The National Energy and Utilities Regulatory Commission of Ukraine: Recent developments

50 ECRB meeting

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Ukraine
Preliminary decision on "Ukrenergo" certification as an independent TSO for electricity (ISO model) is adopted by NEURC on 1 October 2021.
Ukrenergo successfully issues green Eurobonds worth $825 million

Ukrenergo has successfully issued its five-year Green Euro Sustainability-linked bonds for $825 million with a yield of 6.875%.

The funds raised are to be used to:

✓ repay the debt to the Guaranteed Buyer (responsible for purchase of all RES generated electricity)
✓ stabilize Ukrenergo’s financial position
✓ finance or refinance other eligible green projects

$742 million have already been transferred by Ukrenergo to Guaranteed Buyer for settlements with renewable energy generation
The Parliament of Ukraine passed the Law that provides for using units of energy (kWh) in instead of units of volume (m³) while metering the amount of gas consumed.

Compliant with EU legislation on standards for gas metering in energy units, as required by:

- Directives 32 / EU on energy end-use efficiency and energy services
- 73 / EU on common rules for the internal market in natural gas

Law will enter into force starting from 01.05.2022.
Heat supply and hot water supply in the heating period 2021-2022

Memorandum of Understanding between government and heat entities providing heat and hot water to the households was signed for the heating period 2021-2022 in order to protect final consumers by ensuring that:

- Uninterrupted supply of natural gas to heat generating utilities so that they are able to supply heat and hot water for final consumers;
- Naftogaz Trading LLC provides gas for heat producers at 7 420 hrn/thm$^3$ (250 EURO) till the end of heating period 2021-2022 for producing heat and hot water for households;
- Naftogaz Trading LLC offers gas for heat producers at 13 659,63 hrn/thm$^3$ (455 EURO) till the May 31 2022 for heating budgetary organizations.
To ensure security of supply NEURC approved Temporary Procedure for the purchase of ancillary services from the energy units using natural gas / fuel oil (they will provide active volumes for ensuring balance reliability and/or settlement of network restrictions)

The first of seven ships with over 60,000 tons of coal arrived in Ukraine in the third decade of November. The total amount of contracted coal approximates 500 thousand tons

As of 01.11.2021 the volume of coal in the warehouses of TPPs and CHPs is 23% of the volumes needed.

Russian Federation refused to supply thermal coal to Ukraine and blocks coal supplies from Kazakhstan.
Thank you!