



*THIRD ENERGY PACKAGE
ELECTRICITY AND GAS
NETWORK CODES*

Moldova case study

Background

PHLG Decisions on incorporation of

- (1) Network Code on Interoperability and Data Ex-change 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!

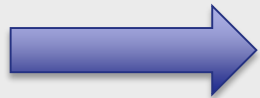
Approach

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”.

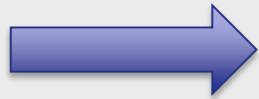


Gas NC / GL transposition appears to be rather uncomplicated

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.