

### 22nd Florence Rail Forum

# Electricity and Infrastructure Managers: is there a need for Regulation?

## 9 December 2022

Sala Europa - Villa Schifanoia, Via Boccaccio 121 - Florence

Organised by the Transport Area of the Florence School of Regulation (FSR-Transport), RSCAS, European University Institute in collaboration with the Independent Regulators' Group – Rail (IRG – Rail)

#### Introduction

Electricity is used for railway traction. With the 4<sup>th</sup> Railway Package, traction current became excluded from the Minimum Access Package to be provided by the Infrastructure Managers (IMs) and was declared an additional service that could be acquired from third parties or even directly generated by the Railway Undertakings (RUs) themselves. It is, however, still common in many Member States to have the IMs as the only providers (the so-called "intermediaries") of electricity for traction, be it for legal or for technical reasons. The question of traction current has recently gained attention because of the decarbonisation imperative on the one hand and the rise in electricity prices on the other. Overall, there seems to be a need for clearer regulation.

In the context of their corporatisation, railway operators were unbundled and their electricity generation, if they had any, was often sold to electricity generating companies. Most IMs now buy electricity on the market, even though some of the IMs still generate their own electricity or a portion thereof. With increasing electricity prices IMs are forced to manage their electricity portfolio more proactively (futures, hedging, etc.). Some of the IMs are even considering going back into the generation business be it in order to reduce price risks or in order to take advantage of renewables generation along their infrastructures. There might even be opportunities for IMs to sell electricity, for example for charging electric vehicles at railway stations. This raises the question as to how far IMs can go in terms of energy management and generation, thus the need for regulatory certainty. In particular, there is a need to clarify the interface between railway and energy regulation.

Against this backdrop, the <u>22<sup>nd</sup> Florence Rail Forum</u> will bring together European and national policymakers, regulatory bodies, railway undertakings, infrastructure managers, and academics, among others, with a view to examining the following three critical questions:

- 1. What are the current practices in the different Member States in matters of electricity for traction? What are the foreseen practices in some Member States?
- 2. What are the technical and legal issues that complexify the matter?
- 3. Is there a need for clarification, also with energy regulation, and what would be the way forward?



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| 9 December    |  |
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| 08:45 - 09:00 | Welcome coffee   |
|               | Setting the scene  |
| 09:00 - 10:30 | Introductory remarks (5 mins)  Matthias Finger   FSR Transport, EUI  |
|               | Overview of main conclusions of UIC report on the regulatory framework (10 mins)  Juan Montero   FSR Transport, EUI  |
|               | Overview of main conclusions of IRG-Rail paper on charges for traction current (20 mins) <b>Alberto Oeo Pizarro</b>   Independent Regulators' Group – Rail                       |
|               | The regulatory framework for electricity in the EU: Implementation to traction current for railways (10 mins)  Alberto Pototschnig   FSR Energy, EUI                             |
|               | Stakeholder reactions and open discussion (45 minutes)   |
| 10:30 - 10:45 | Coffee break   |
|               | Session A  |
| 10:45 - 12:15 | What are the current practices in the different Member States in matters of electricity for traction? What are the foreseen practices in some Member States?                     |
|               | Round of presentations by ministries, regulators and railway undertakings (40 mins)  |
|               | Judith Böhler-Grimm   Rail Control Austria Christian Wolf   German Federal Network Agency Florian Baentsch   DB Energie GmbH Andrea Minuto Rizzo   Ferrovie dello Stato Italiane |
|               | Q&A and open discussion (50 mins)  |
| 12:15 - 13:15 | Lunch break  |
|               | Session B  |
| 13:15 - 14:45 | What are the technical and legal issues complexifying the matter?  |
|               | Round of presentations by regulators and railway undertakings (30 mins)  |
|               | Patricia Miranda   OUIGO<br>Roberto Piazza   Italian Transport Regulation Authority  |
|               | Q&A and open discussion (60 mins)  |
| 14:45 - 15:00 | Coffee break   |
|               | Session C  |

15:00 - 15:45 Is there a need for clarification, also with energy regulation, and what would be the way

## forward?

Juan Montero | FSR Transport, EUI Alberto Pototschnig | FSR Energy, EUI Matthias Finger | FSR Transport, EUI