

Latest updated related to customer protection

Roundtable Discussion

Updates from ERE Albania



- There has been no changes in the Regulatory Authority
- Updates related to customer issues
 - ✓ Legislation- LAW No. 24/2023 ON THE PROMOTION OF THE USE OF ENERGY FROM e SOURCES (*This law is partially alligned with 2018/2001 (EU) Directive of the European Parliament and of the Council, of date 11 December 2018 "On the promotion of the use of energy from renewable sources", as amended". CELEX no. 32018L2001, European Union Official Gazette, Series L, no.328, of date 21.12.2018, pages .82-209.*)
 - ✓ LAW No. 24/2023 - First time the concept of "**Renewables Self-Consumer**" wich means a final customer who generates renewable electricity for its own consumption and who may store or sell self-generated renewable electricity provided that, for non-household renewables self-consumer, those activities do not constitute its primary commercial or professional activity; "**Jointly acting renewables self-consumers**" means a group of at least two jointly acting renewables self-consumers who are located in the same building or multi-apartment block
 - ✓ Expected Developments- The price Comparison Tool is expected to launch on 15 of march. *ERE has organized several meetings with suppliers to teach them how to use the platform for publishing electricity supply price offers in the free market.*
 - ✓ Significant Energy News- Other than the above there is no any Significant Energy News

Recent Developments



2. Autonomous power production

According to the Law on Energy- an autonomous power producer (prosumer) is defined as a consumer producing electricity for own needs using renewable energy sources, who has signed the net metering contract with the universal 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 power production, accounting and compensation of electricity flows were thoroughly revised,
- ✓ New limits of the installed capacity of autonomous power 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 January 1, 2024,

- ✓ more than 17112 autonomous power producers have joined the system, the total capacities of which systems are about 268,4 MW.
- ✓ more than 328 consumers are in the process of being connected to the system, whose total capacity will be 11MW.
- ✓ more than 188 autonomous groups operate (for each group- the total installed capacity can not exceed 1050 kW).

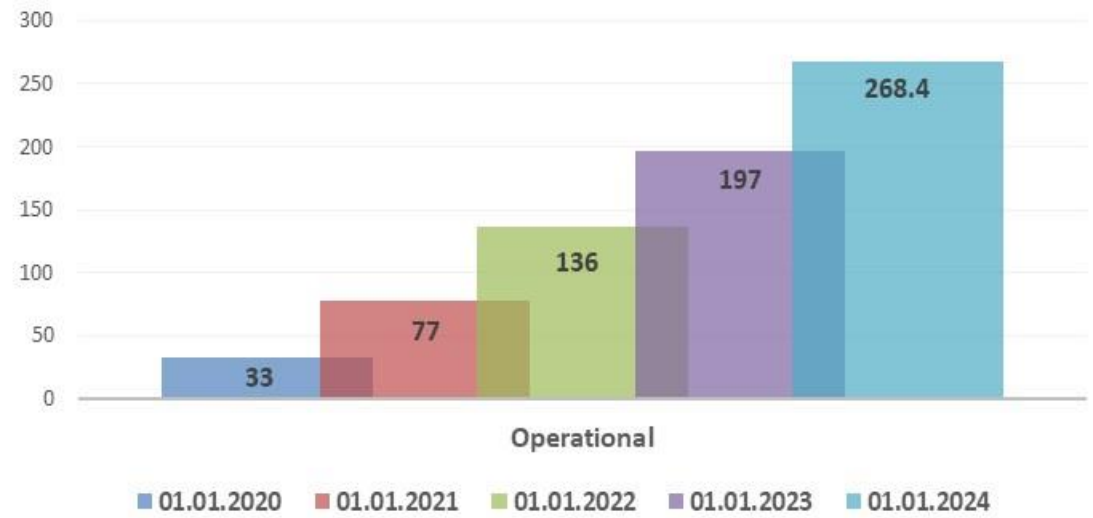
Recent Developments



Autonomous producers, quantity



Autonomous producers, capacity (MW)



Recent Developments



2. Autonomous power production (continuation)

- Autonomous power production in Armenia is facilitated through various support schemes, which include:
- Licensing exemption: Activities related to the construction and operation of autonomous power producers are exempted from licensing requirements.
- Net metering scheme: The scheme operates with a yearly netting period.
- Grid charges: only distribution network charge is applied for autonomous power producers.
- Tax exemption: The Tax Code of Armenia provides for tax exemptions specifically tailored to the activities of autonomous power producers. For those with an installed capacity cap of 150 kW, the net metering activity is not categorized as entrepreneurship, thereby being exempted from both profit tax and income tax.

Recent Developments



2. Autonomous power production (continuation)

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 too.

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

- ✓ No electricity distribution service fee will be charged for the autonomous power producer, in case of an autonomous group for the group members 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 electricity 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 electricity produced in the group among other participants of the group and will allow the involvement of a larger number of autonomous energy producers in autonomous groups.

Recent Developments



3. Tariffs

- According to Article 22 of the Law on Energy the electricity tariffs can be revised no earlier than 6 months, but the PSRC usually revises the tariffs of large generating stations and service providers of the electric power system with annual results.
- Starting from September 25, 2023, the process of revising the tariffs of large generating stations and service providers of the power system has been initiated by the PSRC.

As a result, the electricity tariffs supplied to consumers of "Electric Networks of Armenia" CJSC (guaranteed supplier) remained unchanged.

- Starting from June 15, 2023, the process of revising the tariffs for natural gas transportation and distribution services has been initiated by the PSRC.

As a result, the natural gas tariffs supplied to consumers remained unchanged.

Significant Energy News



4. 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 Energy Development Strategy , 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 February 1, 2024 received an electricity production license.

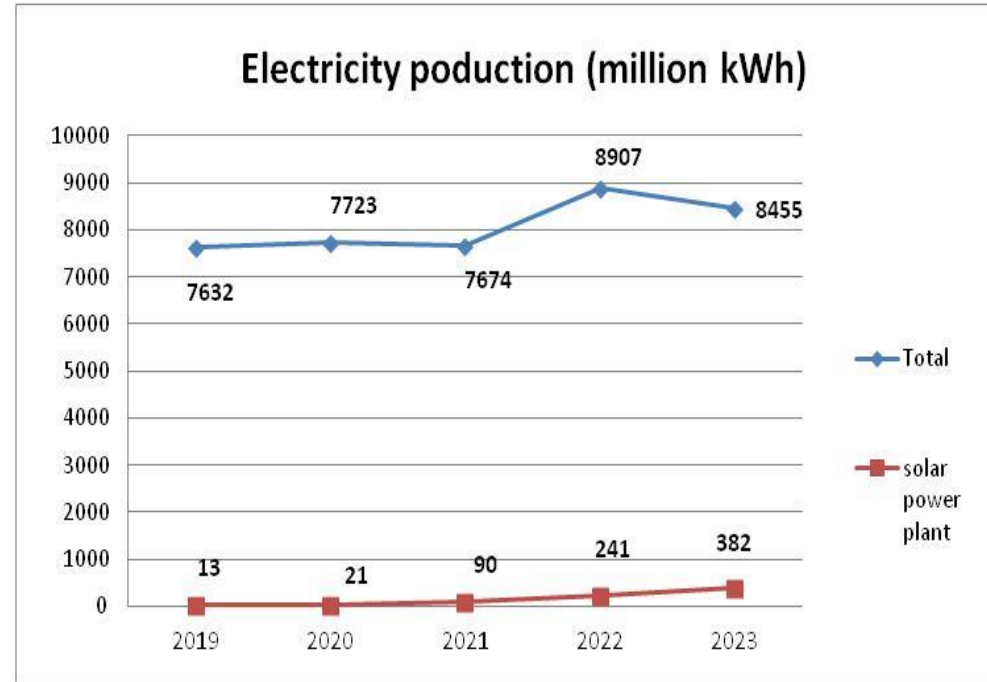
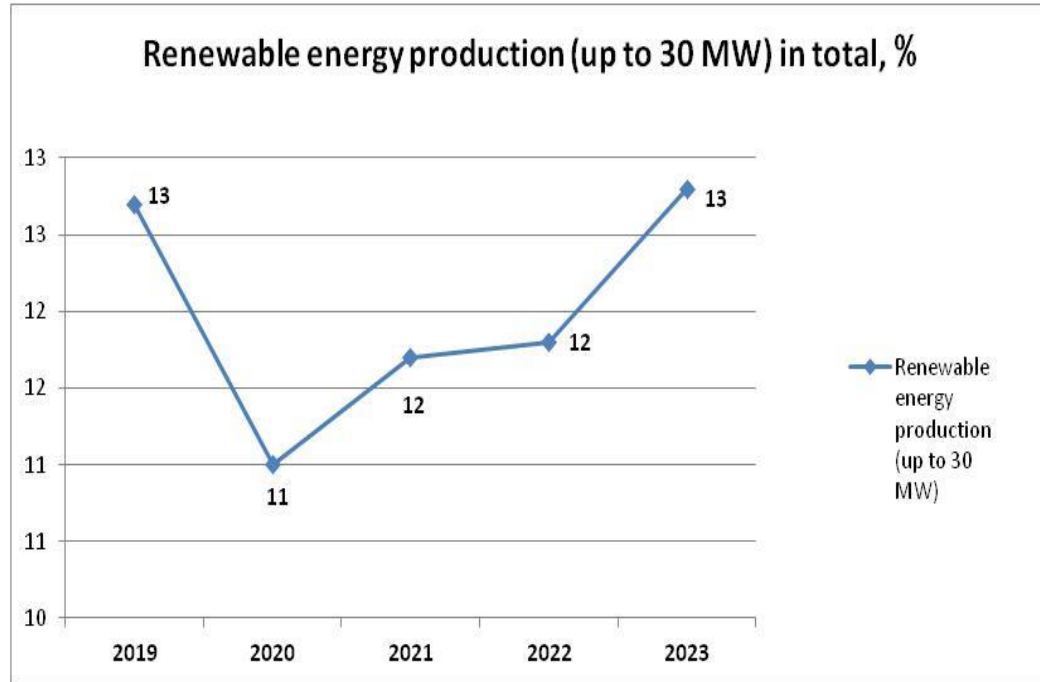
- 1) 12 solar power plants with a capacity of up to 1 MW are in operation
- 2) 48 solar power plants with a capacity of up to 5 MW - are in operation

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

33 licenses for the production of electricity in the solar power plant with a total capacity of 183 MW were issued without an electricity purchase guarantee .

8 solar plants exclusively for own needs with a total capacity of 19,230 MW are in operation.

Significant Energy News



**The production of autonomous power producers is not taken into account*

Expected Developments



- By December 2024, it is planned to build autonomous solar plants, increasing the total installed capacity from 40 MW to 350 MW.
- 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 Armenia Energy Development Strategy Program, 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, within the framework of USAID assistance, will develop new Laws " On Electricity" and "On Renewable Energy and Energy Efficiency" for Armenia. These new Laws aim to address the challenges that have arisen in the current electricity market model and develop the trading mechanism by incorporating the best international practices.
- In 2025, it is planned to launch the common gas market of the Eurasian Economic Union. For this purpose, the concept of the formation of the common gas market and its implementation plan have already been adopted. An international agreement will be signed between the member countries for the purpose of the full operation of the common market.
- According to the Energy Development Strategy Program new Laws on "Gas Supply" and on "Heat Supply" will be developed too, 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.
- The deadline for developing of mentioned Laws is prolonged until 2025.
- By 2027, it is planned to implement a unified information system for remote the transmission and management of the information on consumption volumes and other necessary indicators from electricity metering systems of consumers connected to the distribution network, which will ensure full awareness of subscribers.



Updates related to customer issues

- Proposed amendments in the Electricity Market Act (currently in Parliament)
 - Universal service will end on 1 May 2024. The electricity supplier will give 30 days' notice to customers on universal service and give them the opportunity to choose a new contract.
 - If the consumer does not inform the seller of his preference, the seller will, at the end of the universal service contract, transfer the consumer to an electricity sales contract based on the exchange price, on the standard terms and conditions offered by the supplier at that time.



Updates related to customer issues

- Proposed amendments in the Natural Gas Act (currently in Parliament).
 - Changes related to gas reserves and security of supply.
 - Consumers will have to pay, through the network tariff, the costs of maintaining strategic gas reserves and the costs of managing the LNG terminal and infrastructure.
 - The network operator collects the reserve charge from consumers. The network operator shall pay the reserve fee collected to the reserve manager.

Changes in the Regulatory Authority

The Parliament of Georgia has chosen Davit Narmania and Givi Sanikidze as the Commissioners of the Georgian National Energy and Water Supply Regulatory Commission (GNERC).

Additionally, members of the Commission have elected Davit Narmania as the Chairman of GNERC through a majority vote.

The commission regulated three sectors – electricity, natural gas and water supply. In 2023, irrigation was added.

Significant Energy News

Georgian National Energy and Water Supply Regulatory Commission (GNERC) decided to reduce the electricity tariff in Georgia by **three Tetri**.

The approved electricity tariff for the next three years will see a reduction for all categories of consumers, including commercial subscribers. Effective from January 1, 2024, the new tariffs are as follows: Up to 101 kilowatts: 15 Tetri, 101 to 301 kilowatts: 19 Tetri; Over 301 kilowatts: 23.5 Tetri



The National Strategy of Consumer Protection in Georgia

The National Strategy for Consumer Protection is the initial document outlining the objectives and challenges of the customer protection policy. This strategy assesses the present status of regulating and implementing measures for customer protection, considers identified trends by various stakeholders, and outlines necessary measures to ensure the highest level of customer protection in Georgia.



Key market developments

Key market developments and status of Electricity Integration Package Implementation

Directive (EU) 2019/944

Technical assistance to the transposition of the Energy Community Electricity Package in Georgia, supported by EC and EU4Energy Governance Project.

Directive (EU) 2018/2001

The draft amendments to the Law on Promotion and Use of Energy from Renewable Sources are being prepared in collaboration with the Ministry of economy and Sustainable Development.

Market Development

- The market opening date is July 2024;
- An independent supplier has been registered in the market.

Significant Energy News

- To encourage the adoption of renewable energies, the Georgian National Energy and Water Supply Regulatory Commission has expanded the inclusion of micro-generation power plants within the net metering system. As of January 2024, the system encompasses a total of 1,066 micro-generation power plants, boasting a combined installed capacity of 67 MW.
- Remarkably, solar energy dominates the composition of these micro-generation power plants, constituting 98% of the total. In contrast, micro-generation power plants harnessing wind and water resources collectively contribute a smaller share, amounting to 2% of the overall capacity.



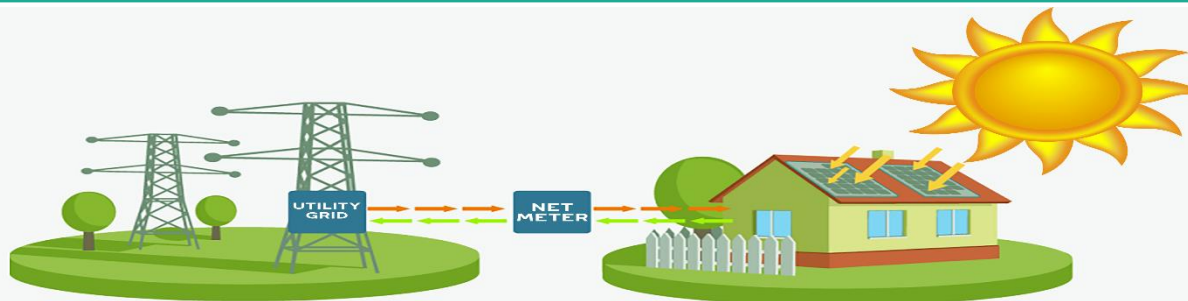
I. Important legislative changes

Changes in net metering

In case of household PV power plants (a micro power plant connected to a low voltage system with an interconnection capacity of less than 50 kVA at any given connection point) the detailed rules for net-metering were changed.

Households that applied for connection between 07. 09. 2023 and 31. 12. 2023, and committed to finish installing their household power plants till 01. 01. 2026 can remain in net-metering for 10 years.

All the other household consumers who are not eligible for net-metering (consumers who have already been in a net-metering for 10 years at this point or have applied later than 31. 12. 2023, or will not be able to finish to install their household PV plants till 01. 01. 2026) must account separately for the electricity fed into the grid and the electricity consumed from the grid.



I. Important legislative changes



As incentives for decentralized and renewable energy production, new legal definitions were introduced or modified:

- Energy sharing: the definition was extended for consumers connected to private lines.
- Storage: Rules for on-site storage and common use of private lines for storage in case the generator(s) and storage owner(s) are not the same persons, storage can participate on the organized electricity market.



Stricter rules for reconnection of consumers in natural gas

- In case of reconnection, the DSO must reconnect the consumer within 48 hours instead of 2 workdays as it was before. Legislation for household consumers (24 hours) was unchanged.
- If the DSO fails to meet the deadline, it must pay penalty to the consumer.

II. Consumer Satisfaction Survey



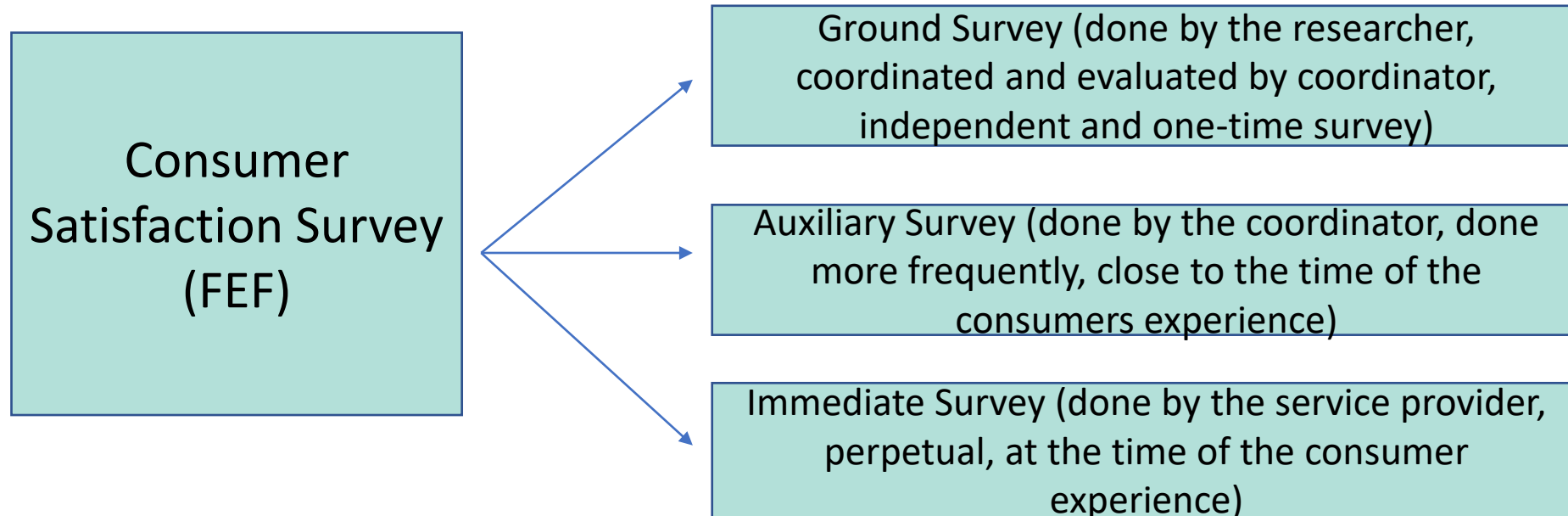
In 2023 MEKH conducted the Consumer Satisfaction Survey in the electricity sector for the second time, and in the district heating sector for the third time. The results of the surveys are being processed.



The surveys involved 7200 household and 2400 non-household consumers each, and the results are converted into a numerical value between 1 – 1000, which enables a comparison of service providers and the results of the past.

II. Consumer Satisfaction Survey

Consumer Satisfaction Survey was split into 3 pillars:



II. Consumer Satisfaction Survey



1.

- Legislative changes in effect since 01. 01. 2024

2.

- Till 31. 12. 2023 the survey could be done with involving the licencees, including the costs.

3.

- **Starting from 01. 01. 2024 the responsibility of carrying out the survey belongs solely to the NRA!**

4.

- This necessitates the reform of the method of the survey.

III. Service quality issues

As part of its consumer protection activities, the MEKH continuously analyses and evaluates the quality of services, as well as supervises the quality of guaranteed services and customer relations/service activities of electricity and natural gas providers.



At the end of 2023, the MEKH examined the extent to which electricity and natural gas DSOs complied with the requirements set out in MEKH decisions in 2022 and the first half of 2023 as part of an official inspection.

The investigation of MEKH revealed deficiencies in case of electricity DSOs – due to energy crisis of 2022 –, that on several occasion DSOs did not, or not in time answered consumer inquiries, paid penalties to consumers late, and could not meet the requirements for telephone customer service.



Due to those deficiencies MEKH imposed fines of HUF 4-16 million per quality indicator onto the DSOs. A total sum of HUF 129 million HUF (ca 333 333 EUR) fine was imposed. MEKH also obliged the DSOs to pay the penalties to the consumers in due time, and comply with the prescriptions for service qualities and guaranteed services.



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Latest updates related to customer protection in Latvia (1)

- ❑ **Amendments to the Energy Law and the Electricity Market Law** to prevent tariff hikes:
 - the maximum level of deviation of tariff values shall be set and
 - system operators shall submit a new draft tariff to the PUC if the total forecast costs of the system operators reach maximum tariff deviation level.
- ❑ **The Law on State Support for Energy Supply Costs:**
 - state support measures for low- and middle-income households to mitigate the negative impact of extreme increases in energy prices;
 - under certain conditions, support is granted for heat and electricity consumed, for natural gas and electricity used to produce heat, and for certain types of fuel.



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UTILITIES
COMMISSION
OF LATVIA

Latest updates related to customer protection in Latvia (2)

- ❑ **Amendments to the Electricity Market Law** regarding active customers:
 - a new concept of universal net settlement system service - a guaranteed right for an active customer with a total installed capacity of electricity generation installations not exceeding 50 kW to transfer surplus electricity generated under the net settlement system to an electricity trader at a clearly comparable and transparent price;
 - obligation of electricity traders to offer the universal net settlement system service;
 - the installed electrical capacity of the active customer's generation facilities cannot exceed 1MW;
 - changed conditions for households to use net metering and net billing systems.

- ❑ Consequently, the Cabinet of Ministers amended the **Regulations on the Trading and Use of Electricity**:
 - setting conditions for the universal net settlement system service and the way of expressing the service offer, including the minimum price for the universal net settlement system service and the allowable amount of surplus electricity produced by an active customer during a 12-month period;
 - setting out detailed regulation of net metering and net billing systems.



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Latest updates related to customer protection in Latvia (3)

Expected Developments

- ❑ **Amendments to the Electricity Market Law** on system connection fee:
 - the 50/50 split of the connection fee between the distribution system operator and the final customer is applied to connections with a voltage of 400 volts or less and the nominal current of the input protection appliance less than 100 amperes (current regulation);
 - such a split of the connection fee could also apply where the voltage of the connection does not exceed 400 volts and the nominal current of the input protection appliance exceeds 100 amperes or the voltage of the connection is 6-20 kilovolts, provided that the system service is used for at least five years without any reduction in the permitted load of the connection (draft law).

Changes in the Regulatory Authority



- NERC structure improvement project is still ongoing.
- The development of NERC website www.vert.lt is still ongoing.

Updates related to customer issues: Legislation



- Effective the 1st of January, 2024, net billing has been introduced due to the **amendments to the Law of Renewable Energy**.
- As of February 10, 2024, **amendments to the Rules of Electricity Supply and Use** have been enacted.
 - ✓ The definitions of switching fee and contract termination fee have been established.
 - ✓ The supplier has an obligation to inform the consumer about the contractually expiring electricity price fixing period, price recalculation and the new final price. The supplier is prohibited from increasing the electricity supply prices (except for the regulated part and state-applied taxes) during the electricity supply price fixing period.

Updates related to customer issues: Legislation



- NERC has approved amendments to The Methodology for Determining the Rates for Connecting Electricity Devices to Electricity Networks, which will take effect from 1, April, 2024.
- ✓ In order to simplify the pricing of connection services, the concept of calculating connection rates has been changed.

NOW

$$S = mP \times P + mL \times L + M_{projekt}$$

S – connection fee;

mP – rate for 1 kW of power;

P – power demand;

mL – rate for 1 m of power lines built;

L - the shortest geometric distance of power line, required to install;

M_{projekt} - rate set for the project-related costs for the respective group of consumers.

CHANGES

NERC will establish final connection rates:

Group I – consumers up to 500 kW and 100 m;

Group II - up to 500 kW and 100-400 m;

Group III - up to 500 kW and 400-1000 m.

Consumer pay actual costs:

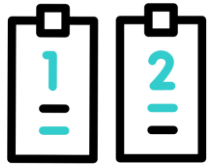
Group IV – above 500 kW or up to 500 kW + above 1000 m

Updates related to customer issues: Recent Developments



- NERC approved:
 - ✓ **public electricity supply tariffs** for household consumers, effective from 2024 January 1. Tariffs **decrease** by approximately 4,4% on average.
 - ✓ **natural gas tariffs** for household consumers, effective from 2024 January 1. Tariffs **decrease** by approximately 4,9% on average.
 - ✓ **connection fees for connection of electricity consumer devices to the electric network for 2024**, according to new amendments of The Methodology for Determining the Rates for Connecting Electricity Devices to Electricity Networks [2024-02-28].

Updates related to customer issues: Expected developments



- **Anticipated amendments to the Rules of electricity supply and use regarding:**
 - ✓ the conditions for concluding and terminating electricity supply contracts;
 - ✓ the procedure for determining the status of small and very small enterprises;
 - ✓ the consumer's obligation to provide the operator with unhindered access to the electricity metering devices.
- **Anticipated amendments to the Description of the standard conditions of contracts with domestic consumers for the supply, transmission and distribution of natural gas and Rules on natural gas supply and use regarding:**
 - ✓ more detailed and clearer regulation of the rights and obligations of the natural gas consumer and the supply company, related to the conclusion and execution of natural gas contracts and the settlement of the consumption of natural gas and other services related to it.

Updates related to customer issues: Significant energy news



- In 2023, the **total number of prosumers and the installed capacity of power plants have more than doubled**. The number of prosumers increased from 42,600 to 88,300, and the capacity increased from 427 to 944 MW.
- There has been growing interest in the possibility of **purchasing solar power plants in remote parks**. The number of such prosumers has **increased almost 4 times**, 28,869 households are connected to the distribution network.
- In 2023, the Ministry of Energy allocated 72 million Eur to the population to encourage the installation of solar power plants. **In 2024, it is planned to allocate about 85 million Eur**.
- The Ministry of Energy will provide the opportunity to receive support for the purchase or installation of low-power solar or wind power plants to *non-profit legal entities, micro and small enterprises* **whose stated goals are related to the provision of social assistance to wild and domestic animals**.
- Last year, **the average electricity price in the NPS Lithuanian price zone significantly decreased to 94 Eur/MWh**. This is slightly less than last year's EU electricity price average, which was 95 Eur/MWh. For comparison, the average price of electricity in 2022 reached 230 Eur/MWh.



ANRE Decisions

- Approval of the specific profit margin for retail sales of standard main petroleum products for the first semester.
- Imposing the public service obligation regarding the provision of natural gas at established quality parameters, at regulated, transparent, non-discriminatory, and easily comparable prices, to the final consumers within the served territory.
- Amendments on Regulation regarding the connection to electrical grids and the provision of electricity transportation and distribution services.
- Amendments on Regulation on the supply of thermal energy.
- Approval of the Regulation regarding the establishment and approval, for tariff determination purposes, of the technical consumption and water losses in public water supply systems.
- Amendments on Regulation on the authorization of electrotechnical laboratories.
- 34 Decisions regarding the approval of regulated tariffs and prices



Changes in the Regulatory Authority

- No new changes in the regulatory authority since the last meeting in November 2023

by **Biljana Jadrovska Panova, LL.M.**, Head of Unit for Investigations and Misdemeanors, Department for Monitoring, Investigations and Misdemeanors

Energy, Water Services and Municipal Waste Management Services Regulatory Commission (ERC), **North Macedonia**



Updates related to customer issues

✓ Legislation - November 2023

- Rulebook on the manner and conditions for determining the regulated maximum revenue and regulated average tariffs for transmission of electricity, organization and management of the electricity market and distribution of electricity

- **New Tariff System for US and SoLR Electricity Supply**
 - 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 commenced in December 2023.
 - A significant change is that the ERC no longer determines the 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 remains competent for setting tariffs of the grid operators and of the market operator.



Updates related to customer issues

✓ Legislation – December 2023

- Tariff system amending the Tariff system for electricity distribution for consumers connected to the electricity distribution system of LLCSP Elektro distribucija (Electricity DSO)
- Decision for approval of the maximum regulated revenue, average tariff and tariffs for calculation elements for 2024 and basic revenue for 2024, 2025 and 2026 for transmission of electricity,
- Decision for approval of the maximum regulated revenue, average tariff and tariffs for calculation elements for 2024 and basic revenue for 2024, 2025 and 2026 for distribution of electricity,
- Decision for approval of maximum allowed revenue and average tariff for electricity market operator.
- Complaints and Dispute Resolution Rules - clarified



Updates related to customer issues

✓ Recent Developments

▪ **Ongoing procedure for selection of new Universal Supplier**

- The Universal Supplier EVN HOME has license for electricity supply with obligations for the Universal Supplier and the Supplier of Last Resort for the period of 1st of July 2019 until 1st of July 2024
- Following Resolution with defined Criteria for selection of Universal Supplier and Supplier of Last Resort and Analysis, as stipulated in the Energy Law and issued by ERC and a Decision on initiating a universal selection procedure, issued by the Government, the public call for selection of new one was launched by the Government
- The deadline for submitting offers expired on 12th of January 2024
- After electronic auction, the Government shall adopt a Decision on the selection of a Universal Supplier and the Minister of Economy shall sign an Agreement on the Universal Supplier on behalf of the Government
- The elected Universal Supplier shall establish a new company and obtain a licence for a period of 5 years.



Updates related to customer issues

✓ Recent Developments

▪ **Draft Energy Law prepared**

- Transposes the integration market package and clean energy package. It was prepared by the Ministry of Economy and public discussion was held.

▪ **Reintroduction of a low tariff electricity for households during daytime hours**

- Started with implementation in December 2023
- cheap electricity rate is accessible for a 2-hour duration, from 13:00 to 15:00, on Monday through Saturday
- low tariff electricity for households remained available also from 22:00 to 07:00, on Monday through Saturday, and all day on Sundays, as before December 2023.



Updates related to customer issues

✓ Expected Developments

- The new Energy Law and the new Law on RES are expected to be adopted in the course of 2024.

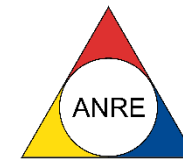


Updates related to customer issues

✓ Significant Energy News

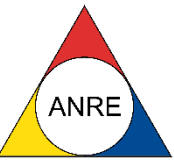
- In 2023 ERC issued licenses to 526 PV power plants with a capacity of 361,7MW.
- 13 virtual producers were registered.
- Draft Law on RES was prepared by the Ministry of Economy and public discussion was held.

Changes in the Regulatory Authority – legislative framework on customer protection



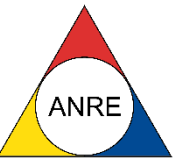
- ✓ ANRE is developing the regulatory system so that it can meet both the **national** and **European** requirements. Considering the atypical dynamics existing in the energy market in Romania, ANRE has issued **specific regulations** that include **strict rules** in order to ensure a **stable and predictable 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**.
- ✓ 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 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)



- ✓ 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.

**We mention that at current moment, the Government Officials together with ANRE's representants and other relevant entities that were involved in the issuance of GEO no. 27/2022 are discussing and working on scenarios that would allow a smooth exit from the capping scheme, beyond March 31st, 2025 and that would not create disruptions in the market or any negative effects on the final consumers of electricity and natural gas.*