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ENERGY MARKETS

EU: Commission Adopts First State of the Energy Union Report

by Mira Todorovic Symeonides (Athens)

On 18 November 2015, the European Commission presented the first report on the progress of the Energy Union since the adoption of the Energy Union Framework Strategy, nine months ago. The Report comprises the following documents: Communication of the Commission to the Parliament, the Council, and the Committees, COM (2015)572 on the State of the Energy Union; Annex 1 - Updated Roadmap for the Energy Union; Annex 2 - Guidance to Member States on National Energy and Climate Plans as part of the Energy Union Governance; a Q & A Fact Sheet; Commission Staff Working Document SWD(2015)243 Monitoring progress towards the Energy Union objectives – Concept and first analysis of key indicators; and National Fact Sheets for 28 Member States (MSs). The report is also accompanied by several other documents, including an Energy Efficiency progress report, a Commission Staff Working Document on the Energy Consumer Trends 2010-2015, a EU Energy Security Strategy implementation report and an Overview of Emergency Oil stocks in the EU as well as the documents mentioned below.

The Communication provides a brief analysis of the progress made and the way forward with regard to the five dimensions of the Energy Union: Decarbonisation of the economy; Energy Efficiency; Fully integrated internal energy market; Energy security; and Research & Innovation. As regards Decarbonisation, progress was made in the following fields: emissions trading, renewables as well as investments in low carbon technologies and energy efficiency. In the upcoming years the focus will be on decarbonising all modes of transport, while the new Renewable Energy Directive and the bionerergy sustainability policy for 2030 should be presented in 2016. Increasing of the role of energy efficiency in moderation of energy demand should be addressed through amendments to the Energy Efficiency Directive and the Energy Performance of Building Directive, foreseen for 2016. A dedicated strategy for heating and cooling aiming for a smart transformation of this sector is planned for early 2016. Given the significance of the electricity and gas networks for an integrated energy market the second list of Projects of Common Interest (PCI) was adopted alongside the Communication. However, the experience from the first list of PCI shows that realisation of projects is delayed particularly due to the duration of permit granting procedures. The solution should be found in the full implementation by the MSs of the TEN-E Regulation (No 347/2013). Referring to the transparency of energy prices and costs the Commission is preparing a new report to provide an overview of the costs of energy, taxes, levies, but also subsidies in the MSs. As a first step, a proposal to improve European statistics of gas and electricity prices (COM (2015)496) was also presented by the Commission on 18 November 2015.

The Report concludes that the Energy Union needs a reliable and transparent governance process and more strategic planning which should integrate national energy and climate plans addressing all five dimensions of the Energy Union. The Annex 2 of the Report provides the basis for MSs to start developing their plans for the period covered by the 2030 framework. They should present draft national plans in 2017, which should be finalised in 2018, taking into account regional consultations with other MSs and Commission's recommendations.



more news on Energy Markets:

EU: Priority Lists for 2016 for Network Codes and Guidelines

by *Stefania Chatzichristofi (Athens)*

On 29 October 2015, the European Commission issued the Implementing Decision (EU) 2015/1960 on the establishment of the annual priority lists for 2016 for the development of network codes and guidelines. Taking into consideration the responses of the stakeholders in the respective public consultation, the Commission decided that the annual priority lists for 2016 should include the following rules: a) in the electricity sector: network connection rules, rules concerning system operators, rules for long term capacity allocation, balancing rules including network-related reserve power, rules on emergency & restoration, and rules regarding harmonised transmission tariff structures; and b) in the gas sector: rules regarding harmonised transmission tariff structures, rules regarding an EU-wide market-based approach on the allocation of 'new build' gas transmission capacity, rules regarding forthcoming CEN standard on H-gas quality.

EU: Energy Community Contracting Parties in EU Energy Statistics

by *Eleni Boutla (Athens)*

On 28 October 2015, upon the request of the Energy Community (EnC) Secretariat, the European Commission and the EUROSTAT agreed that all EnC Contracting Parties, including Moldova and Ukraine, are obliged to submit their energy statistics to EUROSTAT in order to improve transparency of gas and electricity prices charged to industrial end-users in compliance with the Regulation (EC) No 1099/2008 on energy statistics and Directive 2008/92/EC concerning a Community procedure to improve the transparency of gas and electricity prices charged to industrial end-users. In addition to that, EUROSTAT is enabled to process other energy related data for which reporting is requested based on the EnC acquis in compliance with Directive 2009/28/EC on the promotion of the use of energy from renewable sources and Directive 2012/27/EU on energy efficiency.

EU: Commission Publishes Annual Progress Report on Albania

by *Eris Çoba (Tirana)*

On 10 November 2015, the European Commission published the Commission Staff Working Document Albania 2015 Report, Accompanying the document Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions EU Enlargement Strategy (SWD(2015)213). In chapter 15 on Energy, the Report states that Albania had some progress specifically on aligning the power sector legislation with the relevant acquis by introducing a new power sector law in April 2015 and a new gas sector law in September 2015 and improving the bill collection rate. The legislation on hydrocarbons was amended in March 2015 while in May 2015 Albania revoked 23 licenses of hydrocarbons trading companies.

The Energy Regulatory Entity approved a new electricity tariff structure for 2015. The bill collection rate increased to 92.6% in 2014, compared to 83% in 2013. In February 2015 the government adopted a financial recovery plan for the energy sector and an action plan for the next five years. Despite efforts to clear arrears accumulated before 2014, unpaid arrears by the public power operator continue to create financial difficulties for private operators in the sector.

Further, the Report states that in January 2015 an agreement was signed on the permanent synchronous functioning of the Albanian electricity transmission system with the continental European system, as a step towards Albania's full membership of the European Network of Transmission System Operators (ENTSO-E). Construction work on the Trans-Adriatic Pipeline (TAP) project started in July 2015. The construction of the Ionian Adriatic Pipeline (IAP) was launched in March 2015 and a joint statement on IAP was signed between Albania, Bosnia and Herzegovina, Montenegro and Croatia. Albania has still not adopted a renewable energy action plan for which the Energy Community has initiated infringement procedure.

EU: Commission Publishes Annual Progress Report for BiH

by *Milanovic Nebojsa (Banja Luka)*

On 10 November 2015, the European Commission published the Commission Staff Working Document Bosnia and Herzegovina (BiH) 2015 Report, Accompanying the document Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions EU Enlargement Strategy (SWD(2015)214). In the respective Energy Chapter, the Report points out that BiH continues to fall behind its international commitments towards the Energy Community. Some of the main issues are that BiH continues to operate without a country-wide energy strategy, failed to adopt a country-wide renewable action plan and also failed to adopt a law on gas on the State level. Further, the Report states that, although BiH formally liberalised its electricity market, it still fails to harmonise its legislation with the Third Energy Package. Secondary legislation on energy efficiency was adopted at various governance levels, particularly in one of the two BiH Entities, the Republika Srpska.



EU: Commission Publishes Annual Progress Report on Montenegro

by Vuk Stankovic and Stefan Pavlovic (Belgrade)

On 10 November 2015, the European Commission published the Commission Staff Working Document Montenegro 2015 Report, Accompanying the document Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions EU Enlargement Strategy (SWD(2015)210). In chapter 15 on energy, the European Commission calls for adoption of a new Energy Law which would be in compliance with the Third Energy Package. Although the Commission acknowledges the progress in the area of security of supply, it states that there has been no improvement on developing a gas market in Montenegro. In regard to the Third Energy Package, the Commission states that Montenegro should complete the unbundling activities and separate electricity distribution activities from the electricity supply within the Montenegrin Electric Power Company (EPCG). Regarding RES, a Ten-Year Network Development Plan was adopted and there was progress in construction of small hydro power plants. The attention is also drawn to compliance with the environmental legislation in practice.

EU: Commission Publishes Annual Progress Report on Serbia

by Vuk Stankovic and Stefan Pavlovic (Belgrade)

On 10 November 2015, the European Commission published the Commission Staff Working Document Serbia 2015 Report, Accompanying the document Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions EU Enlargement Strategy (SWD(2015)211). In chapter 15 on Energy, the Report states that Serbia has made some progress in the internal energy market particularly by enacting a new energy law in December 2014 which incorporates provisions from the Third Energy Package and simplifies the procedure for issuing of RES permits. The amendments to the planning and construction law, also adopted in December 2014, simplify the issuing of the respective licenses and permits. However further measures have to be taken in order to achieve alignment with the *acquis* in the field of renewable energy and energy efficiency. Development of competition in the gas market and introduction of cost-reflective electricity tariffs are among the upcoming challenges. The EC noted that the administrative procedures for issuing permits and grid connections were simplified in comparison to the previous year. Since January, the electricity and gas markets have been fully opened in Serbia. New electricity and gas supplier switching rules came into force in July 2015. Regarding electricity interconnections, the EC suggested that Serbia's top priority should be the participation in the South East Europe Coordinated Auction Office.

EnC: Secretariat Submits Views on Review of Intergovernmental Agreements Decision

by Athina Siafarika (Athens)

On 27 October 2015 the Secretariat of the Energy Community (EnC) announced that it has submitted its response to the European Commission's (EC) public consultation, which was launched on 30 July 2015, on the review of the Intergovernmental Agreements (IGAs) Decision No. 994/2012/EU of the European Parliament and the Council of 25 October 2012. The latter established an information exchange mechanism with regard to intergovernmental agreements between EU Member States and third countries in the field of energy. The Secretariat of the EnC, in its response to the above consultation, expressed its support to the EC's initiative and suggested that the review of the aforementioned Decision should be targeted towards more transparency, for example through a mandatory *ex-ante* notification of ongoing negotiations. Moreover, compatibility with EU (energy) law should be further safeguarded.



Croatia: Simplified Energy Licensing for EU and Energy Community Companies

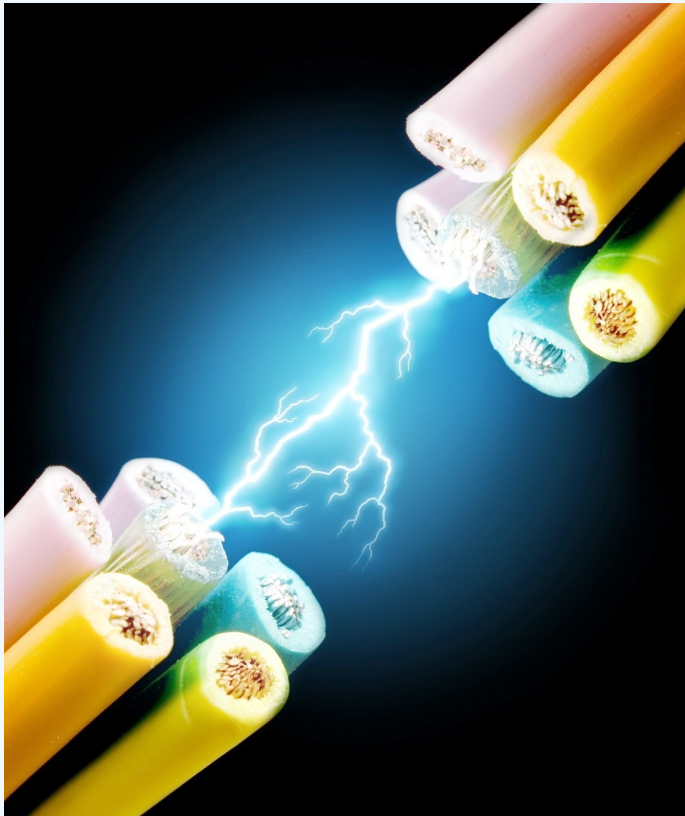
by Sanja Tolj Par (Zagreb)

On 21 October 2015, the Croatian Ministry of Economy adopted the Ordinance on Amendments to the Ordinance on licences for performance of energy services and maintaining the register of issued and revoked licences for conducting energy activities (OJ 114/2015) pursuant to Article 17, Paragraph 2 of the Energy Act (OJ, 120/2012, 14/2014 and 95/2015). The Amendments to the Ordinance enable the Croatian Energy Regulatory Agency to follow a simplified procedure for the issuing of licences for conducting electricity, gas, fuel, biofuel, oil derivatives or LNG trade and supply to traders and suppliers operating in the EU Member States or the Energy Community Contracting Parties.

E L E C T R I C I T Y

Croatia: Market Operator Adopts Electricity Market Rules

by Sanja Tolj Par (Zagreb)



On 30 October 2015, the Croatian Energy Market Operator (the Market Operator) adopted the Rules on the Organisation of the Electricity Market (OJ 121/2015), pursuant to Article 55, paragraph 3 of the Electricity Market Act (Official Journal 22/2013 and 102/2015) and the prior Decision of the Croatian Energy Regulatory Agency on the approval of the Rules.

The Rules determine the model, procedures, principles and standards for the organisation and operation of the electricity market in Croatia. They define the types of contracts to be concluded, trading products, standards and procedures for recording transactions and those related to problematic suppliers on the electricity market; the rules and procedures with regard to the measurement data for network users; the rights and obligations of market participants and their relation with the Market Operator; and the rules of organising balancing groups. Electricity producers, traders and suppliers can buy or sell electricity from a) other producers, traders, suppliers; b) from the electricity exchange or c) via import/export. Privileged producers, who benefit from the incentive system of guaranteed purchase price of electricity, sell their electricity based on purchase contracts concluded with the Market Operator.

The Rules define the types of the balancing groups on the electricity market, namely the ECO-balancing group, the market balancing group, the balancing group of the Transmission System Operator, the balancing group of the Distribution System Operator and the balancing group of the electricity exchange. Each market participant is obliged to be a member of only one balancing group. The Market Operator keeps the Register of the balancing groups and publishes it on its website, and also manages the ECO-balancing group. Members of the market balancing group are producers, traders and suppliers of which one is the manager of the balancing group. The market participants wishing to become members of the market balancing group are required to enter into a membership contract with the balancing group.

The Market Operator registers the following energy agreements concluded on the energy market: electricity trade agreements, agreements with RES and CHP producers, agreements on supply of electricity for covering networks losses, agreements for the supply of electricity for compensation plan of exchange, agreements on providing of auxiliary services, on balancing services, on participation in a balancing group, on participation in the electricity market as well as agreements between suppliers and network operators. The Rules further determine the content of the contractual schedules of the ECO balancing group, the producers, the suppliers, the traders, the network operators and the electricity exchange, for particular planning activities of electricity trade. The Rules also regulate the obligations to inform the Market Operator on a day-ahead basis and stipulate the manner of modifying contractual schedules during the day of delivery of electricity.

more news on Electricity:

EU: Member States Approve Network Code on Forward Capacity Allocation

by Mira Todorovic Symeonides (Athens)

On 30 October 2015, the EU Member States approved the Network Code on Forward Capacity Allocation (FCA NC), which was prepared by ENTSO-E and delivered to ACER for the first time in October 2013, and was subsequently amended several times, at the recommendation of ACER, before the present version was reached. The Code regulates the trade with long-term transmission rights on the forward markets and particularly the type and quantity of transmission rights which can be allocated, the way in which they are allocated, and the way in which their holders are compensated in case their right is curtailed. It provides for the establishment of a Single Allocation Platform at the pan-European level as a single point of contact for market participants participating in explicit auctions to acquire long term transmission rights which may also facilitate and support the transfer of these rights to another market participant as well as the development and harmonisation of the allocation rules. All TSOs shall further develop, within the time limits provided in the FCA NC, numerous methodologies and other documents necessary for its application. The Code will now be analysed by the European Parliament and Council, after which the Commission will submit it to a formal vote as a draft Regulation.

EU: Electricity Balancing Network Code's Cost Benefit Analysis

by Tetyana Vyshnevskaya (Kiev)

On 13 November 2015, the European Network of Transmission System Operators for Electricity (ENTSO-E) published an invitation for stakeholders to participate in a Cost Benefit Analysis (CBA) concerning harmonisation of the Imbalance Settlement Period (ISP) among the EU countries, Liechtenstein, Norway and Switzerland. The duration of the ISP shall be included in the final draft of the Network Code on Electricity Balancing (NC EB), which has already received ACER's recommendation (No 03/2015 of 20 July 2015) and is about to enter the comitology process. The draft NC EB defines "Imbalance Settlement" as a financial settlement mechanism aiming at charging or paying balance responsible parties for their imbalances, while "Imbalance Settlement Period" means the time units for which balance responsible parties' imbalance is calculated. In its Recommendation ACER had proposed, for purposes of clarity, that the NC EB explicitly defines the length of the harmonised imbalance settlement period, because such a length would provide a clear target for all TSOs and stakeholders. The stakeholders are requested to provide their feedback on expected costs and benefits under four proposed scenarios of harmonising and shortening the ISP. The stakeholders' input is expected by 14 January 2016 in the form of filled-in questionnaires (a blank questionnaire and a relevant guidebook are available on the webpage of ENTSO-E). The final report on the CBA is expected to be submitted to the European Commission on 25 March 2016.

EU: General Guidelines for Improving Cooperation between TSOs and DSOs

by Viktoria Chatzara (Athens)

On 9 November 2015 the European associations of Distribution (DSOs) and Transmission System Operators (TSOs) published a set of general guidelines on how to reinforce the cooperation among the two categories of neutral market facilitators. With the evolution of the European energy market, the cooperation between electricity TSOs and DSOs becomes increasingly important, taking especially into account the growth of renewables, the increased interconnection of European grids, the development of local energy initiatives and the involvement of increasingly active customers. The published general guidelines cover significant issues, such as the cooperation on data management, active/reactive power management and coordinated network development planning, whereas suggestions are also made for the engagement of NRAs and for actions to be taken on an EU level. The enhanced and effective cooperation between TSOs and DSOs is expected to have benefits primarily to the customers (high quality of service at low cost, security of supply), to market participants (facilitation for the participation of flexibility sources in all markets and for the integration of Distributed Energy Resources and Demand Side Response), but also to decision-makers, since integration can lead to better decision-making and, therefore, lower costs.

EU: ACER Publishes 3rd Progress Electricity Regional Initiatives Report

by Mira Todorovic Symeonides (Athens)

On 1 November 2015, the Agency for the Cooperation of Electricity Regulators (ACER) published its third progress Electricity Regional Initiative (ERI) Report covering the period from April to September 2015. The aim of the Report is to monitor the development of several pilot projects in line with the Target Model for electricity under the ERI process. This was the last ERI progress report as with the entry into force of the Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on Capacity Allocation and Congestion Management on 14 August 2015, this process has been replaced by the formal implementation of the target models for day-ahead, intraday and capacity calculation. This Report presents the progress in implementation of a) a single European price market coupling model; b) a cross-border continuous intraday trading system across Europe, c) a single European set of rules and a single European allocation platform for long and medium-term transmission rights (including harmonisation of the allocation rules, implementation of the single allocation platform, harmonisation of nomination procedures and a potential move to Financial Transmission Rights), d) fully coordinated capacity calculation methodologies and particularly a flow-based allocation method in highly meshed networks, and e) integration of Electricity Balancing markets. It also contains the Progress Report from the 8th Region prepared by the Energy Community (EnC) Regulatory Board. The 8th Region presents a regional approach for Congestion Management and Transmission Capacity Allocation in South East Europe established by a 2008 decision of the EnC Ministerial Council. Today it includes the Contracting Parties of the EnC and the following EU Member states: Bulgaria, Croatia, Greece, Italy, Hungary, Romania and Slovenia.

EU: TSOs Approve Amended Proposal on Capacity Calculation Regions

by Mira Todorovic Symeonides (Athens)

On 30 October 2015 ENTSO-E announced that, in a meeting held the day before, all European Transmission System Operators (TSOs) approved an amended version of the proposal on Capacity Calculation Regions (CCR), in accordance with article 15 of the Commission Regulation 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management. The Regulation provides that within three months after its entry into force, all TSOs shall jointly develop a common proposal regarding the determination of CCR which should define the bidding zone borders attributed to TSOs who are members of each CCR, by application of the conditions set in the Regulation. The proposal originally put to consultation on 24 September 2015, provided for the following 11 CCRs: Nordic, Hansa, CWE (Central West Europe), Italian north borders, Italian borders 2, CEE (Central East Europe), SWE (Sought West Europe), IU (Ireland and United Kingdom), Channel, Baltic and SEE (Sought East Europe). The updated proposal includes the borders between Croatia and Slovenia, between Croatia and Hungary and between Romania and Hungary in the CEE region. It also includes an annex about the future merge of the CCRs and a clear commitment from the CWE and CEE TSOs to cooperate on the implementation of a common flow-based capacity calculation methodology in Central Europe. This approved proposal will further be submitted to the national regulatory authorities for approval.

Greece: Public Consultation Regarding Switching of Suppliers

by Mira Todorovic Symeonides (Athens)

On 21 October 2015, the Greek Energy Regulatory Authority (RAE) launched a public consultation regarding its proposals on how to deal with outstanding debts of electricity consumers and the rehabilitation of the retail market, aiming subsequently to propose to the Ministry of Environment and Energy respective amendments to the Electricity Supply Code. More precisely, RAE proposed the following three alternative solutions: a) suspension of the procedure for supplier switching until the outstanding bills are paid to the previous supplier; b) limited suspension applicable for debts exceeding certain amounts or for debts for which the previous supplier has already initiated or finalised the procedure for cessation of supply; and c) a scheme according to which, in case the consumer breaches previously concluded settlement agreement with the former supplier, the latter has the right to instruct the network operator to cease the supply of electricity agreed with the new supplier. The results of consultation, which lasted until 2 November 2015, were uploaded on RAE's web page. Numerous contributions from most of the electricity suppliers were received opposing to most or all of the proposed amendments to the Supply Code, among others, stating that such regulation would cause unnecessary obstacles to the free choice of consumers to switch from the vertically integrated public power corporation to alternative suppliers.



Greece: Public Consultation on a Revised Cost-Recovery Mechanism

by Lazaros Sidiropoulos (Athens)

On 23 October 2015, the Greek energy regulator RAE launched a public consultation on its proposal to amend the Grid Code so as to introduce a revised form of the so-called cost-recovery mechanism. This mechanism, which ensured that gas-fired production units were remunerated based on their declared minimum variable costs plus a 10% margin as a means of encouraging the entry of new producers in the market, was abolished by 31 December 2014 because it was considered to be a market distortion. RAE now proposes to restore the said mechanism in a more restricted form so as to combat financial and technical problems caused by its abolishment. RAE proposes that this mechanism shall be applicable either in cases where a production unit receives a dispatch instruction by the TSO after the closing of the day-ahead dispatch schedule or in cases where a unit generates within the framework of the day-ahead schedule solely to fulfill purposes of procurement of reserve power, when some further conditions are also fulfilled. RAE also examines, alongside the TSO and the market operator, the possibility of extending the scope of application of the cost-recovery mechanism also in other cases. For the purpose of implementation of the mechanism, the cost data of all producers will be assessed by the aforementioned three bodies. The public consultation ended on 27 October 2015.

Greece: Public Consultation on a Mechanism of Compensation of Gas-Fired Producers

by Lazaros Sidiropoulos (Athens)

On 18 November 2015, the Greek energy regulator RAE launched a public consultation on its proposal for an amendment to the Grid Code, aiming to combat a discrepancy between the electricity and the gas market in Greece which leads to financial burdens suffered by gas-fired electricity producers. The problem lies in the fact that, when such production units receive by the electricity TSO a dispatch instruction after the closing of the day-ahead dispatch schedule, this results in a differentiation in the scheduled operation of the unit at a point of time when the producer may no longer differentiate its respective declarations towards the gas TSO regarding the planned gas quantity to be transferred via the gas grid and the respective booking of capacity necessary; as a consequence, the producers need to pay extra charges to the gas TSO for such deviations without being any more able to include these costs through in their bids to the electricity market. According to RAE, a temporary mechanism must be introduced to compensate gas-fired producers for these losses as long as no intra-day market and no balancing market are established.

Greece: Public Consultation on Emergency Plans for Non-Interconnected Islands

by Athina Sifarika (Athens)

On 12 November 2015 the Greek energy regulator RAE launched a public consultation on the Emergency Plans for the Non-Interconnected Greek islands which were submitted to RAE for approval by the Hellenic Electricity Distribution Network Operator SA (DEDDIE). Since those Emergency Plans are the first of their kind to be submitted for approval to RAE, constituting an important measure towards safeguarding security of supply of non-interconnected islands, RAE decided to launch a public consultation of one month (deadline expires on 14 December 2015) to allow for sufficient elaboration by the parties interested to provide comments and proposals.



Greece: Public Consultation on Amendment to the Approval Procedure for Interconnection Capacity

by Lazaros Sidiropoulos (Athens)

On 18 November 2015, the Greek energy regulator RAE launched a public consultation on its proposal for an amendment to a provision of the Grid Code establishing the procedure of approval of the volume of interconnection capacity to be auctioned on a long-term basis (from one month to one year). Until now, the Greek TSO defined the volume of such capacity and submitted its proposal to RAE for approval. However, prior approval by the regulator is not required by Regulation (EC) 714/2009 nor do neighboring countries follow this practice; contrary to that, neighboring TSOs decide on the volume of the transmission capacity only a few days before the respective auctions. Because of that, RAE proposes to amend the respective provision of the Greek Grid Code in a way that the TSO will be the one to decide alone on the interconnection capacity to be auctioned, the respective decision being only thereafter made known to RAE.

Bulgaria: Tender for the Selection of a Monitoring Trustee for BEH

by Lyubomir Talev (Sofia)

On 11 November 2015, the State owned Bulgarian Energy Holding EAD (BEH) invited all interested parties to submit applications in an open tender with pre-selection for the selection of a Monitoring Trustee. This procedure is a consequence of the formal proceedings COMP/B1/AT.39767 – BEH Electricity initiated on 3 December 2012 by the European Commission against BEH and its subsidiaries (NEK EAD, Kozloduy NPP EAD and TPP Maritsa East 2 EAD). The subject of this Case was to establish an alleged infringement of art. 102 of TFEU because of including territorial restrictions in supply contracts concluded by subsidiaries of BEH on the wholesale electricity market in Bulgaria. The BEH Group has proposed Commitments which were published in the Official Journal of the European Union C202/2 of 19 June 2015. Following a market test of the proposed Commitments BEH Group submitted a final text of the Commitments to the Commission in October 2015. It is expected that the Commission will issue a decision by the end of 2015. In accordance with the proposed Commitments BEH is to appoint a Monitoring Trustee for the period of the Commitments (5 years). The deadline for the submission of the applications expired at 17:30 hrs. of 25 November 2015.

Romania: Settling Complaints against Network Operators

by Valentin Găman (Bucharest)

On 16 October 2015, an Order of the energy regulator ANRE on the approval of a Regulation regarding the settling of complaints against network operators of the energy sector was published in the Official Gazette under the no. 150/2015. The Order will enter into force on the 1 January 2016. According to this Order, a damaged natural or legal person may file before ANRE a complaint against a transmission or distribution network operator within 12 months after the said operator's alleged damaging action or omission. Once the complaint is registered at ANRE, the Regulation's provisions become binding, except for the case where the damaged party has also filed a respective complaint before another authority, such as a court of law. In this case, the complaint filed to ANRE is placed into an inactive file. The Regulation's provisions do not apply to settling or mediating pre-contractual disputes in the electricity or gas sector, settling contractual disputes between participants in the wholesale or retail energy market, settling disputes regarding access to energy networks or systems, settling problems that do not fall under the scope of the provisions regulating the energy sector or settling certain aspects relating to ownership rights or rights of possession. The Regulation sets strict rules in relation to the complaint's settling such as with regard to the period of time necessary to come to a conclusion, the documents necessary to be filed together with the complaint, other information that might be required, the hearings or the conditions under which third parties might be granted access to the file.

Serbia: Energy Agency Approves New Interconnection Code

by Vuk Stankovic (Belgrade)

On 16 November 2015, the Energy Agency of the Republic of Serbia issued a Decision on approval of new Rules on cross-border allocation of capacities (Interconnection Code), which was prepared by the Serbian TSO in October this year. The Interconnection Code has been drafted in line with the recommendations and rules of ENTSO-E, and should provide with higher level of compliance with the interconnection rules applicable in neighbouring countries. In the Interconnection Code, the TSO introduces yearly, monthly, weekly and intra-day auctions for 50% of the total available cross-border transmission capacity on borders, whereas the remaining capacities should be allocated by the neighbouring TSO.



O I L & G A S

EU: Implementation Status of Network Codes on Capacity Allocation Mechanisms and on Balancing

by Lazaros Sidiropoulos (Athens)

On 9 November 2015 ACER and ENTSOG published the Final Roadmap on the early implementation of the Capacity Allocation Mechanisms Network Code, i.e. of Commission Regulation (EU) No 984/2013 of 14 October 2013 establishing a Network Code on Capacity Allocation Mechanisms in Gas Transmission Systems (NC CAM). The implementation of the NC CAM involves the auctioning of bundled capacity products at all interconnection points within the European Union. Although the NC CAM is officially applicable only since 1 November 2015, NRAs, TSOs and booking platforms had initiated an early implementation process, i.e. regarding the implementation before the application deadline, to ensure timely compliance with the code. This Roadmap aims to highlight the progress achieved in this early implementation process and to examine open issues which will possibly hinder a timely and effective implementation. Because early implementation took the form of pilot projects, which are undertaken on a voluntary basis, this document primarily updates on the progress on such projects but also reviews other issues related to capacity allocation. Because as of 1 November 2015 compliance with the NC CAM is obligatory for all TSOs, ACER and ENTSOG will now start monitoring the actual implementation, which will result in a new report.

ACER also published a few days before, on 3 November 2015, a report on the specific issue of the progress made on voluntary (contractual) capacity bundling at interconnection points. This report examines in particular the early application of Article 20 (1) of the NC CAM which foresees that the network users who are parties to existing transport contracts at the time of the entry into force of this code at respective interconnection points, should aim to reach an agreement on the bundling of the capacity via contractual arrangements ('bundling arrangement'), in compliance with the provisions set out in Article 19 of this Regulation; such bundling arrangements must be reported to the relevant NRAs which shall subsequently send a report to ACER so that the latter may, two years from the entry into force of the NC CAM, publish a report on the progress made on bundling capacity. In this report, ACER concludes that the "voluntary bundling", as described above in Article 20 the NC CAM, has not taken place at all until 1 January 2015.



Moreover, on 9 November 2015 ACER and ENTSOG published their second joint report on the status of the implementation of the Balancing Network Code, i.e. of Commission Regulation (EU) No 312/2014 of 26 March 2014 establishing a Network Code on Gas Balancing of Transmission Networks (BAL NC). The BAL NC has introduced rules for natural gas balancing applicable to balancing zones within the borders of the EU. While implementation deadline for the BAL NC was 1 October 2015, this report examines the status of its early implementation, i.e. implementation before the expiration of the implementation deadline, based on information provided for each EU country by the NRAs and TSOs to an online survey jointly prepared by ENTSOG and the Agency covering the specific provisions of each chapter of the BAL NC. Data are updated until the end of September 2015. The report presents the multiple time schedules and several implementation options chosen by the particular countries, among others, with regard to balancing products, information provision requirements, nomination procedures, within-day obligations and interim measures. As a result from the fact that the BAL NC provides a high degree of flexibility with regard to its national implementation, the report comes to the conclusion that across the EU almost all of the possibilities have been used by the countries in responding to their obligations under this code.

RENEWABLES

EU: Public Consultation on Preparation of New Renewable Energy Directive

by *Stefania Chatzichristofi (Athens)*

On 18 November 2015, the European Commission launched a public consultation regarding the preparation of the new Renewable Energy Directive (REDII) for the decade 2020-2030 whose publication is expected to take place before the end of 2016. The consultation covers all issues that arise in regard to REDII apart from the domain of European bioenergy sustainability for which a different consultation shall follow. The current Renewable Energy Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 (RED) sets the goal that the EU has to cover at least 20% of its total energy needs with renewables by 2020 which shall be further achieved through the attainment of individual national targets. It also requires that at least 10% of transport fuels used in EU countries must come from renewable sources by 2020. In October 2014, the European Council agreed that in the context of its EU Energy Union Framework Strategy the total share of renewable sources in the EU by 2030 should at least reach the target of 27% without providing for binding national targets.

The proposed revision of the RED follows the need of alteration of the current legislative framework further to the new binding EU-level target set by EU. It follows an evaluation study of RED held in 2014, the outcomes of which were presented in the 2015 Renewable Energy progress Report (COM (2015) 293) of 15 June 2015.

In this context, the questionnaire is respectively divided into five sets of questions as follows: a) identifying the options to achieve the general EU target of at least 27% by 2030 (inquiring about the effectiveness of the current mechanism, evaluation of possible new policy options, definition of the geographical scope of future support schemes, reasons for limited use of cooperation mechanisms, eligibility of RES producers in other Member States etc.); b) identifying whether consumers could play a more significant role in the energy market (requesting about the evaluation of barriers for consumers to produce or self-consume their own renewable energy, evaluation of RES potential at local level, assessment of barriers and proposals to overcome these barriers at local level, evaluation of the Guarantees of Origin system and proposals for extension of its scope and/or use of further sources of information to consumers); c) finding efficient means of decarbonising the heating and cooling sector in the EU (including questions concerning the barriers in the development of renewable heating and cooling in EU as well as effective ways to overcome these barriers); d) adapting the market design to allow integration of more renewable sources (inquiring about new market rules necessary in this regard, submitting RES producers to full balancing responsibilities, removal of grid regulation and infrastructure barriers for renewable electricity deployment, dispatch rules for RES generated electricity, removal of administrative barriers, removal of barriers relating to renewable energy training and certification etc); and e) enhancing the use of renewables in transport (requesting about the effectiveness of the current legal framework, about the existing barriers and the means of effective promotion of consumption of renewable fuels in transport in EU).

The questionnaire is addressed to all energy stakeholders, energy consumers as well as EU and Member States authorities who are invited to provide their views with regard to the aforementioned issues until 10 February 2016.



more news on Renewables:

Energy Community: Study on the Progress of RES in the Contracting Parties

by *Tetyana Vyshnevskva (Kiev)*

On 21 October 2015, the Energy Community (EnC) Secretariat published a study on the Assessment of Renewable Energy Action Plan Implementation and Progress in the Promotion and Use of Renewable Energy in the Energy Community, undertaken by an international consortium including I.K. Rokas & Partners Law Firm, which mobilised for this purpose the local experts of its network of law firms among the EnC Contracting Parties (CPs). The RES Study provides a detailed analysis of the status of the progress achieved by all eight EnC CPs, namely Albania, Bosnia and Herzegovina, Kosovo*, FYR of Macedonia, Montenegro, Moldova, Serbia and Ukraine, as regards proper transposition and implementation of the RES Directive as well as regarding consistency of the national legislative measures with the provisions of the National Renewable Energy Action Plans. Among others, the study identifies the gaps in the national legislation implementing the RES Directive and points out the administrative barriers in each CP impeding RES progress. A general finding is that some progress has been made particularly in regard to the use of RES for electricity generation, while in the heating & cooling and transport sectors there is almost no progress in adopting the necessary policies and measures. This study shall provide an input to the relevant report which will be submitted by the Secretariat to the EnC Ministerial Council as provided in the Ministerial Decision 2012/04/MC-EnC on the implementation of the Renewable Energy Directive 2009/28/EC.

Greece: Energy Efficiency Law Introduces Amendments to the RES Legal Framework

by *Stefania Chatzichristofi (Athens)*

On 9 November 2015, the law under the No.4342/2015 was published in the Official Journal (OJ A' 143/9.11.2015) regarding the transposition of the Energy Efficiency Directive No.2012/27/EU. Although the main objective of the law is to promote energy efficiency measures for both the public and the private sector in line with the Directive, it also introduces several amendments to various provisions of the renewable energy legal framework. First of all, small amendments are introduced in regard to the annual fee of maintenance of the right of holding a license for RES electricity production: the fee has to be paid during the first four months of the year instead of three months, and also in case of non-payment of the said fee a list with the persons liable to pay and the amount they owe shall be created indicating the payment deadline after the expiry of which the production license will be automatically rendered invalid. The fee for the year 2015 shall be paid until the end of January of 2016. Further, with regard to the rights of research and management of high temperature geothermal fields, the law provides that the original duration of the lease contracts of these rights (that were in force until the end of 2014) shall be extended for five more years. Moreover, the obligation of professional operating RES plants to declare if they maintain or not the status of professional farmer is extended for two months from the publication of the law on November 2015. To end with, the law introduces some changes regarding the letters of guarantee that every unit of RES and CHP has to submit as well as with regard to the relevant final offers for connection to the grid. Among others, the amounts of letters of guarantee are redefined and reduced, and letters that were filed from the beginning of 2015 can be resubmitted for the new reduced fees.

Greece: Connection Requests to MV of PV Autoproducers via Net-Metering

by *Stefania Chatzichristofi (Athens)*

On 23 October 2015, the Hellenic Electricity Distribution Network Operator (DEDDIE) announced that submission of applications by interested parties for connection to the medium voltage (MV) network of photovoltaic systems (PV) for autoproduction through the system of net metering shall begin on 30 October 2015. Net metering refers to the offsetting of the electricity produced by autoproducers through PV systems and the electricity that they consume on their own; it is regulated by a Ministerial Decision issued on 30 December 2014 in execution of Article 14A of the RES Law 3468/2006, as amended in April 2014. The connection requests shall be submitted either at the headquarters of the regional divisions of DEDDIE as regards applications concerning the Interconnected network (mainland and the interconnected islands) or at the competent local units of DEDDIE regarding the applications for the Non-Interconnected Islands (NII). Further to the aforementioned announcement, DEDDIE also uploaded on its website comprehensive information material concerning the connection procedure and the requirements.

Ukraine: Draft Law to Cancel Import Duty Exemption for RES Developers

by *Tetyana Vyshnevskva (Kiev)*

On 10 November 2015, the draft law no. 3444 on Amending the Customs Code of Ukraine (as regards Implementation of the EU-Ukraine Association Agreement) (the Draft) was registered in the Parliament. The Draft, submitted by the Government, aims at the transposition into the legislation of Ukraine of certain provisions of Regulation (EC) no. 1186/2009 of 16 November 2009 setting up a Community system of reliefs from customs duty (the Regulation) and of Directive 2007/74/EC of 20 December 2007 on the exemption from value added tax and excise duty of goods imported by persons travelling from third countries. Among other changes, the Draft provides for abolition of one of a few remaining incentives for RES developers, i.e. the import duty exemption for the equipment and materials for the production of alternative fuel or energy from RES, equipment operating on RES as well as materials, equipment and component parts for the production of the said equipment. The reasoning behind the abolition is that such an exemption is not stipulated by the Regulation. If the Draft becomes a law, the provisions concerning RES developers will become effective on 1 January 2016.



COMPETITION - STATE AID

EU: Commission Assesses Amended Romanian Green Certificates Scheme

by *Viktoria Chatzara (Athens)*

On 16 October 2015, a decision of the European Commission not to raise objections to the amendments Romania made to its green certificates support scheme was published in the Official Journal of the EU (case No. SA.37177). The Romanian support system for renewable energy, which was initially approved by the Commission in 2011, is based on green certificates, which are granted by the State, free of charge, to renewable electricity producers. The Romanian Law also provides for an obligation imposed on electricity suppliers to acquire a certain amount of green certificates, calculated by the Energy Regulator, or else pay a fine for each missing certificate. Electricity suppliers are not, however, burdened with the cost of the green certificates, as the Law explicitly provides that such cost is to be passed on to end consumers, by a special bill component. The recent amendments made to the scheme have, indicatively, suspended temporarily from trading until 2017-2018 a part of the certificates granted for certain technologies, exempted from the support lands used in agriculture at the end of 2013, reduced the validity of the certificates from 16 to 12 months, and limited the support only to electricity delivered to the network up to the hourly quantities indicated by the producers to the TSO. According to the Commission's assessment, the amendments have in fact tightened the criteria for granting the support and reduced the budget required for the scheme, without introducing new categories of beneficiaries or otherwise affecting the renewable energy support scheme.

In its decision, the Commission revisited the issue of whether the green certificates support scheme is based on State resources and, as such, whether it constitutes State Aid in the sense of the relevant EU Law provisions. The Commission has taken into account the fact that the Romanian State not only provides the electricity producers with green certificates for free, but it has also created a market for these certificates, by imposing an acquisition obligation on electricity suppliers, thus converting the green certificates into tradable assets and making them available to electricity producers. Moreover it is noted that, although the financial flows concerning the green certificates take place between private parties, they are constantly under the control of the Romanian State, which has established detailed rules for determining the green certificate quota and for the calculation of the special bill component financing the mandatory acquisition quota of the green certificates. Taking all the above under consideration, the Commission concluded that the Romanian renewable energy support scheme involves State resources and, as such constitutes aid within the meaning of EU Law. In this respect, the Commission examined the green certificates scheme under the Guidelines on State aid for environmental protection and energy 2014-2020 (EEAG) and found the state aid granted by this scheme to be compatible with the EEAG and, thus, with the internal market, as it aims at an objective of common interest, for the accomplishment of which state aid is needed, it respects the principle of proportionality, the distortion of competition it causes is limited, and it includes acceptable conditions under which the scheme will be open to producers from other Member-States.



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more news on Competition - State Aid:

EU: Commission Decides on Danish State Aid Scheme for Energy-Intensive Users

by *Stefania Chatzichristofi (Athens)*

On 6 November 2015, the EU Commission's decision SA.42424 (2015/N) issued on 31 August 2015 regarding a Denmark state aid scheme aiming at partially compensating energy-intensive users (EIUs) for payment of RES tariff charged on electricity consumers, was published in the EU Official Journal. The objective of the scheme is to ensure that EIUs are not affected by the RES tariff in a way that it significantly impairs their competitiveness but also to encourage their energy efficiency. The Commission acknowledged that Denmark obliges all beneficiaries to meet specific requirements including: to conclude energy efficiency agreements with the Danish Energy Agency (DEA); to implement the international standard for energy management (ISO50001); to conduct pilot projects and research of its energy consumption as well as to complete all required energy-saving projects within a payback period of less than five years. Except for certain regulated cases, there is an annual threshold of approximately 2680€ per EIU for which the aid is not paid. Furthermore, the granted aid shall not exceed 85% of the RES compensation attributed to such company. Pursuant to all criteria and requirements imposed, the Commission concluded not to raise objections since the measure would maintain the competitiveness of energy-intensive industries without unduly distorting competition in the Single Market.



Greece: Revision of Commitments of the Incumbent Gas Supplier

by *Viktoria Chatzara (Athens)*

On 26 October 2015, the Hellenic Competition Commission (HCC) accepted the amendments proposed by the Greek Public Gas Corporation (DEPA) to the commitments DEPA had submitted and HCC had accepted in 2012 in relation to DEPA's conduct in the Greek gas transmission and supply market and following the opening of an investigation against DEPA on alleged infringements of competition rules. The commitments DEPA undertook are partially revised with the present decision of HCC, with respect to the terms of the system for supply of natural gas through electronic auctions (gas release program), in order for DEPA to respond to the new regime created by the broadening of the Eligible Natural Gas Customer group and, mainly, by the participation of the three regional EPAs (Gas Supply Companies) in the annual auction. Among others, the total quantity that is to be made available through the yearly auction increases from 50% to 60%, with a simultaneous adjustment of the quantities made available through quarterly auctions. As the HCC states, this partial revision will be reviewed, in cooperation with the Regulatory Authority for Energy (RAE), after the assessment of the results that the application of the recent legislation will have on the relevant market, particularly, of Law 4336/2015, which was enacted in August 2015 incorporating the Greek State's commitments towards its creditors.



ENERGY INFRASTRUCTURE

EU: Commission Adopts List of Projects of Common Interest

by *Eleni Boutla (Athens)*

On 18 November 2015, the European Commission adopted a list of 195 key energy infrastructure projects known as Projects of Common Interest (PCIs) which aim at the integration of energy markets in Europe, the improvement of the level of integration of renewables into the grid, the diversification of energy sources and routes and the termination of the energy isolation of some Member States. The list contains 195 projects. The majority are electricity and gas projects but it also includes 7 oil and 3 smart grid projects.

The electricity PCIs selected for this list are meant to enable the EU to meet its energy policy objectives of market integration and sustainability. In Central Eastern and South Eastern Europe, the electricity PCIs shall strengthen the existing electricity grid and provide for additional transmission capacity needed for the integration of renewable energy sources. New Slovakia-Hungary, Germany-Poland, Bulgaria-Greece, and Bulgaria-Romania interconnections shall address the problem of insufficient transmission capacity. Furthermore the list contains a project on the reinforcement of the interconnection between Bulgaria and Greece, a cluster Israel-Cyprus-Greece between Hadera and Attica region (currently known as EuroAsia Interconnector) as well as a project about hydro-pumped storages in Bulgaria and Greece.



The selected gas PCIs will help end the isolation of some EU regions still disconnected from the rest of the EU's gas networks and will enable diversification of gas sources and routes. In Central Eastern and South Eastern Europe, the gas PCIs, such as LNG (Liquefied Natural Gas) terminals in Croatia (Krk) and Northern Greece shall address the limited gas source diversity of the region. Other projects, such as the Poland-Slovakia, Bulgaria-Serbia (IBS) and Greece-Bulgaria (IGB) interconnectors shall expand the existing transmission capacity and diversify gas supply. Furthermore, the list contains projects allowing gas flows from the Southern Gas Corridor and/or LNG terminals in Greece through Greece, Bulgaria, Romania, Serbia and further to Hungary, including reverse flow capability from south to north and integration of transit and transmission systems.

more news on Energy Infrastructure:

EU: Six Regional Investment Plans for Inclusion in the TYNDP 2016

by Tetyana Vyshnevskaya (Kiev)

On 9 November 2015, having considered the feedback from relevant stakeholders, the European Network of Transmission System Operators for Electricity (ENTSO-E) published a number of reports as part of its 10-year network development plan (TYNDP), including six Regional Investment Plans (RGIPs) which are meant to be included in the TYNDP 2016. The RGIPs are based on common planning studies performed across six ENTSO-E's regions: the North Sea, Continental South-East, Continental South-West, Continental Central South, Continental Central East and the Baltic Sea region, and provide an overview of regional infrastructure constraints and needs, required investments in respect of the market integration, security of supply, RES integration and interconnection targets, and proposed regional projects labelled as either TYNDP projects or projects of regional significance. As regards the Continental South East (CSE) region (comprising Bosnia & Herzegovina, Bulgaria, Croatia, Greece, Hungary, Italy, FYR of Macedonia, Montenegro, Romania, Serbia and Slovenia) the respective RGIP's finding is that, due to the sparsity of the network, the transfer capacities among CSE countries are rather limited. The volume of electricity market exchanges during the last years is rather moderate compared to the rest of Europe. This is due to the small size of the power systems comprising the area and also its peripheral location within Europe. Concerning the generation mix, thermal production has the largest share with a significant portion of lignite units as well as significant hydro capacity. Development of RES today is limited with the exception of Greece, Romania and Bulgaria. As a general conclusion, the main drivers of grid development in the CSE region are briefly summarised to be the following: increase of transfer capacities and market integration facilitation; massive RES integration, and evacuation of future conventional generation mostly in the West part of the Region.



Greece: EIB Finances Upgrading of LNG Terminal

by Dimitrios Nisanakis (Athens)

On 3 November 2015, the Hellenic Gas Transmission System Operator (DESFA) signed an agreement with the European Investment Bank (EIB) for upgrading the Liquid Natural Gas (LNG) terminal at Revythousa. By this loan agreement the second of two equal installments in the amount of 40 million Euros each is granted, the first one having been granted in June 2014, for the implementation of the second project of upgrading the LNG terminal at Revythousa with a total budget of 156,25 million Euros. Except for the funding by EIB by the above loan of 80 million Euros, 35% of this project is funded under the National Strategic Reference Framework and 15% is funded by own capitals of DESFA. The implementation of this project shall serve the target of raising the level of security of supply and enhancing further diversification of energy sources in Greece and the whole Balkan region.



ENERGY EFFICIENCY

Greece: Parliament Enacts Energy Efficiency Law transposing Directive 2012/27/EU

by Lazaros Sidiropoulos (Athens)

On 9 November 2015, Law no. 4342/2015 for the transposition of the Energy Efficiency Directive 2012/27/EU was published (OJ A 143/9.11.2015). The enactment of this law (hereinafter: the Law) came a few months after Greece was referred to the Court of Justice of the European Union by the European Commission for failure to transpose the said Directive. In line with the Directive, the Law introduces measures for the promotion of energy efficiency in both the public and the private sector and lays down rules designed to remove barriers in the energy market. The Law itself does not set an indicative national energy efficiency target for Greece; however, it lays down the criteria to be taken into account by a Ministerial Decision, which shall set such target in execution of this law.

The Law imposes rules to ensure the exemplary role of public buildings. Among others, it provides that 3% of the total area of heated and/or cooled buildings owned and occupied by the central government shall be renovated annually. In relation to public purchasing, an obligation is imposed on the central government bodies to purchase only products, services and buildings with high energy-efficiency performance, insofar as that is consistent with cost-effectiveness and other criteria, as referred to in a respective Annex to the Law. A Ministerial Decision may extend the above obligation also to other bodies of the public sector..

The Law also provides that as of 1 January 2017 an energy efficiency obligation scheme shall be set up to ensure that energy distributors and/or retail energy sales companies achieve a cumulative end-use energy savings target by 31 December 2020. More precisely, new savings must be achieved each year from 1 January 2014 to 31 December 2020 of 1,5 % of the annual energy sales to final customers by volume, averaged over the most recent three-year period prior to 1 January 2013. Moreover, energy distributors and/or retail energy sales companies need to meet as of 1 January 2016 several obligations in relation to the information provided to their customers with their bills as regards the energy costs suffered by the customers.

Further, the Greek energy regulator RAE is requested to provide incentives for grid and network operators to improve energy efficiency in infrastructure design and operation. Several provisions are also included with the aim of promotion of efficiency in heating and cooling; among others, transmission and distribution network operators are requested to guarantee the transmission and distribution of electricity from high-efficiency cogeneration, and to provide priority or guaranteed access to the grid as well as priority dispatch of such electricity.

The Law provides certain penalties for the case of non-compliance of energy distributors, retail energy sales companies and grid operators with the aforementioned obligations.

Moreover, energy audits according to minimum criteria set in a respective Annex are obligatory for enterprises that are not SMEs and must be performed by certified energy auditors within one year upon issuance of the Law and at least every four years from the date of the previous energy audit, unless these enterprises implement an energy or environmental management system which includes an energy audit on the basis of the above minimum criteria.

Also other issues, which are provided in the Directive, are regulated by the Law such as: metering of energy consumption; qualification, accreditation and certification schemes for providers of energy services and energy audits, energy managers and installers; dissemination of information and training on the available energy efficiency mechanisms and financial and legal frameworks; and measures for the promotion of the energy services market. Funding of national energy efficiency initiatives shall come from the Energy Efficiency Special Fund to be set up by means of a Presidential Decree. The revenues of this Fund shall come from several sources, including from contributions of the energy distributors and/or retail energy sales companies.



more news on Energy Efficiency:

EU: Commission Publishes Energy Efficiency Progress Report

by Eleni Boutla (Athens)

On 18 November 2015 the European Commission published a Report to the European Parliament and the Council on the assessment of the progress made by Member States towards the national energy efficiency targets for 2020 and towards the implementation of the Energy Efficiency Directive 2012/27/EU as required by Article 24 (3) of Energy Efficiency Directive 2012/27/EU. Based on the Member States' Annual Reports and the National Energy Efficiency Action Plans the report assesses the progress made towards the energy efficiency target of 20 % by 2020 as well as the implementation of the Energy Efficiency Directive, also including some recommendations for Member States. Among others, it states that the majority of Member States has improved the energy efficiency measures but regarding primary energy consumption additional efforts are required, specifically in the buildings, transport and generation sectors. Furthermore, for primary energy consumption, Austria, Belgium, France, Germany, Malta, the Netherlands, Sweden and the United Kingdom have set themselves ambitious targets for 2020 compared to Croatia, Finland, Greece and Romania who have set less ambitious targets. Regarding final energy consumption the report states that a crucial decrease was noted. Last but not least, the report states that the Commission will assess in 2016 how the energy efficiency framework can be further improved in order to achieve the 2030 energy targets.

EU: Eleven Member States Are Requested to Transpose the Energy Efficiency Directive

by Dimitrios Nisanakis (Athens)

In October 2015, the European Commission requested eleven Member States (Belgium, Bulgaria, Cyprus, the Czech Republic, Spain, Finland, Hungary, Lithuania, Luxembourg, Poland, and Portugal) to fully transpose the EU Energy Efficiency Directive (Directive 2012/27/EU). The primary goal of the Directive, which should have been transposed into national legislation by 5 June 2014, is to achieve a 20% energy savings target by 31 December 2020. To this end, certain energy efficiency obligation schemes and/or other targeted policy measures should have been implemented to drive energy efficiency improvements in households, industry buildings and transport. The Commission announced that it sent reasoned opinions to Belgium, Cyprus, the Czech Republic, Spain, Finland, Lithuania, Luxembourg and Poland, while additional reasoned opinions were sent to Bulgaria, Hungary and Portugal because certain gaps in the transposition of the Directive in their national legislation have been identified. The Commission is continuously monitoring the implementation and the transposition procedure of the Energy Efficiency Directive and intends to notify any future shortcomings. It may refer the above mentioned Member States to the Court of Justice of the EU and ask for financial penalties if they fail to comply within two months with the obligations set in the reasoned opinions of the Commission.



EU/Greece: Commission Refers Greece to CJEU regarding the Energy Performance of Buildings Directive

by Dimitrios Nisanakis (Athens)

On 19 November 2015, the European Commission decided to refer Greece to the Court of Justice of the EU (CJEU) for failing to comply with certain obligations under the Energy Performance of Buildings Directive (Directive 2010/31/EU). Under this Directive, all Member States have to set minimum energy performance requirements for buildings, in order to achieve the best combination between investments and savings, also known as 'cost-optimal levels'. The calculation of the cost optimal levels by the Member States shall help to fully exploit the energy efficiency and renewable energy potential of the national buildings stock and guide citizens on taking the right decisions for efficiency improvements, new constructions or renovations. A mechanism to calculate the cost-optimal level of energy performance requirements for new and existing buildings is established by a framework methodology that allows the comparison of energy efficiency measures, measures incorporating renewable energy sources and different combination of these measures, based on primary energy performance and costs, taking into account an estimated building lifetime. After some informal exchanges, Greece was officially reminded of its obligation to perform the necessary calculations and to submit a report to the Commission on 11 July 2014. Greece also received a reasoned opinion on 27 November 2014. To date, Greece has not still not complied with the above obligations, thus the Commission decided to refer Greece to the CJEU.

Ukraine: Government Approves Model Energy Performance Contract

by Tetyana Vyshnevska (Kiev)

On 21 October 2015, the Cabinet of Ministers of Ukraine approved a Model Energy Performance Contract (MEPC) by means of Resolution no. 845, which was issued in accordance with the Law of Ukraine no. 327-VIII of 9 April 2015 on Introduction of New Investment Opportunities, Assuring Rights and Lawful Interests of Business Entities to Carry Out Large-Scale Energy Modernisation. The approved MEPC (and 7 annexes to it) shall be applied to contractual relations between Energy Service Companies (ESCOs) and entities funded by the State or local budget concerning the reduction of energy consumption and/or relevant expenses of the latter, and thus promote the improvement of energy efficiency in public buildings. The Resolution came into force on 12 November 2015.

Croatia: Ordinance on Energy Audits in Large Companies

by Sanja Tolj Par (Zagreb)

On 11 November 2015, the Croatian Ministry of Economy adopted the Ordinance on Energy Audits in Large Companies (Official Journal, 123/2015) pursuant to Article 19, Paragraph 1 of the Energy Efficiency Act (OJ 127/2014). The Ordinance determines the manner of conducting energy audits in large companies, the conditions for issuance and revocation of authorisations for conducting energy audits in large companies, the content and the manner of keeping a register, the content of the reports on energy audits and other obligations relating to conducting energy audits in large companies. Large companies are obliged to undergo an energy audit every four years unless they have implemented an energy management system according to ISO 50001.

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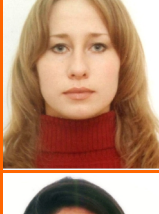


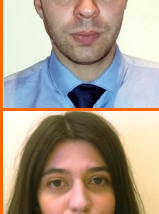
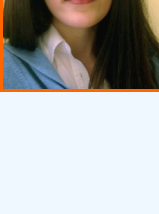
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