director's decision 2014-10 on budget transfers in August and Director's decision 2014-18 on budget transfers in December 2014), available on ACERNET of the Administrative Board.

Action: The Board took note of the Director's decision 2014-14 on budget transfers and of the other budgetary transfers.

12. Decision on the modification of the establishment plan of the Agency for the Cooperation of Energy Regulators

The Director presented the proposal to modify the organisational chart of the REMIT department - instead of 4 teams it would now be composed of 3 teams. The restructuring would include the upgrading of 1 post and the downgrading of 1 post, with no overall budgetary implications. There were no objections to the proposal.

Action: The Board adopted the Decision on the modification of the establishment plan of ACER (ANNEX 6).

13. The new IAS mission charter for the bodies under Art. 208 of the Financial Regulation

The Director reported that in the course of 2014 the Internal Audit Service (IAS) revised its mission charter for the EU Agencies, which had been previously signed by the AB Chair. The modifications reflected the changes in the legal basis, more specifically the Financial Regulation and the Framework Financial Regulation, as well as the changes in the International Standards for the Professional Practice of Internal Auditing, to which the IAS conformed. The final version of the text took into account the comments from the Agencies received via the EU Agencies network and the Auditnet for agencies and autonomous bodies.

The formal adoption of the revised mission charter required the signature of the Director and the Chairman of the Administrative Board. Following the signature in the margins of the AB meeting, the mission charter fully replaced the charter endorsed in 2011.

Action: The Board endorsed the IAS mission charter for the bodies under Art. 208 of the Financial Regulation and the Chairman and the Director signed it.

14. The 2014 IAS Final Audit Report on Development of Framework Guidelines and Opinion on Network Codes in the Agency for the Cooperation of Energy Regulators (ACER) and the ACER Action Plan on the recommendations

The Director reported that the objective of this year's IAS audit was to assess whether the management and control systems set up by ACER in cooperation with the Members States' NRAs ensure that the framework guidelines and opinions on the network codes were prepared in an efficient and effective way. The IAS conducted preliminary interviews for 3 days in January 2014. A survey with the NRAs representatives in ACER Gas and Electricity Working Groups & Task Forces, and Electricity Work Streams was also conducted.

The IAS prepared a very useful report showing that the development of framework guidelines and opinion on network codes process was managed effectively by ACER.

The ACER Working Groups Leaders' Away-Day, which took place in Bled on 11-12 June 2014, discussed the identified challenges and the IAS Recommendations. An action plan was also prepared. The Director was also invited to the IAS Annual conference to present this useful audit.

The AB member appointed by the Commission said that she shared the opinion of the Director and underlined the need for an action plan for the implementation of the network codes.

Action: The Board took note of the 2104 IAS Final Audit Report on Development of Framework Guidelines and Opinion on Network Codes and the ACER Action Plan on the recommendations.

15. Opinion of the Court of Auditors on the Agency's Final Accounts

The Director explained that the Board had already been informed about the draft ECA's opinion at its meeting in June 2014. The ECA's opinion was now part of the Final report on the annual accounts of the Agency. The Agency received an unqualified (clean) opinion without any critical recommendations.

The AB member appointed by the Commission expressed concerns about the high level of cash on the ACER account at the end of 2013 and hoped that this would improve in 2016. The Director explained that this was an exceptional situation, due to the very late receipt of the additional funds - €3 million – from DG ENER. In any case, ACER has agreed with ECA that it would ask for additional financial resources in several installments, based on actual needs.

Action: The Board congratulated the Director for the good report from the European Court of Auditors.

16. Report on the outside activities of the Director in 2014 and Permission to the Director to engage in academic cooperation with the Florence School of Regulation in 2015

The Director presented his report on the outside activities in 2014.

Action: The Board took note of the report and granted the Permission to the Director to engage in academic cooperation with the Florence School of Regulation in 2015 (ANNEX 7).

17. Authorisation for the publication of the article “Capacity remuneration mechanisms and the EU internal electricity market - The regulators’ view: ACER’s report on capacity remuneration mechanisms” (with Martin Godfried) in a forthcoming book to be published by Oxford University Press

Action: The Board granted authorisation for the publication of the article.

18. 2014 AB Decisions, by delegation of the Administrative Board to the Chairman via Decision AB 05bis/2010 of 21 September 2010

The Chairman reported that ACER had received one notification from the Bulgarian NRA to replace their BoR alternate member and he adopted the appointment decision on behalf of the Board. By the next meeting the Legal Service of the Commission would provide an opinion on the flexibility of the Chairman as regards the appointments of the BoR.

Action: The Board took note of the Decision.

AOB

The Director informed the Board that the topic of the 2015 ACER Annual conference would be the Energy Union and the Agency.

The Chairman provisionally scheduled the meetings for 2015: 26 March in Bucharest, 11 June in Brussels, 17 September in Ljubljana and 17 December in Ljubljana.

SIGNED

Razvan Eugen Nicolescu

Chairman of the Administrative Board