National Energy and Utilities Regulatory Commission of Ukraine: <u>the latest regulatory developments</u>

45th ECRB Customers and Retail Markets Working Group meeting

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- In October 2019 two Commissioners quit voluntarily
- On **October 29, 2019** the President of Ukraine temporary (*for three months*) appointed **four new Commissioners** for vacant positions
- On November 4, 2019 new Chairman of NEURC was selected





- Amendments to the Law on NEURC were voted 19/12/19
- The main idea of the changes is to ensure compliance with the requirements of the **Constitution of Ukraine**

Main changes:

- NEURC is formed by the government (interference in NEURC's activities is forbidden)
- Competition Commission (for election of NEURC members) is formed by Parlament, Ministry of Energy and Ministry of Regional Development
- New powers (audit issues, investigations, licensing, monitoring)



Electricity Market

- Pre-approval of Capacity Allocation Rules and Congestion Management Rules;
- Pre-approval changes to the Transmission Network Code, Retail Market Rules, Market Rules and DAM and IDM Rules;
- Final approval changes to the **Distribution Network Code**

Natural Gas Market

- > amendments were approved to the Transmission Tariffs Methodology for Entry and Exit Points Based on Long-Term Incentive Regulation;
- > On December 24, 2019 the final Decision on certification of TSO was adopted by NEURC

General issues



- Pre-approval of the Amendments to the Procedure for Licensing Control (audit) of Licensees in Energy and Utilities;
- > Pre-approval of the Licensing Procedures (according to the changes in Law on NEURC)

Implementation of EU legislation

- resolution «On transposition of the provisions of the European Union and the Energy Community legal acts on the natural gas market of Ukraine» which include Regulations (EU) 2015/703, 2017/459, 2017/460, 2014/312, 2012/490;
- Pre-approval of project of resolution «On approval of Requirements for prohibition and prevention of abuse on the wholesale energy markets» (implementation of Regulation (EU) Nº 1227/2010 (REMIT).