

# Strategic Documents for Power Engineering and their Impacts on Regulatory Authority in the Czech Republic

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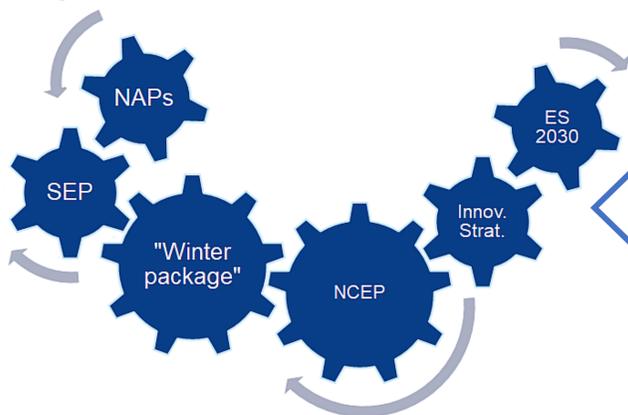
## BACKGROUND

There is a significant change in definitions of targets to meet. Governments and international fellowships conduct activities to strengthen technological development. They become a relevant part of nations' policies, while shaping the future of power engineering. The amount of such documents brings on a discussion on their **cohesion** and **impacts on stakeholders**.

Technical development has brought many challenges/possibilities in the power sector. Stakeholders need assurance of investments and financial planning. An unified approach with centrally defined goals is a must. The comprehensive content of the documents is also required so the obliged parties (incl. **NRAs**) can successfully implement the measures.

## OUTCOMES

- Documents sometimes contain completely or partially contradictory measures. All documents regard energy engineering trends and strategy goals.
- Regulatory involvement is relevant in detailed documents, where the regulator is directly addressed and his role is presented.
- In the superior documents, role of regulator is not explicit, but it aims at shifts in power engineering, in which the regulator activities are affected.
- NRAs as an independent regulating bodies should be included in all strategic negotiations.



## RECOMMENDATIONS

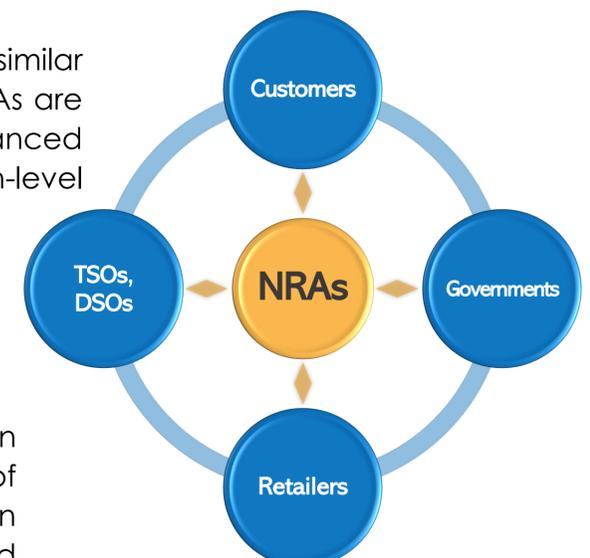
- An unified approach must be set and goals and trends must be defined centrally for successful and efficient actions.
- These premises are applicable only with the open discussion between interested parties.
- All of the interested parties should be included in the negotiations about mandatory goals (especially with governments and legislature makers).
- Regulatory authorities should participate as the only party maintaining balance.

## METHODOLOGY

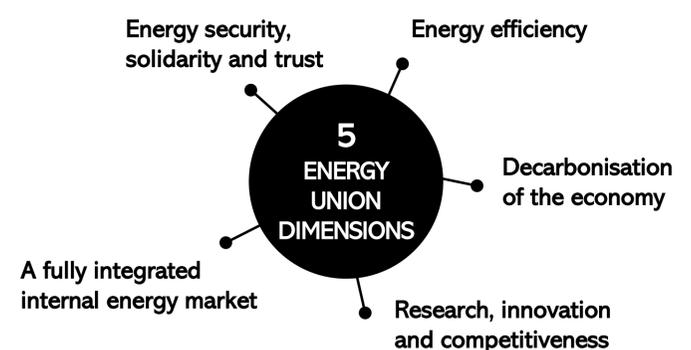
We observed and analyzed the most relevant high-level strategic documents with relevance to power engineering and sector's stakeholders (TSOs, DSOs, consumers, prosumers, retailers) with effects to regulatory actions. The key analyzed documents have been:

- **Clean Energy for All Europeans**, aka "Winter package" – a set of directives and regulations for transition into carbon-neutral economy. **Large regulator's inclusion** to implement into legislation.
- **State Energy Policy (SEP)** – key strategic document for power engineering, currently overcome by the NCEP.
- **National Action Plans (NAPs)** – large burdening obligation onto regulated subjects and utilities.
- **National Climate and Energy Plan (NCEP)** – setting the energy policy for until 2050, created to established a plan to meet Paris Agreements.
- **The Innovation Strategy of Czech Republic (IS)** – The key framework for the national R&D policy until 2030, most relevant in pillars *Digitalization* and *Mobility*.
- **The Economical Strategy Until 2030 (ES 2030)** – currently under creation, supposed to set a framework for SMEs and large enterprises.

All documents aim at the similar stakeholders, but only NRAs are responsible for the balanced and sustainable high-level functioning of the sector.



The European Commission introduced the 5 pillars of Energy Union. A modern national regulator should be enrolled with active participation in each pillar.



## Reference Materials

- European Commission: Clean Energy for All Europeans, ISBN: 978-92-79-99835-5
- Ministry of Industry and Trade website, Czech Republic. Online at: <https://mpo.cz/en/>
- Energy Regulatory Office's Internal Analyses, 2019

## Keywords

Strategy, action plan, regulation, energy policy

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