

Terms	Definitions
Cross-border activities	<p>It is understood as the exchange of energy (gas and electricity) by two (or more) players based in two different jurisdictions. Cross border activities are typically carried out through Interconnections, which is defined as the equipments used to interlink different energy (gas and electricity) systems and/or jurisdictions.</p> <p>It normally consists of high voltage/pressure connections between two systems of distribution and/or transmission networks. Is a transmission line which crosses or spans a border between Member States for the purpose of connecting the national transmission systems of two adjacent countries/states</p>
Decision-making power	It refers to the powers of regulators when taking a decision in contested cases and litigations
Disputes	<p>The subject of litigation; the matter for which a suit is brought and upon which issue is joined.</p> <p>Litigation can intervene between individuals, groups, or legal entities and government agencies over the application of laws or the implementation of government programs.</p> <p>They also imply disagreement over the existence of a legal duty or right, or over the extent and kind of compensation that may be claimed by the injured party for a breach of such duty or right.</p>
Dispute-settlement	<p>It refers to the powers regulators have in settling disputes between industry and market participants.</p> <p>Disputes involve various stakeholders, or concerns consumers/suppliers. They could also involve individuals, groups, or legal entities and government agencies over the application of laws or the implementation of government programs.</p>
Electricity Distribution	The transport of electricity on high-voltage, medium voltage and low voltage distribution systems with a view to its delivery to customers, but not including supply (extracted from directive 2003/54/EC and 2003/55/EC)
Electricity Transmission	The transport of electricity on the extra high-voltage and high-voltage interconnected system and with a view to its delivery to final customers or to distributors, but not including supply (extracted from directive 2003/54/EC and 2003/55/EC).

Enforcement power	It refers to the powers regulators have in case of non compliance with a specific law and/or regulation concerning energy markets regulation
Gas Distribution	The transport of natural gas through local or regional pipeline networks with a view to its delivery to customers, but not including supply (extracted from directive 2003/54/EC and 2003/55/EC)
Gas Production	The volume of natural gas withdrawn from reservoirs. It includes volumes of gas withdrawn from gas storages, reservoirs and native gas.
Gas Transmission	The transport of gas on the high-pressure interconnected pipeline and with a view to its delivery to final customers or to distributors, but not including supply (extracted from directive 2003/54/EC and 2003/55/EC).
Generation	Production of electricity
KPI	Key Performance Indicators (KPI) are quantifiable measurements, agreed to beforehand, that reflect the critical values against which a performance or a standard is quantified in a particular activity and/or business.
Licence	It is a form of authorization procedure required to attest that a project is of public interest and therefore that approval has been granted to build and operate the facility. The license certificates will detail the conditions of the approval, that shall be granted according to objective and non discriminatory criteria including the final authorization, It is the equivalent to the Certificate of Public Need and Necessity used in the USA
Monitoring power	The power regulators have when supervising and analyzing market and market players' behaviors.
Penalty	In Civil Law systems a penalty clause allows both compensation and deterrence in case of breach of contract. The penalty clause thus provides for a monetary sanction to be paid by the party who fails to fulfill the obligation to the other party, and is both compensatory and punitive. A penalty may also represent a form of non-monetary sanction and be imposed as a punishment for a violation of the law or of a rule. It is a pecuniary sum that by agreement is to be paid by a party who fails to fulfill an obligation to another and that is punitive rather than compensatory. It could also be an obligation and/or a punishment imposed or

	incurred for a violation of law or rule. (Shavell, S. 2004. Foundations of economic analysis of law. Cambridge, MA: Belknap Press of Harvard University Press.)
Renewable Energy	The term refers to renewable non-fossil energy sources (wind, solar, geothermal, wave, tidal, hydropower, biomass, landfill gas, sewage treatment plant gas and biogases).
Retail	Sales made directly to the customer that consumes the energy product (extracted from directive 2003/54/EC and 2003/55/EC)
Rule-making power	It refers to the power the regulators have when establishing rules.
Security of Supply	<p>Security of supply covers a number of different concepts. For the purpose of this survey we refer to any of the following provisions or a combination of the following functions:</p> <p>a) Supply adequacy, intended as the sufficiency of supply sources and/or production capacity to meet peak demand at reasonable cost,</p> <p>b) Reliability, intended as the flexibility of import, transmission and production capacity to deliver energy when and where it is required, including technical safety.</p> <p>c) Diversity, described as the ability of the system to mitigate the risks of one or more sources of supply becoming restricted or very expensive.</p> <p>Typically these provisions are translated into obligations to respect certain standards and/or KPI such as: supply-demand margins, adequacy of supply in extreme conditions, trends in utilisation, etc.</p> <p>Please note that this list is not an exhaustive one and other KPI and standards might be imposed.</p>
Supply	The sale, including resale, of energy (electricity and gas, including LNG) to customers (extracted from directive 2003/54/EC and 2003/55/EC).
Tendering Procedure	<p>The procedure through which planned additional requirements and/or replacement capacity are covered by supplies from new or existing capacity (in particular generating capacity for electricity) or the procedure through which transport capacity is allocated among existing and/potential users (in particular for gas and electricity transmission).</p> <p>In general, tenders promote competition for the market in the allocation of resources in absence of a dedicated market (for instance, due to a natural monopoly technology), or when their</p>

value is uncertain or unknown. In general a tendering procedure is put in place when a resource must be allocated in absence of a dedicated market for it, and in particular when its value is uncertain or unknown.