



Non-price support mechanism for RES: capacity allocation management, legal exemptions, improvement of regulation

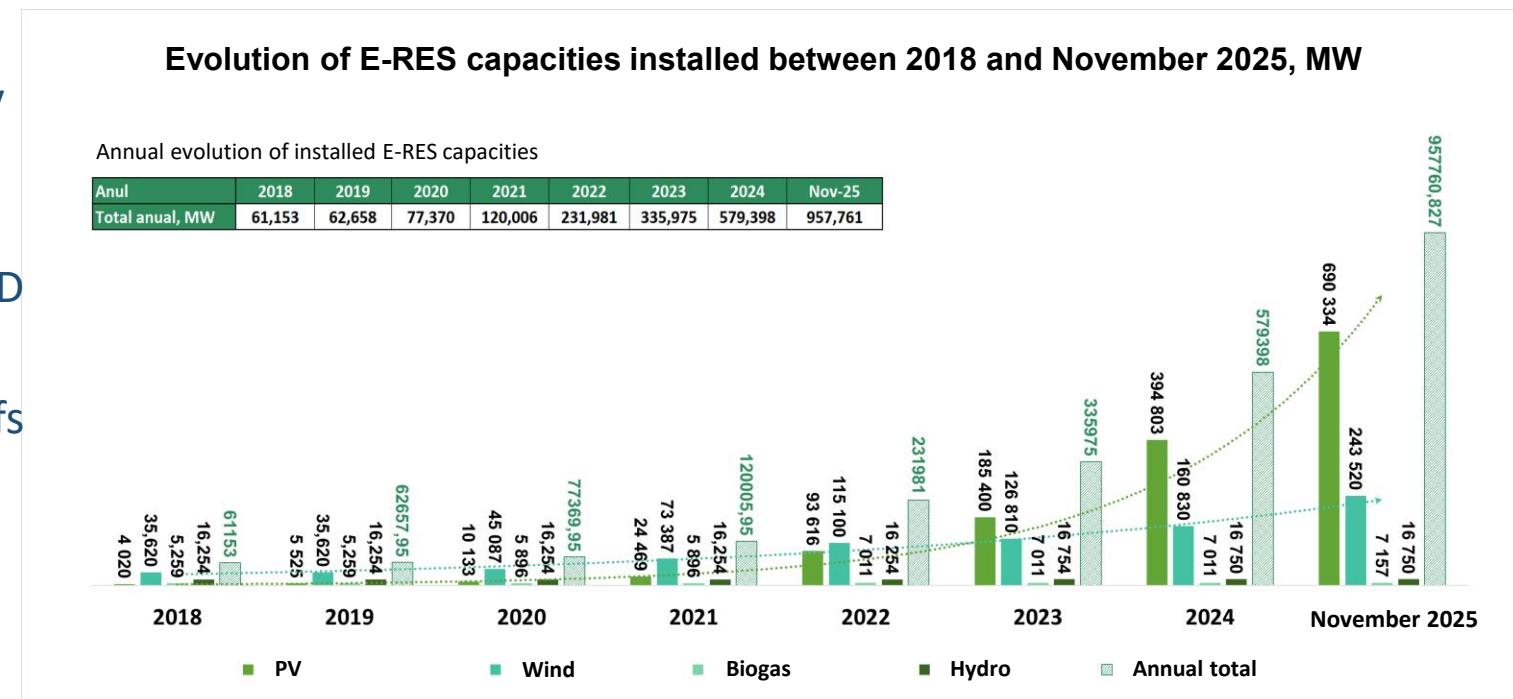


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Existing support schemes and RES deployment in Moldova

- The transition to renewable energy has been and remains a strategic priority for energy security and sustainability for Moldova. Law no. 10/2016 on the promotion of the use of energy from renewable sources aims to establish the legal framework for promoting the use of energy from renewable sources.
- Price-based support mechanisms have been widely used to promote the deployment and use of RES:
 - ✓ fixed prices – PPA/CfD (auctions)
 - ✓ fixed tariffs - feed-in tariffs
 - ✓ net billing/net metering
- The total installed capacity from RES at the end of November 2025 is 958 MW.



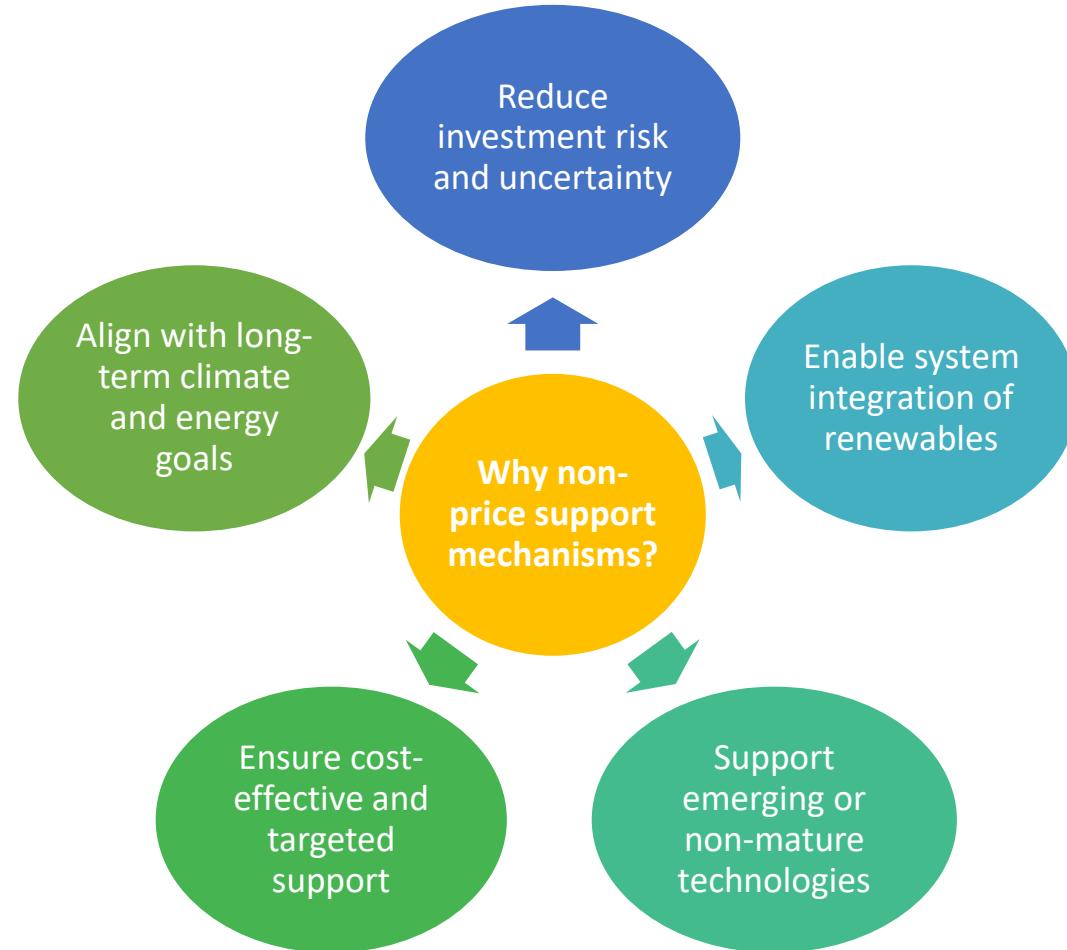


Challenges of rapid RES growth in Moldova

- Rapid RES growth has revealed new challenges:
 - ✓ grid capacity limitations – limited transmission and distribution capacity;
 - ✓ administrative and regulatory challenges - complex permitting, licensing and approval procedures;
 - ✓ increasing system integration costs – variability of solar and wind output increases system costs;
 - ✓ lack of balancing facility - increasing system imbalances, higher curtailment, operational risks, thereby slowing down the energy transition.
- However, financial support alone is not sufficient to ensure sustainable and efficient RES integration.
- As a result, non-price support mechanisms have become increasingly important to ensure efficient and sustainable RES development.



Why non-price support mechanisms?





The existing fiscal non-price support mechanisms

Fiscal Code No. 1163/1997

In force from August 15, 2024	In force August 1, 2024
income obtained from the sale of electricity by resident individuals who produce renewable energy and who benefit from the net metering/net billing mechanism, are not included in gross income and, therefore, are exempt from income tax under the Fiscal Code.	construction and assembly works of power plants that produce electricity from renewable energy sources are exempt from VAT without the right to deduct.



The existing administrative and legislative non-price support mechanisms

Land Code No. 22/2024	Code of urban planning and construction No. 434/2023
In force from 2022/April 1, 2025	In force from January 30, 2025
<p>Agricultural land can be used for the installation of:</p> <ul style="list-style-type: none">➤ solar photovoltaic systems – since 2022➤ wind power plants - since 2025➤ battery energy storage - since 2025➤ biogas plants - since 2025	installation works of power plants using renewable energy sources – in the case of individual houses, within the limits of the private property on which the power plant is installed, as well as installation works of photovoltaic panels on the roof of residential blocks, intended to supply electricity to common areas, installed according to the project documentation developed only for the electricity and resistance compartments can be carried out without an urban planning certificate for design and without a building permit.



The existing administrative and legislative non-price support mechanisms

Law on the promotion of the use of energy from renewable sources no. 10/2016

In force from December 8, 2023	In force from December 8, 2023
<p><i>Renewable Energy Community:</i></p> <ul style="list-style-type: none">✓ Voluntary, member-controlled communities of final consumers;✓ Purpose: produce and use renewable energy for collective benefits, not profit;✓ Open to individuals, SMEs and local authorities;✓ Democratic governance(one member/one vote);✓ Profits are reinvested in the community;✓ Rights to produce, consume, share and sell renewable energy;✓ Registered and regulated by the ANRE.	<p><i>Off-site power plant for prosumers:</i></p> <ul style="list-style-type: none">✓ The generation plant and consumption site are connected to the same distribution system operator;✓ Electricity is produced exclusively for the prosumer's own use;✓ Hourly/interval-based metering equipment installed to measure production and consumption of electricity;✓ Compliance with additional requirements set by the ANRE.



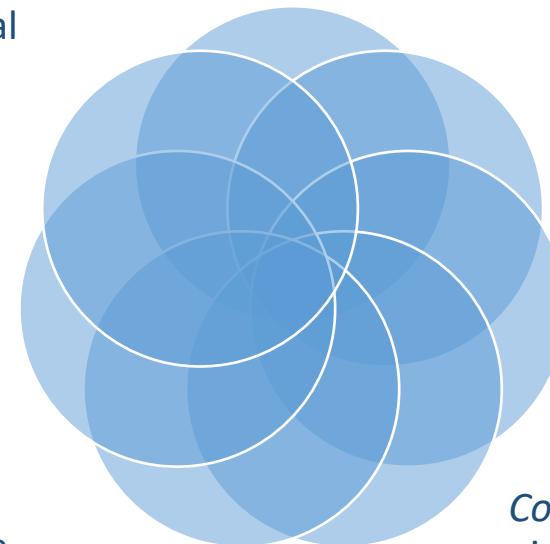
The existing administrative and legislative non-price support mechanisms

Law no. 164/2025 on electricity, in force from August 18, 2025, comes with new provisions:

Act of conformity - issued for power plants owned by educational institutions, medical institutions, nursing homes, orphanages, public lighting network

Introducing new business models - storage, electricity trading, aggregation

Active consumers and citizen energy communities - encouraging the active participation of end consumers in the electricity market



Integration of electromobility into the electricity grid - the sale of electricity to owners of electric vehicles through arranged recharging points does not imply the license for the supply of electricity

Auctions for limited-capacity connections - organized by system operators when network capacity is limited

Connection agreement under flexible conditions - includes rules for limiting/control of electricity injection/extraction from the grid for connecting power plants, storage facilities, usage facilities



The upcoming administrative and legislative non-price support mechanisms

Modification of the Law on the promotion of the use of energy from renewable sources

- Development of the legal framework applicable to connection to the grid by the simplified notification mechanism
- Development of national spatial data sets on energy resources and mapping the potential of renewable technologies
- Creation of the one-stop-shop for renewable energy permitting
- Setting requirements for the identification and designation of renewables acceleration areas and for grid and storage infrastructure location plans
- Laying down specific requirements for permitting the development of renewable projects
- Include clear provisions on the permitting process for the reconstruction/modernization of renewable plants
- Creating the preconditions for the large-scale integration of renewable technologies in buildings



The upcoming administrative and legislative non-price support mechanisms

Modification of the Regulation on connection to electricity networks and the provision of electricity transmission and distribution services

Introduction of new principles and requirements in relation to the submission and processing of applications for connection to the electricity grid

Allocation of available connection capacity as a priority for eligible producers, renewable energy communities, prosumers, connection under flexible conditions

Connection to electricity grids under flexible conditions

Connection conditional on co-financing of the construction or replacement of some network elements by the system user

Organization of auctions for the allocation of connection capacities to electricity grids



Conclusions

- ✓ Price-based support schemes have successfully accelerated RES deployment in the Republic of Moldova.
- ✓ Rapid growth of RES has exposed structural challenges, including grid constraints, administrative barriers, and integration costs.
- ✓ Non-price support mechanisms play a crucial role in addressing these challenges without increasing fiscal pressure.
- ✓ Legislative and regulatory simplifications reduce administrative and procedural barriers for RES projects.
- ✓ Targeted fiscal exemptions and administrative tools, such as the one-stop-shop, encourage participation of prosumers and small/medium enterprises.
- ✓ Effective capacity allocation management and regulatory improvements are essential for sustainable and orderly RES development.



Thank you for your attention!



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