



EUROPEAN COMMISSION

Cabinet of Commissioner Miguel Arias Cañete
Head of Cabinet

22 MAI 2019

Brussels,
Ares(2019)s3008296

Dear Ambassador,

Please find enclosed letters from Commissioner Miguel Arias Cañete addressed to Mr Anders Ygeman, Minister for the Environment and Energy of Sweden.

I would be grateful if you could forward the letter to him.

Yours sincerely,

Cristina LOBILLO BORRERO

H.E. Anders Lars Danielsson
Ambassador Extraordinary and Plenipotentiary
Permanent Representative (Coreper II)
Permanent Representative of Sweden
Square de Meeûs 30
1000 Brussels



Miguel ARIAS CAÑETE
Member of the European Commission

Brussels, **22 MAI 2019**
Ares(2019)s3008296

Dear Minister Ygeman,

I am contacting you with regard to the "Ordinance concerning a revenue cap for electricity network operations" (Förordning (2018:1520) om intäktsram för elnätsverksamhet) adopted by the Swedish Government, which introduces detailed provisions regarding the calculation of the return on capital for network operators into the Electricity Act (1997:857).

The aforementioned Ordinance introduced significant changes in the Electricity Act (1997:857) by setting detailed parameters for the calculation of the allowed revenues for electricity distribution. The detailed rules set by a Government Ordinance limit the national regulatory authority's powers and independence in setting the network tariffs and the method for calculating the revenue cap.

According to Directive 2009/72/EC, it is the sole duty of the national regulator to set the tariffs to be adopted by electricity undertakings. The responsibility of the national regulatory authority to set the methodology for the calculation of transmission and distribution tariffs may not be reduced by detailed rules set by a Government Ordinance. The Directive also states that any party affected by a decision of a regulatory authority must have the right to appeal this decision to an independent body.

This is currently not the case in Sweden since the methodology for setting these tariffs is largely laid down in rules that are adopted by the Government and affected parties do not have the right to appeal,.

Guaranteeing the independence of national regulatory authorities is a core priority of Directive 2009/72/EC. As you may be aware, the Commission has referred Germany and Hungary to the European Court of Justice in order to ensure correct implementation of the rules and principles regarding tariff setting set out in the Third Energy Package, in particular Directive 2009/72/EC.

In light of the above, I invite the Swedish Government to reconsider its role in adopting such rules, which the regulatory authority should be empowered to adopt independently.

I and my services remain available to discuss this issue further.

Yours sincerely

Mr Anders Ygeman
Minister of Energy and
Digital Development
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