

Contents

1 Introduction	3
2 The Electricity Directive: A Success Story?	3
2.1 Essentials of the Electricity Directive of 1996	3
2.2 Implementation of the Electricity Directive	4
2.2.1 Quantitative Market Opening	4
2.2.2 Qualitative Market Opening	4
2.3 Trade Developments since the Directive	7
2.4 Price Developments since the Directive	8
2.5 Is the European Electricity Market an Integrated Market?	12
3 The Commission's Proposals—The Future of the Electricity Market Regulation in Europe?	13
3.1 Modification of the Electricity Directive	13
3.1.1 Substantive Provisions Concerning Regulation of Investments into Generation Facilities and Regarding the Network-Use Model	13
3.1.2 Substantive Provisions Concerning Public Service Objectives	15
3.1.3 Institutional Provisions Concerning Regulation	16
3.2 Regulation of Cross-Border Exchanges in Electricity	17
4 Is the Commission on the Right Path?	19
4.1 Technical Peculiarities, Uncertainties, and Fundamental Implications for Regulation	19
4.2 Implications for the Appropriate Vertical-Federal Assignment of Regulatory Competences	21
5 Conclusion	23
References	25