

PROTOCOL

Of the Joint Meeting of the CIS Electric Power Council (herein called EPC CIS) and Union of the Electricity Industry (herein called EURELECTRIC)

20 March 2002, Warsaw, Poland

Present:

EPC CIS, EURELECTRIC, UCTE, BALTRREL (*a list of participants enclosed*).

Main issue of the meeting:

To discuss and enhance possibilities for closer cooperation between the electricity markets and power systems represented by the above mentioned associations.

Speakers included:

- Mr. Vladimir Dzhangirov, Vice-President of the EPC CIS, Chairman of the Executive Committee, Report on organization of a parallel operation of UPS/IPS with TESIS,
- Mr. Anatoly Zelinsky, Member of the RAO UES Executive Board, Presentation on Technical, Economic and Political Aspects of the Two System Interconnection,
- Dr. Rolf Bierhoff, President of EURELECTRIC, EURELECTRIC's position to a pan-European market,
- Dr. Kleinekorte, Convenor of the UCTE Security and Operations WG, Missions and challenges for UCTE,
- Mr. Anatoly Chubais, President of the EPC CIS, Promotion of power system interconnection,

Representatives of the participating associations from the CIS countries and of Western, Central and Eastern Europe intervened actively in the discussions.

Parties noted:

- The co-ordinated position of the EPC CIS, stating that a synchronised interconnection of power systems of IPS/UPS with TESIS is a strategic goal of EPC CIS and the best technological decision, which should be looked upon as a complicated technological, economic and strategic task requiring a thorough technical and economic research;

- EURELECTRIC's support of UCTE to investigate and discuss with all parties concerned the technological and operational aspects related to East-West interconnection development, which EURELECTRIC sees as an essential step in the process;
- The dialogue established between UCTE and RAO UES in order to actively discuss and study such interconnection development;
- The intention of EURELECTRIC to examine the EPC CIS position stated above and the above mentioned investigations of UCTE in order to enhance the necessary decisions.

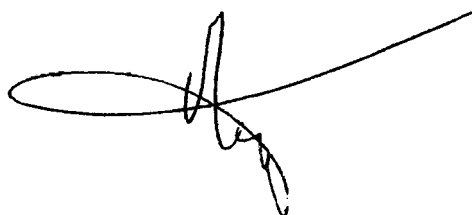
Parties agreed:

- to support the strengthening of long-term interrelations in the power sector in order to contribute to pan-European and Eurasian energy security and mutual cooperation;
- on the need to better understand the mutual long-term objectives in relation to power infrastructure development, to operational reliability, to the creation of competitive conditions, to environmental objectives and to other challenges, in order to develop electricity market cooperation on the Eurasian Continent;
- on the necessity of taking into account both technological, market structure and environmental dimensions when developing power market cooperation.

Parties decided:

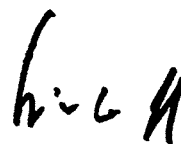
- To encourage the active development of the dialogue between involved network associations in order to identify the best solutions and necessary measures to promote interconnection development;
- To coordinate actions where possible and appropriate in promoting this dialogue in the political and energy spheres;
- To carry out annual joint meetings to follow-up and assess progress made in the fields of interconnections, market structure and environmental aspects and to identify actions to be taken if necessary.

*On behalf of
EPC CIS*



Mr. Anatoly Chubais
President

*On behalf of
EURELECTRIC*



Dr. Rolf Bierhoff
President