

Energy, Natural Resources & Environment – April 2014



ENERGY MARKETS

- EU: Energy and Environment State Aid Guidelines
- Greece: Adjustment of Several Duties and Fees Payable in the Greek Energy Market
- EU: State Aid Investigation Opened against France for Reductions from Renewable Energy Surcharges Granted to Energy Intensive Companies

ELECTRICITY

- Greece: Privatisation of Greek TSO and Small PPC
- Energy Community: Establishment of a Coordination Platform by Energy Community Electricity DSOs
- Albania: Settlement of Outstanding Electricity Debts
- EU: ACER Publishes Opinion on the Network Code on Electricity Balancing

OIL & GAS

- Croatia: First Public Auction for Exploration and Exploitation of Hydrocarbons in the Adriatic Sea of Croatia
- Ukraine: New Law Repealing Preferential Terms for Certain Oil and Gas Projects
- EU: Network Code on Gas Balancing of Transmission Networks Adopted by the Commission
- EU: ACER Publishes a Justification Paper for Policy Options on Harmonised Transmission Tariff Structures for Gas

RENEWABLES

- Poland: New Bill on Renewable Energy Sources
- Greece: Enactment of Measures Aiming to Alter the RES Market
- Bosnia and Herzegovina: New RES Regulations in the Republika Srpska

ENERGY INFRASTRUCTURE & GRIDS

- Bosnia and Herzegovina: The TSO in BiH Has Launched a Short-term Investment Plan
- EU: Notification of Investment Projects in Energy Infrastructure to the European Commission

ENERGY EFFICIENCY

- Croatia: Program of Energy Reconstruction of Family Houses for the 2014 – 2020 Period Launched

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EU: Energy and Environment State Aid Guidelines

by Mira Todorovic Symeonides (Athens)

The Guidelines on State aid for environmental protection and energy 2014-2020 were adopted on 9 April 2014 by the Commission in principle. The formal adoption is still pending. The new Guidelines will replace the 2008 Guidelines, which did not cover State aid to the energy sector, from 1 July 2014. The aim of the Guidelines is to modernise the EU State aid rules and to address certain issues, also providing specific guidelines for some industry sectors. They will not apply to already granted state aid.

The Guidelines, among other issues, regulate the gradual lifting of subsidies and exemptions from balancing responsibilities (i.e. responsibilities to provide compensation for deviations in short-term delivery commitments) for renewables by 2030. The aim is that MS support to renewables reflects the market and encourages competition between technologies. From 2016, feed-in-premiums (providing premium if the market price is below the cost of production) or tradable certificates should replace feed-in-tariffs (guaranteed fixed prices) and RES producers should be subject to standard balancing responsibilities if liquid intra-day market exists. Small scale RES power generators are, however, exempted from the above scheme. From 2017, public aid will be granted in accordance with the competitive bidding processes. There are certain exceptions provided in the Guidelines, e.g. when only one or very few projects would be eligible. A MS aid does not have to be open to generators from other MS except when a respective cooperation mechanism between two states is established. The Guidelines, aiming to address the adverse effects of the RES charges to some intensive electricity users and companies exposed to global trade facing competitive disadvantages, provide that energy intensive industries (sectors listed in the Annex 3 and 5 to the Guidelines) may be partially released from renewables' funding obligations. The Commission shall consider the aid to be proportionate if these companies pay 15% of additional costs of electricity paid by consumers for support of renewables. In some cases it may be further reduced to 4% or 0.5% (the latter refers to the case when they have the electro-intensity of at least 20%) of the gross value added calculated in accordance with Annex 4 of the Guidelines. Energy infrastructure projects may be partially financed from public resources in certain circumstances such as when relating to trans-European energy infrastructure, infrastructure in less-developed areas of the EU or to Smart Grids which promote energy savings in the entire energy system. Capacity remuneration mechanism (CRM) is a priori considered to be state aid. Thus, MS should always notify the Commission to receive clearance from CRM as compatible aid. Several other fields such as energy efficiency, aid to carbon capture and storage, waste management are addressed.

Greece: Adjustment of Several Duties and Fees Payable in the Greek Energy Market

by Lazaros Sidiropoulos (Athens)

On 31 March 2014, Decision no. 175/2014 of the Greek energy regulatory authority RAE was issued announcing a raise of ETMEAR, the special duty paid by electricity consumers to finance RES production, by 1 April 2014 to an average of €19.73/MWh instead of previously €14.96/MWh. This raise was necessary to fund the cash deficit of Greece's energy market operator LAGIE, caused by the rapid integration of RES technologies into the power system. Initially, RAE had issued on 31 December 2013 Decision no. 663/2013, declaring that unless immediate measures are taken by the Greek Government to drastically cut down the deficit of LAGIE, an average raise of ETMEAR in the percentage of 98% (€29.63/MWh instead of previously €14.96/MWh) would be necessary. A raise to that large extent was finally no more necessary due to the recent issuance of law 4254/2014 introducing the New Deal in the Greek RES market.

Several other decisions of RAE were recently issued introducing amendments to the amounts payable for a series of energy related charges:

- i. Opinion no. 2/2014, issued on 11 February 2014, proposed to the competent minister a reduction of the ETMEAR amounts paid by large medium voltage customers (with total annual consumption exceeding 13GWh) to correspond to the respective charges paid by high voltage customers. A corresponding ministerial decision was announced to have been signed thereafter, but has not been published yet.
- ii. Decision no. 84/2014, issued on 26 February 2014 and published in the Official Journal B 745/26.3.2014, reduced the cap of the Public Service Obligation (PSO) duty paid by all electricity customers of the interconnected grid to fund the expensive electricity production at the non interconnected islands. The cap for 2014 is adjusted to the decrease of the consumer price index by 0,9% in 2013 and is now defined to € 803,977.00 per consumption point instead of € 811,278.00 in 2013.
- iii. Decision no. 85/2014, issued on 26 February 2014 and published in the Official Journal B 745/26.3.2014, adjusted the ETMEAR cap to the aforementioned decrease of the consumer price index, amounting now to € 991,000.00 per consumption point instead of € 1,000,278.00 in 2013.
- iv. Decision no. 101/2014, issued on 26 February 2014 and published in the Official Journal B 745/26.3.2014, adjusted the amounts of the contributory fees payable by energy companies (producers, suppliers, traders etc.) in favour of RAE to the aforementioned decrease of the consumer price index, reducing all respective fees, varying for each particular activity applicable.

EU: State Aid Investigation Opened against France for Reductions from Renewable Energy Surcharges Granted to Energy Intensive Companies

by Lazaros Sidiropoulos (Athens)

As demonstrated in the State Aid Register on the DG Competition website under the case number SA.36511, the Commission decided on 27 March 2014 to open an in-depth investigation on whether three types of reductions of renewable energy surcharges granted to large energy consumers in France are in line with EU state aid rules. To finance the support for renewable energies, electricity consumers in France have to pay a uniform levy per kWh consumed (the so-called "contribution au service public de l'électricité" – CSPE). However, the law provides for three exceptions, introducing certain caps which mainly favour energy intensive companies. According to the

Energy, Natural Resources & Environment - April 2014

Commission, these three reductions appear to give large electricity consumers a selective advantage that could distort competition in the Single Market. Since the possibility of such reductions is not foreseen under the 2008 Guidelines on Environmental Aid, the Commission has doubts about their compatibility with EU state aid rules. Nevertheless, the outcome of this investigation will be affected by the adoption of the new Guidelines on environmental and energy aid for 2014-2020, a few days later, on 9 April 2014, which include provisions allowing reductions for energy intensive users under certain conditions and may apply also to this case. The same goes also for another similar ongoing case, i.e. the in-depth investigation opened by the Commission on 18 December 2013 against Germany with regard to reductions granted to energy intensive companies on a surcharge for the financing of renewable energy (case number SA.36511).



Greece: Privatisation of Greek TSO and Small PPC

by Mira Todorovic Symeonides (Athens)

On 10 April 2014 PPC Greece published the Invitation to Submit Expression of Interest for the acquisition of a 66% participation in the share capital of its 100% subsidiary, the Greek Independent Power Transmission Operator s.a. The deadline for submission of the expression of interest in the pre-qualification phase is 9 May 2014, while the second phase, during which the binding offers should be submitted, is planned to be finalised until the end of June 2014. One of the disqualification criteria relates to the application of the unbundling of the TSO requirements and certification in relation to third countries, as per Articles 9 and 11 of the Directive 2009/2/EC. Namely, the Seller reserves the right to disqualify any interested party if there are concerns regarding its prospective ability to obtain any necessary regulatory approvals, particularly those regulated by the two articles.

On 31 March 2014 the Draft Law on Creation of a New Vertically Integrated Electricity Company (the Small PPC) was submitted to the Greek Parliament for voting. The Small PPC will be created through separation of approximately 30% of assets and activities of the PPC Greece into a new entity. The Draft particularly addresses the issues of transfer of assets, liabilities, human resources and customer base. The aim is to achieve further liberalisation of the electricity market in terms of open competition, particularly in the context of the Third Energy Package. The Small PPC, which will be a 100% subsidiary of PPC and will thereafter be sold in an international tender, will acquire coal power plants as well as natural gas and hydropower power plants which represent 30% of PPC's electricity production capacity and 30% of customers of PPC. The Small PPC shall ex lege become universal legal successor of PPC in its legal rights and obligations regarding the transferred assets, employees, supply agreements, and generally to the transferred active and passive of the company. For as long as the Small PPC remains 100% subsidiary of PPC, the latter will be jointly and severally liable, up to the value of the transferred net assets, for the obligations of the Small PPC related to its electricity operations and undertaken before the division, as long as the respective creditor first fails to enforce its claims against the Small PPC. The PPC's liability shall not extend to the obligations assumed by the Small PPC under the transferred electricity supply contracts.

Energy Community: Establishment of a Coordination Platform by Energy Community Electricity DSOs

by Vasiliki Samartzi (Athens)

The Energy Community Distribution System Operators (DSOs) for electricity at their meeting on 12 March 2014 in Vienna agreed to establish a coordination platform. This cooperation initiative will start as a web-based discussion platform, a "forum", accessible via the Energy Community website (www.energy-community.org) and, as such, will be technically supported by the Energy Community Secretariat. In the context of this initiative, the Secretariat undertook another role as well, namely the role of updating participating DSOs on the Regional Balancing Initiative concerning the establishment of balanced market integration in the Energy Community. Regarding the addressees of the suggested coordination platform, it shall be noted that is not only addressed to DSOs that are members of the Energy Community but also is addressed to neighbouring EU member states' DSOs. Moreover, regarding the form and areas of coordination, although in the beginning this initiative will support only the operation of a web-based forum, it aims at the organisation of meetings focused on several issues that are of interest to DSOs in general in the future. These issues include, indicatively, smart metering, integration of renewables, unbundling, cost reflectivity of tariffs and prices, investment incentives, treatment of losses and thefts and load profiles.

Albania: Settlement of Outstanding Electricity Debts

by Eris Çoba (Tirana)

By Decision No. 141, dated 12 March 2014, of the Council of Ministers, published in the Official Gazette No. 35, the Albanian Government defines the strategy to be followed regarding the settlement of outstanding debts of budgetary and non - budgetary institutions towards companies of the public energy sector. The reason for this action was basically the low level of payment of electricity bills and taxes included in those bills by family consumers, businesses and public institutions, creating a difficult financial and economic situation for operators working in the electricity sector, hindering their normal operation and also leading to suspension of investments necessary for ensuring security of supply. In addition to the work performed by the Task Force in support of the company CEZ Distribution JSC, the adoption of the new strategy, which is focusing on the mutual extinguishment of reciprocal obligations between different subjects, is necessary for the reduction of the high level of losses in the distribution sector, being considered as a big step for improvement of the financial situation of the sector. Several authorities and other entities shall be involved in the implementation of this strategy:

- The Ministry of Energy and Industry will organise and supervise the process;
- The Ministry of Economic Development, Trade and Enterprise will coordinate actions with non-budgetary institutions, public and commercial companies;
- The Ministry of Finance will co-monitor the process and implement the financial scheme of the payment of the obligations.
- The Managers of budgetary and non-budgetary institutions will verify and settle the unpaid bills, which are evidenced by the date 12/31/2013, to the company CEZ Distribution JSC;
- The Companies CEZ Distribution JSC and KESH JSC will identify, evaluate and settle the reciprocal obligations to be paid in accordance with this strategy;

- The General Directorate of Taxation will identify and evaluate the claims for reimbursement of VAT and income tax from CEZ Distribution JSC, KESH JSC and OST JSC, and shall report to the Ministry of Finance.

The Social Welfare and Youth Ministry, will identify, evaluate and settle the obligations of persons with disabilities, according to the applicable legislation.

EU: ACER Publishes Opinion on the Network Code on Electricity Balancing

by Georgia Ilianna Karamani (Athens)

On 24 March 2014 ACER published its Opinion on the Network Code on Electricity Balancing, which was submitted on 23 December 2013 by ENTSO-E and lies in accordance with the Framework Guidelines on Electricity Balancing adopted by the Agency on 18 September 2012. In this Opinion, ACER acknowledges the importance of the Network Code towards a well-functioning balancing market in electricity and cross-border trade, yet believes that this Code is not fully in line with the relative Guidelines and their objectives. The Agency stresses that the set timelines are not met and, in cases, a legally unenforceable framework, based on voluntary approach and not appropriate for the intended cause, is introduced. The Network Code is considered as not ambitious enough in introducing the following basic elements: i) adequate incentives on balance responsible parties to balance themselves or to help balance the power system; (ii) a consistent framework to foster competition between balance service providers; and (iii) efficiency of balancing actions performed by TSOs.



Croatia: First Public Auction for Exploration and Exploitation of Hydrocarbons in the Adriatic Sea of Croatia

by Sanja Tolj Par (Zagreb)

After the Croatian Parliament passed on 15 July 2013 the long-awaited law on exploration and exploitation of hydrocarbons, the first public tender in this respect was published on 2 April 2014. It refers to 29 blocks in the Adriatic Sea which spread over approximately 1,600.00 km² and have been formed on the basis of long-term seismic recordings of the Adriatic Sea. The tender will be open until 3 November 2014. The most advantageous bidder will be known by 3 December 2014. The chosen investor should meet the requirements prescribed by the Hydrocarbons Exploration and Exploitation Act published in the OG 94/13 and 14/14 (the Act). The Act defines, among other, the requirements needed to obtain a license for the exploration and exploitation of hydrocarbons, the way of conducting the public biddings, the manner of contracting the production of hydrocarbons, the amount of fees that investors pay in the state budget for the rights and the obligations of investors regarding exploration and exploitation. Pursuant to the Act, the chosen investor will have to finance the necessary equipment and work related to the exploration and exploitation, while the commercial quantities of hydrocarbons which may be discovered and appropriated will be shared between the Republic of Croatia and the investor. The Republic of Croatia has the First-Purchase Rights of the appropriated hydrocarbons belonging to the investor, with the

provision that the investor may independently and freely dispose of the hydrocarbons (via export, sale). The investor will also have to pay a compensation (consisting of six particular charges) to the Republic of Croatia for the exploration and exploitation of hydrocarbons in accordance with the Regulation on Compensation for the Exploration and Exploitation of Hydrocarbons adopted by the Croatian Government on 19 March 2014 (OG 37 /14). After the winning bidder is chosen, negotiations between the investor and the Government will ensue, in order for a contract to be signed by early 2015. In case of any commercial sources being found, the investor will be pursuant to the contract awarded concessions for the exploitation of the said hydrocarbons for a period of up to 30 years.

Ukraine: New Law Repealing Preferential Terms for Certain Oil and Gas Projects

by Alina Karas (Kiev)

In the context of the recent political developments in Ukraine, the Parliament of Ukraine adopted several new laws, including among others, the Law 'On Prevention of Financial Catastrophe and Creation of Preconditions for Economic Growth in Ukraine' No. 1166-18 dated 27 March 2014. The Law introduces several amendments to the tax regulation, among others, in relation to hydrocarbons' mining fees, as follows:

- increase of mining fees for oil and gas condensate from 39% to 42% of the value of commodity production (for deposits fully or partially lying above 5,000 meters);
- increase of mining fees for oil and gas condensate from 17% to 18% of the value of commodity production (for deposits fully or partially lying below 5,000 meters);
- increase of mining fees for gas from 25% to 28% of the value of commodity production (for deposits above 5,000 meters);
- increase of mining fees for gas from 14% to 15% of the value of commodity production (for deposits below 5,000 meters).

Moreover, by repealing article 263.9.2 of the Tax Code the new law annuls the preferential tax treatment of hydrocarbons production projects which were fulfilling certain criteria such as: projects performed by companies with direct or indirect state share of at least 25% (or subsidiaries of joint ventures of such companies), extracting hydrocarbons from depleted or difficult to access fields.

EU: Network Code on Gas Balancing of Transmission Networks Adopted by the Commission

by Lazaros Sidiropoulos (Athens)

Regulation (EU) No 312/2014 establishing a network code on gas balancing of transmission networks was issued on 26 March 2014. This Regulation was adopted according to the procedure set out in Article 6 of Regulation (EC) No 715/2009, implementing the balancing rules laid down in Article 21 of the latter. It is therefore expressly stated to constitute a supplement to Regulation 715/2009 and to form an integral part thereof. The new network code sets out harmonised Union-wide gas balancing rules aiming to enable network users to manage their balance positions in different balancing zones throughout the Union in an economically efficient and non-discriminative manner, and respectively to allow the TSOs to use the gas flexibility when balancing the transmission network. Emphasis is put on the development of a short term wholesale gas market, with trading platforms established to better facilitate gas trade between network users and the transmission system operator. In this respect, TSOs, when deciding upon balancing actions, shall follow the merit order laid down in article 9, among others, giving priority to short term standardised products over the procurement of balancing services as well as prioritising within day products over day ahead products. General rules are also provided regarding gas transfers between two balancing portfolios

within a balancing zone, which shall be made through trade notifications submitted to the TSO; for such actions network users may enter into a legally binding agreement with the TSO, irrespective of whether they have contracted transport capacity or not. Furthermore, the network code also sets out rules applying to the nomination procedures at interconnections points, lays down certain information obligations of TSOs towards network users and includes a series of provisions on the operation of trading platforms, daily imbalance charges, within day obligations, neutrality arrangements, interim measures and linepack flexibility services. The new network code shall apply to balancing zones within the borders of the Union as from 1 October 2015.

EU: ACER Publishes a Justification Paper for Policy Options on Harmonised Transmission Tariff Structures for Gas

by Georgia Ilianna Karamani (Athens)

On 31 March 2014 ACER published a justification paper following its policy options, as put forward in the ACER Framework Guidelines (capacity allocation mechanisms, Balancing and Interoperability and Data Exchange Rules), on rules concerning harmonised transmission tariff structures for gas. These options correspond to the Third Package requirement for a shift from point to point tariff to entry/exit tariffs and move towards an easier and more flexible flow of gas, as well as the facilitation of gas market integration, trading and competition. ACER relates tariff structures to the maturity of the national gas system, supply-demand characteristics and topological considerations and states that non-objective and unjustifiable high transmission tariffs would result to inefficient use of the transmission networks and inefficient cross border gas trades. In the Agency's view the chosen policies are in compliance with the objectives of free shipment of gas between market areas, efficient use of networks, adequate remuneration and removal of physical congestions, which shall be accomplished through the integration of European networks and gas markets, transparent and cost-reflective tariffication and non-discriminatory access arrangements. Policy options are assessed against a set of criteria (effectiveness, feasibility, acceptability) and respond to the regulatory challenges, as identified by the Agency and supported by evidence collected from a range of stakeholders.



Poland: New Bill on Renewable Energy Sources

by Agnieszka Binieda (Warsaw)

On 8 April 2014, the Council of Ministers adopted a Renewable Energy Sources Bill (RES Bill). The first draft had been presented by the Ministry of Economy in December 2011. Since then, the government has completely changed the concept of the support system for renewable energy. The current provisions of the Bill include:

1. Creation of a new support system based on an auction mechanism;
2. Simplification of licensing procedures;
3. Possibility of production of renewable energy for one's own consumption.
4. Possibility that producers of renewable energy for own consumption sell surplus energy to electricity undertakings (prosumers).

The Bill has already been submitted to the Parliament. The next steps will be the adoption by the lower chamber of the Polish Parliament (Sejm) and the upper chamber (Senate), and then the signing by the President. Moreover, the Bill will have to receive positive opinion by the European Commission with regard to compliance with state aid rules. Following the above, the 12-month *vacatio legis* period of the auction system shall begin. This means that the first auction may be arranged not earlier than in 2016, and new installations according to this system will be created in 2018.

Greece: Enactment of Measures Aiming to Alter the RES Market

by Anna Maria Philippa (Athens)

Act 4254/2014, including the New Deal on RES under the provisions of Article 1 par. 13 (IF), has been published in the Official Journal A 85 on 7 April 2014. The new Act aims at rendering viable the Greek Electricity Market Operator's (LAGIE's) fund by 2020 and eliminating its deficit by the end of 2014.

In order to combat LAGIE's deficit the following key measures have been introduced:

(1) Redefinition of energy invoicing data with regard to operating RES and Cogeneration plants. Said redefinition which shows decreased prices (set out in the Act in the form of a table) especially affects the producers that have received a grant of any kind at a rate exceeding 20% of the investment cost as shown on 31 December 2013 and the producers that have received more than ½ of a grant, either from EU programmes or directly from the Greek State. Thus, it is the aim of the new Act for producers that have not received a grant to be eligible for higher remuneration (FIT); (2) Furthermore, RES and Cogeneration producers (albeit producers of energy from rooftop p/v's) shall provide a discount on the total value of their 2013 production as follows: for p/v producers ranging from 34% to 37.5%, depending on the commencement date of their projects (from 2009 to 2013), 20% for p/v stations up to and including 100W and 10% for remaining RES /Cogeneration stations; (3) Producers will have to present their invoices within a period of two (2) months after enactment and their contribution in the form of discount will be calculated on their reduced income if they fall into the reduced redefined category of energy invoicing (4) Producers will have to submit electronically a declaration stating whether they have received a grant or not for their production within two (2) months following the set up of online systems for such submissions (the deadline for the set up is three (3) months from enactment); (5) All sale, production, operating and remuneration agreements, for stations operating for less than 12 years, are automatically extended for seven (7) years from January 2014; (6) Lift of suspension on processing applications for licensing, production and connection offers that was imposed by virtue of a Ministerial decree on August 2012; (7) Applicants with pending applications are invited to express their renewed interest in writing within two (2) months from enactment, otherwise pending applications are moved to the archive; (8) RES capacity for p/v's to be installed per year and until 2020 is set to 200MW.

Finally, it is worth mentioning that the new measures are met with a hostile reaction from RES producers which consider the new Act to entail unconstitutional retroactive provisions while is being silent as to their contractual relations with credit institutions. On the other hand, the State's argument is that LAGIE has to be viable and Greece has to conform to the general EU trends.

Bosnia and Herzegovina: New RES Regulations in the Republika Srpska

by Nebojsa Milanovic (Banja Luka)

In January 2014, two key RES bylaws entered into force in the Republika Srpska: i) the Rulebook on the issuance of guarantees of origin (Official Gazette RS no. 1/2014) (hereinafter: GoO Rulebook), issued by the Energy Regulatory Agency (ERA); and ii) the Decree on the predicted generation and consumption of energy from RES (Official Gazette RS no. 2/2014) (hereinafter RES Decree), issued by the Government of the Republika Srpska, both based on the Law on Renewable Energy Sources and Efficient Cogeneration, last time amended in November 2013. The GoO Rulebook deals with the content of the guarantees of origin (hereinafter GO), the procedure of their issuance, transfer, cancellation and expiration, as well as the method of notification of data on the generated electricity measured at the point of entry to a transmission or distribution system. It also envisages the establishment of a National Registry for Guarantees of Origin within ERA, which shall be the authority in charge for keeping record of GO electronic certificates.

The RES Decree provides an estimation of generation and consumption of energy from RES for each year from 2014 until 2020. More precisely, an increase in generation is predicted regarding some RES categories (hydropower plants, photovoltaic solar plants, wind farms, biomass power plants), whereas for some categories no prediction has been made (concentrated solar power, geothermal power). The total RES generation is estimated to reach 230.80 MW until 2020, while the total RES consumption is estimated on 744.56 GWh. It must be also noted that pursuant to Article 4 of the RES Decree, its provisions shall be replaced by the National Action Plan for RES when the latter is adopted (which is expected in the forthcoming period).



Bosnia and Herzegovina: The TSO in BiH Has Launched a Short-term Investment Plan

by Vuk Stankovic (Belgrade) and Nebojsa Milanovic (Banja Luka)

On 12 March 2014, the Parliament of Bosnia and Herzegovina adopted a new law amending the Law on Establishment of an Enterprise for Transmission of Electricity (hereinafter: TSO Law). Article 17 of the TSO Law has been amended in order to enable the General Assembly of the Transmission System Operator (hereinafter: TSO) to decide on the manner of profit distribution, two years before the prescribed period. Given that the TSO is the single energy company which is entirely regulated on State level, in the last few months various discussions and negotiations between the State, several entities and EU officials took place, which finally resulted in a consensus on how the profits should be used. As a result of the aforementioned consensus, on 31 March 2014 the General Assembly of the TSO adopted a short-term investment plan for the next three years, which was confirmed by the State Regulatory Committee for Electrical Energy on 22 April 2014. Aim of the document the accomplishment of required electricity balancing on an annual basis, using standard safety criteria. In that regard, the short-term plan envisages investments of 369.671.240 BAM in energy infrastructure, particularly for transmission lines' and substations' restoration. Apart from restoration of existing facilities, the investments shall also cover the construction of 11 new transmission lines and 15 new electrical substations as well as the replacement and restoration of the electrical transformers within.

EU: Notification of Investment Projects in Energy Infrastructure to the European Commission

by Mira Todorovic Symeonides (Athens)

On 20 March 2014 the Regulation (EU) no. 256/2014 of the European Parliament and the Council of 26 February 2014 concerning the notification of the Commission of investment projects in energy infrastructure within the EU was published in the Official Journal of the EU. It replaced the Council Regulation EU Euroatom no. 617/2010, annulled in 2012 by the Court of Justice in Case C-490/10 Parliament v Council for being adopted on an incorrect legal ground, Articles 337 TFEU and 187 EA, instead of Article 194 TFEU, while the effects of the regulation were maintained until a new regulation has been adopted.

The Regulation provides that Member States should notify the Commission on investment projects in energy infrastructure planned, under construction or decommission in the sectors of oil, natural gas, electricity (including electricity from renewable sources, from coal and lignite, and cogeneration of electricity and useful heat) as well as those related to bio-fuel production and the capture, transport and storage of carbon dioxide produced by those sectors. All data and information should be provided by 31 July of the reporting year, every two years, starting from 2015. Exemptions from this obligation include the case when data and information, compiled by a specific body, such as ENTSO-e or ENTSO-g, entrusted with the preparation of a multi-annual investment plan in energy infrastructure at Union level, are notified to the Commission. The Commission shall further prepare and publish every two years a cross-sector analysis of the structural evolution and perspectives of the Union's energy system aiming to identify future significant gaps between demand and supply; investment obstacles and increasing transparency for market participants and potential market entrants.



Croatia: Program of Energy Reconstruction of Family Houses for the 2014 – 2020 Period Launched

by Sanja Tolj Par (Zagreb)

Based on the 2nd National Energy Efficiency Action Plan of 2013, the Croatian Government adopted on 27 March 2014 a Decision to launch the Program of Energy Reconstruction of Family Houses for the 2014 - 2020 period (OG 43 /14). Energy reconstruction of family houses will be co-financed directly by local and regional authorities, and indirectly by the Fund for Environmental Protection and Energy Efficiency by means of tenders subsidizing eligible costs for energy reconstruction of family houses in the area of participating local and regional authorities. The Fund's financial contribution shall amount up to 40 % of the eligible costs, 10% being borne by the local or regional authorities, and the rest by the citizens. Part of the subsidy may also be financed from EU funds. Banks are expected to become involved in this Program via granting e.g. favorable interest rates on loans intended for energy renovation. Eligible costs of energy renovation of houses include replacement of the exterior carpentry, increase of thermal protection, installation of energy-efficient heating, cooling and ventilation systems, increase of the energy efficiency of indoor lighting, and introduction of installations' central management. Some local and regional authorities have already launched tenders for co-financing energy reconstructions of family houses.

Energy, Natural Resources & Environment - April 2014

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