

The background is a dark blue image of the Earth from space, showing the continents. Overlaid on the Earth are numerous glowing blue lines that represent energy or data connections. These lines are curved and intersect, creating a network-like pattern across the globe.

Building capacity of DSOs - DSO Platform

13th Gas Forum, 20 September 2018



EU Acquis

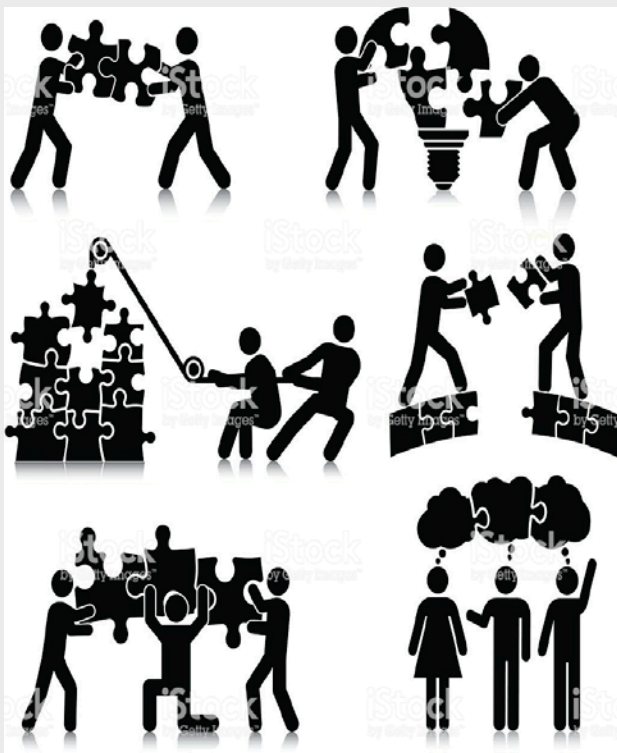


Countries

Stakeholders

DSO Coordination Platform - purpose

- *Acquis transposition and implementation monitoring – by responsible institutions* **Government / Ministry / Regulator**
- *Practical implementation – by energy market participants* **System & Market Operators, Suppliers, Customers**



ECDSO-g platform established in 2016:

To provide a deeper insight of the roles and obligations of DSO within the Third Energy Package and how these obligations can best be achieved

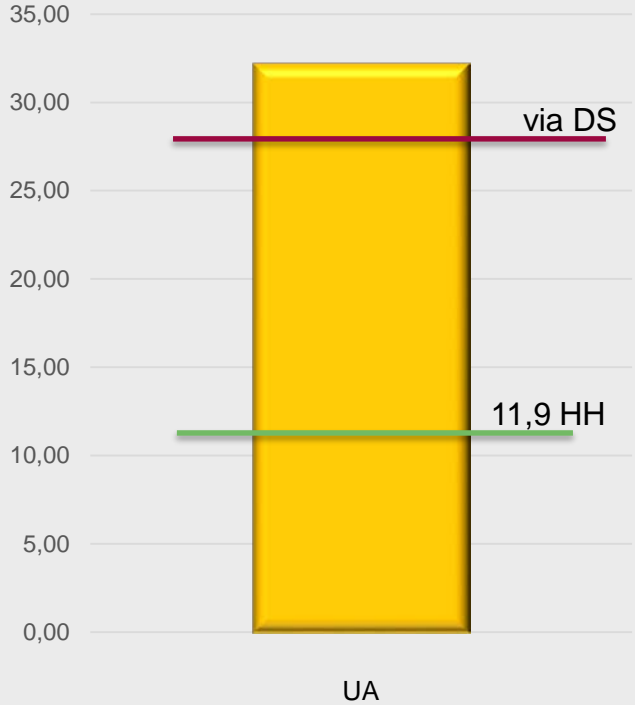
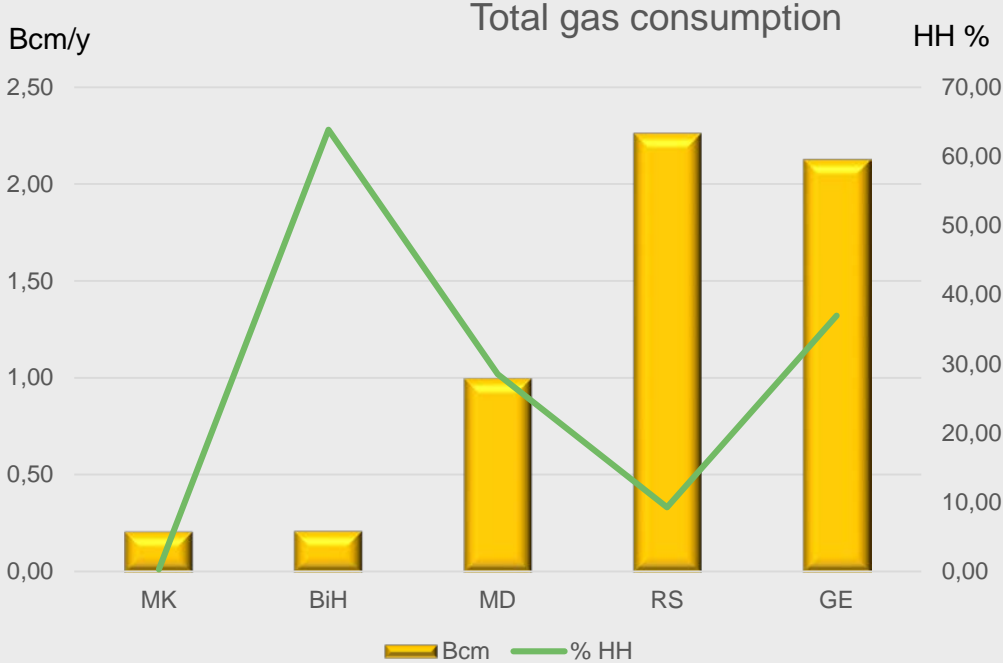
To cooperate in the areas of common interest (regulatory, technical, economics)

To reflect business interests, the platform is to define common positions of DSOs and to formulate assessments and recommendations, whenever appropriate

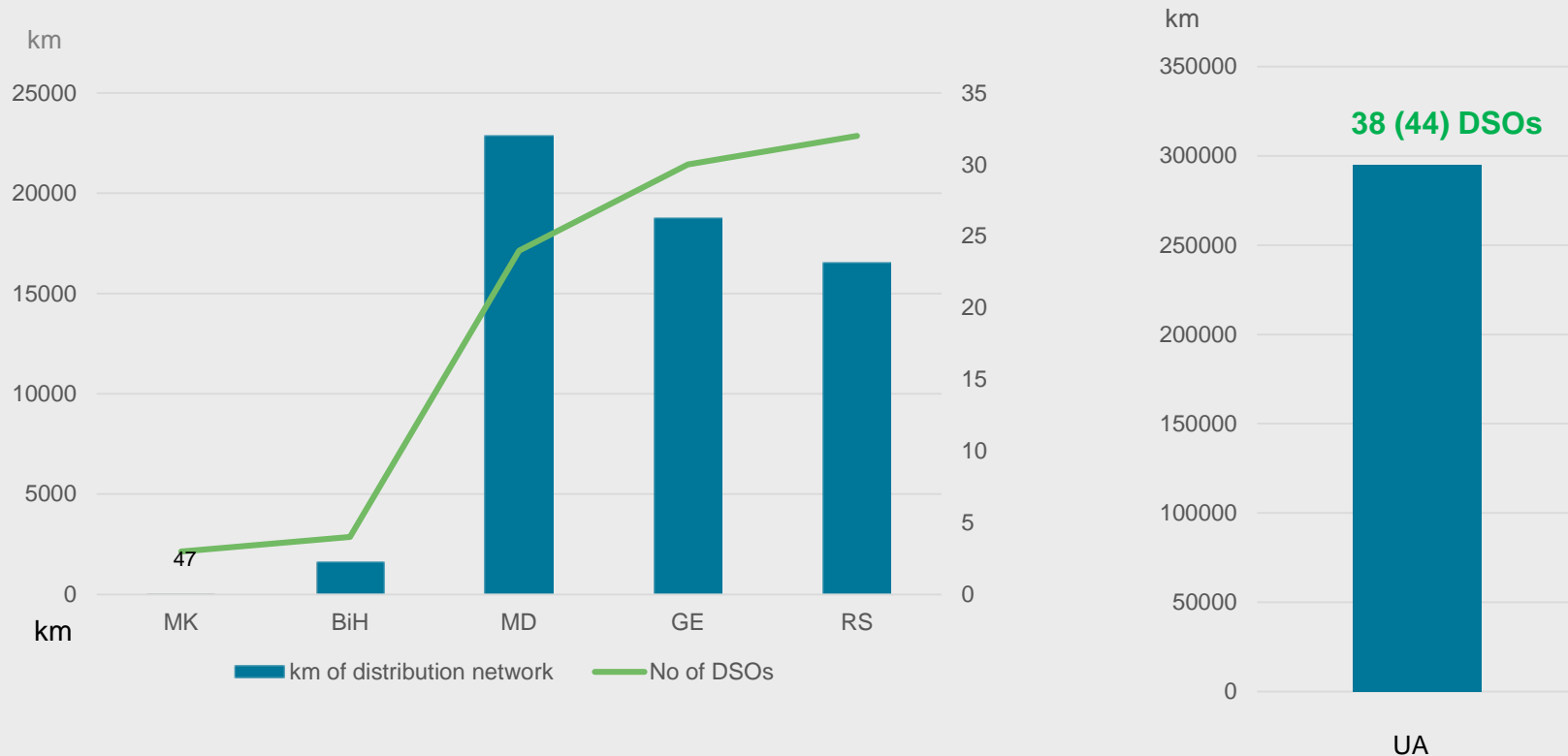
Exchange of information and benchmarking (defining priorities, lobbying, benchmarking best practices, exchange of experience, support in emergency situations)

Cooperation with relevant EU associations (EUROGAS, Marcogaz, CEN....)

Gas distribution sectors in the Contracting Parties (1)

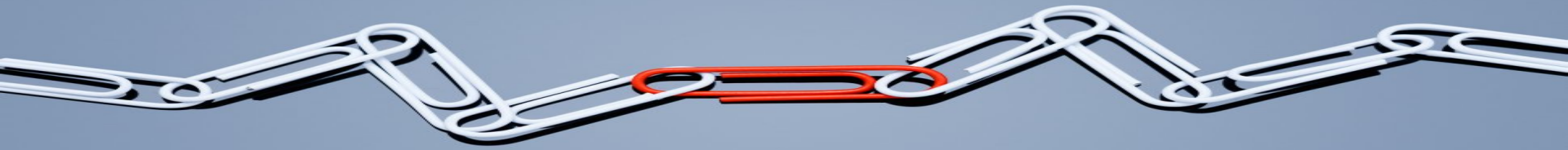


Gas distribution sectors in the Contracting Parties (2)



DSOs - Common topics

By now: 5 meetings, including with Eurogas, electricity DSOs.....



Common topics identified:

Regulatory aspects (**unbundling**, **cost reflectivity of tariffs**, **investment incentives**, treatment of losses);

Technical aspects (**metering**, **load profiles**, integration of biogas, grid connections, maintenance);

Internal economics (investment planning, cost control and accounting policies, procurement policies)

DSO unbundling obligation

Bosnia and Herzegovina
fYR of Macedonia
Serbia

< **100.000** <
connected customers

Georgia
Moldova
Ukraine

TF on unbundling
Work to be continued...

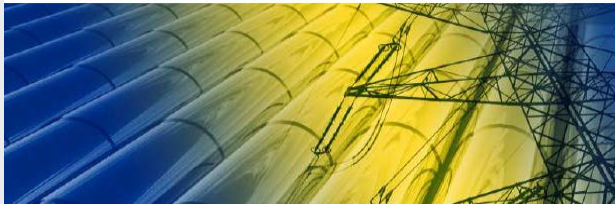


POLICY GUIDELINES

by the Energy Community Secretariat

on the distribution network tariffs

PG 02/2018 / 23 March 2018



1) **Principles:**

- Predictability
- Transparency
- Respecting the economic environment
- Regulation method

2) **Required revenues for network operation**

Fixed assets, Return on assets, Operating costs

3) **Incentive regulation**

Operational efficiency, Quality of service, Innovative incentivness, investment monitoring

4) **Cost allocation and design of network tariffs**

Allocation of network development costs, allocation of network use costs, tariff structure, tariff design/system

Measurement

BiH, RS, MK.....all customers with measurement equipment

MD....equipment installed to all customers in last decade

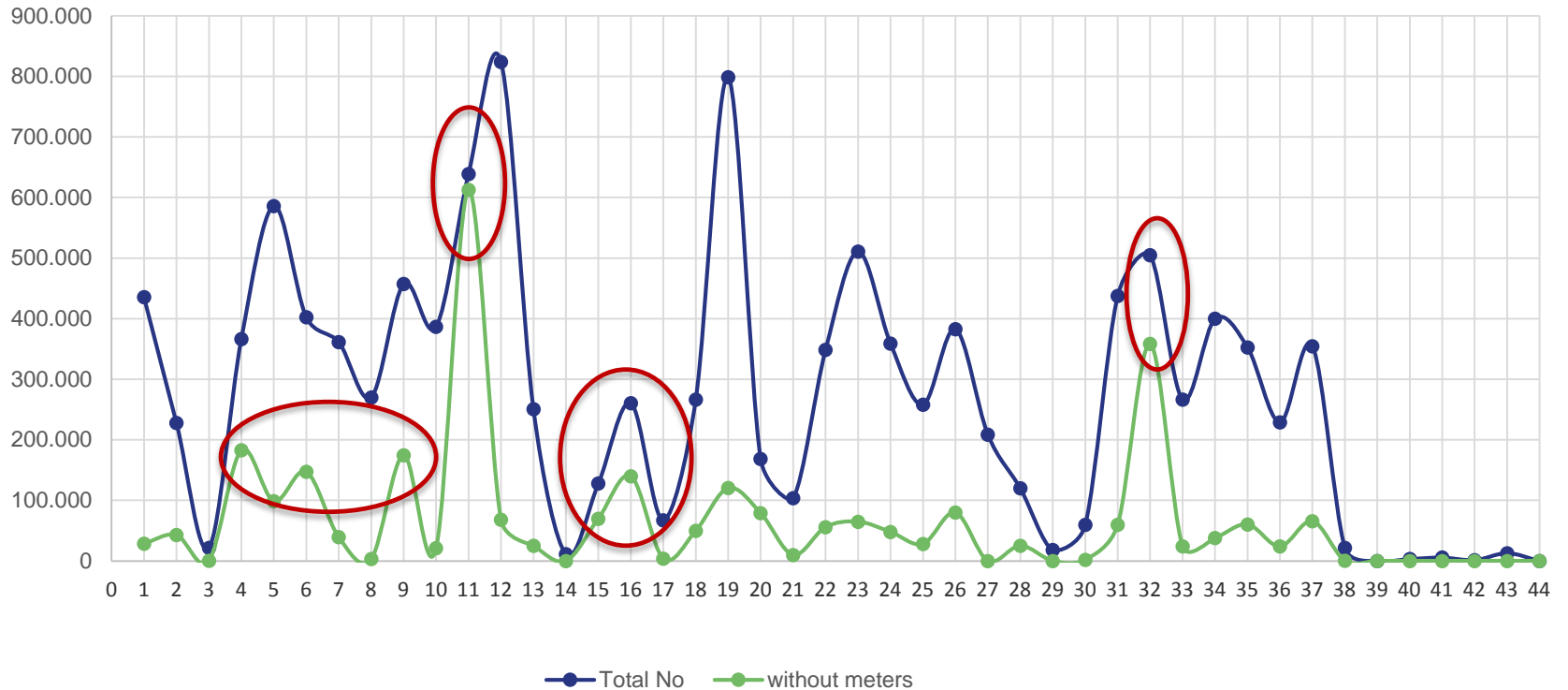
UA....24% households customers without meters (4% of delivered gas)

*Multistore buildings
Calibration
Meters' costs
Smart metering
Energy efficiency*

.....

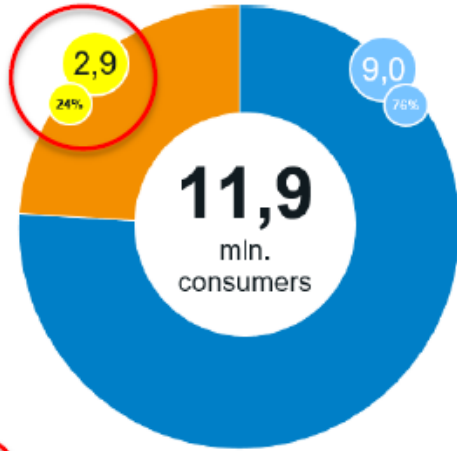


Housholds customers

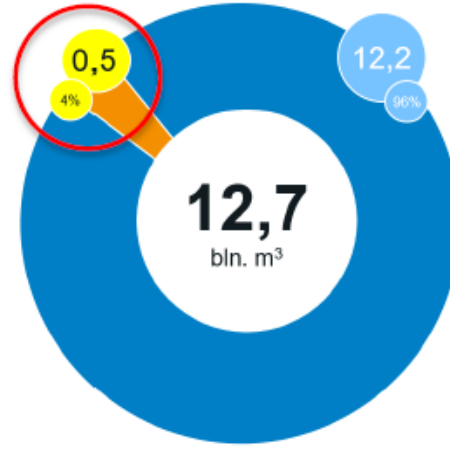


Different types of household consumers

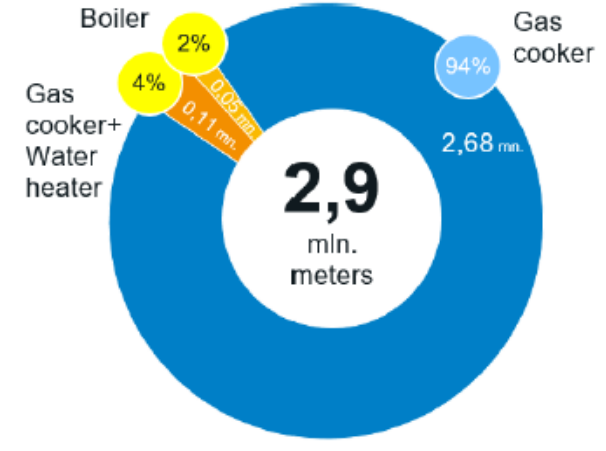
Consumer structure



Consumption structure



Non metered consumers



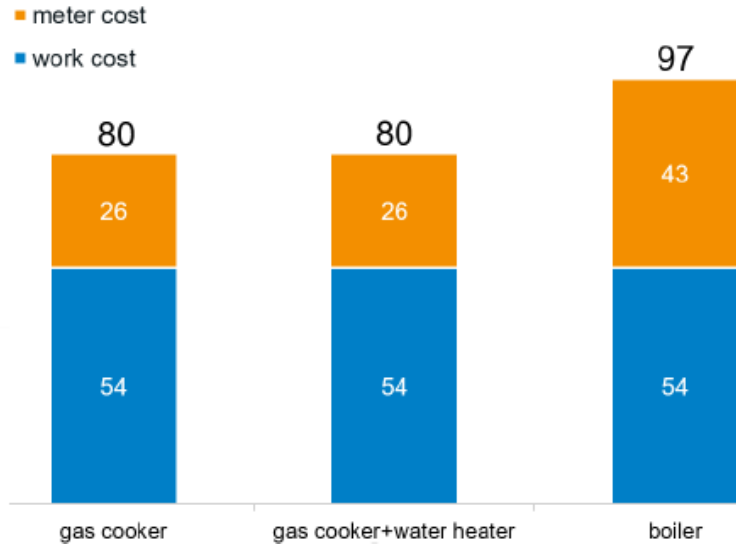
 non metered consumers (without individual gas meters)

Out of 12 mil customers in Ukraine, 11,9 mil are households

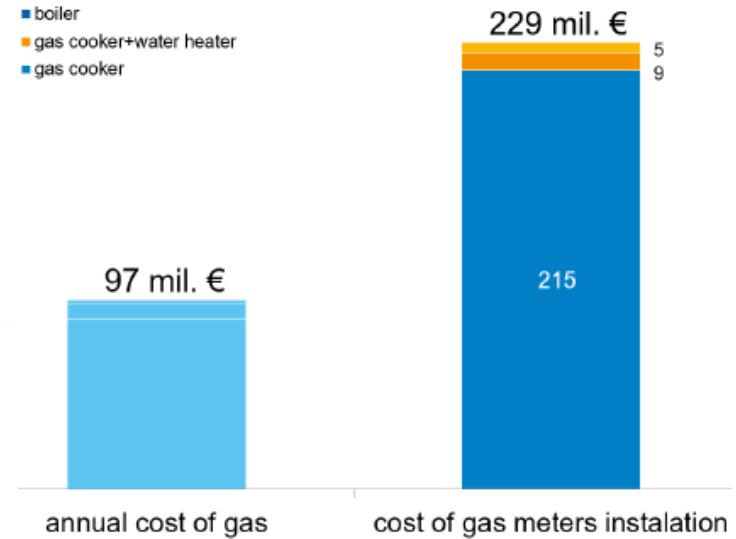
Out of 11,9 mil households customers, 2,9 mil are without individual meters

Out of 2.9 mil without individual meters, 2,7 mil using gas only for cooking, consuming 4% gas delivered to households or 2% total delivered gas

Meter installation cost



Meter installation x gas cost comparison

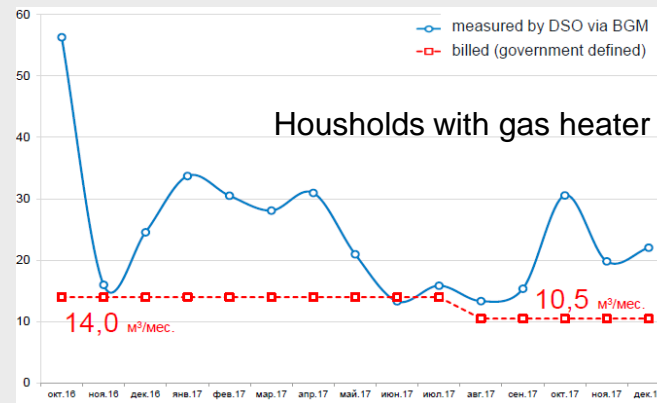
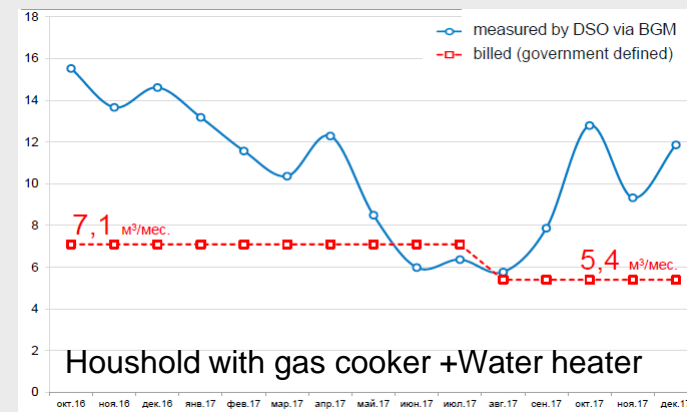
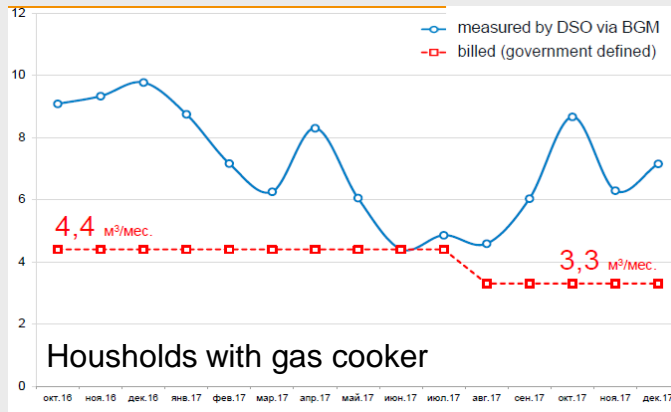


- for the analysis was used the data of the consumers who:
 - don't have installed individual gas meter and
 - are supplied with gas through so called «**Building Gas Meters**» (BGM)
- statistic is based on data from **October 2016 till December 2017**
- **3 major consumer categories** were analyzed:
 - consumers with gas cooker and **with** centralized hot water supply
 - consumers with gas cooker and **without** centralized hot water supply
 - consumers with water gas heater
- analyzed in total:

# of BGM	# of consumers measured by BGM	# of analyzed DSOs using BGM	Total gas volume distributed via BGM
9 988	511 334	18	75,5 mln. m3

* Building Gas Meters (BGM) means that one gas meter is used for more then one consumer or for whole block of flats

Consumption per 1 consumer (m³/month)



An argument for metering instalation

Consumption norms comparison

Consumer category (m ³ /month ^{**})	Ukraine			Allowed billed flat rate*						
	Allowed billed flat rate *			Moldova	Belarus	Russia - Ukrainian border regions				
	till Mar 2014	from Apr 2014	currently			Bryansk	Voronezh	Rostov	Belgorod	Kursk
with centralized hot water supply	9,8	6	3,3	10	8	11,6	12	13	15	10
without centralized hot water supply	18,3	9	5,4	20	13	16,7	15,4	21	15	11,5
water gas heater	23,6	18	10,5	38	23	27,6	24,7	29	37	27,5

* allowed billed flat rate means the maximum gas volume defined by the government, which DSO is entitled to charge monthly per each person living in the consumer's flat

** all figures in m³/month

Gas consumption allowed billed flat rates* defined by the government are currently at least twice lower in Ukraine than in comparable geographic areas around. Please note that:

- in comparable geographic areas are closed to the figures valid in Ukraine till March 2014
- and incurred gas losses are not compensated in the Ukrainian DSO tariffs

The background is a satellite-style image of the Earth at night, showing city lights. Overlaid on this is a complex network of glowing blue lines that connect various points across the globe, symbolizing a global energy or communication network.

*Thank you
for your attention!*