

PRIME

Platform of Rail Infrastructure
Managers in **Europe**

PRIME Implementing Acts Subgroup

Overview and state of play

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PRIME Subgroup on Implementing Acts - overview

ACT	STATUS
Services Facilities	Adopted
Energy Metering	Under discussion
Economic equilibrium test	Under discussion

Energy metering

Legislative references	Rationale
<ul style="list-style-type: none">• Directive 2009/72/EC• Directive 2012/34• TSI Energy: EU Regulation 1301/2014• EU Regulation 2015/909• UIC leaflet 930	<ul style="list-style-type: none">• Incentivize the rail system to increase the energy efficiency• Allowing RUs to choose the energy supplier• Incentive the invoicing of traction current based on board metered consumption• Incentive eco-efficient driving• Refunding for regenerated braking energy

- PRIME subgroup meeting: September 29, 2017 in Brussels
 - Participants: EC, 8 IMs (Infrabel, Bane Nor, Prorail, RFI, SBB CFF FFS, SNCFR, Latvian infra manager), DB Energie GMBH, CER, EIM
- A “Motivation Paper” and “Costs- Benefits Table” were presented by the Commission for discussion and exchange of best practices.



No piece of legislation planned.
A “Guidance Note”, to be considered as recommendation, will be delivered by the Commission

Energy metering

Need for financial incentive, within a reasonable time, to allow a faster installation of the on board metering equipment

Regenerated energy to be refunded to RUs at the same price of the consumed energy in order to incentive such practice

Free choice of supplier possible only when locos are equipped with on board metering and IM is recognized as energy network distribution operator

Key topics for IMs

Independence between settlement providers and traction current suppliers not always possible due to the different legal and regulatory environment

Introduction of a penalty system to be applied to RUs after a transitional period to incentivize the installation of the EMS equipment on board

Invoicing based on metered energy consumption or, in case of technical disruption of on board metering, by estimation on the basis of past metered consumption

Economic Equilibrium Test

Legislative references	Rationale
<ul style="list-style-type: none">• Directive 2016/2370/EU• Commission Implementing Regulation EU 869/2014• Directive 2012/34/EU• Regulation (EC) No 1370/2007	<p>Updating of the existing EU law on EET (Reg. 2014/869) due to the adoption of the Fourth railway package:</p> <ul style="list-style-type: none">• widening of procedures and criteria for the assessment of the economic equilibrium of a PSO contract in case of access of new rail passenger service• new deadlines for the notification of new services, 18 months in advance• new deadlines for the requesting entity (1 month from the notification)• possibility to deny open access on a HS line when it compromises a PSO contract

- “Second draft discussion paper on the Implementing Act on the Equilibrium Economic Test (EET) ” delivered by the Commission at the beginning of September
- PRIME subgroup meeting: September 29, 2017 in Brussels
- Participants: EC, 5 IMs (Infrabel, Prorail, RFI, SBB CFF FFS, SNCFR), CER, EIM



By the end of the year, the third draft is expected to be circulated by the Commission for further discussion in SERAC at the beginning of February 2018

Economic Equilibrium Test

Article 11 of Directive 2012/34/EU, as amended by EU Directive 2016/2370, regulates the limitations to the rights of access to passenger services on routes covered by one or more public service contracts in case the economic equilibrium of a public service contract in question would be compromised.

Main features of the second draft on the EET

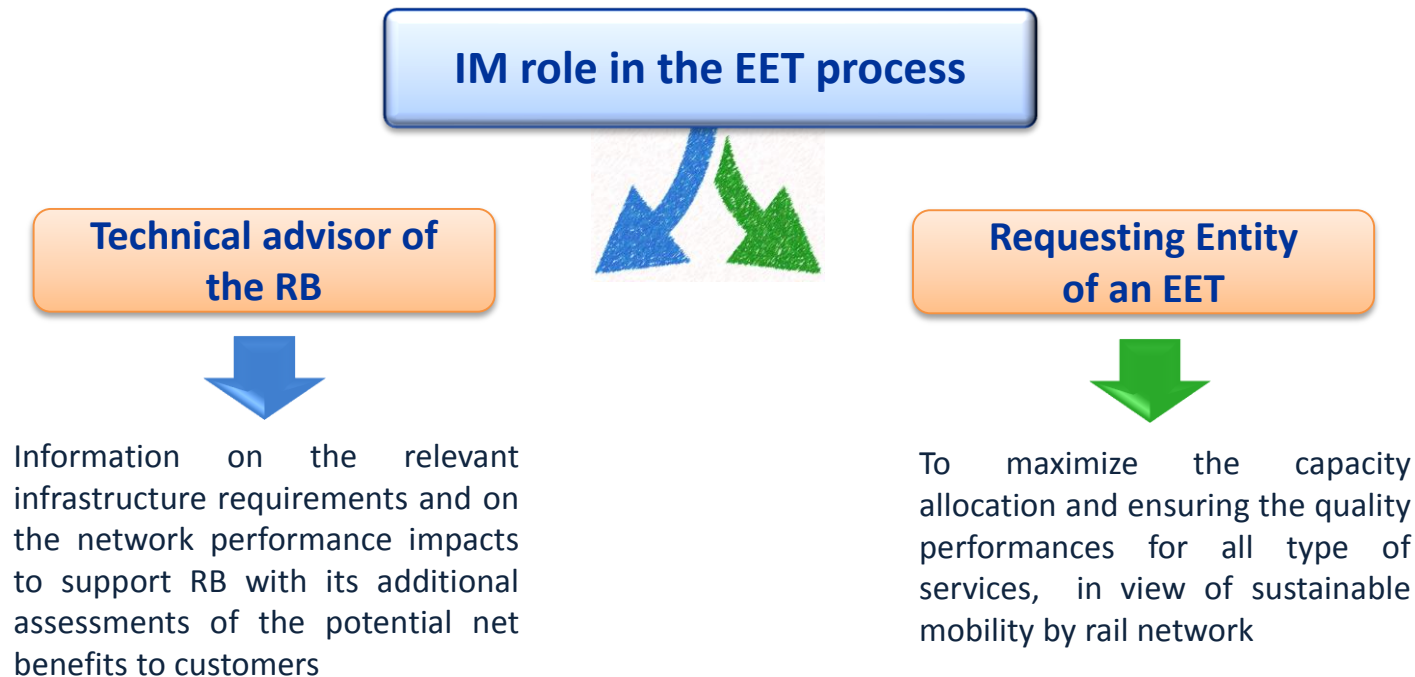
The RB, during the assessment of the EET, is empowered to require the competent authority to redesign the scope of the PSO, in particular when the PSO contract is close to expiry

The RB's decision-making power focused on the economic analysis of the impact on profitability for PSO operator and net cost for the competent authority. An assessment of the net benefits to customers arising from the new service and the impact on the performance and quality of railway services is also envisaged for further recommendations to the concerned authorities

The RB is empowered to check the validity of the PSO Contract vs EU law before adopting a denial of access decision, in terms of market distortion or overcompensation

The EET process is less rigid and internal deadlines can be set by the RB, taking into account the need to ensure legal certainty to the applicant that the test will be carried out in time for the new service to be included in the working timetable

Economic Equilibrium Test: how IMs see their role



The IMs ideally responsible for the technical evaluations pertaining capacity allocation and network performances impacted by the new service.

The RB mainly responsible for the economic analysis of impacts generated by the new service:

- ✓ on profitability of services operated by PSO operator and
- ✓ net cost for the competent authority awarding the public service contract