



# **Regulatory framework for active customers in the Energy Community Contracting Parties**

February 2025

## Table of Contents

1	INTRODUCTION.....	3
1.	About ECRB .....	3
2.	Background and scope.....	3
3.	Methodology.....	4
2	FINDINGS .....	5
1.	Definitions and rights .....	5
2.	Procedures .....	9
3.	Capacity limits .....	13
4.	Metering and connection costs .....	15
5.	Numbers and capacities of renewable self-consumers .....	18
6.	Conclusions and recommendations.....	20

## List of figures

Figure 1	Number of renewable self-consumers in the Contracting Parties in 2023.....	19
Figure 2	Capacity installed for renewable self-consumption in the Contracting Parties in 2023, in MW .....	19

# 1 INTRODUCTION

## 1. About ECRB

The Energy Community Regulatory Board (ECRB) operates based on the Treaty establishing the Energy Community<sup>1</sup> (hereinafter ‘the Treaty’). As an institution of the Energy Community, ECRB advises the Energy Community Ministerial Council and Permanent High Level Group on details of statutory, technical and regulatory rules and makes recommendations in the case of the cross-border disputes between regulators.

ECRB is the independent regional voice of energy regulators in the Energy Community. ECRB’s mission builds on three pillars: providing coordinated regulatory positions to energy policy debates, harmonizing regulatory rules across borders and sharing regulatory knowledge and experience<sup>2</sup>.

## 2. Background and scope

Active consumers have a significant role in energy transition through their contribution to generating electricity from renewable energy sources and increasing consumer engagement in the market. Building on the ECRB report *Legal and regulatory framework for support and treatment of small-scale generators with special focus on solar photovoltaic (PV) systems connected to the distribution network*<sup>3</sup>, published in 2020 and the Energy Community Secretariat’s *Policy Guidelines on Integration of Renewables Self-Consumers*<sup>4</sup>, and taking into consideration the requirements of Electricity Directive (EU) 2019/944<sup>5</sup>, included in the Energy Community *acquis communautaire* in 2021 (hereinafter “Electricity Directive”), the ECRB decided to further investigate and analyze the regulatory framework for active customers.

Before providing the results of the analysis, the difference between the definitions of a renewables self-consumer, established by Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources (hereinafter “RES Directive”), and the one of an active customer, set by the Electricity Directive, should be observed:

- Renewable self-consumer is a final customer operating within its premises located within confined boundaries or, where permitted by a Contracting Party, within other premises, who generates renewable electricity for its own consumption, and who may store or sell self-generated renewable electricity, provided that, for a non-household renewables self-consumer, those activities do not constitute its primary commercial or professional activity (RES Directive).
- Active customer is a final customer, or a group of **jointly acting** final customers, who consumes or stores electricity generated within its premises located within confined boundaries or, where permitted by a Contracting Party, within other premises, or who sells self generated electricity or

---

<sup>1</sup> [www.energy-community.org](http://www.energy-community.org). The Energy Community comprises the EU and Albania, Bosnia and Herzegovina, North Macedonia, Georgia, Kosovo\*, Moldova, Montenegro, Serbia and Ukraine. Armenia, Türkiye and Norway are Observer Countries. Throughout this document the symbol \* refers to the following statement: This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Advisory Opinion on the Kosovo declaration of independence.

<sup>2</sup> For more information on ECRB visit <https://www.energy-community.org/aboutus/institutions/ECRB.html>

<sup>3</sup> [https://www.energy-community.org/dam/jcr:abacd12d-283c-492a-8aa4-6da5797d044a/ECRB\\_prosumers\\_regulatory\\_framework\\_032020.pdf](https://www.energy-community.org/dam/jcr:abacd12d-283c-492a-8aa4-6da5797d044a/ECRB_prosumers_regulatory_framework_032020.pdf)

<sup>4</sup> [https://www.energy-community.org/dam/jcr:7e4760a1-3890-4a7a-a067-d9e16c80ddeb/PG\\_2020\\_03\\_RES.pdf](https://www.energy-community.org/dam/jcr:7e4760a1-3890-4a7a-a067-d9e16c80ddeb/PG_2020_03_RES.pdf)

<sup>5</sup> [https://www.energy-community.org/dam/jcr:4dd35c70-91d7-4219-8396-7637a0cef7c7/DirectiveEU2019\\_944.pdf](https://www.energy-community.org/dam/jcr:4dd35c70-91d7-4219-8396-7637a0cef7c7/DirectiveEU2019_944.pdf)

***participates in flexibility or energy efficiency schemes***, provided that those activities do not constitute its primary commercial or professional activity (Electricity Directive).

Having in mind that RES Directive was included in the Energy Community legal framework earlier, with the deadline for implementation end 2022, the majority of the Contracting Parties adopted the definition of renewable self-consumers and started creating adequate regulatory frameworks for facilitating development of self-consumption. On the other side, although the deadline for implementing Electricity Directive expired end 2023, the definition of active customer has been adopted partially only by several Contracting Parties (see Chapter 2.1.)<sup>6</sup>. This report builds on the fulfilment of legal requirements for both definitions.

It is clear that the regulatory framework for active customers relies on the whole set of rules established by the Electricity Directive, such as flexibility, smart meters and dynamic pricing. This report however does not repeat the information on these aspects, as they are covered by the ECRB Retail Market Monitoring Report<sup>7</sup>, but focuses on the following:

- Rights and obligations of renewable self-consumers and active customers;
- Procedures for obtaining the status of a renewable self-consumer and/or and active customer;
- Metering and connection to the grid;
- Existing subsidy schemes as well as
- Information on total numbers and capacities of renewable self-consumers and active customers.

### 3. Methodology

The report covers the following Energy Community Contracting Parties: Albania, Bosnia and Herzegovina, Georgia, Kosovo\*, Moldova, Montenegro, North Macedonia, Serbia and Ukraine. Data and analysis displayed in this report are based on information provided by the regulatory authorities of the Contracting Parties via completing the relevant questionnaire.

---

<sup>6</sup> By the time of publishing this report, Serbia transposed Electricity Directive, however the findings of this report do not acknowledge this fact, as the data was collecting earlier in 2024.

<sup>7</sup> <https://www.energy-community.org/dam/jcr:da6b4a39-cd2b-40d6-9163-ee95e4093eb9/Retail%20Market%20Monitoring%20Report%202023%20-%20approved%20by%20ECRB.pdf>

## 2 FINDINGS

### 1. Definitions and rights

As mentioned in chapter 1.2 above, the definitions and rights of active customers are still not widely established in the Contracting Parties. Contrary to that, the regulatory frameworks for renewable self-consumers are set in most of the cases. The table below provides an overview of the implementation of provisions of Article 15 of Electricity Directive and Article 21 of RES Directive.



Table 1 Definitions and rights and obligations of active customers/renewable-self consumers in Contracting Parties

	ALB	BIH	GEO	KOS*	MDA	MNE	MKD	SRB	UKR
<b>Definition of an active customer</b>	no	yes	no	yes	no	no	no	no <sup>8</sup>	yes
<i>Active customers are:</i>									
<i>Entitled to operate directly and through aggregation</i>	x	√ (FBIH, RS), x (BD)	x	partially <sup>9</sup>	x	x	x	x	partially
<i>Entitled to sell self-generated electricity, including through power purchase agreements</i>	x	√ (FBIH), partially (RS) <sup>10</sup> , x (BD)	x	√ <sup>11</sup>	√	x	partially <sup>12</sup>	x	partially
<i>Entitled to participate in flexibility schemes and energy efficiency schemes</i>	x	√ (FBIH, RS), x (BD)	x	x	x	x	x	x	partially
<i>Entitled to delegate to a third party the management of the installations required for their activities, including installation, operation, data handling and maintenance, without that third party being considered to be an active customer</i>	x	√ (FBIH, RS), x (BD)	x	x	x	x	x	x	partially
<i>Subject to cost-reflective, transparent and non-discriminatory network charges that account separately for the electricity fed into the grid and the electricity consumed from the grid, ensuring that they contribute in an adequate and balanced way to the overall cost sharing of the system</i>	x	√ (FBIH, RS), x (BD)	x	√	partially <sup>13</sup>	x	x	x	partially

<sup>8</sup> Information in this report refers to 2023. In November 2024, the amendments to the Energy Law which came into force on 6 December 2024 prescribe definition of Active consumers as well as relevant provision on Active consumers.

<sup>9</sup> Only directly.

<sup>10</sup> Not including through power purchase agreements.

<sup>11</sup> Power Purchase Agreements with a duration of twelve years.

<sup>12</sup> Supplier of the prosumer is obliged to conclude the agreement for taking of the excess of produced electricity.

<sup>13</sup> Customer with net-metering scheme - NO. Customer with net-billing scheme - YES

<i>Financially responsible for the imbalances they cause in the electricity system</i>	x	√ (FBIH), partially (RS) <sup>14</sup> , x (BD)	x	x	x	x	x	x	partially
<i>Definition of a <b>renewable self-consumer</b></i>	yes	Yes (RS); no (FBIH)	no	yes	yes	yes	no <sup>15</sup>	yes	no
<i>Renewable self-consumers are entitled to:</i>									
<i>Generate renewable energy, including for their own consumption, store and sell their excess production of renewable electricity, including through renewables power purchase agreements, electricity suppliers and peer-to-peer trading arrangements, without being subject:</i>	√	partially <sup>16</sup>	x		√	√ <sup>17</sup>		√	partially
<i>(i) in relation to the electricity that they consume from or feed into the grid, to discriminatory or disproportionate procedures and charges, and to network charges that are not cost-reflective;</i>									
<i>(ii) in relation to their self-generated electricity from renewable sources remaining within their premises, to discriminatory or disproportionate procedures, and to any charges or fees?</i>									
<i>Install and operate electricity storage systems combined with installations generating renewable electricity for self-consumption without liability for any double charge, including network charges, for stored electricity remaining within their premises?</i>	x	√	x	√	√	√		√	partially

<sup>14</sup> RS: Law on RES: The customer-producer whose installed power of the power plant exceeds 150kW is obliged to report the daily work schedule and bear the costs of the imbalance.

<sup>15</sup> Only prosumers are defined as households, community of households, small consumers, budget user, can generate electricity for own consumption and excess of produced electricity to delivered into the grid. Maximum install capacity for households is 6kW and for the rest of consumers is 40kW.

<sup>16</sup> Not including through power purchase agreements.

<sup>17</sup> No renewables power purchase agreements, electricity suppliers and peer-to-peer trading arrangements are prescribed as options in the Energy Law.



The provisions regarding the active customers that own an energy storage facility are partially implemented in four Contracting Parties, namely Bosnia and Herzegovina, Kosovo\*, Moldova and Ukraine.

Taking into consideration the comparatively higher level of implementation in Ukraine, the box below provides more details on legal and regulatory framework for active customers in this Contracting Party.

### Legal and regulatory framework for active customers in Ukraine

*A consumer is entitled to participate in ancillary services market, to provide balancing services and to unite (join) in aggregated groups for this purpose under the procedure defined in the market rules. The consumer is entitled to join aggregated groups and provide ancillary services and balancing services using its own electrical installations intended for the consumption and/or production and/or storage of electricity. An active consumer using energy storage facility can participate in ancillary services market, provide balancing services and purchase and sell electricity which is used to store energy in energy storage facilities on organized market segments (day ahead, intraday, balancing) directly (independently) or as a part of aggregated groups.*

*The consumer acquires the status of an active consumer simultaneously with: entering into a contract for the sale and purchase of electricity under the self-generation (net-billing) mechanism, which is an annex to the contract for the supply of electricity to the consumer; or when concluding an agreement with a guaranteed buyer or universal service supplier on the sale of electricity at a feed-in tariff. The consumer also acquires the status of an active consumer in case of installation of an energy storage facility for the purpose of participation in ancillary services market, providing balancing services and purchase and sell electricity which is used to store energy in energy storage facilities on organized market segments (day ahead, intraday, balancing) directly (independently) or as a part of aggregated groups.*

*Private households that have been granted a feed-in tariff sell their electricity at a feed-in tariff to a universal service supplier. Other consumers, including energy cooperatives, which are entitled to the feed-in tariff, sell their electricity at the feed-in tariff to a guaranteed buyer. Active consumers using self-generation (net-billing) scheme sell electricity to a universal service supplier or other electricity supplier.*

*An active consumer participates in demand management measures in line with the Retail Electricity Market Rules, Market Rules, Transmission System Code, Commercial Metering Code and other legislative acts.*

*An active consumer who has installed an energy storage facility shall pay a fee for electricity transmission and distribution services, which shall be calculated separately for the amount of electricity consumed from the grid by electrical installations intended for electricity consumption and generation, and separately for the amount of the absolute difference between the monthly electricity withdrawal from the grid and monthly electricity fed into the grid by the energy storage facility. In other cases the active consumer pays a fee for electricity transmission and distribution services, which is calculated on the total amount of electricity consumed from the grid.*

*According to article 19-6 of the Alternative Energy Sources Law under the self-generation (net-billing) mechanism, the electricity supplier or universal service supplier unilaterally clear the cost of electricity fed into the grid and withdrawn from the grid taking into account the cost of electricity transmission and/or distribution services. If an active consumer enters into an electricity purchase and sale agreement under the self-generation (net-billing) mechanism, the cost of distribution and/or transmission services for electricity consumed by the active consumer shall be paid to the electricity supplier or universal service supplier.*

Although the Table 1 shows no implementation of legal provisions regarding active customers and renewable self-consumers in Georgia, so called micro power plants exist as market participants. A micro power plant is an electricity generation facility owned by a customer or a group of customers (including through ownership, lease, or other forms). It uses a renewable energy source and is connected to the electricity distribution network either through the user's internal network or directly to the distribution network. The installed capacity of a micro power plant does not exceed 500 kilowatts. A customer or a group of customers is entitled to supply the electricity produced by the micro power plant to the distribution network. The distribution system operator is obliged to facilitate the connection of the micro power plant to the distribution network. The electricity supplier is authorized to offset and/or purchase excess electricity generated by the micropower plant and supplied to the distribution network. Payment between the customer and supplier shall be settled through a net-metering scheme.

## 2. Procedures

The table below provides the information on the procedures necessary for obtaining the status of a renewable self-consumer or other category of active customer. It also specifies the role of regulators in this field, if any.

Table 2 Procedures for obtaining the status of active customers/renewable self-consumers

	Procedure and required documents	Licence	Role of NRA
<i>ALB</i>	<ol style="list-style-type: none"> <li>1. Complete the application form for the net metering scheme and bidirectional connection, following the model approved by the Distribution System Operator (DSO), available online at <a href="http://www.oshee.al">www.oshee.al</a>.</li> <li>2. The required documents are: declaration of average annual electricity consumption based on the consumption history of the last two years, energy audit report issued by a certified auditor and proposal for the installed capacity.</li> <li>3. Provide an approved project prepared by licensed individuals or entities for the connection of the plant to the distribution network.</li> <li>4. Submit a proposal for the metering device, including its model and technical specifications.</li> </ol> <p>The DSO must review the application and provide authorization for connection within 30 working days from the submission date.</p>	no	no
<i>BIH</i>	RS: The buyer-producer can realize the right to a premium in accordance with the Law on Renewable Sources, as a small producer, after obtaining a certificate, or according to the principle of net metering by connecting the power plant to the internal installations of its facility.	no	RS: the NRA issues decisions on the right to premium for renewable self-consumers. The NRA also issues certificates for renewable self-consumers whose installed capacity is over 1 MW. All active consumers that are in the system of incentives and the DSOs are

	<p>BD: The procedure given in the Law on renewable energy sources and efficient cogeneration of the Brčko District of BiH and the Rulebook on the conditions for connecting power plants to the distribution network of the Brčko District of BiH. The rulebook on conditions for connection of the plants to the electric distribution network prescribes the documents which should be enclosed to the application for issuance of the electric power consent and also during other proceedings.</p>		<p>reporting to the NRA. The NRA also has a role in planning of RES development.</p>
<i>GEO</i>	<p>Application form shall be provided to the DSO to connect the distribution network to become an active customer and be involved in net-metering scheme. If the micro power plant belongs to other person, any document/agreement proving the right to operate this facility (e.g. lease agreement). Also, active supply contract with the supplier shall be concluded.</p>	No	no
<i>KOS*</i>	<p>Rules on prosumers of renewable sources prescribe the concrete steps. The following documents are required:</p> <p>Evidence from the system operator on annual energy consumption;</p> <p>Evaluation of annual kWh production of the proposed self-generator;</p> <p>Connection agreement with the system operator;</p> <p>Municipality consent on installation of Renewable Self-consumption equipment, if required by relevant construction legislation</p>	no	<p>The application for obtaining the authorization for new generation capacities projects of renewable self-consumption shall be submitted to the NRA in written form</p>
<i>MDA</i>	<p>The applicant must contact the system operator in order to obtain the Connection Notice. Based on the obtained Connection Notice, the applicant is to carry out the design of the power plant and the construction - assembly works, in compliance with the requirements of Law no. 107/2016 and Law no. 163/2010 regarding the authorization of the execution of construction works.</p> <p>The design, execution and operationalization of the connection installation of a potential final consumer applicant or a potential producer is carried out by the system operator based on the connection contract signed at the request of the potential system user. The applicant is entitled to hire a designer and/or an authorized electrician for the design and/or execution of the connection installation (the list of authorized electricians can be consulted on the official website of NRA).</p> <p>After carrying out the construction-assembly work, the necessary tests are carried out by an authorized electrotechnical laboratory and, subsequently, based on the statement of the authorized electrician or the corresponding act, the constructed power plant can be admitted into operation.</p>	no	<p>Adjusting the secondary regulatory framework related to renewable self-consumers</p> <p>Keeping the register of renewable self-consumers</p>

	<p>After admission to operation, the applicant addresses the system operator who will connect the power plant to the power grid, after paying the connection fee.</p>		
<i>MNE</i>	<p>DSO published on its web page the procedure for obtaining the status.</p> <p>With the request form for connection the applicant enclose the following documentation:</p> <ul style="list-style-type: none"> <li>- Urban-technical conditions with map of a detailed urban plan in digital (CD) and paper form in which infrastructure networks and roads are built and guidelines and conditions for construction of infrastructural and communal facilities,</li> <li>- Revised design or main project of the object being the subject of connection, done in accordance with the law, technical regulations, standards and recommendations of DSO (in digital (CD) and paper form),</li> <li>- A photocopy of the identity card of the applicant or an excerpt from the register by tax number and a bank account for legal entities.</li> </ul>	No, if capacity does not exceed 1 MW	no
<i>MKD</i>	<p>A person can acquire consumer-producer status if the following conditions are met:</p> <ul style="list-style-type: none"> <li>- installation a photovoltaic system or a small wind power plant,</li> <li>- the installed power of the facility should not exceed 6 kW, for household use,</li> <li>- the installed power of the facility should not exceed 40 kW, for a small consumer, budget user and individual user,</li> <li>- handing over the excess of produced electricity to the reception point,</li> <li>- electricity is supplied by the supplier,</li> <li>- the production facility meets the technical conditions as well as the method of connection to the electricity distribution are established in the Network Rules for Electricity Distribution.</li> </ul> <p>If the conditions are met, the prosumer and the operator of the electricity distribution system conclude a contract for the use of the electrical distribution network. The supply of electricity and the transfer of excess produced electricity to the electricity distribution network are regulated by an agreement concluded by the prosumer and the supplier who supplies him with electricity, within 30 days of the receipt of the request and the agreement with the operator of the electricity distribution system.</p>	no	no
<i>SRB</i>	<p>DSO published on its web page the procedure for obtaining the status. The following documents are needed: Facility Connection Study, Statement of Contractor that facilities are constructed in line with regulations and standards (only</p>	no	no

	for households), Permit for Construction, Signed Agreement with Supplier, Decision on the Approval of Connection.		
UKR	<p>The consumer acquires the status of an active consumer simultaneously with:</p> <p>entering a contract for the sale and purchase of electricity under the self-generation (net-billing) mechanism, which is an annex to the contract for the supply of electricity to the consumer; or</p> <p>concluding an agreement with a guaranteed buyer or universal service supplier on the sale of electricity at a feed-in tariff.</p> <p>The consumer also acquires the status of an active consumer in case of installation of an energy storage facility for the purpose of participation in ancillary services market, providing balancing services and purchase and sell electricity which is used to store energy in energy storage facilities on organised market segments (day ahead, intraday, balancing) directly (independently) or as a part of aggregated group.</p> <p>Documents that should be submitted by the active consumer differ depending on the type of customer (households, other), supplier (universal supplier, guaranteed buyer) and whether the active customer has storage or not.</p>	No, if capacity does not exceed 5 MW	<p>The procedure for cancelling the status of an active consumer and the consequences of such cancellation are to be determined by the Regulator (the procedure has not been defined yet).</p> <p>Procedure for the sale, metering and payment for electricity generated by active consumers was adopted by the decision of the Regulator as of 29.12.2023 № 2651.</p>

For obtaining the status of an active customer or renewable self-consumer in the Contracting Parties, a license by the regulator is not needed, if the facility does not have the capacity above certain limit (ranging from 1 MW in Bosnia and Herzegovina- Republika Srpska entity and Montenegro to 13 MW in Georgia). In Kosovo\*, an authorization for new generation capacities projects of renewable self-consumption is granted by the regulatory authority. The regulators influence the regulatory framework through network rules. For example, Rules on connection and network operation in Moldova or Procedure for the sale, metering and

payment for electricity generated by active consumers and Procedure for cancelling the status of an active consumer and the consequences of such cancellation in Ukraine.

### 3. Capacity limits

An integral part of the procedures is the rule on capacity limits for the generation facilities of active customers/renewable self-consumers. These capacity limits differ substantially among the Contracting Parties, as the table below shows.

Table 3 Capacity limits for active customers'/renewable self-producers' facilities

	Maximum level of installed capacity for renewables self-consumers/active consumer (capacity limits) for households	Maximum level of installed capacity for renewables self-consumers/active consumer (capacity limits) for commercial customers
<i>ALB</i>	500 kW	500 kW
<i>BIH</i>	RS: Small producers, in accordance with the Law on feed in premium, for net metering up to 10,8 kW, for net billing-up to 50 kW  BD: In the net metering system, up to 50 kW	
<i>GEO</i>	500 kW	500 kW
<i>KOS*</i>	7 kW	<p>Rule on Prosumers of Renewable Sources sets two schemes for customers: for those that want to participate in the support scheme and for prosumers that want to be out of the support scheme.</p> <p>Commercial customers that want to be <u>within support scheme</u>:</p> <p>Prosumers with the total installed capacity of the self-generating facility less or equal to the threshold.</p> <ol style="list-style-type: none"> <li>Electricity customers connected to the low voltage of the distribution network (0.4kV), who are non-household customers and who are not invoiced for the engaged active power, are entitled to place generation capacities for self-consumption with an installed power of the production unit based on the consumed energy and based on the electro-energetic consent that does not exceed the threshold of 15 kW.</li> <li>Electricity customers connected to the low voltage of the distribution network (0.4kV), who are non-household customers and who are metered and invoiced for the engaged active power, are entitled to place generation capacities for self-consumption with an installed power of the production unit based on the consumed energy and</li> </ol>

		<p>based on the electro-energetic consent that does not exceed the threshold of 100 kW.</p> <p>3. Electricity customers connected to the medium voltage of the distribution network (6kV, 10kV, 20kV and 35kV) and the transmission network, who are non-household customers are entitled to place generating capacities for self-consumption with an installed power of the production unit based on the average engaged power during the 12 months' period and based on the electro-energetic consent that does not exceed the threshold of 200 kW.</p> <p>Commercial customers that want to be <u>out of the support scheme</u>:</p> <p>Prosumers with the total installed capacity of the self-generating facility under, equal or above the threshold.</p> <p>1. For the electricity customers connected to the low voltage (0.4kV) of the distribution network, the allowed capacity for authorization for self-consumption is evaluated based on the lowest value of the consumed energy and based on the electro-energetic consent.</p> <p>2. For electricity customers connected to the medium voltage of the distribution network (6kV, 10kV, 20kV and 35kV) and in the transmission network, the allowed capacity for authorization for self-consumption is evaluated based on the lowest value of the average engaged power during the 12-month period and based on the electro-energetic consent.</p>
<i>MDA</i>	200 kW	200 kW
<i>MNE</i>	final customer that generates electricity from renewable energy sources in facilities of up to 50 kW installed capacity or in high-efficiency cogeneration facilities of up to 50kW installed capacity shall have a right to exchange electricity that it delivers to the system and takes from the distribution system.	<p>Primary legislation: Article 98(1) Energy Law prescribes that the Ministry of Economy shall specify the types of facilities for RES generation or in high-efficiency cogeneration and their classification in groups.</p> <p>Secondary legislation: the Ministry of Economy issued rules on the types and classification of facilities for generation of electricity from RES or in high-efficiency cogeneration. In these Rules classification of facilities for RES generation is:</p> <ul style="list-style-type: none"> <li>- Facilities with installed capacity up to 1 MW connected to distribution system</li> <li>- Facilities with installed capacity from 1 MW to 10 MW connected to distribution or transmission system</li> <li>- Facilities with installed capacity above 10 MW connected to transmission system</li> <li>- Facilities that are not connected to distribution or transmission system</li> </ul>
<i>MKD</i>	6 kW	40 kW

<i>SRB</i>	<p>Installed power of the production facility of a prosumer-household may not be higher than the installed power of the connection of the end-user. In addition to these requirements, the installed power of the production facility of a prosumer-household may not be greater than:</p> <p>1) the equivalent power that corresponds to the current of 10 A, if the connection to the system is not three-phase;</p> <p>2) 10.8 kW.</p>	<p>Installed power of the production facility of a prosumer-small commercial may not be higher than the installed power of the connection of the end-user. In addition to these requirements, the installed power of the production facility of a prosumer-small commercial may not be greater than:</p> <p>1) the equivalent power that corresponds to the current of 10 A, if the connection to the system is not three-phase;</p> <p>2) 150 kW.</p>
<i>UKR</i>	<p>Household consumers in their private households - generation facilities with an installed capacity not exceeding 50 kW, designed to produce electricity from solar and/or wind energy and sell it at a feed-in tariff in accordance with Article 9-1 of the Law of Ukraine "On Alternative Energy Sources";</p> <p>Private households - generation facilities connected to electrical installations intended for the consumption of electricity directly or through the networks of such consumer, provided that the installed capacity of the generating facilities does not exceed the permitted (contractual) capacity of the electrical installations of such consumer intended for the consumption of electricity, but not more than 30 kW, and the sale of produced and not consumed electricity through the self-generation (net-billing) mechanism;</p> <p>The total installed capacity of generating facilities and energy storage facilities of active consumers (each separately) cannot not exceed the capacity allowed for consumption under the connection agreement.</p>	<p>Other consumers, including energy cooperatives - generation facilities with an installed capacity not exceeding 150 kW, intended for the production of electricity from solar and/or wind energy, biomass, biogas, hydropower, geothermal energy and its sale at a feed-in tariff in accordance with Article 9-1 of the Law of Ukraine "On Alternative Energy Sources";</p> <p>Small non-household consumers - generation facilities connected to electrical installations intended for the consumption of electricity directly or through the networks of such consumer, provided that the installed capacity of such facilities does not exceed the permitted (contractual) capacity of electrical installations of such consumer intended for the consumption of electricity, but not more than 50 kW, and the sale of produced and not consumed electricity through the self-generation (net-billing) mechanism;</p> <p>Non-household consumers - generation facilities connected to electrical installations intended for the consumption of electricity directly or through the networks of such consumer, provided that the installed capacity of such facilities does not exceed the permitted (contractual) capacity of electrical installations of such consumer intended for the consumption of electricity, and the sale of produced and not consumed electricity through the self-generation (net-billing) mechanism;</p> <p>The total installed capacity of generating facilities and energy storage facilities of active consumers (each separately) cannot not exceed the capacity allowed for consumption under the connection agreement.</p>

#### 4. Metering and connection costs

The Electricity Directive requires that network charges for active customers account separately for the electricity fed into the grid and the electricity consumed from the grid. If Contracting Parties have existing schemes that do not account separately for the electricity fed into and consumed from the grid, they should

not grant new rights under these schemes after 31 December 2026. Furthermore, the customers must have the possibility to opt for a new scheme as the basis for calculating network charges.

Currently, in the Contracting Parties, both net metering and net billing schemes are used:

**Net metering:** Georgia

**Net billing:** Albania, Kosovo\*, Montenegro, North Macedonia and Ukraine

**Both net metering and net billing:** Bosnia and Herzegovina (Republika Srpska entity and Brcko District), Moldova and Serbia.

The basic prerequisite for remuneration scheme that accounts separately for the electricity fed into and taken from the grid is a two-way meter, whose cost of installation is to be paid by the active customers/renewable self-consumer. In some Contracting Parties, also other costs may be charged to these market participants, such as additional costs that distribution system operators face due to their connection (increased capacity, staff engagement).

The text below provides more details on remuneration schemes, as provided by the regulatory authorities:

**Georgia:** According to electricity retail market rules, the price for one kilowatt of electricity purchased by a universal service supplier or another public service obligation supplier, delivered to the distribution network by a micro power plant, is the weighted average market price determined by the methodology for calculating universal service supply tariffs.

**Moldova:** In order to apply the net billing scheme for prosumers of electricity from renewable sources, universal service providers and suppliers of last resort who have signed contracts with prosumers of electricity from renewable sources pay for the electricity delivered to the network the average market price for the next day in the billing period. Until a liquid day-ahead market is established, universal service providers and providers of last resort apply the average electricity procurement price for the billing period from all sources, except for quantities of electricity procured from the central electricity supplier. The price for electricity delivered to the electricity network by prosumers of electricity from renewable sources who have signed supply contracts with the supplier providing electricity at negotiated prices is set in the contract, following negotiations between the supplier and the prosumer of electricity from renewable sources.

**North Macedonia:** price negotiated with the supplier.

**Ukraine:** The level of feed-in tariff exceeds the market price. Private households and small non-household consumers sell the electricity fed into the grid, respectively:

- in case of concluding a purchase and sale agreement with a universal service supplier under the self-generation (net-billing) mechanism - at the price set on the day-ahead market in the billing period (hour), to such universal service supplier;
- in case of concluding an electricity purchase and sale agreement with an electricity supplier other than the universal service supplier under the self-generation (net-billing) mechanism - at free prices.

Other consumers who have concluded a self-generation (net-billing) electricity purchase and sale agreement with the electricity supplier shall sell the supplied electricity to the electricity supplier at free prices.

If a private household operating under the self-generation (net-billing) mechanism uses an energy storage facility, it shall supply electricity at the day-ahead market price, but not higher than the price at which the universal service supplier supplies electricity to household consumers.

The regulators of Kosovo\* and Montenegro stated that renewable self-consumers are remunerated at market-based prices.

**Additional support schemes** available in the Contracting Parties are:

**Bosnia and Herzegovina:** in Republika Srpska entity, a feed in premium for small producers that use the energy for own needs is provided.

**Georgia:** Until May 1, 2026, the micropower plant user, who has concluded a supply contract with the public service obligation supplier (other than the universal service supplier), is exempted from the obligation to pay the system service fee in relation to the amount of electricity netted.

**Montenegro:** there are occasional projects which aim to enforce the number of renewable self-consumers by providing financial support for the PV installation.

**North Macedonia:** feed-in tariff (FIT) and feed-in premiums (FIPs) are available support schemes for renewable energy producers. The electricity market operator is obliged to purchase the electricity generated from FIT producers, and is a balancing responsible party.

**Ukraine:** For feed-in tariff:

The universal service supplier is obliged to purchase electricity generated by generating facilities of private households at a feed-in tariff in an amount exceeding the monthly electricity consumption of such private households, and to make priority payment for this electricity in each billing period. The universal service supplier, simultaneously with the obligation to purchase electricity at the feed-in tariff from private households, provides the transmission system operator with a service to ensure an increase in the share of electricity generation from alternative energy sources. The cost of the service to ensure an increase in the share of electricity production from alternative energy sources is determined in the relevant billing periods as the difference between the cost of electricity purchased from the consumer at the feed-in tariff and its cost calculated at the day-ahead market prices.

The Guaranteed Buyer is obliged to purchase electricity generated by generating facilities of active consumers, including energy cooperatives with an installed capacity of less than 150 kW, at a feed-in tariff in an amount exceeding the monthly electricity consumption of such active consumers. In order to cover the economically justified expenses of the guaranteed buyer for the fulfilment of special obligations to purchase electricity under the feed-in tariff and to purchase services under the market premium mechanism provided by business entities that have been set a feed-in tariff or have acquired the right to support by auction, the guaranteed buyer shall provide the transmission system operator with a service to ensure an increase in the share of electricity generation from alternative energy sources. The cost of the service to

ensure an increase in the share of electricity generation from alternative sources, provided to the transmission system operator by the Guaranteed Buyer, shall be determined in the relevant billing period as:

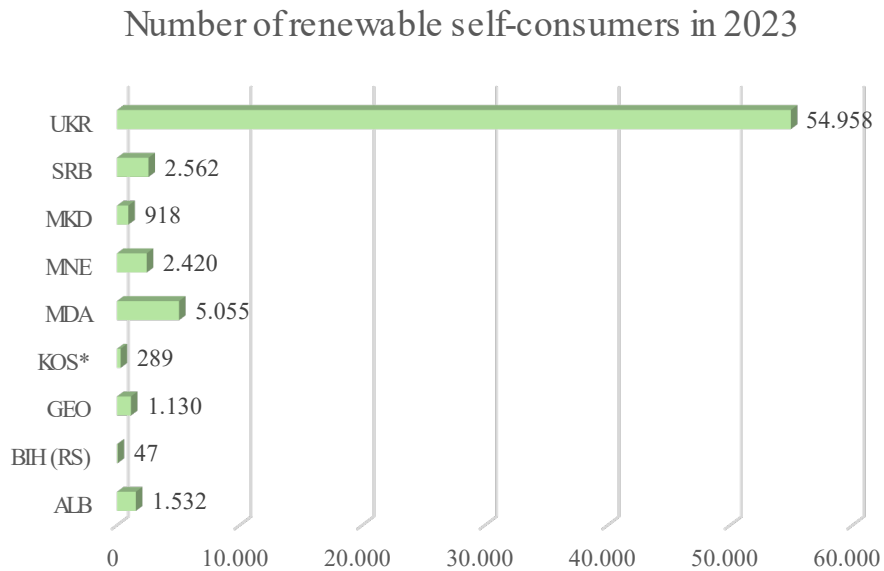
- the difference between the cost of electricity purchased by it under feed-in tariff and cost of electricity when sold under bilateral agreements, on the day-ahead market, intraday market, balancing market;
- expenses related to the purchase of services under the market premium mechanism;
- costs associated with the purchase of electricity on the intraday market to reduce imbalances of electricity of the guaranteed buyer;
- costs associated with the settlement of the imbalance of electricity of the Guaranteed Buyer, except for the share of the cost of settlement of the imbalance of electricity of the balancing group of the Guaranteed Buyer, which is reimbursed by producers whose power facilities are included in the balancing group of the Guaranteed Buyer, and active consumers whose generating facilities are included in the balancing group of the Guaranteed Buyer;
- expenses provided for in the Guaranteed Buyer's budget for its activities.

## 5. Numbers and capacities of renewable self-consumers

Currently, most of the regulatory authorities of the Contracting Parties do not have disaggregated data on active customers on their markets. As the implementation of Electricity Directive advances and the retail markets transform, data availability and their collection by the regulators will increase.

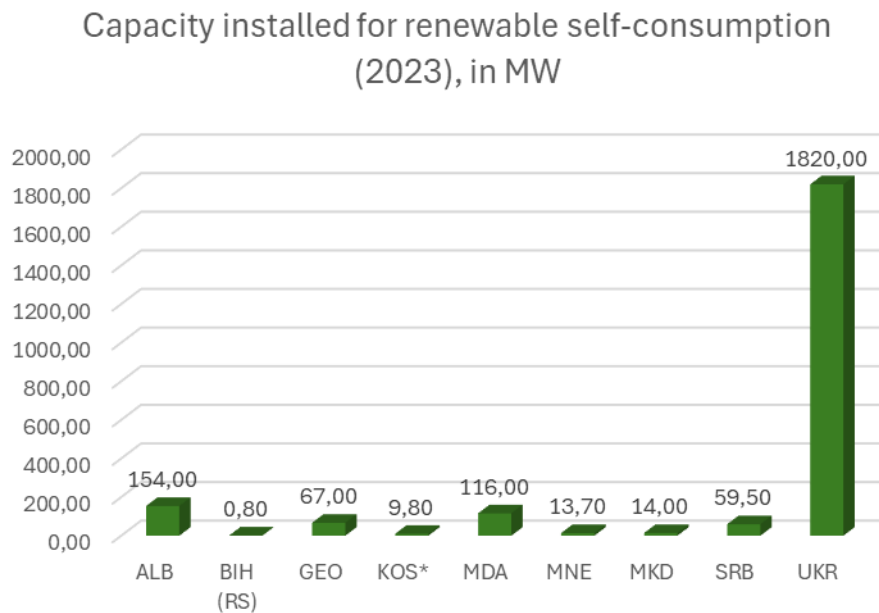
The figures below show the number of renewable self-consumers in the Contracting Parties as well as the total installed capacities of these market participants in 2023, where the information is available.

Figure 1 Number of renewable self-consumers in the Contracting Parties in 2023



Source: NRAs

Figure 2 Capacity installed for renewable self-consumption in the Contracting Parties in 2023, in MW



Source: NRAs

## 6. Conclusions and recommendations

Empowering customers to more actively participate in the retail energy markets and contribute to decarbonisation of economies is one of the key elements of the existing legislative and regulatory framework in the Energy Community. The Electricity Directive introduced a number of rules to protect and strengthen the role of consumers. The purpose of this report was to take stock of the implementation of these rules, focusing on the definition and basic rights of active customers, their connection to the network and remuneration.

Although the deadline for implementation of the directive expired in the end of 2023, only one Contracting Party- Serbia, transposed it into the national legislation in the end of 2024. The information provided by the regulators show that definitions and rights of active customers are still not widely established in the Contracting Parties. On the other side, the concept of a renewable self-consumer, as envisaged by RES Directive, is mostly recognized and the relevant regulatory framework developed. This means that the processes for obtaining the status of a renewable self-consumer as well as the remuneration schemes are designed. For other types of active customers, some rules are established for those that own energy storages in Bosnia and Herzegovina, Kosovo\*, Moldova and Ukraine.

All Contracting Parties except Georgia use net billing remuneration scheme, in some of them net billing and net metering scheme are used in parallel. The schemes that do not account separately for electricity fed and the electricity consumed from the grid will have to be abandoned, the latest by the end of 2026. In addition to remuneration of active customers, some Contracting Parties use other support mechanisms, such as feed-in tariffs (North Macedonia and Ukraine), feed-in premiums (North Macedonia, Bosnia and Herzegovina-Republika Srpska entity) and financial support for PV installations (Montenegro).

The role of regulatory authorities regarding the active customers/renewable self-consumers is more on creating the facilitating regulatory framework than on more direct roles, such as granting the status. In this respect, the regulators will need to take into account the broad scope of active customers and their needs, but also to prioritize the roll-out of smart meters, flexibility solutions, digitalization and innovative pricing.