

22nd Florence Rail Forum

# Electricity and Infrastructure Managers

*Is there a need for regulation?*

Prof. Matthias Finger, Deputy Director, FSR Transport

9 December 2022 @ 09:00 – 15:45 CET

EUI, Florence



[www.eui.eu](http://www.eui.eu)



# European University Institute

- The European University Institute (EUI) was set up in 1972 by the six founding Member States of the European Communities to provide advanced academic training to doctoral researchers and to promote research at the highest level
- It has expanded to include new Members States of the enlarged European Union and has associate links to other countries, including Switzerland, Norway and Turkey
- EUI carries out research in a European perspective in Economics, Law, History and Civilisation, and the Political and Social Sciences
- As of 1994, a 5<sup>th</sup> Faculty was added: the Robert Schuman Center for Advanced Studies
- Each year more than 100 doctoral theses are defended at the EUI

# Florence School of Regulation

- A project within the Robert Schuman Centre of the European University Institute (EUI) focusing on regulatory policies, and working closely with the European Commission
- Founded in 2004 by three European regulators in the energy sector
- Enlarged in 2009 to Telecommunications and Media
- FSR-Transport began its activities in 2010 focusing originally on railway regulatory policy
- Today, we cover rail, air, urban public, intermodal and maritime transport
- Funded by donations from transport operators
- Team: Juan Montero, Matthias Finger, Teodora Serafimova, Irina Lapenkova

# The Florence Policy Forums



*Working on cross-cutting issues,  
such as sustainability, digitalisation and resilience,  
across all transport modes*

# Context of this Forum

- Particular attention has been paid to traction current recently in light of EU decarbonisation and modal shift objectives, on the one hand, and the rise in electricity prices, on the other.
  - The 4th Railway Package excludes traction current from the Minimum Access Package to be provided by the Infrastructure Managers (IMs) and declares it an additional service that could be acquired from third parties or even directly generated by the Railway Undertakings (RUs).
  - However, it remains commonplace today to have the IMs as the only providers of electricity for traction, be it for legal or for technical reasons.
  - Rising electricity prices are inducing IMs to manage their electricity portfolio more proactively (futures, hedging, etc.).
  - Some IMs are considering re-entering the generation business to reduce price risks or 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.
- *How far can IMs go in terms of energy management and generation? And is there a need for greater regulatory certainty, in particular, to clarify the interface between railway and energy regulation?*

# Principles of the Day

- Forum co-organised with the Independent Regulators' Group – Rail
- 3 thematic sessions, each kick-started with short input presentations and followed by an open discussion involving **all** participants
- 25 participants representing national policymakers, regulatory authorities, railway undertakings, infrastructure managers, and academics, among others
- An “Observer” (summarising policy brief) to be produced after the Forum
- **Chatham House rules**

# The Sessions

- A. 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?
- B. What are the technical and legal issues complexifying the matter?
- C. Is there a need for clarification, also with energy regulation, and what would be the way forward?

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