

# REGULATORY DEVELOPMENTS IN SERBIA

September 14, 2021 – November 30, 2021

Dejan Popović  
Council President

THE ENERGY AGENCY OF THE  
REPUBLIC OF SERBIA

**50<sup>th</sup> ECRB MEETING**  
**Webex, November 30<sup>th</sup>, 2021**

# Regulatory developments in Serbia #1

14/09/2021 – 30/11/2021

## APPROVAL OF PROPOSALS FOR ELABORATION OF TWO NATURAL GAS NETWORK CODES

On the session held on 16/09/2021, the Council of the Energy Agency of the Republic of Serbia has given their **approval** thereby confirming **Adapted Texts of Network Codes on Harmonized Natural Gas Tariffs and Network Code on Rules for Natural Gas Transmission System Balancing**.

The texts of network codes were **prepared** and harmonized by **Transmission System Operators** *Transportgas Srbija d.o.o. Novi Sad*, *Yugorosgaz-Transport d.o.o. Niš* and *Gastrans d.o.o. Novi Sad* and **in line with instructions** for their preparation which were adopted by the Agency. The texts harmonized in such a manner were submitted to the Agency for the purpose of gaining approval on the compliance with these instructions.

In line with the Energy Law, Transmission System Operators submit harmonized texts of Network Codes and the Decision of the Agency which confirm their compliance with the instructions to the Ministry of Mining and Energy and, on their grounds, the **competent ministry shall establish the final text of the Network Code Draft, which is submitted to the Government of the Republic of Serbia for adoption.**

17/09/2021

# Regulatory developments in Serbia #2

14/09/2021 – 30/11/2021

## APPROVAL OF PLAN FOR TAKING OVER OF METERING DEVICES WITHIN ELECTRICITY DISTRIBUTION SYSTEM

On the session held on 24/09/2021, the Council of the Energy Agency of the Republic of Serbia has adopted a **Decision on the approval of the Plan of the Distribution System**

**Operator „Elektrodistribucija Srbije d.o.o.“ taking over metering devices**, i.e. switching boards, connection lines, installation and equipment within the switching board and other devices in the facilities of existing customers as well as of producers within the Distribution System.

24/09/2021

The **Energy Law defines** that the given devices should be **owned** by the **Distribution System Operator until the end of 2024 at the latest**. The takeover of metering devices, switching boards and connection lines into the ownership of the Distribution System Operator should **result in better maintenance, control and replacement by a more modern equipment** in order to **increase the accuracy of their metering and reduce Electricity Losses** within the distribution system which is both in the interest of final customers and Distribution System Operators.

# Regulatory developments in Serbia #3

14/09/2021 – 30/11/2021

24/09/2021

## NEW ELECTRICITY TRANSMISSION AND DISTRIBUTION TARIFFS APPROVED

Upon a request of energy entities „*Elektromreža Srbije*“ a.d. Beograd and „*Elektrodistribucija Srbije*“ d.o.o. Beograd, on the session held on 24/09/2021, the Council of the Energy Agency of the Republic of Serbia has **approved Decisions on Electricity Transmission and Distribution System Tariffs.**

**Electricity prices** for customers entitled to **Guaranteed Supply** will **not change** due to the **modification of Tariffs.**

Decisions on Electricity Transmission and Distribution System Tariffs are published on the Agency website.

# Regulatory developments in Serbia #4

14/09/2021 – 30/11/2021

04/10/2021

## **PUBLIC HEARING ON DRAFTS OF METHODOLOGY FOR SETTING MAXIMUM PURCHASE PRICE OF ELECTRICITY AND METHODOLOGY FOR SETTING MAXIMUM FEED-IN-TARIFF FOR ELECTRICITY**

The Energy Agency of the Republic of Serbia has **prepared a Draft Drafts of Methodology for Setting Maximum Purchase Price of Electricity and of Methodology for Setting Maximum Feed-in-Tariff for Electricity** and has **organized public hearing** for them. Bearing in mind the importance of these methodologies which create the conditions for the implementation of the new law on renewable energy resources and initiation of the auctions for electricity produced from renewable sources, the **regulator invited all interested parties** to send their **comments until October 14, 2021**. These methodologies are available on the website of the Energy Agency.

# Regulatory developments in Serbia #5

14/09/2021 – 30/11/2021

11/10/2021

## **PUBLIC HEARING ON DRAFT RULES ON PREVENTION OF ABUSE IN ELECTRICITY AND NATURAL GAS MARKETS**

The Energy Agency of the Republic of Serbia has **prepared a Draft of the Rules on Prevention of Abuse in Electricity and Natural Gas Markets.**

The Draft of these Rules proposes a **more detailed regulation of the manner of monitoring transparency and abuse in those markets** (adapted REMIT rules).

This draft **proposes an introduction of participants' registration in the wholesale market** and an **obligation to publish privileged (insider) information.** The **ban of abuse** in the wholesale electricity and natural gas markets is also proposed.

All interested parties are **invited** to submit their **remarks and suggestions** to the Agency until Friday, October 22, 2021.

The draft of the Rules is available on the website of the Agency.

# Regulatory developments in Serbia #6

14/09/2021 – 30/11/2021

22/10/2021

## **OPINION ON ANNUAL COMPLIANCE PROGRAMME FOR 2020**

On the session held on October 22, 2021, the Council of the Energy Agency of the Republic of Serbia has **adopted** a grounded **Opinion on the Annual Report on Implementation of the Compliance Programme for Securing Non-Discrimination Behaviour of the Distribution System Operator for 2020**. Thereby, the legal obligation implying that the compliance officer prepares the Annual Compliance Program and submits it to the Energy Agency of the Republic of Serbia for consideration and opinion purposes is fulfilled. The adoption of the Compliance Report represents the **method of observing the implementation of the Compliance Program for Securing Non-Discrimination Behaviour of the Distribution System Operator and the Compliance of Operations of the Distribution System Operator with Provisions of the Law Regulating Transparency of the Operations of the System Operator**.

The Annual Report on Implementation of the Compliance Program of the Distribution System Operator for 2020 along with the grounded opinion of the Agency will be published on the website of the Distribution System Operator.

# Regulatory developments in Serbia #7

14/09/2021 – 30/11/2021

## **PUBLIC HEARING ON DRAFT METHODOLOGIES FOR HIGHLY EFFICIENT CO-GENERATION AND MICRO-GENERATION AND SMALL COGENERATION UNITS**

The Energy Agency of the Republic of Serbia has **prepared Drafts of Methodology for Setting Market Premium for Highly Efficient Co-generation and Methodology for Setting Feed-in Tariff for Micro-Cogeneration and Small Cogeneration Units** and invited **interested parties** to submit their **remarks** and suggestions to the Agency **by Friday, October 27, 2021**.

**22/10/2021**

The **Methodology** for Setting Market Premium for Highly Efficient Co-generation **prescribes setting annual correction of market premia, initial level of market premium and other elements** crucial for setting the level of market premium which is applied during market premia auctions.

The Methodology for Setting Feed-in Tariffs for Micro-Co-generation and Small Cogeneration Units is **applicable to power producers in micro-co-generation and small cogeneration units** in line with the Law on Energy Efficiency and Rational Use of Energy.



# Regulatory developments in Serbia #8

14/09/2021 – 30/11/2021

## **RULES ON PREVENTION OF ABUSE IN ELECTRICITY AND NATURAL GAS MARKETS**

On the session held on October 28, 2021, the Council of the Energy Agency of the Republic of Serbia has **adopted Rules on Prevention of Abuse in Electricity and Natural Gas Markets**.

These Rules **regulate in more detail the conditions for the registration of wholesale electricity and natural gas market participants – conditions for the publication of privileged information, ban on trade in privileged information, ban on market manipulation, type, content, format, method and deadlines for drafting and publication of data, data protection, professional secret, operational responsibility and obligation of a person who regulates transactions professionally.**

The Rules have been **adopted in line** with the **obligations** of the Republic of Serbia assumed by ratified international treaties and the law regulating the energy field.

The text of the Rules is available on the Agency website.

28/10/2021

# Regulatory developments in Serbia #9

14/09/2021 – 30/11/2021

28/10/2021

## **METHODOLOGY FOR SETTING MAXIMUM PURCHASE ELECTRICITY PRICE AND METHODOLOGY FOR SETTING MAXIMUM FEED-IN TARIFF FOR ELECTRICITY (all RES producers defined in RES Law) ADOPTED**

On the session held on October 28, 2021, the Council of the Energy Agency of the Republic of Serbia has **adopted Methodology for Setting Maximum Purchase Electricity Price and Methodology for Setting Maximum Feed-in Tariff for Electricity.**

The Law on Use of Renewable Energy Sources defined that the Agency adopts these methodologies. The adoption of these methodologies creates the **basis for the implementation of this Law** and for the initiation of the auctions for electricity produced from renewable energy sources.

The text of the adopted methodologies is available at the website of the Energy Agency.

# Regulatory developments in Serbia #10

14/09/2021 – 30/11/2021

## APPROVAL OF AMENDMENTS TO ELECTRICITY MARKET RULES

On the session held on October 28, 2021, the Council of the Energy Agency of the Republic of Serbia has **adopted a Decision on the approval to amendments to the Electricity Market Rules**, which were **drafted** by the **Transmission System Operator** of the Republic of Serbia *EMS JSC*.

The **basic ground** for the amendments to the Market Rules is **minimizing the risk of operation caused by irregular operations of Market Players and possible lack of financial discipline with regards to the Transmission System Operator**.

The **most significant amendments** imply the **change in risk calculation method** and thereby the **value and type of instruments for payment security**. The **possibility to calculate balancing group deviation on shorter time horizons** during a month was **introduced** and the **conditions for cancellation** or termination of the **Contract** on Balancing Responsibility are regulated in detail.

29/10/2021

# Regulatory developments in Serbia #11

14/09/2021 – 30/11/2021

04/11/2021

## **METHODOLOGY FOR SETTING MARKET PREMIUM (high efficient co-generation) AND METHODOLOGY FOR SETTING FEED-IN TARIFF (small and micro co-generation) ADOPTED**

On the session held on November 4, 2021, the Council of the Energy Agency of the Republic of Serbia has **adopted: Methodology for Setting Market Premium and Methodology for Setting Feed-in Tariff.** These methodologies **apply to power producers in highly efficient co-generation, small co-generation and micro co-generation units.**

On the session held on November 4, 2021, the Council of the Energy Agency of the Republic of Serbia has **adopted: Methodology for Setting Market Premium and Methodology for Setting Feed-in Tariff.** These methodologies **apply to power producers in highly efficient co-generation, small co-generation and micro co-generation units.**

The Law on Use of Renewable Energy Sources and Rational Use of Energy prescribed that the **Agency adopts these methodologies.** The adoption of these methodologies **creates the basis** for the **implementation of this Law** and for the initiation of the auctions for electricity produced in highly efficient co-generation and for the follow-up of allocation of feed-in tariffs for the electricity produced in small cogeneration and micro cogeneration units.

The text of the adopted methodologies is available at the website of the Energy Agency.

# Regulatory developments in Serbia #12

14/09/2021 – 30/11/2021

25/11/2021

## **DECISION ON SETTING MAXIMUM REPURCHASE PRICE FOR AUCTIONS FOR ELECTRICITY FROM WIND POWER PLANTS**

On the session held on November 25, 2021, pursuant to **methodologies**, which were adopted, and to the **Decree of the Government of the Republic of Serbia on the quota in the market premium system for wind power plants**, the Council of the Energy Agency of the Republic of Serbia has **adopted a Decision on setting maximum repurchase price for auctions for electricity in wind power plants.**

**Maximum repurchase price** of electricity produced in wind power plants with **approved capacity higher than 3 MW** amounts to **5.57 €/kWh.**

***Thank you!***

**Contact:**

**Dejan Popović**

**Energy Agency of the Republic of Serbia**

**Terazije 5 / V, 11000 Belgrade**

**Tel: + 381 11 6350130; Fax: + 381 11 6350180**

**e-mail: [dejan.popovic@aers.rs](mailto:dejan.popovic@aers.rs)**

**URL: [www.aers.rs](http://www.aers.rs)**