



Press Release

31 May 2011

The Hungarian and the Czech-Slovakian Market Regions Agree on a Common, Coordinated Procedure Leading to Creation of European IEM – Internal Electricity Market

On 30 May, 2011 representatives of the national Energy Regulatory Offices (MEH, ERÚ, ÚRSO), Transmission System Operators (TSO) (MAVIR, ČEPS, SEPS) and the Organising Bodies of Electricity Market (HUPX, OTE, OKTE) from Hungary, the Czech Republic and the Slovak Republic signed together a Memorandum of Understanding (MoU) on cooperation in creating a well-functioning, coupled and integrated European IEM.

As part of the efforts to proceed with the regional Electricity Market Integration, aimed at the achievement of the Pan-European IEM, the Parties to the MoU have agreed on integrating the market region of Hungary with the coupled market regions of the Czech and Slovak Republics during the first half of the year 2012, using the methodology of *Single Price Market Coupling*. The applied solution, due to its maturity, as well as its relation to the development of the target European model of IEM, will take on the principles in use within the region of Central and Western Europe (CWE). The Parties to the MoU take the agreed arrangement as a logical interim step before the subsequent integration with the CWE region as a major step towards to the complete and integrated IEM. Therefore, upon their accomplishment of the coupling, the Parties to MoU have an intention to initiate a further step towards an integration of markets in the CEE and CWE regions.

An expert team of representatives of the Parties to the MoU will be established with an aim to achieve efficient coordination leading to the common target – successful creation of a well-functioning short-term electricity market in the common market zone of Hungary, the Czech Republic and the Slovak Republic during the first half of the year 2012. The outcomes of its activities will be communicated on a permanent basis.

Please see the text of the Memorandum of Understanding – enclosed.