

# C O N F E R E N C E R E P O R T S

## **International Academic Conference Security and Regulation of the Energy Market, Łódź, 23–24 May 2019**

An International Scientific Conference entitled ‘Security and Regulation on the Energy Market’ was held on the 23<sup>rd</sup> and 24<sup>th</sup> of May 2019 at the Faculty of Law and Administration of the University of Łódź (hereinafter; WPIA UŁ). The main organizers of the Conference were the Department of European Economic Law of the Faculty of Law of the University of Łódź and the Scientific Society of Energy Law and Other Infrastructure Sectors of the University of Łódź (hereinafter; NKPEiISI). The event was held under the honorary patronage of the Prime Minister Mateusz Morawiecki, the President of the Energy Regulatory Office and the Polish Committee of the World Energy Council. The co-organizers of the event were the Polish Foundation for Competition Law and Sectoral Regulation *Ius Publicum* in Warsaw (*Ius Publicum* Foundation) and the University of Economics in Katowice. The Strategic Partner of the Conference was Polskie Górnictwo Naftowe i Gazownictwo S.A. (PGNiG S.A.). The Conference was organized in cooperation with the Golden Partner – Grupa Lotos S.A., Silver Partners – The Chamber of the Natural Gas Industry, Bronze Partner – Gas Trading S.A., and the supporting partner – Bank Ochrony Środowiska. The Conference’s main Media Partner was [BiznesAlert.pl](http://BiznesAlert.pl).

The official opening of the Conference was made by the Rector of the University of Łódź, Prof. Antoni Różalski, and the Vice-Dean of the Faculty of Law of the University of Łódź, Dr Zbigniew Świdorski, Andrzej Górczyński (Deputy Marshal of the Łódź Voivodship) and Ewa Wardęga (Director in the Marshal’s Office of the Łódź Voivodship). During their speeches, they emphasized the particular importance of the organized international Conference for the entire academic community of the University of Łódź and the surrounding region. Also as part of the opening of the Conference, Marcin Kraśniewski read a letter from the Prime Minister Mateusz Morawiecki to the organizers and participants of the Conference.

The first session was moderated by Prof. Maria Królikowska-Olczak. The opening paper entitled ‘Global reform of energy law and national lessons’ was delivered by Prof. Raphael Heffron (Dundee University, United Kingdom). Next to speak was Prof. Daniele Senzani (University of Bologna, Italy) who presented the topic ‘Pro-competitive regulation of energy market’. Rolands Irklis (Agency for the Cooperation of Energy Regulators (ACER), Latvia) spoke of ‘Legal and practical aspects of the cooperation of European regulators – why is it important for the European Energy Markets?’

Prof. Navraj Singh Ghaleigh (University of Edinburgh, UK) presented the following paper entitled 'New approaches in financing energy projects: export credits agencies, the OECD common approaches and emerging trends'. The session concluded with the presentation on 'Electromobility as a tool to implement the sustainable development goals' which was delivered by Prof. Adam Szafranski (University of Warsaw).

Dr Anna Górczyńska (University of Łódź) was the moderator of the second session. The session began with a speech by Prof. Tina Hunter (University of Aberdeen, Great Britain) discussing the changing role of state-owned oil companies and their influence on international energy markets. The second paper regarding the creation of national champions in the energy market was delivered by Prof. Mariusz Golecki (University of Lodz, Member of the Supervisory Board of Grupa LOTOS S.A.). Afterwards, Dr Marzena Czarnecka (University of Economics, ACC Europe) covered the subject of regulated prices on the energy market (current state and future prospects). Next, Dr Ignacio Herrera-Anchustegui, LL.M. (University of Bergen, Norway) presented the issue of exclusions of energy market entities from the scope of the application of Directive 2014/25/EU on procurement by entities operating in the water, energy, transport and postal services sectors, repealing Directive 2004/17/EC. Annette Jantzen (Secretary General of the National Energy Ombudsman Network, Belgium) presented the subsequent paper on 'Consumer disputes resolution in the energy sector: from mediation to assessing policy effectiveness'. The last speaker of the session was attorney-at-law Tobiasz Szychowski (Polskie Górnictwo Naftowe i Gazownictwo S.A.); he discussed the issue of mediation as a way of resolving disputes by energy companies.

The third session was chaired by Prof. Eryk Kosiński (Adam Mickiewicz University in Poznań). Prof. Volker Roeben (University of Dundee, United Kingdom) spoke first focusing on the diversification of gas supplies in the EU. Subsequently, Dr Gökce Mete (International Energy Charter, Belgium) entered with a speech on 'Energy transitions and investment security: the role of the International Energy Charter'. The third paper, entitled 'The backbone of the energy transformation – Regulations for the networks of the future', was delivered by Michał Motylewski (DENTONS Poland). Zuzanna Brocka LL.M. (University of Lodz, University of Pavia, Italy) followed with a paper on 'Self-consumption in Energy user systems'. The next speaker, Balazs Gyenge (University of Szeged, Hungary), focused on smart grid systems as an alternative to the traditional way of using electricity. The last paper in the third session was delivered by Anna Górczyńska (University of Lodz) and concerned the support of renewable energy sources by the Regional Fund for Environmental Protection and Water Resources.

Marcin Kraśniewski was the moderator of the last session on the first day of the Conference that included the following panellists: Noreen Kidunduhu (Dundee University, Great Britain), Krystian Kowalewski (Kozminski University in Warsaw, World Energy Council), Kamil Olczak (University of Warmia and Mazury in Olsztyn), Elias Zigah (Dundee University, Chaire Economie du Climat, Great Britain – France). The panel started with a speech by Noreen Kidunduhu who presented the topic 'Why renewable energy is not a panacea for energy security'. Then, Krystian Kowalewski delivered a paper entitled 'Clean Energy for all Europeans Package, a new market model, new challenges'. The next speaker, Kamil Olczak, presented a paper entitled 'Sustainable development and

renewable energy sources'. Finally, Elias Zigah discussed the most important attitudes of the Paris Agreement and drew attention to the presence among its signatories of the Sub-Saharan African states (including Ghana, Kenya, South Africa).

After the last speech, Prof. M. Królikowska-Olczak thanked the participants for their valuable input and closed the first day of the Conference. The organizers invited the speakers, moderators and other guests for dinner at the Biedermann Palace.

The second day of the Conference was national in scope; it was opened by Prof. M. Królikowska-Olczak. After the welcome, a letter from the Minister of Entrepreneurship, Jadwiga Emilewicz was read out. The first panel took the form of a discussion on 'The energy sector in the face of contemporary challenges'. The session was moderated by Prof. Maria Królikowska-Olczak and Marcin Kraśniewski; the panel consisted of Piotr Bielarczyk (Managing Director in Bank Ochrony Środowiska), Dr Mateusz A. Bonca (President of the Board of Grupa LOTOS S.A.), Prof. Mariusz Golecki, Łukasz Kroplewski (Vice-President of the Board for Development of Polish Oil and Gas Company), Marek Krzysteczko (Member of the Board of POLENERGIA Obrót S.A.) and Prof. Jan Wojtyła (Member of the Financial Supervision Commission, University of Economics in Katowice).

At the beginning Prof. Maria Królikowska-Olczak noted that the problems that the participants deal with during this Conference are primarily the result of the implementation of the Europe 2020 Strategy, which caused a reform of the so-called network sectors, which also includes energy. She also emphasized that modern energy infrastructure and an efficient energy sector are conducive to economic growth and that they strengthen social and spatial cohesion. Marcin Kraśniewski, the second moderator, pointed out that one of the main challenges for the energy sector at the moment is the diversification of supply directions and energy sources, as well as the decarbonisation of coal. He then asked Prof. M. Golecki about the future and the use of nuclear energy, in particular the possibility of replacing coal. Subsequently, Łukasz Kroplewski was asked about the steps taken by PGNiG S.A. in the field of research and development and about the company's cooperation with start-ups. As the Vice President of the PGNiG Management Board responsible for Development, the speaker indicated that the company is currently focusing on exploration and production activities. Afterwards, Marcin Kraśniewski asked Dr. M. Bonca about the activities undertaken by Grupa LOTOS S.A. in the Baltic Sea area, Lithuania and Norway. The panellist pointed out that the presence of Grupa LOTOS is particularly visible in Norway, where it conducts permanent extraction.

The next part of the discussion was led by Prof. Maria Królikowska-Olczak who addressed her first question to Marek Krzysteczko, asking about changes in the Act on Renewable Energy Sources and the so-called Electricity Pricing Act. Prof. Maria Królikowska-Olczak also asked Piotr Bielarczyk about the directions of the development of investments in the field of environmental protection, and about the challenges facing the Bank Ochrony Środowiska. Prof. Jan Wojtyła was the last speaker, he was asked by Prof. M. Królikowska-Olczak to elaborate on the consequences of the transformation of the power industry from coal to alternative sources. The discussion was closed afterwards.

The next session of day two was chaired by Prof. Bartłomiej Nowak (Kozminski University in Warsaw). Prof. Anna Walaszek-Pyziół (Andrzej Frycz Modrzewski Krakow Academy) presented the first paper entitled 'Energy solidarity – energy security'. Next, Prof. Michał Domagała (John Paul II Catholic University of Lublin) delivered a speech covering the demand for fuels and energy from the point of view of regulation objectives. The last speaker in this session, Dr. Zdzisław Muras (Energy Regulatory Office), presented a paper entitled: "“Service” on infrastructural fuel and energy markets in the light of freedom of establishment and freedom to provide services’.

The afternoon was divided into two sessions consisting of three parallel panels each – the first session covered: 'Financing in the energy sector'; 'Renewable energy sources'; and 'Energy sector – between regulation and competition'. The second session included panels on: 'Protection of competition and consumers in the energy sector'; 'Regulation in the energy sector'; and 'Energy security – selected topics’.

The panel 'Financing in the energy sector' was moderated by Prof. Anna Walaszek-Pyziół. Attorney-at-law Paweł Hawranek (HAWRANEK Law Firm) presented the first paper entitled 'Trading in financial instruments under the exemption for additional activities in energy companies. Practical remarks on the tests of additional activity'. Then, Director Anna Żyła (Bank Ochrony Środowiska) focused the attention of the Conference participants to the financing of renewable energy investments. The last paper was entitled 'Act on investment control as a mechanism to ensure energy security', it was delivered by Michał Bałdowski (University of Warsaw).

The panel on 'Renewable energy sources' was chaired by Prof. Mirosław Pawełczyk (University of Silesia in Katowice). Marcin Trupkiewicz (Adam Mickiewicz University in Poznan) and Michał Tarka (Adam Mickiewicz University in Poznan) were the first speakers presenting a paper entitled 'Recent development in renewables self-consuming in the micro, small and medium business sectors'. Afterwards, Dr. Łukasz Gacek (Jagiellonian University) considered renewable energy sources in China's energy policy until 2030. The last speech in this panel, entitled 'The impact of changes in the regulatory environment on the implementation of agreements on the co-financing of investments in the production of energy from renewable sources', was delivered by Dr. Magdalena Porzeżyńska (University of Warsaw).

The panel on 'Energy sector – between regulation and competition' was moderated by Prof. Tomasz Długosz (Jagiellonian University). In this session, Jarosław Sroczyński presented a paper entitled 'Cooperation of energy entrepreneurs in the field of competition law – between contract and conspiracy'. He was followed by Michał Karpiński (University of Silesia in Katowice), who spoke of 'Relationship of the competences of the President of the Energy Regulatory Office and the President of the Office of Competition and Consumer Protection based on selected examples – competition or synergy?’.

In the second parallel session, the panel on competition and consumer protection in the energy sector was chaired by Prof. Monika Namysłowska (University of Łódź). The panellists included: Marcin Kamiński (Warsaw University), Michał Pater (University of Łódź) and Paweł K. Domagała (Cardinal Stefan Wyszyński University in Warsaw).

Marcin Kaminski's speech concerned the latest EC actions in the field of competition law in the energy sector. The next speaker, Michał Pater, followed with a paper regarding the issue of the particular vulnerability of the heating sector, in comparison to other energy sectors, to the creation of monopolies and the exploitation of a dominant position by companies. Paweł K. Domagała finished this panel with the topic: '(un)Safety of end users of electricity in the event of commencement of reserve sale of electricity'.

The parallel panel on 'Energy security – selected issues' was moderated by Dr Rafał Zgorzelski (Industrial Development Agency). The first speech was delivered by Anna Mathews (Adam Mickiewicz University in Poznań) and covered 'Supply security as one of the pillars of the Energy Union'. Next, Michał Maruszak (Linklaters) drew the attention of the audience to the support systems for cogeneration units. The following paper concerned the interdependence of the Russian Federation and the Caspian Sea countries in the sphere of energy security; it was presented by Ewelina Morawska (Jagiellonian University). The last speaker in this panel, Łukasz Rabiasz (Jagiellonian University), considered the importance of the diversification of energy exports on the example of Turkmenistan.

The panel entitled 'Regulation in the energy sector' was chaired by Dr Łukasz Grzejdziak (University of Łódź). Therein, presentations were given by Michał Pytkowski, Maciej Groblewski, Mateusz Czuba, Michał Wielec (students of the fourth year of law at the Faculty of Law of the University of Łódź). Michał Pytkowski delivered a paper on the legal consequences of air emissions made in violation of the integrated environmental permit. Subsequently, Maciej Groblewski presented the topic: 'Provisions of the Electromobility Act in the light of EU state aid rules'. Then Mateusz Czuba followed with a paper on the legal regulations of small electric vehicles in selected EU countries. The last speech was delivered by Michał Wielec on the subject of taxation of wind farms with a real estate tax.

After all the mentioned presentations, the Conference was summed up by Prof. Maria Królikowska-Olczak drawing attention to the multi-faceted nature of the subject matter and its practical significance for many entities in the energy sector. She also expressed the hope that the considerations undertaken will be continued in subsequent conferences involving representatives of science, state and local administration and the energy sector. Then Prof. M. Królikowska-Olczak expressed her gratitude to Prof. Mirosław Pawełczyk, Dr. Marzena Czarnecka and Marcin Kraśniewski for their joint substantive and organizational work on the Conference. She also expressed her gratitude to each of the members of NKPEiSI, appreciating the work put into the technical support of the event.

Conference materials are available at:

<https://www.wpia.uni.lodz.pl/energylawconference>

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