

Latest updates related to customer protection

Roundtable Discussion

Please keep your presentation within 5-7 minutes!

- Changes in the Regulatory Authority
- Updates related to customer issues
 - ✓ Legislation
 - ✓ Recent Developments
 - ✓ Expected Developments
 - ✓ Significant Energy News

ERE updates on latest energy news related to customer protection.



- **Changes in the Regulatory Framework**

Approval of the new law on Renewable Energy Sources (Law nr.24, date 23.03.2023)- **New Concepts**

- The purpose of this law is to promote the increase in the use of energy from renewable sources to ensure a sustainable development of this sector, to promote the development of renewable electricity and its regional integration, as well as to facilitate the participation of electricity from renewable resources; to increase the diversification of energy sources and the security of energy supply in the Republic of Albania; promote the development of rural and isolated areas by improving their energy supply.
- **ERE has undertaken several awareness campaigns on social networks targeting the reduction of energy consumption through its efficient use**

ERE representative taking part of the interinstitutional WorkingGroup for the adoption of the Consumer National Strategy , draft expected to be approved by the Al Gov within January 2024

ERE updates on latest energy news related to customer protection.



- **According to the Decision of Councils of Ministers No. 456, dated 29.6.2022**

- ❖ The public generation company (**KESH**) is obliged to sell **the entire quantity of energy** produced to the universal service provider. (*KESH supplies about 70-75% of the electricity demand of regulated customers*)
- ❖ The public generation company has been obligated to sell the produced energy for the universal service provider for the cost of *circa 2 cents per KW*
- ❖ With the latest changes according to the decision of the Albanian government no. 449 dated 26.07.2023, the deadlines for the **energy emergency period** have been **postponed until December 31, 2023**
- For this entire period, the same rules/conditions established in the decision of the Albanian government no. 584, dated 08.10.2021 For declaring a state of emergency in the supply of electricity in order to protect the end consumer from unforeseen fluctuations in the price of electricity

- **Supporting Schemes**

- State Financial support at 70% of the cost, for placing solar panels on the terraces of buildings for water heating. The government has launched a project that will help citizens to change the form of energy supply. The project concerns the installation of solar panels for 2,000 families, which will be supported by financing 70% of the cost of purchasing and installing solar panels.
- Plan of measures to reduce consumption (up to 15%) by state institutions, contrary there will be penalties imposed.
- Increase of the amount of electricity bill compensation for Vulnerable consumers

❖ **Revision of the Law**

Reflection on a possible revision of the law is underway within the energy sector to identify possible adjustments to the law 02-01 on electricity and gas distribution through pipelines.

The possible adjustments will be based on the diagnosis of the implementation state of the law and will aim in particular to ensure a more effective development of renewable energies by integrating the new concerns in this field including consumer related issues.

by **Mohammed Bourihane, Mohamed Amine Namane**
Electricity and Gas Regulatory Commission (CREG), **Algeria**

❖ **Performance improvement plans**

❑ Elaboration of new plans

➤ During This year, CREG has led the process of fixing new KPIs, that will be monitored in the next performance improvement commitment plans 2024-2028.

➤ CREG has ensured that the selected KPIs accurately reflect distributor performance and support distributors in their efforts to continuously improve service quality and protect customer interests.

❑ Public service monitoring

❑ Adaptation of the web platform used to monitor distributor performance

❑ Conducting continuous audit as a new type of audit

❖ **New model for requesting electricity and gas energy**

Publication of the new model for requesting electricity and gas energy from customers supplied with low voltage “LV” and low pressure “LP”

- The new model is unique for both electric and gas energy.
- The completed and signed supply application form, accompanied by the signed general conditions, constitutes a contract. This contract governs the connection and energy supply relationship between the applicant/customer and the distributor.

❖ **Approval of a standard contract models for supply and connection high voltage type « A » and medium pressure customers.**

❖ **Implementation of a conciliation service**

Establishment of a conciliation service aims to address and resolve conflicts associated with network access, tariffs, and operator remuneration. This service plays a vital role in facilitating the settlement of disputes pertaining to these matters.

❖ **Awareness campaign against the dangers of carbon monoxide**

An awareness campaign on the dangers of misuse of natural gas was launched . The campaign specifically focuses on the risks of carbon monoxide asphyxiation and explosions caused by gas leaks.

Possible New Topics

The public service of electricity and gas distribution aims to provide a reliable, safe, and affordable energy supply to the entire population.

This often involves meeting the energy needs of citizens belonging to specific categories, such as low income households, vulnerable individuals, or disadvantaged regions.

Based on this and on the experiences of other countries CREG is looking to:

At first, identify and define costumers of specific categories;

Once the customers are identified, the second step is to establish mechanisms of aid and support tailored to their requirements.



Recent Developments

1. Electricity market liberalization

From 1 February, 2022, the electricity wholesale and retail markets switched from a fully regulated model to a new, more liberal model. Components of a competitive market are aimed at:

- Ensuring the entry of new participants in the electricity market on competitive terms,
- Enabling consumers to choose another electricity supplier or as a eligible consumer to independently purchase electricity from the wholesale market,
- Promoting electricity trade with other countries.

To ensure the smooth implementation of market liberalization reforms, following the fundamental principle of protecting the interest of domestic market consumers, the Commission has established transitional regulations for the first year of market operation. The Commission has set mandatory market entry deadlines for consumers, depending on their voltage level and annual consumption. 2024, 23% of the electricity consumed by consumers is expected to be purchased in the competitive sector of the electricity market.

Recent Developments



3. Autonomous energy production

Autonomous energy producer is- a consumer who produces electricity for his own needs using renewable energy resources, has signed an electricity flow contract with the guaranteed supplier and is not a person with a production license for the given autonomous power generation installation.

The Law on Energy has been supplemented with new regulations related to autonomous energy production. In particular:

- ✓ The relations of the organization of autonomous energy production, accounting and compensation of electricity flows were thoroughly revised,
- ✓ New limits of the installed capacity of autonomous energy producer installations were defined,
- ✓ The creation of an autonomous group consisting of different autonomous energy producers and consumers
- ✓ The ability to generate electricity at one or more points and consume it at the same or different points by the same autonomous energy producer.

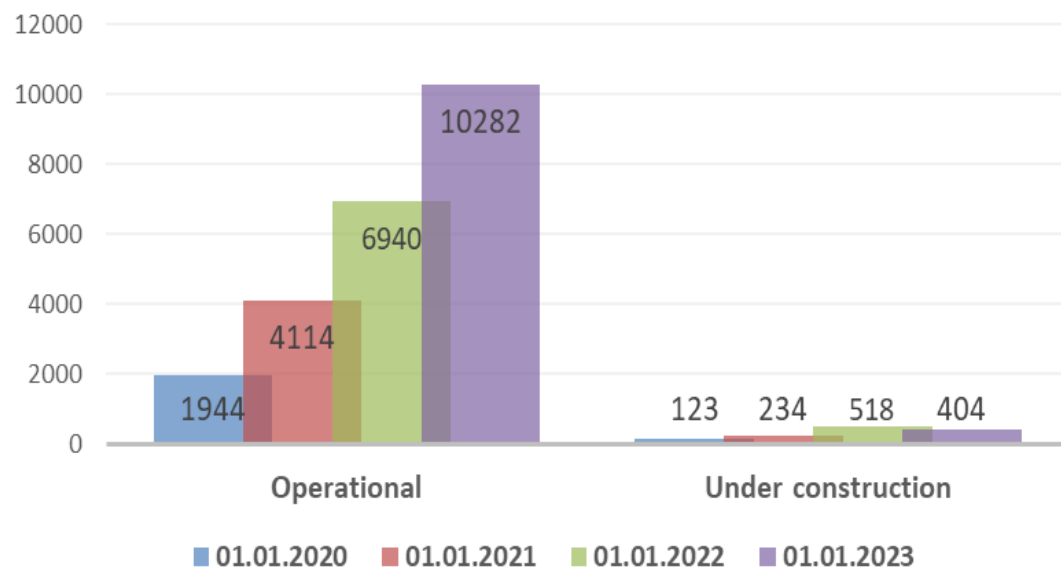
As of September 1, 2023,

- ✓ more than 14,500 autonomous energy producers have joined the system, the total capacities of which systems are about 244 MW.
- ✓ more than 320 consumers are in the process of being connected to the system, whose total capacity will be 11MW.
- ✓ more than 120 autonomous group (for each group- the total installed capacity can not exceed 1050 kW).

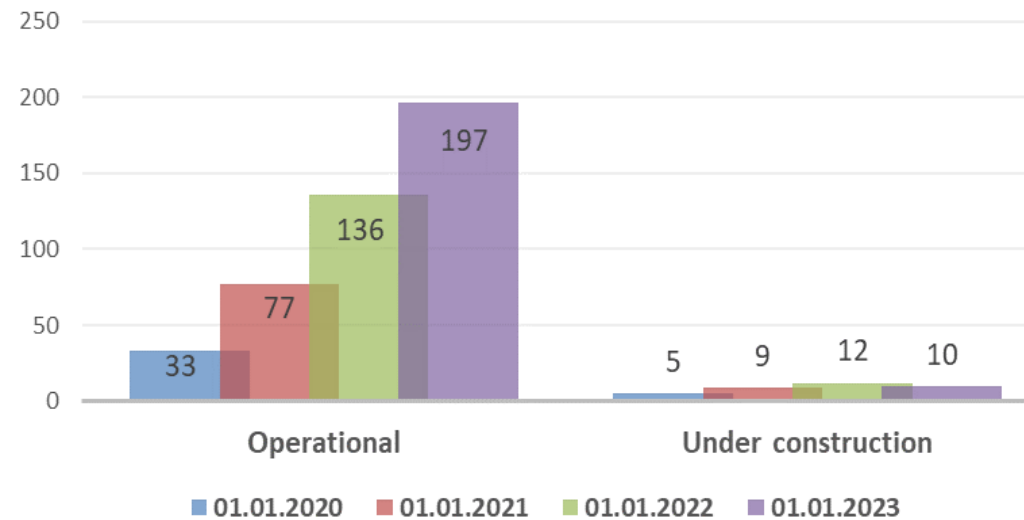


Recent Developments

Autonomous producers, quantity



Autonomous production, capacity (MW)





Recent Developments

Amendments in the Law on Energy- came into force on May 1, 2022. In result, the wholesale and retail market rules of the electricity market have been updated.

The amendments introduced two major reforms regarding autonomous solar power plants, namely:

- ✓ No electric energy distribution service fee will be charged for the autonomous energy producer, in case of an autonomous group for the group members in case of autonomous energy production in the same residential or public purpose building or in a complex of building units located at the same address, if all participants of the group are autonomous energy producers or consumers of the same building or complex of building units located at the same, address. This reform will enable the development of autonomous energy production using solar energy on the roofs of apartment buildings.
- ✓ A second method of accounting and distributing of the amounts of electric energy produced and consumed in the autonomous group was introduced, by which it is planned to distribute among the other participants of the autonomous group only the positive difference between the amounts of electricity produced and consumed by the autonomous energy producers of the group. It will enable to ensure a more flexible procedure for distributing the amounts of electric energy produced in the group among other participants of the group and will allow the involvement of a larger group in autonomous groups number of autonomous energy producers.



Recent Developments

The amendments have been taken into account in the Rules of Natural Gas Supply and Consumption, that came into force on April 1, 2023.

According to amendments, the new form of the natural gas supply contract have already entered into force.

An opportunity has been created for consumers to sign a natural gas supply contract electronically without going to service office.

The supplier is obliged to create an electronic platform, where consumers will have the opportunity to access a number of information, including the monthly costs of natural gas, payments, penalties paid by the supplier.



Significant Energy News

Renewable energy

One of the main priorities for the development of the energy sector is the maximum use of the potential of renewable energy. The creation of new capacities with the use of renewable energy resources aimed at increasing the level of energy independence in Armenia and the introduction of relevant legal and economic mechanisms are always at the core of the activities of the RA Government and the RA Public Services Regulatory Commission.

According to Armenia's energy strategy (till 2040), the Government intends to have at least 15% (or 1.8 billion kWh) of annual total electricity production from solar power plants by 2030. For this purpose, it is planned to build solar plants with a capacity of about 1000 MW, including autonomous energy production plants. As of September 1, 2023 the share of energy produced by renewable energy plants in the total production is $\approx 30\%$, and share of the energy produced by solar power plant` 5%.

As of September 1, 2023 received an electricity production license.

- 1) 12 solar power plants with a capacity of up to 1 MW are in operation
- 2) 49 solar power plants with a capacity of up to 5 MW - are in operation

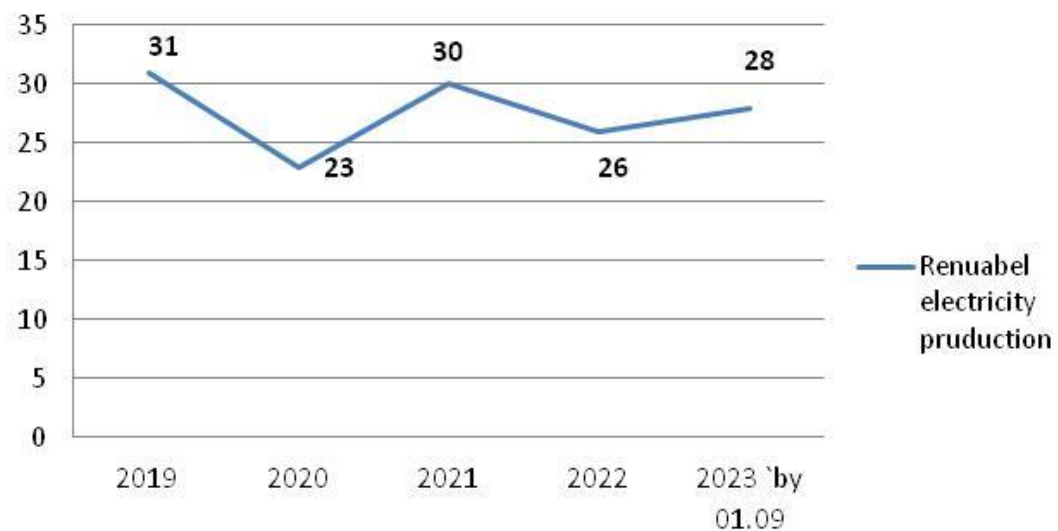
In the framework of 15 MW limit for Community Non Profit Organizations ` up to 1MW-1 solar power plan (license is given for 600 kW plant) is in operation.

29 licenses for the production of electricity in the solar power plant with a total capacity of 158 MW were issued without an electricity purchase guarantee .

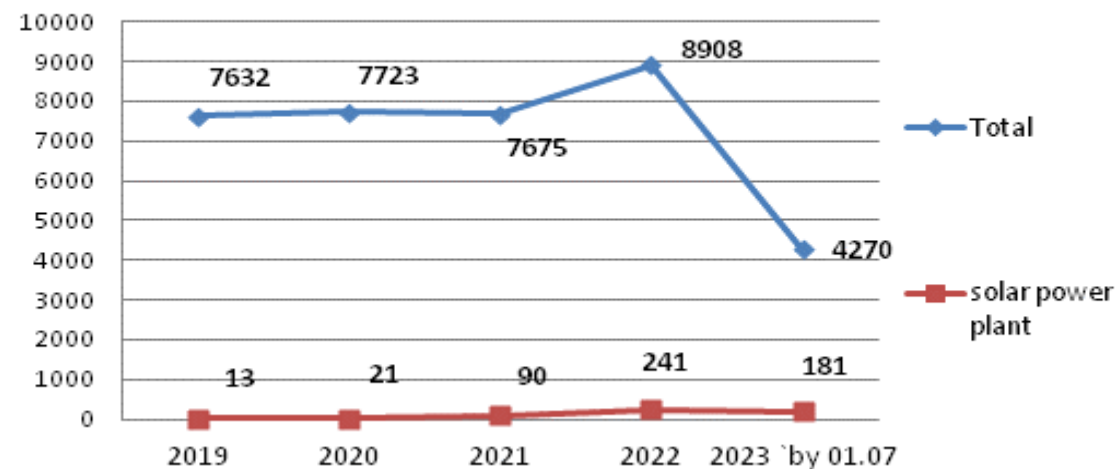


Significant Energy News

Renuebel electricity production (in total, %)



Electricity production (million kWh)



Expected Developments



- As a result of measures aimed at the development of renewable energy, it is planned to increase the share of electricity produced by small hydropower plants and other renewable energy resources in the total production to 17%.
- As part of the strategic programs approved by Government Decision aimed at developing the energy sector in the Republic of Armenia, and in accordance with the planned schedule for implementation of these programs, it is anticipated that the Ministry of Territorial Administration and Infrastructures of RA, in collaboration with the Public Services Regulatory Commission of RA, will develop a new Law on Electricity for Armenia in 2024. This new Law aims to address the challenges that have arisen in the current electric power market model and develop the trading mechanism by incorporating the best international practices.
- According to above mentioned planned schedule news Laws on “Gas Supply” and on “Heat Supply” will be developed in 2024, in which the Commission will also participate, and in the future, will start developing the necessary legal acts or amending the existing acts based on the said laws.

Federation of Bosnia and Herzegovina (FBiH) adopted a set of 3 energy laws. The new Law on Energy and Regulation of Energy Activities in the Federation of Bosnia and Herzegovina and the new Law on Electricity in the Federation of Bosnia and Herzegovina have entered into force on 17 August, 2023. The new Law on Usage of Renewable Resources and Efficient Cogeneration entered into force on October 25, 2023.

These reform energy laws aimed to harmonize domestic energy legislation with the European Union and Energy Community acquis.

1. **Law on Energy and Regulation of Energy Activities in the FBiH** regulates the manner of determining and implementing energy policy and development planning, as well as the commitment to use renewable energy sources and achieving energy efficiency, and the organization and functioning of the regulatory body.

2. Law on Use of Renewable sources and Efficient Cogeneration in FBiH promote and regulate the production of electricity and heating and cooling energy from renewable sources and efficient cogeneration, as well as the use of renewable sources and efficient cogeneration in transport for consumption on the domestic market and to increase the share in total energy consumption, and to ensure the development of incentive measures, regulatory framework and technical infrastructure for renewable sources and efficient cogeneration.

3. Law on Electricity in the FBiH regulates, inter alia, the construction of power plants; the production, distribution, supply and trade of electricity; electric power activity and license for performing; the rights and obligations of all participants in the market.

The new law further simplifies administrative procedures for the construction and operation of renewable energy facilities, primarily solar power plants and wind power plants, by introducing, inter alia an exemption from the obligation to obtain an energy permit for renewable energy facilities (except hydroelectric power plants) with an installed capacity lower than 1 MW.

The position and rights of end customers are improved in comparison to the current legal framework, adequate mechanisms for protection of rights and dispute resolution are secured

with a clear role of the Regulatory Commission for Energy in the FBiH.

As it was the case in the old Law on Electricity in the Federation of Bosnia and Herzegovina same in the new Law on Electricity in the Federation of Bosnia and Herzegovina (Official Gazette of the Federation of BiH 60/23), FERK retained the competences related to customer protection so customer that was denied access to the network or is dissatisfied with the access conditions may appeal to the Regulatory Commission.

But the new Law on Electricity in the FBiH also define new competencies regarding customer protection. According to new competencies the Regulatory Commission is competent to, at the request of the customer resolves disputes related to handling or failure to fulfill the obligations of the distribution system operator or electricity supplier in accordance with Law on Electricity in the FBiH, the law governing the field of energy and regulation of energy activities.

The Law on Electricity in the FBiH has given new competencies to Regulatory Commission for Energy in FBiH – FERK regarding customer protection, but these issues will be detailly addressed in the bylaws that are in preparation and through legal practice.

ERO, Czech Republic

- 2 ongoing Energy Act amendments
 - Energy sharing, energy communities, vulnerable customer (in Parliament)
 - Supplier hedging, stricter conditions for license, enhanced consumer protection addressing new phenomena and market participants, dynamic contracts and prices, aggregation, electricity storage and more (in inter-ministerial consultation procedure)
- End of price caps as of December 2023 (many households already have even lower prices)
- Higher regulated costs (inflation rate, end of state subsidies)
- Information campaign „Aktivně na energii“ <https://www.ero.cz/aktivne-na-energie>
- Slow, but steady process of smart meter roll-out
- Frequent consumer complaints
 - Automatic prolongation of supply contracts for definite period, (illegal) unilateral increase of price for energy supply
 - No communication from the supplier's side, late final billing and no refund of overpayments
 - Unwanted supplier change due to mergers/acquisitions

The New Electricity Package

- In December 2022, the Energy Community Ministerial Council adopted a new electricity package and the Decision 2022/03/IMC;
- Member states, including Georgia, were instructed to transpose the requirements of the updated Renewable Energy Directive (Directive (EU) 2018/2001) into national legislation.

Georgia's Role and Obligations Towards Transposition – Draft Amendment to the Law



- For the transposition purposes, the Ministry of Economy and Sustainable Development of Georgia prepared a draft amendment to the Law of Georgia on Promoting the Generation and Consumption of Energy from Renewable Sources;
- The Commission and the Ministry of Economy work closely together during the review of the draft law.



Consumer Categories Under the Draft Law

- Renewables Self-Consumers/Prosumers;
- Jointly Acting Renewables Self-Consumers/Prosumers;
- Renewable Energy Communities.



Renewables Self-Consumers/Prosumers

Final customers operating within their premises, either within confined boundaries or, where permitted by the Republic of Georgia, within other premises. They generate renewable electricity for their own consumption and may store or sell self-generated renewable electricity. For non-household renewables self-consumers, these activities should not constitute their primary commercial or professional activity.

Jointly Acting Renewables Self Consumers/ Prosumers



This category includes a group of at least two jointly acting renewables self-consumers who are located in the same building or multi-apartment block.

Renewable Energy Communities

Final customers, particularly household customers, have the right to participate in a renewable energy community without losing their rights or obligations as final customers. They should not be subject to unjustified or discriminatory conditions or procedures preventing their participation in a renewable energy community. For private undertakings, participation should not constitute their primary commercial or professional activity.



Importance of Consumer Protection

These provisions are crucial for ensuring consumer protection and maintaining a fair and transparent energy market. These amendments require a regulatory impact assessment and are expected to be adopted by the end of the current year. It is important for consumers in Georgia to stay informed about these developments and actively participate in the consultation and review processes to ensure that their interests and rights are adequately represented in the evolving energy policies and regulations.

Consumer Participation and Awareness

- Encouraging Consumer Participation in Consultation and Review Processes;
- Staying Informed: How Consumers Can Stay Updated;
- Importance of Active Participation in Shaping Energy Policies.

Regulatory Impact Assessment

- These amendments require a regulatory impact assessment;
- Expected adoption timeline is by the end of the current year.

Conclusion

- The Crucial Role of Consumers in Shaping Georgia's Energy Policies;
- Empowering Consumers for a Sustainable Energy Future.

Legislative changes in effect since 01.09.2023 regarding consumer protection



Statute of limitations: The special statute of limitations in the energy sector (3 years) was repealed and now the general 5 year period set in civil law applies.



The conclusion of contracts in universal supply (US) was simplified and accelerated: The contract can be concluded based on the public offer (which is standard offer) of the USP, no need to send individual offers in case of US.



Possible holidays at the consumer service: Suppliers and DSOs serving consumers eligible for US can have 3 days annually on which **the customer service in person** can be suspended. This must be reported to the NRA and published on their websites and customer service points 30 days before.

Legislative changes in effect since 01.09.2023 regarding consumer protection



Extension of ways of information: Beside the traditional methods (on webpages and customer service points) the USPs and DSOs shall inform the consumers about the changes in their commercial codes (standard service agreements) by a short summary of the key elements via e-mails and applications within 30 days. In case of websites and customer service points the information about the changes must be available for at least 3 months.



The rules for the registration of vulnerable consumers were simplified: So far the vulnerable consumers had to inform licencees (DSOs) till the 31st March each year about their vulnerable status. Since 01.09.2023 the authority establishing the vulnerable status (e.g. healthcare authority, social services) sends automatically the data regarding the eligible status to the licencees.



Representative actions for the protection of the collective interests of consumers: The Directive 202/1828/EU on representative actions for the protection of the collective interests of consumers was transposed, enabling MEKH to initiate lawsuits against infringements by traders of the provisions of Union law referred to in Annex I (e. g. unfair terms, distance marketing, unfair commercial practices, etc.).

Updates related to customer issues

- The PUC is working hard **to empower customers to use their rights effectively and get the most out of the market**. PUC publishes:
- a quarterly review of the electricity market;
 - twice a year a review of the natural gas market;
 - once a year, a review of customers complaints received in the energy sector;
 - occasional press releases (e.g. a call to consider whether it is more profitable to break fixed-price electricity contracts and switch to variable-price contracts, or a call to take advantage of the open market for natural gas and to choose the best natural gas price offer).

Updates related to customer issues – electricity

➤ **Decisions on new tariffs for electricity transmission and distribution services**

- Significant electricity transmission and distribution tariff increases related to the increase in electricity prices on the power exchange, as well as general increase in prices and the fall in electricity consumption in Latvia due to geopolitical and social conditions.

- Draft amendments to the Electricity Market Law - provides for transitional provisions for household customers regarding fixed part of the electricity distribution tariff.

- Customers are invited to evaluate their electricity consumption habits and the efficiency of their connection at the same time, by giving up unnecessarily used connection capacity.

➤ **Draft Law on Energy Supply Cost Support**

- support for electricity and heat, for natural gas and electricity used for heating, for certain types of fuel;

- for specific groups of low- and middle-income households;

- applied only in situations where an extreme increase in energy prices on the market is detected.

➤ **Draft amendments to the Electricity Market Law** - the definition of an active user is to be amended to limit the amount of electricity an active user will be allowed to sell to an electricity trader.

Updates related to customer issues – natural gas



- **Decision on new tariff for natural gas transmission services** - the impact on customers' final bills will be minimal.

- **The natural gas market continues to develop:**
 - since May this year, all natural gas users, including households, have the right to freely choose their natural gas trader;
 - currently, three traders offer the service to households;
 - according to data collected by the PUC, 5.49% or 20 151 of all households had changed their natural gas trader in the first 9 months of this year;
 - there is a tendency to use variable natural gas price contracts for consumers with high-consumption, while consumers with low-consumption, including households, mainly use fixed natural gas price contracts.

Changes in the Regulatory Authority



- From 6th of March, 2023 the name of the Market Development and Monitoring Division of the Gas and Electricity Department was changed to Wholesale Market Division.
- On September, 2023 NERC Labor Council was elected.
- From the spring, 2023 the NERC structure improvement project is ongoing:
 - ✓ evaluation of the existing structure;
 - ✓ analysis of the organization's strengths and weaknesses
 - ✓ submission of reasoned proposals;
 - ✓ structural changes if needed.
- Content analysis of the official NERC website www.vert.lt has started.

Updates related to customer issues: Legislation



Amendments to the Law on Electricity from 1st of June, 2023:

- independent suppliers can unilaterally change the terms of the contract and reduce the price of electricity supply to household consumers.
- independent suppliers are obliged to offer fixed-price electricity supply contracts to household consumers for 12 and 24 months.
- independent suppliers in contracts concluded with household consumers and with very small and small companies from 2023 June 1 will not be able to provide for contract termination, supplier switching fees or penalties for unilateral contract termination.

Updates related to costumer issues: Legislation



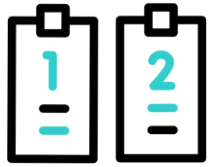
- *NERC established the procedure for compensation to consumers for electricity distribution service not restored on time.* [24th of February, 2023, the Description of the reliability and service quality indicators of electricity distribution and the Description of the accounting separation and cost allocation requirements of electricity companies].
- *NERC established extra criteria for independent electricity suppliers when obtaining permits and empower NERC to assess their activity risks, monitor financial indicators, and ensure suppliers' obligations.* [2nd of March, 2023, the Description of the procedure for assessing the technological, financial and managerial capacity of economic entities and Information provision rules for energy, drinking water supply and wastewater management, surface wastewater management companies].
- *NERC approved the procedure for granting and cancelling the status of the Citizens' Energy Community and providing information about the Citizens' Energy Community* [2023-03-16].

Updates related to customer issues: Recent Developments



- According to NERC's 2022 annual report, NERC saved 147 million Eur for consumers with NERC decisions in 2022.
- NERC approved **public electricity supply tariffs** for household consumers, effective from 2023 July 1. Tariffs **decrease** by 18.93 percent or 5,3 ct/kWh [29th of May, 2023].
- NERC approved **natural gas tariffs** for household consumers, effective from 2023 July 1. Tariffs **decrease** by 4.7 percent on average due to the lower price of natural gas imports [6th of June, 2023]
- NERC, taking into account the needs of consumers, has **updated the electricity price comparison tool (CT)**. The CT includes the ability to compare dynamic (according to the electricity market) plans, i.e. those whose pricing is based on price changes in the electricity market, at intervals that are no less than 1 hour [25th of July, 2023].

Updates related to customer issues: Expected developments



- *Anticipated amendments to the Law on Electricity:*
- to transpose provisions of the Directive (EU) 2019/944 (Articles 2, 10, 11);
- legitimize the centralized exchange of electricity energy data through a platform that will meet the needs of all electricity market participants for access to energy data;
- *Anticipated amendments to the Law on Natural Gas:*
- to improve the legal regulation regarding the pricing of connection to the natural gas system; temporary disconnection from the natural gas system for repair or meter maintenance purposes.
- *A package of amendments to the Renewable Energy and Electricity Laws, which propose to improve the operation scheme of generating consumers.*

Updates related to customer issues: Significant energy news



- NERC revoked the permission of independent electricity supplier UAB „EGTO energija“ on 19th of September, 2023. At the moment in Lithuania independent electricity supply activities are carried out by three independent electricity suppliers who offer services to household electricity consumers.
- The first offshore wind farm project in Lithuania will be developed. It is estimated that a 700 MW power plant park in the Baltic Sea could produce about 3 terawatt hours (TWh) of green electricity per year, which would provide a quarter of Lithuania's current electricity demand.
- The installed capacity of solar and wind power plants: exceeds 2 GW. Renewable energy capacity in Lithuania has almost tripled in three years. (At the end of 2020, 699 MW of solar and wind power plants were installed).
- Currently, the number of generating consumers who have installed power plants at home is about 50 thousand, and about 30 thousand more residents have purchased remote power plants. Their total installed power reaches about 800 MW. Compared to the year 2020, both the number of generating consumers and the power of their installed power plants have increased by about 10 times.

Updates related to customer issues



Legislation:

Amendments on the Law on the promotion of renewable energy use:

- Renewable Energy Self-Consumer; Collective Renewable Energy Self-Consumers; Renewable Energy Communities; Net-billing.

Amendments on Government Decision No. 703/2022 on the Approval of the Concept of the 'Energy Vulnerability' Information System:

- Ecovoucher – program aimed to provide financial support to energy-vulnerable consumers for replacement the old household electronics.

Changes in the Regulatory Authority:

By Parliament Decision nr. 189 of the 13 July 2023, Mr. Alexandru Ursu was appointed to the position of Director of the Board of ANRE.

by **Iulian Guzun, Natalia Baiesu**

National Agency for Energy Regulation (ANRE), **Moldova**

Recent Developments



"Rotalin Gas Trading," which acts as a natural gas supplier with a public service obligation, claimed that it is unable to fulfill its obligations towards consumers due to the natural gas prices set by ANRE, which include positive deviations.

The supplier has informed consumers that, starting from October 1st, it will no longer supply them with natural gas. Following the control conducted by the Agency, it was found that the supplier is not in a state of inability to supply, as the price approved by ANRE includes all the necessary costs to operate, including a profitability margin.

Because of that, the Agency warned the supplier to continue the activity, otherwise, the penalties will be applied. Since the supplier did not comply with the Agency's requirements, the license was suspended, and all consumers continue to be supplied by SA „Moldovagaz,” the supplier of last resort.

Significant Energy News



Natural gas TSO unbundling procedure

Law nr. 249/2022, established a deadline (10.09.2023) by which the operator of the natural gas transport system must meet all requirements for separation and independence, and request certification by ANRE otherwise, the certification procedure can be initiated ex officio or at the request of the Secretariat of the Energy Community.

ANRE decision no. 434 of 07.07.2023 regarding the provisional designation of SRL "Vestmoldtransgaz" as the operator of the natural gas transportation system in the Republic of Moldova. The decision provided mechanism and gradual action to be applied by both TSO, in order to ensure a possible takeover by SRL "Vestmoldtransgaz" of the natural gas transport networks under the management of SRL "Moldovatransgaz". After negotiations, Vestmoldtransgaz and Moldovatransgaz presented to ANRE the lease contract of transport networks and network maintenance contract, that were approved by ANRE.

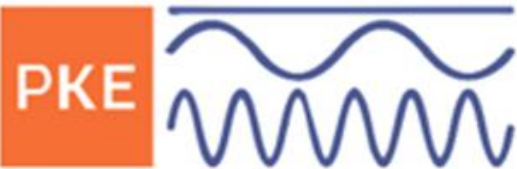
On september 15, ANRE applied the financial sanction in the amount of 34 million lei to SRL „Moldovatransgaz” (1 776 960 Euro). The fine was payed by the operator in half, but the decision will be contested in the court.

On september 18, ANRE withdrew the license issued to SRL „Moldovatransgaz” for natural gas transport activity.

At the moment, the transport system is operated by SRL „Vestmoldtransgaz”. The SRL „Moldovatransgaz” is acting as the company that maintained the functionality of the network under the maintenance contract.

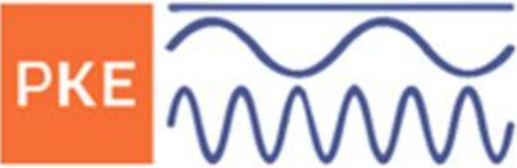
Electricity TSO unbundling procedure

On July 11, ANRE approved the Decision on certification of the electricity transmission system operator (TSO) „Moldelectrica”, according to the model of independent system operator



Changes in the Regulatory Authority

- In July 2023, the Parliament appointed ERC President and 3 Board Members, each serving a five-year term.
 - **Mr. Marko Bislimoski:** re-appointed as ERC President.
 - **Mr. Aleksandar Chebotarev:** appointed as ERC Board Member.
 - **Mr. Faton Ambari:** appointed as ERC Board Member.
 - **Ms. Merita Dema:** appointed as ERC Board Member.
- In September 2023, the Parliament approved a crucial amendment to the ERC Statute.
 - The official name of the institution was changed to "Energy, Water Services and Municipal Waste Management Services Regulatory Commission of the Republic of North Macedonia."
 - This name change reflects expanded regulatory responsibilities, now including municipal waste management services.



Updates related to customer issues

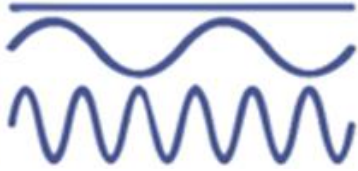
✓ Legislation

✓ **June 2023: Enhanced Complaints and Dispute Resolution Rules**

- ❖ In June 2023, the ERC approved updated Rules for Complaints Proceedings and Dispute Resolution, aligned with the modifications introduced by the Energy Law Amendments in November 2022.
- ❖ Notably, ERC's jurisdiction expanded to encompass a broader range of issues and subjects eligible to file complaints, including disconnection fees, district heating conditions, and compensation related to crude oil and oil derivatives delivery. Additionally, the procedure for dispute resolution was clarified.

✓ **July 2023: New Tariff System for US and SoLR Electricity Supply**

- ❖ In July 2023, the ERC approved the new Tariff System for Electricity Supply by the Universal Supplier and Supplier of Last Resort in accordance with the Energy Law Amendments in November 2022.
- ❖ The implementation of this system is scheduled to commence in December 2023.
- ❖ A significant change is that the ERC will no longer determine tariffs for the Universal Supplier and Supplier of Last Resort; these entities will establish their own tariffs in accordance with the Tariff System's guidelines.
- ❖ However, the ERC shall remain competent for setting tariffs of the grid operators and of the market operator.



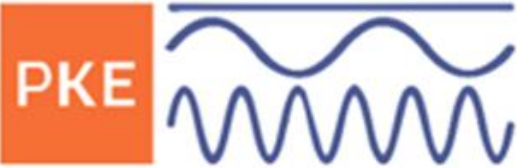
Updates related to customer issues

✓ Recent Developments

- ✓ At the end of June 2023, ERC adopted new decisions on regulated electricity prices. The average electricity prices for households with low consumption remained on the same level.
- ✓ Commencing on July 1, 2023, the Value Added Tax (VAT) for residential electricity supply has been reinstated to 18% from the temporary rate of 10%, and previously 5%, that were in place during the energy crisis in the previous 2 years.

✓ Expected Developments

- ✓ The reintroduction of a low tariff electricity for households during daytime hours is expected in December 2023. The cheap electricity rate will be accessible for a 2-hour duration, from 13:00 to 15:00, on Monday through Saturday.
- ✓ Currently, the low tariff electricity for households is available from 22:00 to 07:00, on Monday through Saturday, and all day on Sundays.

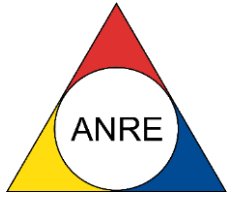


Updates related to customer issues

✓ Significant Energy News

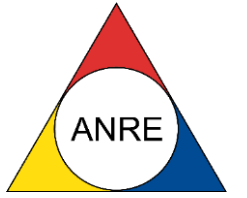
- ✓ From January to September 2023, ERC has granted a total of 417 licenses for electricity generation, adding a significant 310.5 MW of newly installed capacity. This notable expansion primarily occurred in PV (Photovoltaic) plants, with many of them already being commissioned.

Legislative framework on consumer protection in Romania (I)



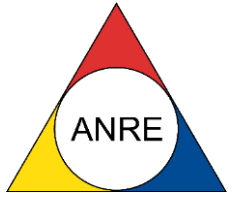
- ✓ There is still in place the support scheme approved by *Emergency Ordinance of the Government no. 27/2022 with subsequent amendments & completions (GEO no. 27/2022)*, for household consumers, businesses small and medium and other categories of final consumers of electricity and natural gas, in order to support them in the context of the prices increase in the Energy Market;
- ✓ According to *GEO no. 27/2022 with subsequent amendments & completions*, the support scheme implemented will be in place until **31st of March 2025**, the **financial support being granted through the state budget**.
- ✓ The **capped prices** are maintained until this date, both for electricity and natural gas, with values depending on the category to which each consumer belongs and on their monthly consumption:
 - **for electricity -> between 0.68 – 1.3 lei/kWh (aprox. 0.137 - 0.262 euros/kWh), including VAT;**
 - **for natural gas -> 0.31 lei/kWh (aprox. 0.062 euros/kWh), including VAT, for household consumers and 0.37 (aprox. 0.075 euros/kWh), including VAT, for thermal energy producers and for non-household consumers whose annual consumption of natural gas at the place of consumption is no more than 50,000 MWh.**

Legislative framework on consumer protection in Romania (II)



- ✓ During the year 2023 there was a **significant decrease of the natural gas prices**.
- ✓ According to the provision of the ***GEO no. 27/2022***, the **final price invoiced** by each natural gas supplier was the **minimum value** between the capped price, the contract price or the price calculated by each supplier as a sum of components like purchase price, tariffs and taxes and the supply margin.
- ✓ The supply margin was also limited to the value of **73 lei/MWh (14.70 euro/MWh)** for the **electricity supply activity** and **12 lei/MWh (2,42 euro/MWh)** for the **natural gas supply activity**. For the **suppliers of last resort**, the supply margin was limited to the value of **80 lei/MWh (16,11 euro/MWh)** for the **electricity supply activity** and **13.5 lei/MWh (2.72 euro/MWh)** for the **natural gas supply activity**.
- ✓ In most cases, the invoiced price for natural gas was the calculated price.
- ✓ ANRE is developing the regulatory system so that it can meet both the **national** and **European** requirements. Considering the atypical dynamics existing in the energy market in Romania, ANRE has issued **specific regulations** that include **strict rules** in order to ensure a **stable and predictable regulatory framework and a stable investment climate**, with an emphasis on the **protection of electricity and natural gas final consumers** and on the **continuity of energy supply**, in **safe conditions** and at **affordable prices**.

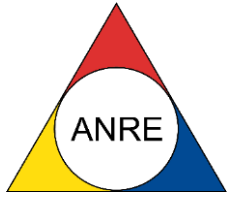
Legislative framework on consumer protection in Romania (III)



- ✓ Through the **Regulation of the supply of electricity to final consumers and Regulation of the supply of natural gas to final consumers** issued by ANRE, clear rules and obligations have been established for suppliers regarding:
 - *ensuring continuity of supply to final consumers;*
 - *minimum information that is included in the invoice and in the billing information;*
 - *establishing the content of the supply offers or establishing some principles regarding the installment payment of invoices in case the supplier issues the invoice for a longer billing period than that provided for in the contract or established according to the regulations in force.*

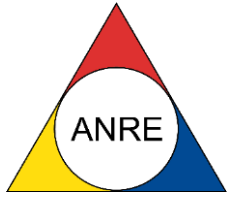
- ✓ For those situations in which a **final consumer ends up in the situation of not having the supply of natural gas or electricity ensured by his current supplier**, ANRE has issued other regulations based on which **a supplier of last resort has the obligation to take over the respective consumer**, specifying that he has the possibility to change the supplier at any time, respectively to choose another supplier from the competitive market.

Legislative framework on vulnerable consumer in Romania (I)



- ✓ In 2021 it has been adopted the **Law no. 226/2021 on establishing social protection measures for vulnerable energy consumers**, which sets the framework (including definition & criteria) for identifying those energy consumers which can be included in the category of **vulnerable consumer**.
- ✓ According to the **Law no. 226/2021** a **vulnerable consumer** is represented by **a single person/family who, for reasons of health, age, insufficient income or isolation from energy sources, require social protection measures and additional services to ensure at least their minimum energy needs.**
- ✓ The **Law no. 226/2021** stipulates the fact that *vulnerable consumers represents the following categories:*
 - a) *vulnerable consumers for income reasons;*
 - b) *vulnerable consumers for age reasons;*
 - c) *vulnerable consumers for health reasons;*
 - d) *isolated vulnerable consumers.*
- ✓ The Government of Romania through the **Ministry of Labor and Social Solidarity** is the responsible entity of the development of social policies, including of the establishment of the **definition** and **criteria** dedicated to **vulnerable consumers**.
- ✓ The **National Regulatory Authority in Energy (ANRE)** it is not issuing the social policies at national level the Authority having just a **consultative role in this process**.

Legislative framework on vulnerable consumer in Romania (II)



✓ Through the secondary legislation issued by ANRE, namely the *Regulation of the supply of electricity to final consumers* and the *Regulation of the supply of natural gas to final consumers*, non-financial measures were established in order to support the vulnerable consumers, as follows:

- the supplier ensures the access at the consumer relations center, through specific methods adapted to the needs of vulnerable consumers due to health/age reasons;
- installment payment of the invoice, upon request, over a period of at least 3 months or agreed upon by the parties.
- the contractual relation with the supplier can be carried out through a third person, designated in writing by vulnerable consumer to receive invoices/notices/notices, submit notices/claims in the name and on account of the owner of the place of consumption, at the request of the vulnerable consumer who is the owner of the contract supply of electricity/natural gas;
- the vulnerable consumer has the right to receive, upon request, invoices, notifications, complaints or any informational materials, in a format which is compatible with the document reading programs.

Latest updated related to customer protection

In Saudi Arabia

Water And Electricity Regulatory Authority (WERA)

Nov, 2023

4 New centers were launched to enable WERA to deal with consumer complaints and service interruptions immediately and proactively



24/7 Call Center	24/7 Consumer Care Centre	24/7 Information Center	24/7 Incident Management Center
<ul style="list-style-type: none"> The first line of communication with the consumer Transfer inquiries and complaints to the relevant departments for processing 	<ul style="list-style-type: none"> Resolving consumer complaints and monitoring the quality of complaints handling . Information about complaints 	<ul style="list-style-type: none"> Media monitoring and response management. Providing electricity sector data and issuing reports 	<ul style="list-style-type: none"> Incident reports and escalation. Information about incidents and outages.



Updating of Electricity Service Guide Line



➤ Achieves a balance between the interests of the Consumer and the Service Provider.



➤ Global and regional best practices



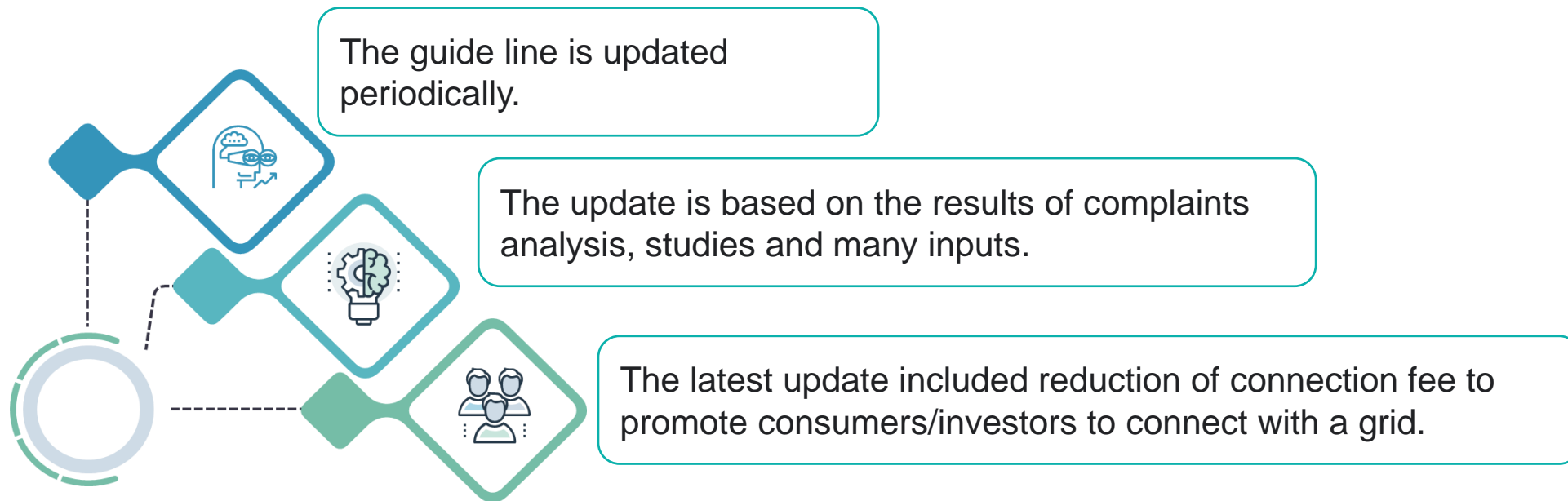
➤ Procedures for providing service to all beneficiary segments

Electricity Service Regulations for:

- New Supply and Temporary Connection
- Modification of electricity supply.
- Disconnection, Reconnection and Service Cancellation
- Applying the Consumption Tariff
- Calculation of Consumption and Billing
- Networks Displacement
- Service Rules and Procedures for Consumers with Critical Electricity Needs







Last Update (Guide of Electricity service)



Updating Guaranteed Standards

To ensure the quality of service provided to consumers and raise the level of performance of service providers, WERA updated the guaranteed standards

The Highlighted Updates:

-  - Unified compensation/service period for all regions (urban, rural).
-  - Unified compensation/service period for all categories (residential and non-residential).
-  - Reduce the duration to provide service to the consumer.
-  - Increase the value of basic and additional compensation.



Last Update (Guaranteed Standards)

GS #	Standard Name	Updated		
		Limit	Compensation	Additional compensation
1	Move-in & Move-out duration	3 WDs	27 \$	5 \$ For every additional WD
2	The period for a new connection (after payment)	20 WDs for low voltage 60 WDs for medium voltage	107 \$	20 \$ For every additional WD
3	Time for reconnecting electrical service after payment	2 hours	27 \$	27 \$ For every additional hour
4	Notification of planned electrical service disconnect	2 days	27 \$	--



Last Update (Guaranteed Standards)

Table 2: Comparison between previous/updated Guaranteed Standards.

GS #	Standard Name	Updated		
		Limit	compensation	Additional compensation
5	Duration for processing billing complaints	10 WDs	27 \$	13.5 \$ For every additional WD
6	Number of electrical service interrupt	More than 2 interrupted, each interrupt being more than 2 hours	107 \$	13.5 \$ For every additional interrupt more than 2 hours
7	The period for reconnect electric service after it is interrupted	6 hours	53 \$	13.5 \$ For every additional hour
8	Disconnecting due to non-payment at prohibited times and situations	According to the regulations of the Electricity Service Guide	133 \$	-



Other New/updated Regulations Related to the Consumer



Rules for providing electrical service through mobile generation.

Rules for backup sources of electrical energy.

Procedures for handling consumer complaints.

Tariff rules for cloud computing

Tariff rules for heavy electricity consumption



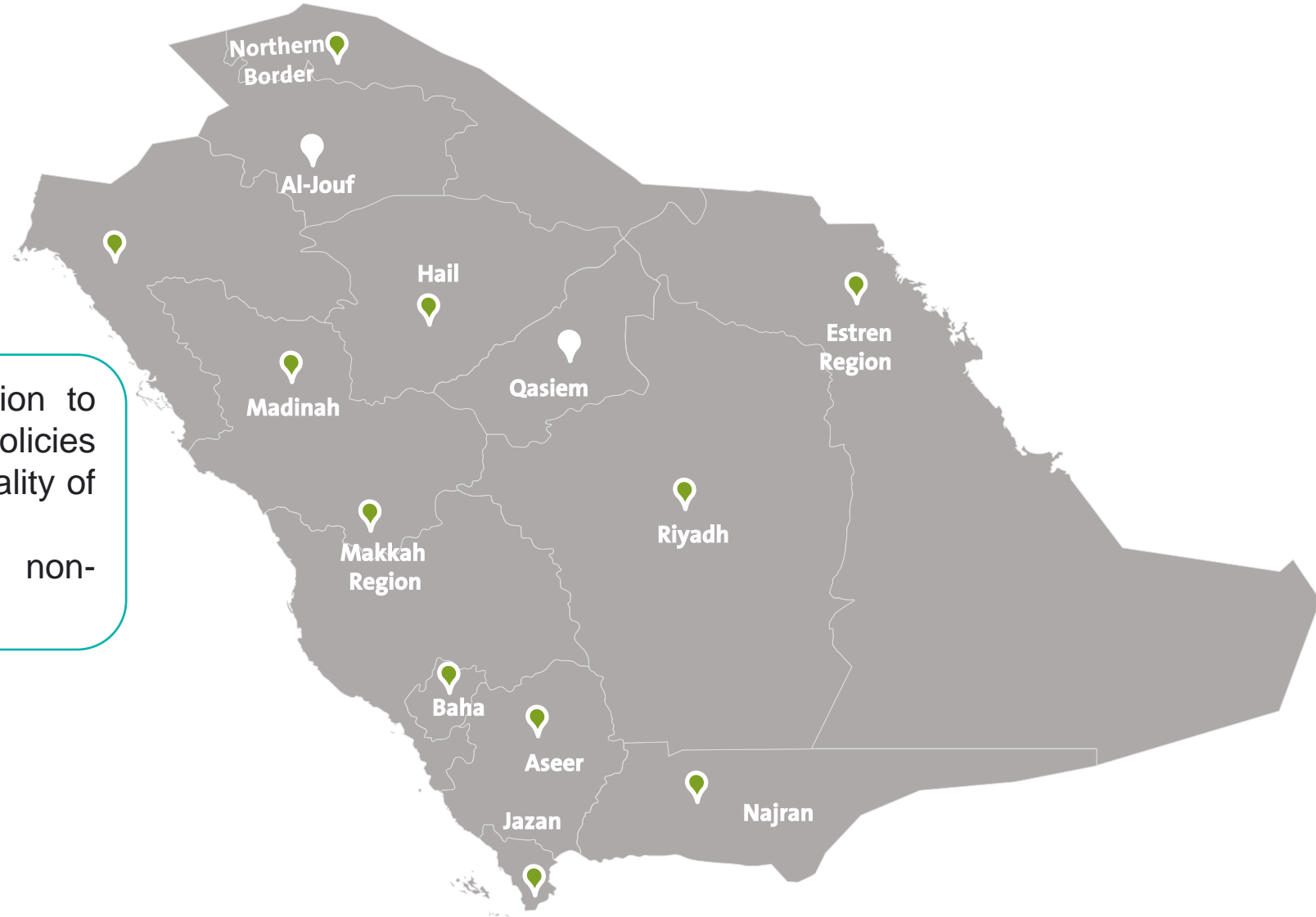
Updating Regulatory framework of small-Scale solar PV.

Regulatory framework of renewable energy for self-consumption.

Regulatory framework for electric vehicle charging activity.



Auditing and Monitoring



WERA carries out oversight and inspection to ensure that service providers comply with policies related to consumer protection, and the quality of services. penalties are applied in the event of non-compliance.



Thank You

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