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EU: European Council Supports Commission's Framework Strategy towards an Energy Union

by Viktoria Chatzara (Athens)

On 19 March 2015, the European Council agreed to support Commission's initiative towards an "Energy Union" on the basis of the five interrelated and mutually reinforcing dimensions described by the Commission in its framework strategy: energy security, solidarity and trust; a fully integrated European energy market; energy efficiency contributing to moderation of demand; decarbonising the economy; and research, innovation and competitiveness. While the European Council agreed on all aspects of the Energy Union, it also focused on certain issues, such as the need for acceleration of infrastructure projects, including interconnections for electricity and gas, so that energy security and a functional internal energy market is ensured. The European Council also called for full implementation and rigorous enforcement of the existing energy legislation as well as for reinforcement of the legislative framework concerning the security of supply for electricity and gas. With respect to the legislative environment, the European Council suggested that a review and respective development should be made on emissions' reduction, energy efficiency and renewables, in order for the 2030 targets to be achieved. Moreover, in order for the security of supply to be achieved, the European Council suggests the use of all external policy instruments, in order for strategic energy partnerships to be established. Significant focus was also placed on aspects of the "Energy Union" framework strategy referring to transparency issues. More specifically, as far as gas supply contracts with external suppliers are concerned, the European Council noted that full compliance with EU law must be ensured, indicatively by reinforcing their transparency and their compatibility with EU energy security provisions. Following the conclusions of the European Council, the EU institutions and the Member States will take action with respect to the "Energy Union" project and the Council of the European Union shall report to the European Council before December.

EU: ACER Publishes Recommendation to the European Commission in relation to MiFID II

by Athina Siafarika (Athens)

On 20 March 2015, the Agency for the Cooperation of Energy Regulators (ACER) published a recommendation to the European Commission on the regime under the MiFID II Directive (2014/65/EU) applying to the derivative contracts that have the characteristics of wholesale energy products that must be physically settled. ACER is concerned that ESMA's Technical Advice to the Commission on MiFID II could undermine the concept of intermediation at the basis of liberalization of energy markets. Those concerns were embraced by the Council of European Energy Regulators (CEER), who fear that duplication of

obligations on energy traders due to MiFID II and REMIT could reduce energy market liquidity and further jeopardize the internal energy market. More specifically, the European Commission (EC) is due to adopt Delegated Acts in relation to MiFID II, by June 2015. Those Delegated Acts will be adopted on the basis of technical advice provided by ESMA. The scope of financial instruments falling under MiFID II regulation includes options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled provided that they are traded on a regulated market, a MTF, or an OTF, except for wholesale energy products traded on an OTF that must be physically settled. The latter exception recognises that firms trading wholesale gas and electricity products are already regulated under the EU Regulation on wholesale energy market integrity and transparency ("REMIT").

Recital 10 of MiFID II instructs for a delegated act to further specify the meaning of the expression "must be physically settled". In this context, ESMA, in its Technical Advice, considers that the exception of "must be physically settled" applies only when "the parties entering into the contract are actually capable of delivery or receipt of the agreed amount of gas, power, oil or coal" and therefore "both buyer and seller should have appropriate arrangements in place to make or receive delivery of the underlying commodity upon the expiry of the contract". However, ACER is concerned that ESMA's Technical Advice could lead to a misinterpretation if it were to require that only counterparties with production, consumption or storage capabilities may enter into "must be physically settled" contracts. Besides, several market participants, in both gas and electricity markets, may not have any storage, consumption or production capabilities. Wholesale energy market participants may move energy from one part of the network to another without producing and/or consuming it. Most likely, the energy commodity which is ultimately delivered in the network has passed hands several times before it is consumed by the final user. In other words, and just as CEER confirms, the current ESMA proposals for the Delegated Acts will deprive the exception from the MiFID II scope of its initial breadth. Subjecting energy traders to additional regulation intended for financial markets leads not only to an increased regulatory burden for energy traders but also to an increased cost burden, potentially reducing liquidity and undermining efforts to create a competitive Internal Energy Market. Based on the above, ACER recommended that the Commission should clarify the meaning of physical delivery in view of a possible double regulatory burden on the energy market participants.

EU/ Energy Community: European Commission and ACER Clarify Conditions for Participation of Energy Community Regulators to ACER

by Viktoria Chatzara (Athens)

Following a respective initiative by the Energy Community Secretariat, the EU Commission and the Agency for the Cooperation of Energy Regulators (ACER) issued in March 2015 clarifications concerning the requirements for the participation of Energy Community Contracting Parties' national regulators in ACER's Board of Regulators (BoR) as observers. According to the ACER Regulation (No 713/2009), it is possible for energy regulators from third countries to be able to participate in ACER. The main precondition for non-EU regulators to participate in ACER's BoR is that their home country has concluded an agreement with the EU, by means of which it has adopted and applies EU energy law and, should it be relevant, EU environment and competition law. However, the ACER Regulation does not provide any specific details concerning the nature, the scope and other procedural issues (such as financial contributions and staff)

with respect to the participation of third country regulators in the work of ACER, whereas it states that these issues shall be resolved by the particular agreements between such third countries and the EU. According to the clarifications now issued, in order for the regulator of a third country which has concluded an agreement with EU and applies EU energy law to participate in the BoR, the Commission shall first assess whether the Third Energy Package has been effectively implemented by the interested country, taking into account the position of the Energy Community Secretariat. It is also provided that even at an earlier stage in the process of full implementation of EU energy law, it may be possible for non-EU regulators to participate in ACER's Working Groups. All in all it is expected that the clarifications of the conditions provided by Commission and ACER will contribute to an efficiently linked institutional framework for the internal energy market.

Ukraine: Energy Community Secretariat Issues a Country Brief on Ukraine

by Tetyana Vyshnevskya (Kiev)

On 10 April 2015, the Energy Community Secretariat published the first issue of the Country Brief "Spotlight on Ukraine". The Brief is dedicated to recent and ongoing developments concerning the energy sector of Ukraine, particularly in relation to: the Gas Sector Reform Implementation Plan (adopted on 25 March 2015) and the Natural Gas Market Law (adopted on 9 April 2015), which is fully in line with the Third Energy Package and Ukraine's Energy Community obligations; the prepared draft law on the energy market regulator and current work on the draft Electricity Market Law; further cooperation as to improvement of the draft law on the energy performance of buildings and preparation of the draft law on energy efficiency; possible integration of the Ukrainian and Moldovan electricity markets; goals and pilot projects within the scope of the South South-East Gas Regional Initiative of the European Agency for the Cooperation of Energy Regulators (ACER), including the pilot project between the Ukrainian and Polish TSOs on the network code on capacity allocation mechanisms at cross-border capacity. The Brief also brings up issues of necessary transposition of the emergency oil stocks Directive into Ukrainian legislation and the current status of infringement cases opened against Ukraine.



EU/ Greece: EU Commission Finds that Arbitration Decision Setting Electricity Supply Tariff does not Constitute Illegal State Aid

by Lazaros Sidiropoulos (Athens)

On 20 April 2015, the European Commission published on its website the letter sent to Greece on 25 March 2015 announcing its decision not to raise objections with regard to an alleged state aid case relating to the electricity tariff set by Arbitration Decision No. 1/2013 in a dispute between the Greek incumbent electricity utility PPC and Aliminium S.A., the biggest energy intensive industrial client, applicable to the

supply period between 1 July 2010 and 31 December 2013. The procedure before Commission was initiated by a complaint filed by PPC alleging that this arbitration decision obliged it to supply electricity to Aluminium below market prices and even below its costs, thereby granting a selective advantage to Aluminium threatening to distort competition and affecting trade between Member States. The Commission came to the finding that no illegal state aid was granted by the arbitration decision. Given the circumstances of the case, i.e. in light of the long-lasting dispute between the two parties and the failure to find an agreement by way of negotiation as well as the generally long lasting procedures before the Greek Courts, the Commission concluded that a prudent private market operator would also have agreed to refer the dispute to arbitration in order to achieve a timely settlement of the long-lasting dispute and recover parts of the outstanding debts.

In addition to the above general finding, the Commission also considered necessary to concretely assess whether such a prudent private market operator would have entered into a comparable arbitration agreement setting out comparable parameters for setting the applicable electricity tariff, considering that, in order to minimise risks and ensure objectivity of the arbitration decision, a prudent private market operator would only agree to arbitration if it would be safeguarded that the discretion of the arbitrators is limited and that said arbitrators are experts in the field. In relation to this specific case, the Commission found there is no doubt that the arbitrators chosen were experts in the field, the Arbitration Tribunal having been established in a manner that ensured its objectivity. Moreover, the Commission observed that the parameters for setting the electricity tariff enshrined in the Arbitration Agreement were based on objective, predefined and clear criteria which took into account the characteristics of the Greek electricity market, the consumption profile of the customer and the cost structure of the supplier. The Commission, therefore, concluded that the conduct of PPC when entering into the Arbitration Agreement was in conformity with the conduct of a prudent private market operator and, as a result, no advantage was granted to Aluminium.

A very interesting point in the Commission's decision, which is worth highlighting, is the fact that on one hand the Commission stressed that in reaching the above conclusion, it was not necessary for it to determine whether the precise level of the tariff resulting from the Arbitration Decision was in line with market conditions and to assess in this regard every aspect of the calculation of this tariff, because it was enough to prove that this tariff was the logical consequence of properly defined parameters in the Arbitration Agreement, as explained above. On the other hand, the Commission could not avoid finally noting that, in any case, this concrete net tariff that had been determined by the Arbitration Decision (36.6 EUR/MWh) was still higher than the average smelter power tariff in Europe, which in 2013 was reported to be 41 USD/MWh, equivalent to 30.87 EUR/MWh at 2013 exchange rates.

Romania: Energy Regulator Introduces New Rules on the Granting of Licenses and Authorisations in the Electricity Sector

by Corina Badiceanu (Bucharest)

On 17 March 2015, an Order of the Romanian Energy Regulatory Authority (ANRE) on the approval of a Regulation relating to the granting of licenses and authorisations in the electricity domain was published in the Official Gazette under the no. 12/2015. This Order entirely repeals the former regulation provided by

Order no. 48/2013 and brings improvements to the relevant regime. Among others, EU operators requesting authorisations/licenses will no longer be obliged to maintain a permanent establishment in Romania during the authorisation/licence's validity, as this requirement will only apply to non-EU operators. Operators distributing electricity, subject to concession, may not simultaneously hold operation, transmission, supply and/or trading licences as regards the same geographical area for which the concession was granted. Further, according to the provisions of this Order, ANRE may modify the given authorisations/licenses if the circumstances under which the authorisations/licenses were granted are changed, such as in case of modifications to the legal framework.



EU: Commission sends Statement of Objection to Gazprom regarding Central and East European Gas Market

by Mira Todorovic Symeonides (Athens)

On 22 April 2015, the EU Commission (Commission) sent a Statement of Objections to Gazprom alleging that some of its business practice in Central and Eastern Gas Supply market may breach EU antitrust rules. Within its antitrust investigation, which led to opening of the formal proceedings against Gazprom on 31 August 2012, the Commission's preliminary view is that Gazprom is hindering competition in eight states of Central and East Europe. Gazprom is the dominant gas supplier with more than 50% share in Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland and Slovakia. The Commission finds that Gazprom imposes the following abusive strategies: a) territorial restrictions in its supply agreements with wholesale and some industrial customers such as export bans, destination clauses and other measures that prevent the cross-border flow of gas; b) charging unfairly high prices and c) making gas supplies to Bulgaria and Poland conditional on obtaining unrelated commitments such as investments in pipeline projects of interest for Gazprom (South Stream pipeline project regarding Bulgaria) or accepting Gazprom increasing control over a pipeline (Yamal in Poland).

The Commission's view that territorial restrictions and measures to partition the market are anticompetitive has been made clear in some previous decisions regarding: a) contracts GDF concluded with ENI and ENEL which contained clauses prohibiting ENI and ENEL from selling in France the gas transported by GDF (2004) and b) an agreement between EDF and E.ON including clauses obliging them not to sell gas transported over the MEGAL pipeline in each other's home markets (2009). There is also an ongoing antitrust case concerning territorial restrictions in electricity against Bulgarian Energy Holding (BEH) limiting purchasers' choice to where to resell the electricity brought from BEH. Gazprom now has 12 weeks to reply to the Statement of Objections and may request oral hearing to present its arguments. There is no legal deadline for the Commission to decide.

Poland: New Draft Regulation on Diversification of Gas Supplies in Poland

by Izabela Jurek (Warsaw)

An ongoing legislative process aiming at introducing a new regulation on the minimum level of diversification of gas supply from abroad is currently before the Council of Ministers. The regulation will replace the current regulation dated from year 2000. According to Polish energy law, conducting economic activities in the field of trade in gas fuels requires a concession issued by the President of the Energy Regulatory Office. To operate in the field of trade with natural gas from abroad, such concessions are issued with regard to the diversification of gas sources and energy security. The regulation sets a maximum percentage of gas supplied from one source. The new act shall ensure that gas supply from abroad will be consistent with the European Union law and adapted to the current needs of the market. The proposed regulation provides key definitions (missing in the current regulation) required for its clear interpretation, in particular new definitions of "import" and "source": "Import" is defined as import of gas within the meaning of Polish excise tax regulations (i.e. excluding intra-Union acquisition), and additionally excluding supplies from EFTA member states – parties to EEA agreement, whereas "source" is defined as the company from which the energy company acquired gas for import purposes. Moreover the draft indicates that the maximum share of imported gas from a single source in relation to the total volume of gas sold by the energy company in Poland in a given year may not be higher than 59% - in years 2014 – 2018 and 49% - in years 2019 – 2025. This means that, in contrast to the previous regulation, diversification will only be subject to imported gas, i.e. delivered to Poland from non-EU countries and countries not being party to the EEA agreement. Natural gas imported from the EU will not be subject to compulsory diversification. An issue that is also being clarified is that in order to calculate the share of imported gas from single source companies belonging to the same capital group such companies will be treated as a single source.

Ukraine: New Licensing Conditions and Standard Contracts for Natural Gas Supply and Distribution

by Tetyana Vyshnevskya (Kiev)

On 3 April 2015, Resolution of the National Commission for State Energy and Public Utilities Regulation (NERC) No. 9, dated 12 January 2015, "On Approval of Licensing Conditions for the Business Activity of Natural Gas and Coalfield Gas (Methane) Supply as per Regulated Tariff" came into force. According to the new licensing conditions, operating natural gas and coalfield gas (methane) supplying companies, as well as entities intending to perform such business activities, are required, among others, to adhere to legislative provisions on separation of gas transmission, distribution and supply activities; own a consumer database (with information on consumer's location, volumes of gas consumption, gas metering stations) agreed with gas transmission or distribution companies; conclude agreements on gas purchase-sale, supply, transmission and distribution, and store them for 3 years since the expiration date; provide the NERC with copies of contracts on purchase-sale of natural gas (with owners of the gas) within 5 days since conclusion; calculate the tariff for gas supply and apply for its setting/revision; establish and maintain call-centres for consumer service, provide consumers with information on their rights, natural gas prices and

tariffs for its distribution, transmission and supply, natural gas quality parameters and volumes of gas consumption during the preceding and current year (upon consumer's request); fulfil investment programs and financial liabilities in full. The adoption of new licensing conditions for natural gas and coalfield gas (methane) supply as per regulated tariff aims at harmonisation of legislative provisions for the purpose of future transition to the full-scale Natural Gas Market.

Moreover, on 17 March 2015, NERC's Resolutions No. 33, dated 22 January 2015, "On Approval of the Standard Contract on Natural Gas Distribution" and No. 35, dated 22 January 2015, "On Approval of the Standard Contract on Natural Gas Supply as per Regulated Tariff" became effective. According to an official statement of the NERC of 17 March 2015, the new standard contracts were approved in accordance with the Closing and Transitional Provisions of the Law of Ukraine on Operation Principles of the Natural Gas Market and should contribute to separation of business activities on distribution and supply of natural gas. The standard contract on natural gas distribution is a bilateral agreement between a gas distribution company and its customer, which is a gas supplying company or a consumer (a legal person or an individual-entrepreneur), while the standard contract for natural gas supply is a trilateral agreement between a gas supplying company as per regulated tariff/guaranteed supplier, a gas distribution/transmission company and a consumer (a legal person or an individual-entrepreneur). Both standard contracts consist of 12 chapters, including provisions on the subject of the contract; the procedure for metering and the quality of natural gas; volumes and conditions for transmission/supply of natural gas; the applicable tariff; determination of the service cost under the contract and the procedure of settlement; rights and liabilities of the parties and other conditions. All respective business entities are required to adjust their contractual relations in accordance with the approved standard contracts within the 2 months period since their enactment, i.e. until 17 May 2015.

Croatia: Tariff Changes on the Croatian Gas Market

by Sanja Tolj Par (Zagreb)

In the Croatian energy market several legislative changes were recently introduced pertaining to tariff item amounts and prices for gas distribution and supply. The Croatian Energy Regulatory Agency, at the sixth session of the Governing Council held on 16 March 2015, adopted the Decision on the Tariff Item Amounts for Gas Distribution (Official Journal 31/2015), as well as the Decision on the Tariff Item Amounts for Public Service of Gas Supply for the year 2015 (Official Journal 31/2015). Decision on the Tariff Item Amounts for Gas Distribution determines the tariff item amounts for gas distribution for energy operators for the years 2015 and 2016. The Decision entered into force on 1 April 2015 and from that date repeals the Decision on Tariff Item Amounts for Gas Distribution (Official Journal 158/2013) and the Decision on Tariff Item Amounts for Gas Distribution for Energy Operator Zagorski Metalac (Official Journal 155/2014). Decision on the Tariff Item Amounts for Public Service of Gas Supply for the year 2015 determines the tariff item amounts for the public service of gas supply for suppliers with public service obligations for the period from 1 April 2015 to 31 December 2015. The Croatian Energy Regulatory Agency also adopted the Amendments to the Methodology for Determining Tariff Item Amounts for Public Service of Gas Supply and Guaranteed Gas Supply (Official Journal 28/2015) on 10 March 2015. Furthermore, the Croatian Government, at its session held on 12 March 2015, adopted two Decisions setting the gas prices for public

service of gas supply pursuant to Article 5a of the Gas Market Act (Official Journal 28/2013 and 14/2014), namely the Decision on the Price of Gas at which the Supplier in the Wholesale Market is obliged to sell gas in public service of gas supply for the category of household buyers (Official Journal 28/2015) and the Decision on the Price of Gas at which the Natural Gas Producer for the Natural Gas Produced in the Republic of Croatia is obliged to sell natural gas to the Supplier in the Wholesale Market (Official Journal 28/2015). Both Decisions are in effect for the period 1 April 2015 to 31 March 2016.

Bulgaria: Government Opens Procedures for Granting Authorisations for Prospecting and Exploration of Oil and Natural Gas in the Black Sea

by Svetla Stoykova (Sofia)

By Decisions N 807 and N 808 of 4 December 2014 the Bulgarian government opened two procedures for granting authorisation for prospecting and exploration of oil and natural gas in the exclusive economic zone of the Republic of Bulgaria in the Black sea – respectively in the area of “Block 1-22 Teres” and area of “Block 1-14 Silistar”, for a period of 5 years. Both decisions were published in the Official Journal of the European Union, issue of 18 April, 2015, C 126/4 and C 126/7.

The procedures shall be carried out through a competition in absentia, where the applicants' proposals shall be assessed on the basis of the proposed working programmes, resources for environmental protection and bonuses as provided for in the competition dossier. For participating in the procedures the applicants must prove either total net income of sale for the last three years not less than EUR 150 000 000, or financial resources for the implementation of the granted authorisation under the form of recommendation or letter of intent from a bank or another financial institution. The Minister of Economy and the Minister of Energy are responsible for organising and conducting the competitions. The deadline set for purchasing the competition dossier is within 120 days, for submitting applications for participation – within 140 days and for submitting proposals – within 155 days, any term following the date of publication in OJEU. According to Art. 29 of the Bulgarian Subsurface Resources Act the merchant to whom the authorisation is granted shall be entitled to implement all necessary activities for exploration of fields of oil and natural gas, to assess the fields, to apply for registration of the commercial discovery, and to be directly appointed as a concessioner of oil and natural gas exploitation.

Greece: Two-month Extension of Deadline for Submission of Bids for 20 offshore Plots in Ionian Sea and Crete

by Stefania Chatzichristofi (Athens)

On 30 March 2015, the Greek Ministry of Reconstruction of Production, Environment and Energy issued a press release announcing the extension of the deadline for submission of tenders for the 2nd International Round of exploration and exploitation of Hydrocarbons on twenty offshore regions of the Ionian Sea and southern Crete from 14 May 2015 to 14 July 2015. The initial notice of the call had set a tentative timeframe according to which the application deadline should be concluded after six months (i.e on May 2015) from the publication of the notice in the Official Journal of the European Union, further the evaluation should be ended after three months whereas the lease agreement should be determined three months after the procedure of evaluation. The two month extension of the deadline set for 14 July 2015 has been

considered of great importance from the Greek part since it is expected to enhance the efforts of the Ministry in order to further broaden the interest of stakeholders. In this perspective, the Greek Ministry shall carry out initiatives for dissemination of information to companies and countries. At the same time, the Ministry, in the light of the new policy announced by the new government, has declared that it is finalising a new legal framework for research and exploitation of hydrocarbons, which will be implemented in future tendering procedures.

Greece: Natural Gas Supply Tariff Reductions Announced

by Lazaros Sidiropoulos (Athens)

On 14 April 2015, both the Greek Ministry of Reconstruction of Production, Environment and Energy as well as the state-controlled natural gas supplier DEPA announced tariff reductions applicable to natural gas supplies from 1 April 2015. The reductions will apply to all customer categories of DEPA, including residential customers, industries and gas-fired power producers, and shall amount to at least 16% in relation to the tariffs of the previous month, i.e. March 2015. According to this common announcement, the said decision has been taken in coordination between DEPA and the Ministry. Moreover, it was noted that further reductions should be expected as of July 2015, provided that the international oil prices as well as the euro-dollar exchange rate would remain the same.



EU: RES in EU Reached 15% of Gross Final Energy Consumption in 2013

by Mira Todorovic Symeonides (Athens)

On 26 March 2015, the EU Commission announced on its web page that, according to Eurostat, RES energy consumption reached 15% of the gross final consumption of energy in the EU in 2013, compared with 8.3% in 2004, the first year for which data were collected. Among the EU member states, the following are with the biggest share: Sweden with 52.1%, Latvia with 37.1% and Finland with 36.8%. Three countries (Bulgaria, Estonia and Sweden) have already met their targets for 2020. Moreover, Lithuania, Romania and Italy are less than 0.5 percentage points from their 2020 targets. On the other hand, Luxemburg, Malta, the Netherlands and the UK had 3.6%, 3.8%, 4.5% and 5.1% respectively. Regarding the target of 10% of transport fuels from RES, Sweden was the only one to reach the target in 2013, while Finland was close. Estonia, Spain and Portugal are the furthest from the target, with less than 1% of RES share in transport.

Romania: Energy Regulator Establishes Trading Value Limits for Green Certificates for 2015

by Corina Badiceanu (Bucharest)

On 4 March 2015, an Order of the Romanian Energy Regulatory Authority (ANRE) on the approval of the trading value limits for green certificates and of the equivalent value for a not purchased green certificate applicable for 2015 was published in the Official Gazette under the no. 9/2015. Accordingly, the minimum value per one green certificate shall be in the amount of LEI 131,0847 (the equivalent of EUR 29,3971) and the maximum value per one green certificate shall be in the amount of LEI 267,0358 (the equivalent of EUR 59,8856). The equivalent value of a not purchased green certificate shall be in the amount of LEI 534,0673 per one not purchased green certificate (the equivalent of EUR 119,7702). The provisions of this Order must be fulfilled by the National Electricity and Natural Gas Market Operator – OPCOM S.A., by the producers of electricity from renewable energy sources and also by the economic operators that are obliged to annually purchase green certificates. The organisational entities belonging to ANRE shall monitor compliance with the provisions of the aforementioned Order.

Greece: DEDDIE Announces Launch of Submission of Applications for Domestic PV through Net Metering

by Stefania Chatzichristofi (Athens)

On 27 March 2015, the Greek electricity distribution network operator DEDDIE announced that submission of applications for installation of domestic photovoltaic systems (PV) by interested parties for autoproduction with application of the system of net metering shall begin on 8 May 2015, in execution of the relevant Ministerial Decision APEHL/A/F1/oik24461 which was published on 31 December 2014. In practice, the net metering system permits customers to counterbalance the energy they produce with the energy that they consume. In a first phase, DEDDIE will receive requests for connection only from customers supplied by the low voltage system and for PV systems with maximum capacity of 100 kWp for the mainland and the interconnected islands, 50 kWp for Crete and 20kWp for other non-interconnected islands. Requests will be submitted to the competent local units of DEDDIE by completing the relevant application form and including the stipulated documentation and data. In a later stage, DEDDIE will determine the date and the requirements for connection requests related to customers supplied by the medium voltage network. Further to the above announcement, on 24 April 2015 DEDDIE also uploaded on its website comprehensive information material on the connection procedure and requirements.

Serbia: Ministry Introduces New Available Capacities for Solar Energy

by Vuk Stankovic (Belgrade)

On 6 March 2015, the Ministry of Mining and Energy published a Rulebook on opening new capacities for photovoltaic installations (Official Gazette RS 24/15), which entered into force on 14 March 2015. Acting in accordance with Article 7a of the Decree on conditions and manner for acquiring the status of privileged producers (Official Gazette RS 8/2013 and 70/2014), the Ministry introduced new capacities in a total value

of 50.5kW available for the category of photovoltaic panels installed on buildings with capacity up to 30kW. Namely, pursuant to the Ministry, two temporarily privileged producers have failed to obtain permanent status and to retain reserved capacities, and accordingly the Ministry has used the possibility to offer the corresponding capacities to new potential investors.



EU: ENTSO-E Launches Invitation for TYNDP 2016 / ENTSO-G Launches Public Consultation for TYNDP 2015 and an Exceptional Public Call for an Addendum

by Stefania Chatzichristofi (Athens)

On 1 April 2015, the European Network of Transmission System Operators for Electricity (ENTSO-E) launched a public call for expression of interest to the stakeholders of electricity for projects of electricity transmission and storage that would wish to be included in the TYNDP 2016. The TYNDP 2016 will follow the same structure as the TYNDP 2014 including a main review, six regional development plans, scenarios and their perspectives as well as a Cost Benefit Analysis (CBA).. After expiration of the deadline of 30 April 2015 for submission of applications, the applicants shall be able only to submit their file for the next TYNDP of 2018 whereas those who have submitted their application on time shall be able to include further documents on May 2015. The application procedure is based on the guidelines of the European Commission to ENTSO-E for transparent and non-discriminatory criteria regarding the TYNDP pursuant to the Annex III 2(5) of the Regulation EU No.347/2013.

On 31 March 2015, ENTSG launched a public consultation inviting stakeholders to share their view on the TYNDP 2015, which has been published on 16 March 2015 referring to the period 2015 to 2035, and opened in this regard the registration for a public workshop to be held on 19 and 20 May in Athens. One day later, on 1 April 2015, the European Network of Transmission System Operators for Gas (ENTSO-G) also issued a public invitation for a short period of time to the stakeholders of gas infrastructure projects for their inclusion to a supplementary list of TYNDP 2015. The concept of an additional list was originated from a request of the European Commission in order to allow potential new projects regarding gas infrastructure to be included in the TYNDP 2015 after the withdrawal of South Stream project. The new projects should only concern South-East Europe in an attempt to alleviate the aforementioned non-inclusion of South Stream in the TYNDP 2015 and should follow the evaluation criteria of participation to TYNDP. The stakeholders affected should have expressed their interest by 22 April 2015 through an online system designed already for this reason. The addendum of TYNDP 2015 will not affect the main body and assessment of the report as it will be included in the Annex A as a supplementary list of projects.

Ukraine: TSO Publishes Development Plan for the Unified Energy System of Ukraine until 2024 for Public Consultation

by Tetyana Vyshnevskaya (Kiev)

On 20 March 2015, the State Enterprise "National Power Company "UkrEnergo", in its capacity as the TSO of Ukraine, published the Ten-Year Development Plan for the Unified Energy System of Ukraine (hereinafter: the Plan) for public consultation. The Plan was prepared in accordance with the Law of Ukraine on Operational Principles of the Electricity Market of Ukraine and the Procedure for Preparation by the TSO of the Ten-Year Development Plan for the Unified Energy System of Ukraine (hereinafter: the Procedure), approved by the Order of the Ministry of Energy and Coal Industry No. 680 dated 29 September 2014. The Plan is declared as the strategic component of the middle-term and long-term planning and prospective development of the Unified Energy System of Ukraine (hereinafter: the UESU), elaborated for purposes of ensuring the energy security of Ukraine, creating preconditions for the UESU integration with EU energy systems, improvement of reliability and efficiency of operation of the electricity sector. The Plan consists of general provisions, the analysis of operation of the UESU, the balance of electrical energy in the UESU, the development plan and the assessment of required investments in the development of generating capacities and transmission grids, and is accompanied by 8 annexes. According to the Plan, the total installed capacity of power stations as of the end of 2014 constituted 54.7 MW, of which 62.8% - thermal power plants (TPPs), central heat & power plants (CHPPs) and isolated generating plants (IGPs); 25.3% - nuclear power plants (NPPs); 9.9% - hydropower plants (HPPs) and hydroelectric pumped storage plants (HPSPs) and 2% - power plants operating on RES (including solar power plants (SPPs), wind power plants (WPPs) and biomass projects. The majority of generating capacities and transmission grids are worn-out and inefficient.

The main development options include construction of new TPPs and CHPPs based on modern technologies of fossil fuel combustion and in compliance with requirements of ecological standards during their exploitation; reconstruction and modernisation of TPPs and CHPPs by increasing installed capacities of generating units and equipping them with modern dust and gas removal equipment; extension of the service life of operating NPPs given positive results of the recurrent reassessment of safety; construction of the 3rd generating unit of the Khmelnytsky NPP; construction of HPPs, HPSPs, SPPs, WPPs and biomass operating facilities with due account of the necessary optimisation of the structure of UESU generating capacities; construction of new substations and power transmission lines, reconstruction and modernisation of existing transmission grids by increasing their power and transmission capacity; putting out of operation the 1st generating unit of the South-Ukraine NPP as well as electricity generating equipment of TPPs and electric equipment of electric grids with the depleted useful operating life and unsatisfactory efficiency rates, that does not comply with requirements on anthropogenic and ecological safety. The total installed capacity of generating facilities of the UESU in 2015-2024 shall increase by 10802 MW, including construction of new and reconstruction of existing generating units of TPPs (1996 MW), CHPPs and IGPs (1261 MW), HPPs (804 MW) and HPSPs (2900 MW), WPPs, SPPs and biomass operating facilities (3841 MW). The construction and reconstruction of 34 substations shall increase the transformer capacity by 15974 MVA. 68 transmission lines of 220-750 kV with the total length of 4018 km

shall be built. The required investments in 2015-2017 are estimated at UAH 151.559 billion for construction and reconstruction of generating capacities; and at UAH 19.513 billion for development of electric grids. The final version of the Plan, agreed with the Ministry of Energy and Coal Industry, the NERC and the State Agency on Energy Efficiency and Energy Saving of Ukraine, shall be approved by the Government.



Croatia: Legislative Developments in the Energy Efficiency Sector

by Sanja Tolj Par (Zagreb)

The Croatian Government, at its session held on 26 March 2015, adopted the Decision on Amendments to the Programme of Energy Rehabilitation of Family Houses for the period 2014-2020 with a Detailed Plan for the period 2014-2016 (Official Journal 36/2015), pursuant to Article 31, Paragraph 2, of the Croatian Government Act (Official Journal 150/2011 and 119/2014). The Decision substantially changes the Programme of Energy Rehabilitation of Family Houses in a manner that alters the procedure for implementing the tendering procedure for the allocation of funds to citizens. It designates the Environmental Protection and Energy Efficiency Fund as the implementation body of the Programme and removes the role of intermediary in the form of building societies (house saving banks). Amendments also introduce the concept of publicly published list of contracted energy certifiers. However, it does not define the manner in which the energy certifiers will be contracted to create the publicly published list of contracted energy certifiers. It is important to have in mind that energy certifications are the precondition for participating in the Programme. Under the current Amendments citizens shall choose energy certifiers from the publicly published list of certifiers. The Programme stipulates that it will be amended for the purpose of including EU co-financing once the funds are allocated, which is expected to significantly increase the budget of the Programme. In addition to the above, the Ministry of Construction and Physical Planning has adopted two Ordinances on the Conditions and Criteria for Determination of Quality of Services and Works for Certification of Installers of Renewable Energy Sources for Solar Heating Systems (Official Journal 33/2015), as well as for Minor Boilers and Biomass Furnaces (Official Journal 39/2015), pursuant to Article 33 of the Energy Efficiency Act (Official Journal 127/2014). The two Ordinances establish a comprehensive system of certification of installers of renewable energy sources in respective areas. These Ordinances transpose relevant provisions of the Directive EC/2009/28 of the European Parliament and the Council on the promotion of the use of energy from renewable sources.

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