Implementation of the Energy Community Treaty
Janez Kopač
Director
Energy Community gas acquis


Network code on Interoperability and Data Exchange and Guidelines on Congestion Management Procedures (1 October 2018)
  - Report on NC IO published by the Secretariat on 1 April 2019

Network code on Capacity Allocation, Network Code on tariffs, REMIT (foreseen deadline by the Feb 2020)
  - First capacity allocation scheduled for 1 July 2020
  - Incremental capacity procedure from 2021

Network Code on Balancing (discussion on adaptation finalised, to be adopted in Dec 2019)
Gas acquis implementation ratio

Progress 2018/2019

AL  BIH  GE  K*  MD  MN  NM  RS  UA

0.00  0.05  0.10  0.15  0.20  0.25  0.30  0.35  0.40  0.45  0.50

2018  2019
Albania: mixed signals

- *Albgaz* - capacity building ongoing, but its certification raises concerns – the same public bodies (and persons) control TSO and production/supply
- *TAP* and *Albgaz* drafted comprehensive network code
- No progress in TPP Vlora tendering

North Macedonia: implementing new law

- Many bylaws (supply and market rules, transmission and distribution tariffs) adopted
- Infrastructure development ongoing
- No resolution on the TSO yet – no certification

Bosnia and Herzegovina: no state gas law – sanctions to be prolonged

- Regulatory framework of entities decoupled
- RS signalled readiness to accept a state law as drafted
**Serbia: foreclosed market**

- Well developed regulatory framework, but a case against Serbia – no allocation of the IP Horgos capacity
- Lack of progress in the *Srbijagas* unbundling – case under art. 92 at the MC
- New advanced SoS bylaws
- But - *Gastrans* Exemption Decision diverts from the ECS Opinion

**Montenegro and Kosovo***:

explore all possible options how to connect to the gas transmission systems of their neighbours
Ukraine: post 2020 transit still uncertain

- A few days ago stalemate in the unbundling of a TSO from Naftogaz finally overcame very little time to have it certified by the end of the year
- Unresolved: PSO Public Service Obligation Resolution forecloses retail market
- Progress on application of gas transmission code in balancing, still with many open questions
- T-tariffs for national and cross border transmission finally brought to the same level
- Joint EBRD-ECS project to establish a gas exchange faces obstacles
- On going work on Interconnection agreements with adjacent TSOs
Moldova: moves forward

- An Unbundling plan how to implement an ITO model for Moldovatransgaz tabled by ECS – high hopes
- Many bylaws finally adopted, still, the crucial ones (network codes, T-Tariff, Market rules) under discussion – deadline end of the year
- SoS bylaws in place – however serious concerns about MD preparedness for the winter – MD most dependent country in Europe on the Ukraine transit

Georgia: still waiting law

- Some bylaws adopted in spite of law missing
GAS MARKETS – NUMBER OF SHIPPERS AT IPS

Number of active shippers at IPs in 2018

<table>
<thead>
<tr>
<th>Country</th>
<th>Shippers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bosnia and Herzegovina</td>
<td>3</td>
</tr>
<tr>
<td>North Macedonia</td>
<td>4</td>
</tr>
<tr>
<td>Georgia</td>
<td>5</td>
</tr>
<tr>
<td>Moldova</td>
<td>1</td>
</tr>
<tr>
<td>Serbia</td>
<td>4</td>
</tr>
<tr>
<td>Ukraine</td>
<td>65</td>
</tr>
</tbody>
</table>
GROSS INLAND CONSUMPTION (IN TWH) – W/O UKRAINE
GAS MARKETS – GROSS INLAND CONSUMPTION (IN TWh)
National regulators in Energy Community

![Chart showing energy consumption by country in the Energy Community.](chart.png)
**Georgia**

- Transmission and storage **tariff methodology** (TAR NC);
- Support for the development of **Natural Gas Market Rules**;
- Support in the regulation on protection of **vulnerable customers**;
- Regulation on Imposition of **Public Service Obligation(s)** on Natural Gas Market Participants and Designation of the Natural Gas Supplier of Last Resort.

**Moldova**

- IO, CMP CAM and TAR **NCs**;
- Support to ANRE in the consultation of the **Natural Gas Market Rules**.

**Ukraine**

- Distribution **tariff methodology** and monitoring the **quality of gas distribution and supply**;
- Support the development of an **IT Platform** for NEURC for data collection.
Projects of Energy Community Interest – Projects of Mutual Interest

• The 2nd PECI/PMI process was concluded in 2018 with the Ministerial Council Decision (PECIs) and Recommendation (PMIs) in October 2018

• Based on the Regulation 347/2013, the Secretariat updated the PECI/PMI Transparency Platform – PLIMA on its website

Projects of Eastern Partnership Interest - PEPI

• The Secretariat supported project promoters in the framework of the EU4Energy program in the EP countries in analyzing gas and electricity infra projects in the same manner as PECIs and PMIs
Treaty amendments – what they will bring

- New infringement tools – fines
- More competences to Competition authorities
- Reciprocity
- Climate policy
Towards an Integrated Climate and Energy 2030 Vision

Sustainability Pillars of the Energy Community Treaty

- Acquis on Energy Efficiency
- Acquis on Renewable Energy
- Acquis on Environment
- Acquis on Climate

Preparation of integrated National Climate and Energy Plans from 2018 onwards
Thank you for your attention!

www.energy-community.org

Janez.Kopac@Energy-Community.org