

SIX BARRIERS TO MOBILISING FLEXIBILITY IN UKRAINE

Hundreds of MW of distributed flexibility, financed by private capital – currently blocked from reaching the system

1 ACTIVE CONSUMER ASSETS LOCKED INTO DOWNWARD REGULATION ONLY

Only feed-in tariff or self-production allowed and aFRR/mFRR down is available through current rules. Upward and symmetric services require a storage operator licence turning an asset into a regulated market entity.

2 BALANCING MARKET PAYMENT DEBTS

Settlements 12+ months behind. Aggregator economics cannot offer a credible cash-flow case to consumers.

3 1 MW THRESHOLD + FRAGMENTED CERTIFICATION

Behind-the-meter assets <1 MW invisible to wholesale market. 30+ parallel oblast/DSO certifications, re-issued on every portfolio change.

4 OBSOLETE TWO-ZONE HOUSEHOLD TARIFF

Night rate at ~50% of day rate signals consumption against system needs – cheapest hours are now midday solar peak.

5 NO OPERATIONAL PROCEDURE FOR ACTIVE CONSUMER STATUS DEBTS

Legal framework exists; no step-by-step guidance from DSOs or the Regulator. A framework that cannot be used in practice does not exist in practice.

6 NO FLEXIBILITY MARKET AT DISTRIBUTION LEVEL

Congestion, voltage, reverse flows – but no DSO procurement mechanism. TSO actions can act against DSO needs.

MARKET ACCESS

Aggregator-mediated participation as the default route for active consumers across the ancillary services markets

1

REGULATORY ARCHITECTURE

Portfolio changes by notification, not re-certification

Unified procedures for active consumer entry across all DSOs and the Regulator

Distribution-level flexibility markets within a clear TSO-DSO coordination framework

2

MARKET INTEGRITY

Resolve structural payment debts on the balancing market

Move household tariffs from the two-zone structure to dynamic pricing

3

THE FLEXIBILITY RESOURCE IS ALREADY IN PLACE.
THE QUESTION IS WHETHER THE RULES WILL LET IT WORK.

