THIRD ENERGY PACKAGE
ELECTRICITY AND GAS NETWORK CODES

Moldova case study
Background

PHLG Decisions on incorporation of

1. Network Code on Interoperability and Data Exchange Rules (the "NC IO");
2. Decision no°2012/490/EU on amending Annex I to Regulation (EC) no°715/2009 on conditions for access to the natural gas transmission networks (the "CM Guidelines");
3. Network Code on requirements for grid connection of generators (the "NC RfG");
4. Network Code on requirements for grid connection of high voltage direct current systems and direct current-connected power park modules (the "NC HVDC"); and
5. Network Code on Demand Connection (the "NC DCC").
Who is in charge to transpose at national level?

Legislative / regulatory competences in Moldova are primarily regulated by

1. Constitutional law
2. Energy Law
3. Parliament Decision on the approval of the Organization and Functioning Regulation of the National Agency for Energy Regulation (“ANRE”)
4. Natural Gas Law
5. Electricity Law
NRA competences

ANRE

• “… draft and approve methodologies, regulations, other regulatory secondary legislation (normative acts) establishing rights and obligations of the producers, TSOs, DSOs, storage operators, suppliers and consumers”.

• BUT: ANRE’s competence to enact normative acts is strictly limited to legal acts explicitly mentioned in the law.

• There is no general competence of ANRE to transpose / incorporate EU law requirements deriving from EU Regulations (No) 714/2009 and 715/2009.

• NCs implementation not entirely clear under MD law.

• General rule: (Designated) TSO to draft and ANRE to “approve” electricity and gas network codes.
Regulatory framework

Gas

- “Regulation on natural gas networks” (broad scope, incl distribution) [TSO-ANRE]
- “Regulation on connection to natural gas networks and supply of transmission and distribution services” [TSO-ANRE]
- “Natural gas network code” [TSO-ANRE]
- “Regulation on the access to the natural gas transmission networks and congestion management” (cross-border) [ANRE]
- Art 114: NC replaces Reg on natural gas networks!
**Regulatory framework**

**Electricity**

- “Regulation on rules for access to the electric energy transmission networks for cross border trade and congestion management”
- “Technical Norms of the electricity networks” [TSO-ANRE]
- “Regulation on rules for connecting to electric energy networks and the provision of electricity transmission and distribution services” [TSO-ANRE]
- “Electricity network code” [TSO-ANRE]
- Art 96: NC replaces Technical Norms!
Priority questions

• Not entirely clear: Which NC provisions need to be implemented where?
• Mandatory under MD law: Only one network code (?)
• NC transposition without amendments to structure and content (EnC)?
• Transposition of “non-applicable” NC provision?
• Exhaustive vs non-exhaustive NC provisions – how to manage in one single code? Deadlines!
Gas

(1) NC IO to be incorporated in the gas network code
   • More or less exhaustive NC provisions (TSO to draft, but no discretion)
   • Slight amendments in wording
   • To be supplemented with other chapters not covered by NC IO

(2) CM Guidelines: ANRE to amend “Regulation on the access to the natural gas transmission networks and congestion management”.

Gas NC / GL transposition appears to be rather uncomplicated
**Approach**

**Electricity**

1. Establishment of transposition table, reflecting exhaustive / non-exhaustive provisions

2. Decision on what needs to be transposed in which regulation? Electricity network code? Partially in other Regulations?

3. Decision on how to handle non-exhaustive provisions: if only one network code → integrated approach? → EU NC are going to be amended (alternative: change of primary law)

Electricity NC transposition appears to be **challenging**!
Summary

- Relevant regulatory competences with ANRE
- Basically no change of law requirement.
- BUT: 1:1 transposition might conflict with national law.
- Flexibility in transposition might be required to prevent the necessity of changing the law.