

The background is a satellite-style image of the Earth, showing the continents of Europe and Africa. Overlaid on this are numerous glowing blue lines that represent energy transmission or data networks, connecting various points across the globe.

Quality of Service Revival

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Third Energy Package transposition in EnC CPS – quality of service strengthened



"AN ENERGY COMMUNITY FOR THE FUTURE"

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➤ **Third Energy Package**

- ✓ *Moving from voluntary to mandatory approach to quality of service:*
 - ❖ *TSOs/DSOs/Suppliers – to ensure quality of service*
 - ❖ *NRAs – to regulate and monitor*
 - ❖ *Customers – rights to good quality of service*

➤ **3rd Energy Package transposed in 6 EnC CPs:**

- ❖ *Albania*
- ❖ *Kosovo**
- ❖ *Moldova*
- ❖ *Montenegro*
- ❖ *Serbia*
- ❖ *Ukraine*

⇒ **Quality of service provisions strengthened, obligation to adopt QoS rules defined**

QoS rules responsibility	Drafting	Approval
Albania	DSO	NRA
Kosovo*	NRA	NRA
Moldova	NRA	NRA
Montenegro	NRA	NRA
Serbia	NRA	NRA
Ukraine	NRA	NRA

➤ **QoS defined in different pieces of secondary legislation**

- ✓ QoS Rules
- ✓ Transmission and Distribution Grid Codes
- ✓ Regulation on electricity supply (General conditions)
- ✓ Other regulation on customer rights and protection (switching rules, customer complaints, connection...)

➤ **NRA responsible for development and adoption of QoS rules**

⇒ **Are DSOs involved/consulted in the process of QoS rules development?**

➤ **Albania**

- ✓ *Power Sector Law (Article 7)*
 - ❖ *Transmission and distribution system operators shall develop rules on quality of supply*
 - ❖ *During the developments of such rules and requirements, transmission and distribution system operators shall consult with the relevant stakeholders in- and outside the country*
 - ❖ *The rules on the quality of supply shall be approved and monitored by ERE*
- ⇒ *Rules on quality of supply drafted, pending NRAs approval*

➤ **Kosovo***

- ✓ *Electricity Law defines in details Quality of Supply (Article 47)*
 - ❖ *The Transmission System Operator, Distribution System Operator, and all suppliers, shall once per year publish reports on the quality of electricity supply and submit to the NRA all data related to the quality of electricity supply*
 - ❖ *Quality of Supply rules to be determined by the NRA*
- ⇒ *Rules on quality of supply to be developed*

➤ **Moldova**

✓ *Law on Electricity*

- ❖ *Article 7 - NRA drafts and approves the Regulation on the Quality of Electricity Transmission and Distribution Services, and monitors the observance of the quality parameters by system operators*
- ❖ *Article 43 – DSO is obliged to draft and submit, by 30 April, with central specialized state authority in charge of energy and the Agency an annual report comprising among others quality of electricity distribution services. The Report shall be published on the webpage of DSO*
- ❖ *Article 54 defines in details - Quality of services of electricity transmission and distribution*
- ✓ *The quality of electricity transmission and distribution services is to be assessed based on quality indicators provided by the Regulation on Quality of Services*
- ✓ *Failure to comply with minimum quality indicators empowers the Agency to decrease tariffs for electricity transmission services with 10% of pre-approved tariff and/or decide on individual compensations to be paid by system operator to its users, as provided by the Regulation on Quality of Electricity Transmission and Distribution Services.*
- ✓ *System operator is obliged to keep record of all applications, petitions and requests related to the quality of electricity transmission and distribution services and to filed with the Agency, annually and under the terms provided by the Regulation on Quality of Electricity Transmission and Distribution Services, reports on quality of electricity transmission and distribution services.*
- ✓ *System operator is obliged to create a 24/7 phone service and to ensure the reception of petitions from system users on the quality of electricity transmission and distribution services and on repairing of possible defects of equipment and electricity networks.*

➤ Montenegro

- ✓ *Law on Electricity – improved legal framework on quality of service*
 - ❖ *Article 43 - The Agency shall set the rules on minimum quality of delivery and supply of electricity and gas*
 - *The Rules shall closely define the minimum quality required for delivery and supply of electricity and gas which shall be based on the following criteria: quality of service, specifically regarding the time taken by transmission and distribution system operators for electricity and gas to make connections and repairs; continuities in supply; electricity voltage quality; financial compensation, which the energy undertaking shall pay due to their failure to meet defined minimum standards regarding quality of supply;*
 - ❖ *Article 62 - Methodologies for setting the regulatory allowed revenue and prices for use of transmission and distribution systems shall contain, among others, the following: support schemes for achievement of better quality of supply, and elements for encouragement of financial efficiency while carrying out the activities, decrease in costs of those activities and enhancement of quality of services*
 - ❖ *Article 116 - keep the register of data about quality of electricity supply which includes data about outages, voltage values and other data; Not later than the end of March of the current year Distribution System Operator shall publish on its web page a report on quality of electricity supplied in the previous year*

⇒ *Rules on quality of supply in the process of development by NRA*

➤ Serbia

- ✓ *Energy Law - substantial legal framework on quality of service*
 - ❖ *Article 51 - The Agency shall pass the rules on the quality of electricity delivery and supply*
 - ❖ *Article 52 – The Agency shall determine the amount of compensation to a customer on the basis of the level of deviation from the prescribed quality of electricity supply, in accordance with the Rules on the quality of electricity and natural gas delivery and supply*
 - ❖ *Article 56 – The Agency shall monitor indicators of technical and commercial quality of electricity and natural gas supply*
 - ❖ *Article 109/136 – TSO/DSO shall keep records needed for establishing indicators of electricity delivery and supply quality*
 - ❖ *Article 215 – QoS Rules shall prescribe in more detail the indicators of technical and commercial quality of electricity supply, the method of recording data and calculating the indicators, the manner and deadlines for the submission of data and reports to the Agency, the method for determining the required values of particular indicators, as well as the method for the assessment of results obtained by monitoring of the achieved values of quality indicators in relation to the required ones*
- ✓ *Existing QoS rules are adopted before new Energy Law and they define rules on monitoring technical and commercial quality indicators (available in local language):*

http://www.aers.rs/FILES/AktiAERS/AERSDajeSaglasnost/2013-12-31_Kvalitet_Pravila%20SG%202-14.pdf

➤ Ukraine

- ✓ *Energy Law - substantial legal framework on quality of service*
 - ❖ *Article 51 – The NRA is responsible for setting and monitoring of compliance with quality standards to electricity supply services, determining conditions, procedure and amount of compensation payable in the event of noncompliance with the applicable service quality standards*
 - ❖ *Article 18 - Quality of Electricity Supply –*
 - *The Regulator determines the list of electricity supply quality indicators characterizing the level of reliability (non-interruption) of electricity supply, commercial quality of electricity transmission, distribution and supply services, as well as electricity quality, and approves their values.*
 - *The Regulator determines the procedure of compensation for failure to maintain electricity supply quality indicators and the amount of compensation.*
 - *Quality indicators of electricity supply, procedure and amount of compensation for incompliance therewith shall be subject to promulgation according to the procedure set out by the Regulator*
 - ❖ *Article 33/46 – TSO/DSO shall keep information required to analyse quality of electricity supply, including information regarding reliability of electricity supply and quality of electricity, commercial quality of services, in accordance with the procedure prescribed by the Regulator; pay reimbursement (compensation) to system user if the TSO/DSO operator fails to comply with service quality indices defined by the contract on transmission/distribution services and NRA*
 - ❖ *DSO shall publish on its official web-site information regarding conditions of providing services of electricity distribution and services of connection to the distribution system, service quality indices and other information according to the legislation*

Continuity indices – EU vs. EnC CPs – 5th Benchmarking Report

Reliability indices (2012)		EnC	EU
SAIDI [minutes]	unplanned	600 – 900	0 – 400
	planned	450 – 850	0 – 300
SAIFI [interruptions]	unplanned	4 – 12	0 – 5.5
	planned	2 – 6	0 – 1

- **Wide spreads between EU MSs and EnC CPs**
- **Wide spreads between EnC CPs, hard to identify trends**
- **CoS data unavailability (6th Benchmarking Report does not provide values of continuity indicators)**
- **Continuity is quite a challenge for the EnC CPs**

- ***Strengthening regulatory framework by adoption of new secondary legislation (DSOs' position to be defined and presented to NRAs)***
- ***Harmonizing QoS indicators and standards, recording, monitoring, reporting and publishing practices***
- ***Establishing a link between prices and level of quality of service***
- ***Strengthening cooperation between EnC CPs NRAs, TSOs and DSOs on QoS issues***
- ***Continuous monitoring and benchmarking***
- ***Continuing cooperation with CEER on Benchmarking Reports***



*Thank you
for your attention!*

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