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EU: ACER Completes Preparations for the Implementation of REMIT

by Viktoria Chatzara (Athens)

On 17 March 2015 ACER published the European Register of Market Participants and the List of Standard Contracts pursuant to the provisions of the Commission Implementing Regulation (EU) No 1348/2014 on data reporting. This Implementing Regulation sets the necessary rules for the implementation of Article 8(2) and 8(6) of Regulation (EU) No 1227/2011 on wholesale energy market integrity and transparency (REMIT) concerning the reporting obligations of market participants. By publishing the European Register and the List of Standards Contracts, ACER has completed the preparatory phase and is now ready for the implementation of the first phase data collection under the provisions of REMIT and the relevant Implementing Acts, which is set for the 7th October 2015. With respect to the registering obligations of the market participants, ACER had already opened the platform to support the Centralised European Register of Market Participants (CEREMP) to National Regulatory Authorities for the national registration of market participants. On 27 February 2015 the Greek energy regulator RAE announced that the link to the CEREMP platform for the registration of market participants in wholesale energy markets was activated. The national regulatory authorities shall transmit the information to ACER, which shall, in its turn, publish and update the European Register of Market Participants.

With respect to the List of Standard Contracts, Article 3(1) of the Implementing Regulation contains the categories of contracts which shall be reported to the ACER pursuant to Article 8 of REMIT. However, Article 3(2) of the Implementing Regulation provided that ACER had to adopt, maintain and update a public list of standard contracts, in order specify the supply contract types for which the standard reporting form is applicable and, thus, facilitate market participants in their reporting obligations. In this regard, ACER now published the List of Standard Contracts, which shall be updated on a monthly basis until the stating of the reporting phase on 7 October 2015. Following this date, the List will be updated on a daily basis. As noted in the specific REMIT portal, the List of Standard Contracts was not adopted in order to assign unique identifiers to the contracts listed, nor will the information collected be used for matching against the transaction reports. Its sole purpose is to display the characteristics of each contract type for which the standard reporting form is applicable.

EU: Eurostat and DG ENER Sign a MoU in the Area of Statistics

by Viktoria Chatzara (Athens)

On 11 March 2015, Eurostat and the Directorate-General for Energy of the European Commission (DG ENER) signed a Memorandum of Understanding (MoU) aiming to identify the main European and other statistics needed for the programming and implementation of EU energy policies, the roles and responsibilities of Eurostat and DG ENER in the context of planning and coordination of European statistics and, generally, to establish a framework of cooperation between Eurostat and DG ENER. Annex I of the MoU details the areas of cooperation between the two sides for 2015-2016. These include energy statistics produced on an annual and monthly basis by

Eurostat, referring to the production, transformation and consumption of energy commodities, details on external trade, structural characteristics of the energy industry, price-data of electricity and natural gas, etc. Certain indicators in other EU statistics, such as the Statistics on Income and Living Conditions may be also used by DG ENER, i.e. as data for measuring energy poverty. The MoU also addresses statistics produced and planned by DG ENER, such as monthly reporting of the level of specific stocks, Monday prices reported by Member-States for the main petroleum products, etc, as well as statistics that DG ENER receives from external databases, registers and reports, such as the Energy Markets Observation System (EMOS) and national reports pursuant to the applicable EU legislation. Finally, the two parties agreed in Annex I of the MoU on the allocation of the workload deriving from the collection of data on the level of Emergency and Commercial oil stocks, defining Eurostat as the Single Entry Point for the European Commission in this regard.

Romania: Competition Council Publishes Report with Preliminary Results of Investigation on the Electricity Market

by Corina Badiceanu (Bucharest)

At the beginning of March 2015, a report on the preliminary results of the investigation started in 2009 by the Romanian Competition Council on the Romanian electricity market was published on this institution's website. In this report, the Romanian Competition Council, among others, recommends either the elimination of the restrictions related to the conclusion of commercial contracts outside the centralised markets or the creation of a mechanism capable to minimise barriers when Romanian electricity producers trade at export. The Romanian Competition Council also draws attention to the necessity of evaluating the financial instruments existing in other Member States and implementing the appropriate ones on the Romanian electricity market. Furthermore, the Romanian Competition Council considers that the present tariff mechanism for transmission and distribution of electricity affects competition because this mechanism differs depending on the geographic zone. The Romanian Competition Council considers that this mechanism that imposes different tariffs can be justified only if the transmission operator wishes to encourage investments in one of these geographic zones. Last but not least, the Romanian Competition Council is of the opinion that it is necessary to adopt a national position on the existence of one or more electricity exchange markets.

Bulgaria: Commission sends Statement of Objections to BEH and subsidiaries for suspected abuse of dominance on Bulgarian natural gas markets

by Daniela Dzabarovna Anagnostopoulou (Sofia)

Within the framework of the proceedings that were initiated in 2013 by the European Commission to investigate whether the Bulgarian Energy Holding (BEH), might be hindering competitors from accessing key gas infrastructures in Bulgaria, in breach of EU antitrust rules, in March 2015 BEH and its gas supply subsidiary Bulgargaz and its gas infrastructure subsidiary Bulgartransgaz were served with a statement of objections. The sending of a statement of objections does not prejudice the outcome of the investigation but it is rather a formal step in the Commission investigations into suspected violations of EU antitrust rules and the Commission informs the parties concerned in writing as to the objections raised against them. The addressees are entitled to examine all the documents in the Commission's investigation file, to reply as well as to request an oral hearing to present their comments on the case before the representatives of the Commission and of the national competition authorities. At this stage, the Commission has concerns that BEH, a state-owned energy company, and its

subsidiaries may be preventing competitors from gaining access to the gas transmission network and the gas storage facilities, as well as may be reserving capacity they do not need on the gas import pipeline.

Bulgaria: Changes of Energy Regulator's Legal Status

by Svetla Stoykova (Sofia)

An amendment to the Energy Act published on 6 March 2015 introduces new requirements for the legal status and activities of the Bulgarian energy regulator. According to the motives of the legislator, the amendments to the Energy Act are aiming to ensure effective regulation of the energy market by providing rules for independence and transparency of regulator's activity. The former State Energy and Water Regulatory Commission has been elected by the Government and its mandate and composition was in fact depending on political changes. After the amendments, the regulator shall have the rank of Commission elected directly by the Parliament and will be accountable only to the Parliament. Another step to independency is the new procedure for electing the members of the regulator: all members shall be nominated individually, only by parliamentary members and political parties. Furthermore, the members of the Commission must meet specific professional requirements and shall not be allowed to occupy any other paid position or paid activity. Decision making process shall be complied with the new legal requirements for publicity of regulator's activity such as stating the reasons for any adopted decision, holding open sessions as a general rule, publishing all the acts as well as suggestions of energy companies for energy pricing, protocols of all sessions, public discussions, price methods and others. The latest amendments to the Energy Act aim to transpose Directive 2009/72/EC concerning common rules for the internal market in electricity, and in particular the provisions of article 35 on "designation and independence of regulatory authorities".

Montenegro: Amendments to the Energy Law

by Mira Todorovic Symeonides (Athens) and Dejan Radinovic (Podgorica)

On 26 February 2015, the Montenegrin Parliament voted for the amendments to the Energy Law (OJ 28/10, 6/13 and 10/2015). The amendments introduced certain general provisions on biofuels and deal with the issue of transmission and distribution grids' tariffs. The trade with biofuels, both retail and wholesale, is defined as energy activities for which operation licenses should be issued. In addition to the electro-energy and thermo-energy inspectors, the amendments introduced the energy market inspector, who would be in charge for supervision over maximum retail price of petrol derivatives and biofuels and regulate the quality and method of control of the quality of petrol derivatives, biofuels and LPG.

The Methodology for determining of the tariffs for using transmission or distribution grids shall, from now on, also include: a) criteria for allocation of the regulatory permitted income to uses of the grid and b) elements and criteria for determining and allocation of expenses for justified technical losses in transmission and distribution systems of electricity and gas. Further amendments to the Montenegrin energy law are also in preparation, i.e. a new Energy Law Draft, containing significant amendments related to harmonisation of the Montenegrin laws with the Third Energy Package has been prepared by a working group and should be approved by the Government and subsequently submitted to the Parliament.



EU: ENTSO-E Launches Public Consultation on Harmonised Allocation Rules for Cross Zonal Forward Capacity Allocation

by Lazaros Sidiropoulos (Athens)

On 2 March 2015, ENTSO-E launched a public consultation on Harmonised Allocation Rules (HAR) to apply for cross zonal forward capacity allocation. These rules were established in the process of early implementation of the Network Code on Forward Capacity Allocation (NC FCA) which is being developed with the objective to regulate long term transmission rights that can be allocated via explicit auctions.

Because Network Codes need some time to be finalised and adopted, TSOs have decided to begin the early implementation of a number of projects with a view to realisation of the internal electricity market. One of these projects is the Harmonisation of long term Allocation Rules governing the contractual arrangements for cross zonal capacity allocation in the long-term timeframe by explicit auctions. Currently there are different sets of allocation rules, each applying specifically to one of the already existing regional allocation platforms in different regions, but there is no single set of harmonised rules for trading across European bidding zone borders. In this regard, it has been decided, instead of including this single set of harmonised allocation rules in the NC FCA, to include it in a separate document which will make it easier to amend the rules on a more frequent basis than the network code in order to more efficiently meet the needs of market participants.

The texts published by ENTSO-E for public consultation include the main text of HAR, some border specific annexes drafted by the relevant TSOs and a Participation Agreement template to be signed between the allocation platform and the registered participants acceding to the HAR by the signature of the agreement. The main text of the Allocation Rules sets out in a detailed way the rights and obligations of registered participants as well as the requirements for participation in auctions, describes the process of auctions, the conditions for transfer and return of long term transmission rights, for remuneration of holders of such returned rights, and the processes for curtailment of long term transmission rights and invoicing/payment.

Final date for submission of comments was the 30th of March 2015. In order to meet the planned final delivery date of 1 January 2016, TSOs intend to submit the final HAR for NRA's approval by the second quarter of 2015.

Greece: RAE Launches Public Consultation on Restoration of Abolished Cost-Recovery Mechanism

by Lazaros Sidiropoulos (Athens)

On 25 February 2015, the Greek energy regulator RAE launched a public consultation regarding the eventual necessity of restoring or replacing the cost-recovery mechanism, which was abolished since 1 January 2015. The cost-recovery mechanism was introduced in 2008 aiming to ensure that gas-fired electricity producers were remunerated based on their declared minimum variable costs and was initially meant to serve as a transitional measure to encourage the entry of new producers in the market. However, this mechanism was finally abolished

by RAE because it was considered to constitute a market distortion, while the positive effects of this mechanism for the gas-fired electricity producers were supposed to be replaced by new market mechanisms to be introduced in the context of transition of the Greek electricity market to the European Target Model, including the establishment of intra-day trading mechanisms, forward and bilateral contracts market, balancing market etc.

Due to the fact that until now the planned fundamental reform of the Greek electricity market is still pending, RAE assigned the Greek TSO ADMIE to monitor the market daily, for a period of three months, for eventual financial and technical problems caused by the abolishment of this mechanism, so as to draw some conclusions on the eventual necessity of restoring the mechanism or introducing an equivalent thereof. Based on the results of the relevant study delivered by ADMIE, RAE now launched this public consultation noting that, as a result of the still ongoing market distortions, the abolishment of the cost-recovery mechanism was found to have negative impacts, not only with regard to the viability of the gas-fired electricity plants but also from the viewpoint of security of energy supply. For this purpose, it proposed four alternatives, one of which consisting in restoring the abolished cost-recovery mechanism in its initial form and the other three in replacing it with specific alternative forms of that mechanism. While the proposal of RAE was generally welcomed by gas-fired producers, which have been complaining for damages suffered in the last months in which the mechanism was abolished, the majority of stakeholders, including associations of energy-intensive consumers, electricity suppliers and traders, as well as RES electricity producers, criticised this initiative of RAE, requesting the regulator to rather accelerate the planned reforms of the electricity market instead of reintroducing the cost-recovery mechanism which was proven to have market distorting effects and is expected to lead to increases of consumer energy costs.



Ukraine: Draft Law of Ukraine on Natural Gas Market Adopted in the First Reading

by Tetyana Vyshnevskya (Kiev)

On 5 March 2015, the draft law of Ukraine No. 2250 on Natural Gas Market (the Draft) passed the first reading by the Parliament. The adoption of the Draft shall ensure implementation of the Energy Community acquis on energy, in particular, of Directive 2009/73/EC concerning common rules for the internal market in natural gas and Regulation (EC) No 715/2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2005. The Draft envisages operation of the Natural Gas Market in Ukraine based on a set of principles, including high level of customer protection; free natural gas trading between market participants regardless of the country of their registration; free choice of a natural gas supplier; equal access to gas transportation and distribution systems, gas storage facilities and LNG installations; adherence to established security technical norms and standards. The Draft contains provisions on tasks and competences of the Market Regulator (NERC) and the respective central executive body (Ministry of Energy and Coal Industry of Ukraine); technical rules for security of the natural gas supply; licensing of relevant business activities; requirements for unbundling (separation of business activities on natural gas distribution, extraction, supply, storage and transportation); regional cooperation; "last resort" supplier; gas metering; access to gas infrastructure; Gas Transportation System, Gas Distribution System, Gas Storage Facilities and LNG Installation Operators, their

competence, requirements for their independence, and relevant codes and development plans; accounting and reporting responsibilities of market participants. According to the Draft, the current law of Ukraine "On Natural Gas Market" should remain in effect until 1 October 2015, the Gas Transportation System (GTS) Code as regards current GTS Operator should be approved by the NERC by 1 April 2015, and the procedure for certification of GTS Operators should be adopted by 1 January 2016. In order to become a law, the Draft should be adopted by the Parliament as a whole (most probably during the second reading), be signed by the President and published. As of the moment, the Draft is being prepared to the second reading (the table of amendments was provided on 20 March 2015) and should be adopted any time soon.

Ukraine: Increase of Rent Payments Relating to Natural Gas Extraction and of Natural Gas Prices for Industrial Consumers and Other Business Entities

by Tetyana Vyshnevskya (Kiev)

On 2 March 2015, the Ukrainian Parliament adopted Law of Ukraine No. 211-VIII "On Amending the Tax Code of Ukraine". According to the Law, amendments shall be introduced, among others, in Article 252 of the Tax Code of Ukraine. In particular, rent payments for using the ground under the surface for natural gas extraction from deposits up to 5 km deep by business entities that sell the extracted natural gas to NJSC "Naftogas of Ukraine" to form a reserve of natural gas to cover population needs, shall be increased from 20% to 70% of the natural gas value. Also, a new adjusting coefficient of 0.55 for rent payments for using the ground under the surface for natural gas extraction has been introduced. This adjusting coefficient shall apply to business entities performing natural gas extraction and not selling it to NJSC "Naftogas" for the purpose mentioned above, including during geological exploration, from wells included in the State Register of Oil and Gas Wells after 1 August 2014, during 2 years since their entry into the Register. The Law became effective on 13 March 2015; the provision on the increase of rent payments shall come into force on 1 April 2015.

On 26 February 2015, NERC issued Resolution No. 227 "On Setting up the Threshold Level of the Natural Gas Price for Industrial Consumers and Other Business Entities". According to the Resolution, the maximum price per which natural gas is sold to industrial consumers and other business entities has been increased by 56%, from €5700 to €8900 per 1000 cu m (without VAT, the 2% surcharge to the current tariff for natural gas for consumers of any form of incorporation, tariffs for natural gas transportation, distribution and supply as per regulated tariff). The Resolution came into force on 1 March 2015.



Poland: New Act on Renewable Energy Sources

by Izabela Jurek (Warsaw)

On 11 March 2015, the Polish President signed the Act on renewable energy resources, which was voted by the Parliament on 20 April 2015 and will come into force 30 days after its publication, while provisions regarding the new auction based support scheme will come into force from 1 January 2016. The Act establishes the rules and conditions for production of electrical energy from renewable energy resources, agricultural biogas and bioliquids.

One of the main changes to the current support scheme for the promotion of renewable energy resources is the introduction of an auction system instead of the currently applicable system of certificates of origin. According to the auction system, investors, whose projects win auctions through offering the most attractive energy price will be entitled to sell it to the network at a fixed price. The auctions will be conducted by the President of the Energy Regulatory Office at least once a year. The Act also introduces feed-in-tariffs for the owners of micro installations: installations with a capacity of up to 3 kW will receive a guarantee for the sale of energy at a price of approx. 75 Polish groszy/kWh, and in the range of 3-10 kW at a price of up to 70 Polish groszy/kWh, depending on the technology of the renewable energy resources used. Finally, a 15 years limitation of duration of support is provided for both aforementioned support schemes.

Bulgaria: Suspension of Incentives for Production of Electricity from Renewable Sources due to Achieving National Goals

by Svetla Stoykova (Sofia)

According to the national report on progress in the promotion and use of energy from RES, sent on 27 December 2013 to the European Commission, in 2012 a share of 16.4 % of energy from RES in gross final consumption of energy in the country was achieved. The binding national target of Bulgaria by 2020 is to achieve a share of 16 % and since in the report for 2012 its implementation is declared completed, conditions are fulfilled for suspension of incentives for production of electricity from RES.

The incentives for production of electricity from renewable sources laid down in Article 18, Paragraph 2 of the Energy from Renewable Sources Act (ERSA), including the determination of preferential purchase price of electricity from RES and the obligation of public providers and final suppliers for purchasing such energy shall not be applicable to plants for electricity production from RES which have applied for access to transmission network after the report declaring the national renewable energy targets achieved. With such reasoning, the State Energy and Water Regulatory Commission (SEWRC) has determined by Decision C-1 of 28 January 2015 new lower preferential prices for electricity produced from biomass from wood obtained from wood residues, clearing forests, forest cutting and other wood waste. The Bulgarian Association for biomass and some manufacturers challenged the decision stating incorrect calculation of raw materials and change for capacity and efficiency of the technology process.

Further, as an expression of definite change in the national policy on energy production from RES, some substantial legislative changes have been enacted. By amendment to the final provisions of Energy Act, the incentives provided under Article 18, Paragraph 1, items 6, 7 and 8, and Articles 31 and 32 of ERSA shall not be granted to plants for electricity production from RES which entered into operation after the entry into force of this Act on March 6, 2015.

Hence, the investors in energy production from renewable sources in Bulgaria who have not started operation of their energy plants until March 6, 2015, would not be able to benefit from advantages such as guaranteed purchase of produced electricity from the public supplier or end suppliers at certain preferential prices. Only certain energy plants shall be exempted from the general incentives suspension: small plants with installed capacity up to 30 kW on roofs and facades, plants with installed capacity up to 1.5 MW with combined cycle and indirect use of at least 50% biomass and plants with installed capacity up to 500 kW with combined cycle and indirect use of waste from own agricultural production.

Croatia: Amendments to the Ordinance on Acquiring the Status of Eligible Producer of Electricity

by Sanja Tolj Par (Zagreb)

The Ministry of Economy adopted, on 4 March 2015, the Ordinance on Amendments to the Ordinance on Acquiring the Status of Eligible Producer of Electricity pursuant to Article 11, Paragraph 2, of the Electricity Market Act (Official Journal, 22/2013). The Ordinance on Acquiring the Status of Eligible Producer of Electricity (Official Journal, 132/2013, 81/2014, 93/2014) is amended in Article 7 pertaining to acquiring the Preliminary Decision on the Status of Eligible Producer. The validity of the Preliminary Decision may be extended for a further 12 month period at the request of the project holder to the Croatian Energy Regulatory Agency, provided that he delivers a statement validated by public notary stating that 50% of planned investment costs has been spent in constructing the production plant before the expiry of the previous deadline of validity of the Preliminary Decision. The statement must be accompanied by a Justification Assessment of the production plant, on the basis of which the Energy Approval was issued. Unless the project holder obtains a Decision on Acquiring the Status of Eligible Producer by the deadlines stipulated in the Preliminary Decision, the Contract on Purchase of Electricity concluded with the Market Operator shall be terminated. New Article 9a has been added to the Ordinance relating to the issuing of the Decision on Acquiring the Status of Eligible Producer putting down special conditions for issuing the Decision to hydropower plants with capacity greater than 10 MW. The Ordinance provides that the Energy Regulatory Agency shall not issue preliminary decisions and sets forth the necessary documentation for the issuing of the Decision for hydropower plants of this type. Project holders are obliged to obtain an energy production licence prior to the request for issuance of the Decision in accordance with the law governing the energy sector. Electricity producers that have obtained a Decision in accordance with the provisions of this Article cannot enter into an electricity purchase contract with the Market Operator, unless in the case of planned reconstruction of hydropower plants pursuant to the provisions of the tariff system.

Ukraine: NERC Decides on Further Reduction of “Green” Tariffs

by Tetyana Vyshnevskaya (Kiev)

On 27 February 2015, the National Commission for State Regulation of Energy and Public Utilities Sector (NERC) issued Resolution No. 492 “On Setting Up “Green” Tariffs for Electrical Energy”, followed by the Resolution No. 493 “On Suspension of Clause 1 of the NERC Resolution dated 27 February 2015 No. 492 and Setting Up of “Green” Tariffs for Electrical Energy within the Scope of Temporary Emergency Measures at the Electricity Market”. Pursuant to Resolution No. 492, feed-in tariffs (FIT) for electrical energy were revised in accordance with the legislation, based on the EUR-UAH currency exchange rate, i.e. increased by 114% for biomass and biogas projects, wind power plants, roof and/or facade based solar power plants as well as for micro, mini and small hydropower plants, and by 114% to 140% for surface based solar power plants (in comparison to the amounts of FIT set up for February 2015). According to the Resolution No. 493, the established FITs were reduced by 50% for biomass and biogas projects, wind power plants, roof and/or facade based solar power plants as well as for micro, mini and small hydropower plants, and by 50% to 55% for surface based solar power plants.

Resolution No. 493 was issued within the scope of emergency measures, introduced by the Order of the Cabinet of Ministers of Ukraine No. 36-p dated 14 January 2015 “On Temporary Emergency Measures at the Electricity Market of Ukraine” and prolonged by the Governmental Order No. 124-p dated 25 February 2015. Both Resolutions came into force on 1 March 2015 and were amended by the NERC Resolution No. 787 dated 13

March 2015, which added several surface based solar power plants and micro, mini and small hydropower plants to the lists. The Resolution No. 493 remained in effect till 25 March 2015. NERC's decisions on reduction of FIT have been opposed and heavily criticised by market participants. The latter assert about the low efficiency of such measures (given the small share of electricity from RES) and the considerable damage caused to the RES sector as well as possible consequences for the implementation of the National Renewable Energy Action Plan up to 2020.

Romania: ANRE Sets the Mandatory Acquisition Quota of Green Certificates for 2014

by Corina Badiceanu (Bucharest)

On 4 March 2015, an Order of the Romanian Regulatory Authority for Energy (ANRE) on the setting of the mandatory acquisition quota of green certificates regarding the year 2014 was published in the Official Gazette under the no. 8/2015. According to this Order, the mandatory acquisition quota of green certificates for 2014 is set at 0.218 green certificates/MWh. The provisions of this Order shall be fulfilled by the National Electricity and Natural Gas Market Operator – OPCOM S.A., by the producers of electricity from renewable sources and also by the economic operators. The organisational entities belonging to ANRE shall monitor compliance with the provisions of the aforementioned Order.

Greece: Increase of Special Duty for Financing RES Producers (ETMEAR)

by Mira Todorovic Symeonides (Athens)

On 4 March 2015, RAE's decision no. 772/2014 (Decision) on increase of ETMEAR, the special duty paid by electricity consumers to finance RES production, was published in the Official Journal (B 3694/21.12.2014). The Decision, passed on 30 December 2014, raised numerous discussions related not only to the justifications of the increase, but also to the timing of its publication, since the January 2015 parliamentary elections resulted in change of the Greek Government and political leadership. The Decision clarifies that the special account kept by the market operator LAGIE would in 2015 have sufficient funds for payments of FiT to the RES producers based on the current ETMEAR rate ranging from 2.23 €/MWh for HV consumers to 26.30 €/MWh and 30.89 €/MWh for household LV and other LV consumers, respectively. However, the funds collected on this special account would also be used for financing the state aid provided to energy intensive consumers pursuant to the Joint Ministerial Decision published on 9 December 2014, establishing a national scheme for the compensation of specific energy-intensive industrial sectors for increased energy costs resulting from greenhouse gas emissions rights payable by power producers, based on Article 10a (6) of Directive 2009/29/EC, which entitles Member States to adopt financial measures in favour of sectors exposed to a significant risk of carbon leakage. The new, increased ETMEAR rate for 2015 will, according to the Decision, range from 2.94 €/MWh for HV consumers to 27.46 €/MWh and 31.10 €/MWh for household LV and other LV consumers, respectively.

The new Ministry in charge for energy, i.e. the Ministry of Reconstruction of Production, Environment & Energy, objected to this raise and announced on 22 March 2015 that the ETMEAR's rates will be reduced to the 2014 level through amendments to the energy law to be submitted to the Parliament in the following days. The Greek energy law no. 4001/2011 authorises the Ministry in charge for energy to determine the methodology for calculation of ETMEAR rates per category of consumers while RAE decides on the annual amounts, coefficients and prices per category of consumers and should revise these amounts, if required, every six months. It should be noted that regulating of ETMEAR's rates by RAE was disputed before the Supreme Administrative Court of Greece by some energy companies who claimed that ETMEAR is legally a tax, not a duty, and should be fully regulated by law not by decisions of a regulatory authority. This procedure before the Supreme Administrative Court is still pending.



ENERGY INFRASTRUCTURE & GRIDS

EU: European Commission Launches Call for Proposal for Projects of Common Interest (PCI) and Consultation for Smart Grids PCI

by Stefania Chatzichristofi (Athens)

On 5 March 2015, the European Commission launched a call for proposals for Projects of Common Interest (PCI) under the program Connecting Europe Facility (CEF) in order to support the financing of energy infrastructure projects. This call for proposals comes after the Connecting Europe Facility Regulation (Regulation No.1316/2013). According to the press release, approximately an amount of 100€ million is going to be released for projects that intend to put an end in energy isolation, and complete the internal energy market. The first step for an application is the classification of a project as a PCI. A list of PCI that incorporates 248 key energy projects has been published in October 2013 with a perspective of update by the end of 2015. The applications have to be submitted by 29 April 2015. The procedure of selection is expected the second semester of July 2015. During the first procedure of CEF funding in 2014, € 647 million have been given to finance energy projects, including mainly electricity and gas lines as well as underground storage projects and smart grids.

As far as smart grids projects are concerned, on 5 March 2015, the European Commission launched a consultation on the list of proposed Projects of Common Interest in the field of Smart Grids. The main aim of this consultation is to gather opinions on the need for a Smart Grid project from an EU energy policy perspective bringing together security of supply, market integration, competition and sustainability. The consultation will close on 15 April 2015.

EU: ENTSO G Issues Ten-Year Network Development Plan (TYNDP) up to 2035

by Stefania Chatzichristofi (Athens)

On 16 March 2015, ENTSO-G published its Ten-Year Network Development Plan (TYNDP 2015) which refers to the period from 2015 to 2035 and deals with the perspectives of the European gas market. This fourth edition of TYNDP is published according to Regulation (EU) No 347/2013 on guidelines for trans-European energy infrastructure (Ten-E Regulation) which has entered into force in May 2013. Ten-E Regulation has made the TYNDP part of the PCI procedure as each PCI candidate from now on has to submit its application to ENTSO-G in order to be included in the TYNDP. Further, ENTSO-G shall apply the Cost Benefit Analysis (CBA) provided for the TYNDP.

TYNDP 2015 includes the experience gained from the previous editions and improves its methods of evaluation as well as the conclusion of assumptions regarding the gas market in an attempt to combine the expectations of stakeholders with the prerequisites of regulations. First of all, TYNDP 2015 presents an overview of gas infrastructure projects classified by their PCI status as mentioned above. Furthermore, the plan includes scenarios concerning gas infrastructure based on TSOs' data in collaboration with ENTSO-E and conclusions made by ENTSO-G in the perspective of transparency. Finally, there is a chapter with assessment results

concerning CBA method. The TYNPD annexes inform about the data, the additional information concerning the infrastructure projects and the history of European gas infrastructure market.

It is pointed out that market integration is not fully achieved since new projects have to be done. ENTSO-G shall give the opportunity to stakeholders to make their comments regarding the edition 2015 of TYNPD by providing a transparent platform to issue a public consultation. Moreover, ENTSO-G shall organise a public workshop in Athens on 19-20 May in order to examine further the comments and conclusions of the report. The exact dates shall be announced shortly by ENTSO-G.

EU: ACER's Opinion on the ENTSO-E Draft Ten-Year Network Development Plan 2014

by Stefania Chatzichristofi (Athens)

On 16 March 2015, ACER published a memo summarising the main acknowledgements and recommendations included in its Opinion no. 01/2015, of 29 January 2015, on the ENTSO-E draft Ten Year Network Development Plan (TYNDP) 2014. In the first place, ACER acknowledged the important steps that have been made in the draft TYNDP 2014, especially with regard to the transparent and open consultation process in all stages of the procedure, the integration of third-party projects and the progress regarding the wide inclusion of all European market studies in the methodology of TYNDP. Nevertheless, the Agency recommends that ENTSO-E has to explain better the reason and the methodology of integrating projects in the TYNDP. Further, it would be clearer if ENTSO-E would use a ten year plan of investments classifying those already planned, those planned with an extent expected above five years from now and finally those under consideration for the future. Also, the Agency proposes that it should be clarified how the TYNPD 2014 is based on the findings and parts of the Cost benefit analysis (CBA) of 2013, and the way that can be further improved. To end with, according to ACER, ENTSO-E should clarify the costs regarding the investments and for the future studies to include more quantitative results for the economic-efficient goal capacities.



Croatia: Ordinance on Systematic Energy Management in the Public Sector

by Sanja Tolj Par (Zagreb)

The Ministry of Construction and Physical Planning adopted, on 18 February 2015, the Ordinance on Systematic Energy Management in the Public Sector pursuant to Article 21 of the Energy Efficiency Act (Official Journal 127/2014). This Ordinance establishes the obligations of power and water management, consumption analysis, the method of reporting on energy and water consumption and the methodology of systematic energy management in the public sector. The goal of systematic energy management is to determine the consumption of energy and water, to establish the place, manner and amount of consumption in buildings or parts of buildings of the public sector and the public lightning system, to reduce energy and water consumption and financial costs of energy and water, and to reduce the impact on the environment through the application of energy efficiency measures. The responsible institutions in the public sector are obliged to designate at least one natural or legal person for systematic energy management that is assigned with establishing systematic energy management in

the public institution to which she was appointed, including, appointment of one or more energy advisors and/or energy associates, definition of Energy Cost Centre for which the individual energy advisor is responsible, and notifying the Real Estate Brokerage on these aspects. The public sector must use the National Information System for Energy Management as a tool of systematic energy management. Real Estate Brokerage is responsible for keeping, maintenance and continued development of the National Information System for Energy Management. The Ordinance is accompanied by three annexes, namely the Methodology of Systematic Energy Management, Instructions for User Billing and Remote Reading in the National Information System for Energy Management, and Layout and Content of the Report on the Annual Consumption of Energy and Water.

for further information, please contact...

Editing authors



Mira Todorovic Symeonides, LL.M.

Partner

Rokas (Athens)

E m.todorovic@rokas.com



Dr. Lazaros Sidiropoulos, LL.M.

Senior Associate

Rokas (Athens)

E l.sidiropoulos@rokas.com

I.K. Rokas & Partners 25 & 25A, Boukourestiou Str. 106 71 Athens, Greece
T (+30) 210 3616816 F (+30) 210 3615425 E athens@rokas.com

Authors



Dr. Daniela Dzabarova Anagnostopoulou

Legal Consultant

Rokas (Sofia)

E d.dzabarova@rokas.com

**I.K. Rokas & Partners Law Firm
Branch Bulgaria, I. Rokas**
12-16 Dragan Tzankov Blvd. Lozenetz Sq.
1164 Sofia, Bulgaria
T (+359 2) 952 1131
F (+359 2) 952 0680
E sofia@rokas.com



Dejan Radinovic

Associate

Rokas (Podgorica)

E podgorica@rokas.com

**IKRP Rokas & Partners
- Radinovic Law Firm**
Božane Vučinić 7/5
81000 Podgorica, Montenegro
T (+381 11) 2080265
F (+381 11) 2638 349
E podgorica@rokas.com



Sanja Tolj Par

Associate

Rokas (Zagreb)

E zagreb@rokas.com

**IKRP Rokas & Partners
- Par & Gradac Law Firm**
Kralja Držislava 2
Zagreb, Croatia
T (+385 1) 46 70 281
F (+385 1) 46 12 883
E zagreb@rokas.com

Authors (cont.)



Corina Badiceanu

Associate

Rokas (Bucharest)

E c.badiceanu@rokas.com

I.K. Rokas & Partners - Constantinescu, Radu, Ionescu SPARL
45 Polona Str., District 1,
Bucharest, Romania
T (+40 21) 4117405
F (+40 21) 4118293
E bucharest@rokas.com



Svetla Stoykova

Associate

Rokas (Sofia)

E s.stoykova@rokas.com

I.K. Rokas & Partners Law Firm Branch Bulgaria, I. Rokas
12-16 Dragan Tzankov Blvd. Lozenetz Sq.
1164 Sofia, Bulgaria
T (+359 2) 952 1131
F (+359 2) 952 0680
E sofia@rokas.com



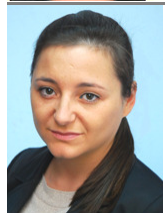
Viktoria Chatzara, LL.M.

Associate

Rokas (Athens)

E v.chatzara@rokas.com

I.K. Rokas & Partners
25 & 25A, Boukourestiou Str.
106 71 Athens, Greece
T (+30) 210 3616816
F (+30) 210 3615425
E athens@rokas.com



Izabela Jurek

Associate

Rokas (Warsaw)

E warsaw.jurek@rokas.com

I.K. Rokas & Partners Binieda Kancelaria Prawna sp.k.
7, Mlynarska Str.
01 205 Warsaw, Poland
T (+48 22) 2411361
F (+48 22) 2411362
E warsaw@rokas.com



Tetyana Vyshnevskaya

Associate

Rokas (Kiev)

E kiev@rokas.com

IKRP Rokas & Partners Ukraine
15, Panas Lyubchenko Str.
o f f i c e 3 2 0
Kiev 03680, Ukraine
T (+ 380) 44 2252138
E kiev@rokas.com



Stefania Chatzichristofi

Associate

Rokas (Athens)

E s.chatzichristofi@rokas.com

I.K. Rokas & Partners
25 & 25A, Boukourestiou Str.
106 71 Athens, Greece
T (+30) 210 3616816
F (+30) 210 3615425
E athens@rokas.com