Energy Community Secretariat

Ukraine Energy Market Observatory

QUARTERLY REPORT Q3 2026



November 2026

Table of Contents

EXECUTIVE SUMMARY 3
1. KEY LEGISLATIVE DEVELOPMENTS IN THE UKRAINIAN ENERGY MARKETS 4
ELECTRICITY 4
NATURAL GAS 7
NRA 7
RENEWABLES 8
OIL 8
2. THE UKRAINIAN ENERGY MARKETS 10
3. ENERGY MARKETS REFORM PROGRESS 15
UKRAINE FACILITY 15
4. IN FOCUS OF THIS REPORT 21
REGULATION OF ELECTRICITY DSOs 21
PROCEDURE FOR EXPORT OF DOMESTIC NATURAL GAS 23

This publication is produced exclusively in digital format, in line with the Secretariat's *EMAS* commitment to reducing CO_2 emissions and material use.

EXECUTIVE SUMMARY

The Ukraine Energy Market Observatory quarterly reports serve interested stakeholders, including those in the EU, Ukraine and other Contracting Parties, to have a broader picture of recent developments in the energy markets in Ukraine, including transposition of the Electricity Integration Package (hereinafter, the EIP), development of the associated regulatory framework, energy reforms and impacts of martial law conditions on the energy markets development.

This report provides an overview of key energy market developments in Ukraine in the third quarter of 2026 (July- September). Among the key decisions in the electricity sector, presented in Chapter 1, are the adoption of a procedure for drafting the risk-preparedness plan in accordance with Regulation 2019/941, approval of the NEMO designation procedure, and the regulatory framework for flexible connections in electricity. In the oil sector, the Government launched a pilot project to test underground storage of oil and petroleum products.

In the renewable sector, Law No. 4963-IX, aimed at transposing RED II, was adopted and entered into force, while NEURC adopted the Methodology for Calculation of Residual Energy Mix. Three auctions for RES support quotas held in September 2026 were successful, with great interest in hybrid (solar+storage) and wind projects (Chapter 2).

Corporate governance proceeded with the selection of management in key energy companies, including the Gas TSO. An action plan for the unbundling of electricity generation assets from the GTSOU was approved. NEURC started publishing selected indicators for the electricity market, contributing to its transparency and observability (Chapter 2).

In terms of energy market reforms (Chapter 3) PSO regimes in both the electricity and gas sectors were extended until spring 2027, while the Government has started to work on the Roadmap for the gradual liberalisation of the natural gas and electricity markets. The law to strengthen the NEURC's independence was adopted in the first reading, reflecting the long-awaited push for reform. The first NEMO in Ukraine was designated in accordance with the regulatory procedure.

Chapter 4 presents the regulatory framework for electricity DSOs tariff regulation adopted for the second regulatory period. The recently introduced procedure for export of domestically produced natural gas is also in the focus of this report.

1. KEY LEGISLATIVE DEVELOPMENTS IN THE UKRAINIAN ENERGY MARKETS

ELECTRICITY

Keywords: import under martial law, risk preparedness, flexible connection, connection payment methodology

In August 2026, the Cabinet of Ministers reviewed the ***Regulation on the Peculiarities of Importing Electricity under the Legal Regime of Martial Law in Ukraine***[1], increasing the minimum threshold for imported electricity to 80% for non-household customers to avoid being deenergised during scheduled load-shedding. Alternatively, the customer shall not be deenergised if it self-generates not less than 80% of its consumption or procures the relevant volumes from distributed generation that is in operation after 1 September 2022. In this way, amendments aim to support energy supply to customers who are most self-sufficient, given the risk of electricity supply interruptions during the winter season due to Russian attacks on energy infrastructure. Additionally, the decision facilitates direct electricity purchase from distributed generation to support the development of this sector.

In September 2026, the Ministry of Energy approved the ***Procedure for Preparing a Risk-Preparedness Plan***[2]. The procedure is adopted in accordance with the Law of Ukraine "On the Electricity Market" and aims to complete the transposition of Regulation (EU) 2019/941. It identifies, in particular:

a) requirements for regional and national electricity crisis scenarios;
b) the procedure for approving and publishing the risk-preparedness plan, and for notifying the Energy Community Secretariat of the approval of the risk-preparedness plan;
c) requirements for the content of the risk-preparedness plan and its standard template;
d) requirements regarding the inclusion of national, regional, and bilateral measures in the risk-preparedness plan;
e) principles for the protection of confidential information, as well as criteria for determining and/or a list of confidential information subject to protection during the preparation, coordination, and publication of the risk-preparedness plan;
f) requirements for the assessment report following the conclusion of an electricity crisis, including requirements regarding its content;

[1] CMU Resolution No.1041 of 19.08.2026, https://www.kmu.gov.ua/npas/pro-vnesennia-zmin-do-postanovy-kabinetu-ministriv-ukrainy-vid-27-s1041190826
[2] Order of the Ministry of Energy No.450 of 23.09.2026, https://zakon.rada.gov.ua/laws/show/z1297-26#Texthttps://ips.ligazakon.net/document/RE46691?an=1&hide=true

g) the assessment process of the effectiveness of measures outlined in the risk preparedness plan (including the effectiveness of information exchange, coordination, and crisis simulation in the electricity sector), and regional coordination in the process.

On 7 July 2026, the National Energy and Utilities Regulatory Commission (hereinafter, NEURC) approved the *Procedure for designation of a nominated electricity market operator, for suspending its activities, terminating the performance of the function of a nominated electricity market operator, as well as monitoring the activities of a nominated electricity market operator* (hereinafter, NEMO Designation Procedure)[3]. In August 2026, the first NEMO was designated in Ukraine. For more details, please refer to Chapter 3 of this Report on energy sector reforms.

In August 2026, NEURC approved amendments to the Transmission System Code (TSC)[4] and Distribution System Code (DSC) [5], reforming the electricity grid connection process. Key amendments relate to the *framework for flexible connections*, as alternatives to connections that may require grid reinforcement. For this purpose, the allowed connection capacity is defined separately for guaranteed and non-guaranteed capacity. Non-guaranteed capacity for flexible connections may be allocated for new users seeking the connection of at least 1MW to the transmission system or to the distribution network (at the voltage level above 20kV)[6]. The flexible connection operates under automatic control, which regulates the volume of electricity supplied and/or withdrawn within the limits of the non-guaranteed capacity to avoid congestion at the node and limits user consumption/injection in case congestion occurs. Automatics of non-guaranteed connections shall also provide the user with information on the real-time operational parameters of the node and ensure information exchange with the network operator. The curtailment is applied according to the "Last In-First Out" principle. However, at this initial stage, the conditions of the flexible connection lack predictability for the user regarding the number and volume of possible curtailments.

NEURC also *amended the Methodology for the Calculation of Payment for Connection to Electricity Networks* (hereinafter, the Connection Payment Methodology) to calculate the connection payment when ordering injection and withdrawal capacity simultaneously. For projects with both injection and withdrawal, the non-standard connection payment is calculated as the product of the requested withdrawal capacity and the withdrawal-capacity fee, plus the product of the requested injection capacity and the injection-capacity fee. The fees for withdrawal or injection capacity are calculated separately but follow a similar approach. The only difference

[3] NEURC Resolution No. 1089 of 07.07.2026, https://zakon.rada.gov.ua/rada/show/v1089874-26#Text
[4] NEURC Resolution No.1354 of 11.08.2026 - https://www.nerc.gov.ua/acts/pro-zatverdzhennia-zmin-do-kodeksu-systemy-peredachi-2
[5] NEURC Resolution No. 1355 of 11.08.2026 - https://www.nerc.gov.ua/acts/pro-zatverdzhennia-zmin-do-kodeksu-system-rozpodilu
[6] For distribution grid connection, this applies only to applicants who are willing to be responsible for the project and construction works under a non-standard connection

is the application of the transformer substation load index (K_{ZTT})[7], which, depending on the load in the relevant area, allocates connection costs between withdrawal and injection capacities. Following public consultation and comments received, including those from the Secretariat, the NEURC, in its final decision, applied the rule that the total payment for withdrawal and injection capacity shall not exceed the cost of 1kW of capacity, e.g. the K_{ZTT} equals 1 (one), aiming to prevent double-charging for the same capacity in hybrid projects. However, such an approach resulted in more favourable conditions for single-direction connections (e.g., withdrawal or injection), as they pay only the portion of the costs. The sufficiency of this measure to ensure the avoidance of double charging requires further investigation, as well as assessment of cost-reflectiveness and the non-discrimination principle for bi-directional and single-direction connections as required by Article 18 of the Electricity Regulation.

The impact of this decision on investments, particularly in storage installations, was widely discussed among developers and state authorities. As a result of the meeting at the Ministry of Energy[8] NEURC, on 31 August 2026, adopted the ad-hoc derogation[9] from newly introduced provisions of the Connection Payment Methodology, allowing application of the previous formula for calculating the fee for connecting energy storage facilities to electricity networks—namely, applying the average value of fees for electricity withdrawal and injection capacity—provided that such energy storage facilities are commissioned or put into operation by 1 January 2027.

In parallel, Law No. 4963-IX of 2 September 2026 amended Article 21 of the Electricity Market Law, specifying rules for the calculation of connection fees for non-standard capacity connection for storage facilities. Now it shall be defined as the product of the higher of the two values — the additionally contracted capacity for electricity withdrawal or for electricity injection — and the rate for non-standard capacity connection established for energy storage facilities. When calculating the non-standard capacity connection rate for energy storage facilities, the bidirectional nature of their operation is taken into account, and the cost of the same technical measures undertaken by the system operator — related to facilitating the intake and injection of electricity by the energy storage facility via a single connection point — must not be counted twice. The implementation of new approach into the Connection Payment Methodology is undergoing by NEURC.

[7] Kztt is applied directly for withdrawal (where it shall not exceed 0.75), while its reverse value (1-Kztt) is applied for injection (where it shall not fall below 0.25);
[8] https://www.nerc.gov.ua/storage/app/uploads/public/6a9/180/c23/6a9180c23e045850186396.pdf
[9] NEURC Resolution No. 1461 of 31.08.2026, https://zakon.rada.gov.ua/rada/show/v1461874-26#n2

NATURAL GAS

Keywords: financing of restoration and protection measures in gas sector

NEURC amended Resolution No. 348 of 17 March 2022 "On aspects of Financing Emergency and Critical Infrastructure Protection Measures in the Gas Sector"[10] prioritising the use of available non-tariff funding sources (e.g. loans, grants, etc.) for the reconstruction and major repairs of gas transmission and gas distribution system facilities being built to diversify natural gas transportation routes, and/or remediation of the consequences of emergency situations caused by hostilities, and/or measures related to the installation of engineering protection for critical elements of critical infrastructure facilities belonging to the gas distribution system, gas transmission system, or gas storage facilities. In the event of insufficiency of such funds, the additional income received by operators shall be used, and, as a last resort measure, the relevant costs may be recognised as a part of allowed revenue for the relevant activity (but not more than 10% of the total volume of the relevant planned tariff-based funding sources for the relevant investment program). The aim of the decision is to ensure the priority use of non-tariff sources of funding and to strengthen monitoring of the targeted use of funds.

NRA

Keywords: NEURC Chairman election

On 5 August 2026, following the expiry of the NEURC Chairman's two-year term, NEURC elected the new Chairman among the Members of the NEURC Board[11]. On 21 August 2026, the new Chairman resigned, and NEURC, following a new vote, re-appointed the previous person to the NEURC Chairman's position12. No reasons for resignation were disclosed, nor were details of the election process.

According to Article 9 of NEURC Law, the chair of NEURC is selected from among board members by anonymous voting for a term of two years. The same person may not be elected Chairman of the Regulator for two consecutive terms. The lack of transparent communication about the process, as well as previous similar episodes of short-term rotation in the NEURC Chairman's position, raises concerns about circumvention of legal limitations on consecutive Chairmanship terms. Therefore, the Secretariat recommends improving relevant provisions of the primary law and aligning the rotation rules for Chairman with the general principles for

[10] NEURC Resolution No.1556 of 24.09.2026, https://zakon.rada.gov.ua/rada/show/v1556874-26#Text
[11] https://www.nerc.gov.ua/acts/pro-obrannia-holovy-natsionalnoi-komisii-shcho-zdiisniuie-derzhavne-rehuliuvannia-u-sferakh-enerhetyky-ta-komunalnykh-posluh
[12] https://www.nerc.gov.ua/acts/pro-obrannia-holovy-natsionalnoi-komisii-shcho-zdiisniuie-derzhavne-rehuliuvannia-u-sferakh-enerhetyky-ta-komunalnykh-posluh-2

Members of the Board, namely, that the same person shall not be in the position for more than two terms, as provided by Article 57 (5d) of the Electricity Directive.

RENEWABLES

Keywords: Residual Energy Mix

The Verkhovna Rada of Ukraine *adopted Law "On Amendments to Certain Legislative Acts on the Implementation of European Union Legislation in the Field of Renewable Energy Sources" No.4963-IX of 2 September 2026*[13], which entered into force as of 01 October 2026. For more details, please refer to Chapter 3 on energy sector reforms.

NEURC approved the *Methodology for calculating the Residual Energy Mix*[14], which is used for the purpose of disclosing to electricity consumers information about energy sources in the general structure of the balance of electricity purchased by the electricity supplier and/or produced at its own generating plants, excluding the share covered by cancelled guarantees of origin for electricity generated from renewable energy sources. Every year by April 30, the Regulator shall approve the results of the preliminary calculation of the Residual Energy Mix (hereinafter, REM), namely the internal energy mix. The REM data and information on its calculation shall be sent to the Association of Issuing Bodies (hereinafter, AIB) to take into account Ukrainian indicators when calculating the European Residual Mix. The final calculation of the REM shall consider the data of the European Attribute Mix (EAM) published by the AIB. Every year by May 31, the Regulator shall approve the results of the calculation of the REM and publish them on its website.

OIL

Keywords: minimum reserves of oil and petroleum products

On 13 August 2026, the CMU adopted a decision to implement a *pilot project to introduce underground storage of petroleum products*, which are part of the minimum reserves of oil and petroleum products under the legal regime of martial law[15]. For this purpose, the relevant procedure was approved, together with some amendments to the Procedure for the creation, management and functioning of the system of minimum reserves of oil and petroleum products in Ukraine (hereinafter, Minimum Reserve Procedure)[16], temporarily suspending the prohibition

[13] https://zakon.rada.gov.ua/laws/show/4963-20#n472
[14] NEURC Resolution No.1315 of 03.08.2026, https://www.nerc.gov.ua/acts/pro-zatverdzhennia-metodyky-rozrakhunku-zalyshkovoho-enerhetychnoho-miksu
[15] CMU Resolution No.1037 of 13 August 2026, https://www.kmu.gov.ua/npas/pro-realizatsiiu-eksperymentalnoho-proektu-shchodo-zaprovadzhennia-pidzemnoho-zberihannia-t130826
[16] approved by the CMU Resolution dated December 20, 2024, No. 1455

to store minimum oil stocks at relevant types of sites/locations. With the same decision, Joint Stock Company "Ukrtransnafta" was appointed as the specialised responsible custodian.

According to the procedure, the scope of the pilot project relates to petroleum products held as part of the minimum stocks of oil and petroleum products stored in Ukraine. Starting in 2027, market entities and operators are required to store a portion of their diesel fuel volumes—amounting to at least 20% of the total volume of this type of petroleum product held within the minimum stocks of oil and petroleum products—in underground petroleum product storage facilities. Compliance with legislative requirements regarding minimum stocks of oil and petroleum products—specifically concerning the volumes of stocks held under the pilot project—is monitored in accordance with the Law of Ukraine "On Minimum Stocks of Oil and Petroleum Products", Minimum Reserve Procedure and CMU resolution regarding the Monitoring the Market for Oil, Petroleum Products, and Liquefied Gas in Ukraine[17].

With another decision[18], CMU included the fuel infrastructure in the list of businesses eligible to receive state financial support for implementation of projects for the construction, restoration, and enhancement of the resilience of fuel-related facilities, under the existing experimental project. State support is provided through the National Development Institution by means of partial compensation of interest rates on loans obtained by relevant business entities. The loans shall be provided in hryvnias for enhancing the resilience of fuel infrastructure facilities through the burial and/or underground placement of critical components of such facilities and construction and/or restoration of fuel facilities destroyed and/or damaged as a result of the armed aggression of the Russian Federation against Ukraine. In particular, the base interest rate is capped at 18%, and partial compensation for the interest rate is provided as a fixed amount of 5.5 percentage points per annum on the base interest rate[19].

[17] Resolution No. 1443 of 17 December 2024
[18] CMU Resolution No.1156 of 15.09.2026
[19] CMU Resolution No.594 of 29.04.2026 "Some issues of implementing a pilot project on providing financial state support to business entities that implement projects for the construction, restoration and increase of sustainability of distributed generation facilities, fuel and warehouse logistics infrastructure, development of production capacities of the processing industry, as well as conducting activities in the field of wholesale and retail trade" (with amendments)

2. THE UKRAINIAN ENERGY MARKETS

ELECTRICITY

DAM/IDM/BM price caps

On 23 September 2026, NEURC *opened the regulatory procedure to revise the price caps* in the DAM/IDM/Balancing market segments, with an initial proposal to maintain the current maximum price cap levels starting from 1 November 2026[20]. At the same time, NEURC does not establish minimum price caps in relevant market segments, as the relevant powers have been abolished by Law 4963-IX of 02.09.2026.

The NEURC's draft decision was published for comments for minimum term, three days from 25 to 27 September 2026 (with only one working day included)[21] and a public hearings to discuss received comments and proposals was held on 1 October 2026. The majority of market participants and other stakeholders highlighted the need to increase the price cap levels to ensure the economic viability of importing electricity under the scarcity in the power system of Ukraine, to avoid the disconnection of customers. NEURC noted that prices of forward contracts for the next two months and Q4 2026 correspond to the price caps in the relevant electricity market segments in Ukraine[22].

The final decision NEURC approved on 13 October 2026[23], keeping the following maximum price caps in the organised electricity market segments as of 1 November 2026:

DAM/IDM: maximum — 15.000 UAH/MWh;
BM: maximum — 17.000 UAH/MWh.

At the same time, the minimum price caps across all organised market segments[24] are abolished earlier, e.g. as of the NEURC decision's publication date.

[20] https://www.nerc.gov.ua/storage/app/uploads/public/6aa/be1/13c/6aabe113ccfad546175336.pdf
[21] The minimum required term for comments according to the Methodology is three calendar days
[22] Minutes of the open discussion of the draft NEURC decision on Price Caps in the DAM, IDM and BM as of 01 October 2026, https://www.nerc.gov.ua/storage/app/sites/1/Docs/Proekty%20postanov/2026/pr_235-2026/protokol_vidkr-obgovorennia_pr_235-2026.pdf
[23] NEURC Resolution No.1683 of 13.10.2026, https://zakon.rada.gov.ua/rada/show/v1683874-26#Text
[24] It shall be noted that p.1.6 and p.2.8 of Annex 4 to the DAM/IDM Market Rules set the minimum technical bidding limit for DAM and IDM at 10 UAH/MWh and the maximum technical bidding limit at 50,000 UAH/MWh. Furthermore, paragraph 4.11.5 of the Market Rules specifies that the minimum technical bidding limit in the BM must be greater than zero, while paragraph 4.11.6 sets the maximum technical bidding limit in BM at 50,000 UAH/MWh. Those technical bidding limits apply when NEURC has not established price caps.

Market monitoring data

Since July 2026, NEURC has been *publishing selected indicators and metrics for monitoring the electricity market*, which may be disclosed under martial law[25]. The open data set contains information about:

- structure of electricity production and consumption;
- development of renewable energy;
- electricity purchase and sale volumes by market segments;
- liquidity and market concentration indicators;
- electricity export-import activities in the electricity market;
- prices and tariffs on the retail market.

The data is published on the NEURC website in both graphical and open data formats[26].

Opening access to key market indicators is a positive development that improves market transparency and observability for market participants and interested stakeholders.

At the same time, NEURC exempted licensees from providing data on the geographical location of electrical facilities in regulatory reporting forms during the period of martial law, to prevent the dissemination of information that could threaten national security[27].

Corporate governance in energy companies

On 3 August 2026, the Supervisory Board of NPC "Ukrenergo" officially initiated a competitive selection process for two members of the Management Board (supervisor for Grid Maintenance & Development and supervisor for Market & Regulatory Affairs)[28]. Subsequently, following the results of the selection, the new Member of the Management Board responsible for Market and Regulatory Affairs, Ms Svitlana Tereschenko, was appointed[29].

In September 2026, the Supervisory Board of Energoatom, based on the results of the competitive selection, defined the winners of the competitions for the positions of Director General (CEO) and Director for Nuclear Safety (CNO). Competitions for both positions lasted from June to September 2026. The CEO and CNO positions have been introduced as part of Energoatom's new corporate governance model. The CEO will be responsible for the company's

[25] https://www.nerc.gov.ua/news/nkrekp-vidkryla-dostup-do-pokaznykiv-monitorynhu-rynku-elektroenerhii-u-formati-vidkrytykh-danykh
[26] https://www.nerc.gov.ua/monitoring-rinku-elektrichnoyi-energiyi/indykatory-ta-pokaznyky-monitorynhu-rynku-elektrychnoi-enerhii-shcho-pidliahaiut-rozkryttiu-pid-chas-dii-voiennoho-stanu
[27] NEURC Resolution No.1493 of 09.09.2026, https://zakon.rada.gov.ua/rada/show/uk-ru/v1493874-26#Text
[28] https://ua.energy/general-news/announcement-of-competitive-selection-for-member-of-the-management-board-supervisor-for-grid-maintenance-development-and-member-of-the-management-board-supervisor-for-market-regulatory-affairs-of-priv/
[29] https://ua.energy/zagalni-novyny/svitlana-tereshhenko-pryznachena-chlenom-pravlinnya-nek-ukrenergo/

operations and development, while the Nuclear Safety Director will have separate responsibilities for nuclear and radiation safety, as well as the operation of nuclear power units. The appointment of candidates will take place after the completion of the legislative, regulatory and corporate procedures[30].

Also, in September 2026, the CMU announced the competitive selection of candidates for the positions of independent members of the Supervisory Board of the Joint-Stock Company "Guaranteed Buyer"[31].

Transmission Network Development Plan

On 15 September 2026, NEURC approved changes to Ukrenergo's 2026-2035 Network Development Plan[32], including new measures to develop communication lines, reconstruct the power supply system, and procure new software products. Timelines for the implementation of some projects were adjusted, as well as relevant funding resources[33]. Due to martial law, the network development plan is not publicly available.

Tender for new capacity

Following the CMU decision to hold a tender for the construction of 1505 MW generating capacity and the implementation of demand management measures, in July 2026 the Tender Commission officially approved the relevant Tender Documentation, defining the rules and requirements for future participants in the tender[34]. After the consultation phase[35], the Tender Commission amended the Tender Documentation following the proposals of potential participants. In particular, the final version of the Tender Documentation clarified the deadline for accepting tender proposals, requirements for the format and structure of the tender proposal, procedure for transferring rights and obligations by the potential winner of the tender to third parties and the requirement that potential participants of the tender have no debts to NPC Ukrenergo[36]. On 23 September 2026, the Tender Commission decided to provide additional clarifications to the Tender Documentation, which was published on the Ukrenergo website.

[30] https://mev.gov.ua/novyna/nahlyadova-rada-enerhoatoma-vyznachyla-peremozhtsiv-konkursiv-na-posady-heneralnoho
[31] CMU Order No. 878-r of 03.09.2026, https://www.kmu.gov.ua/npas/pro-oholoshennia-konkursnoho-vidboru-kandydativ-na-posady-nezalezhnykh-s878030926
[32] NEURC Resolution No.1538 of 17.09.2026, https://zakon.rada.gov.ua/rada/show/v1538874-26#Text
[33] https://www.nerc.gov.ua/storage/app/uploads/public/6a8/e8f/6b6/6a8e8f6b6334a225410408.pdf
[34] https://ua.energy/general-news/the-commission-on-conducting-the-tender-for-the-construction-of-new-generating-capacity-has-officially-approved-the-tender-documentation/
[35] https://ua.energy/general-news/potential-participants-in-the-tender-for-construction-of-new-generating-capacity-provided-their-comments-and-proposals-on-tender-documentation/
[36] https://ua.energy/general-news/the-tender-commission-for-the-construction-of-new-generating-capacity-has-amended-the-tender-documentation/

On 13 October 2026, the Tender Commission conducted a first stage of the disclosure of tender proposals, where six (6) candidates applied.[37]

Detailed information about the ongoing tender for new generating capacity is available on the website of Ukrenergo[38].

GAS

Corporate Governance and Unbundling of GTSOU

At the beginning of July 2026, the Supervisory Board of GTSOU stated the competitive *selection of candidates for the position of General Director of GTSOU*[39]. Following the results of selection, on 18 August 2026, the Supervisory Board adopted a decision to appoint Natalia Boyko as the General Director of the GTS Operator of Ukraine[40].

Considering the expiry of the *mandate of the independent members of the Supervisory Board* in November 2026, the Ministry of Energy announced a competitive selection of candidates for the relevant three positions[41].

On 9 September 2026, the CMU approved the *Action plan to implement the requirements for unbundling the electricity generation activities of the gas transmission system operator*[42]. The action plan shall ensure compliance with the requirements of Clause 13 4 of Section XVII "Final and Transitional Provisions" of the Law of Ukraine "On the Electricity Market" and Ukraine's obligations within the framework of the Energy Community, namely the unbundling of gas-to-power production facilities, currently under GTSOU's control, from its core gas transmission activities by 31 December 2026. According to the action plan, a new business entity, with 100% of the shares (equity interests) in the authorised capital of which are owned by the State, shall be established through the spin-off of a portion of the generation assets, rights, and obligations of GTSO of Ukraine. The relevant state authority shall be designated to manage the newly established company, taking into account the unbundling requirements.

Finally, by 31 January 2027, the state authority, responsible for management of the new company, shall submit to the CMU a draft act on the transfer of 100% of the shares (interests) of the spun-

[37] https://ua.energy/wp-content/uploads/2026/10/Protokol-4-vid-13.10.2026.pdf
[38] https://ua.energy/uchasnikam_rinku/konkurs-na-budivnytstvo-generuyuchoyi-potuzhnosti/
[39] https://tsoua.com/news/ogoloshennya-pro-pochatok-konkursnogo-vidboru-na-posadu-generalnogo-dyrektora-tov-operator-gts-ukrayiny-2/
[40] https://tsoua.com/news/nataliyu-bojko-pryznacheno-generalnym-dyrektorom-operatora-gts-ukrayiny/
[41] https://tsoua.com/news/ogoloshennya-pro-pochatok-konkursnogo-vidboru-na-posady-nezalezhnyh-chleniv-naglyadovoyi-rady-tov-operator-gts-ukrayiny/
[42] CMU Resolution No.1155 of 09.09.2026, https://www.kmu.gov.ua/npas/pro-vidokremlennia-diialnosti-z-vyrobnytstva-elektrychsportnoi-systemy-i-1155

off company to the National JSC "Naftogaz of Ukraine" in accordance with legislative requirements.

The Secretariat continues monitoring the unbundling activities to ensure their compliance with the Energy Community acquis.

RES

RES auctions

In September 2026, three (3) *auctions for the allocation of support quotas* for the construction of new renewable capacity were held as scheduled, namely for solar power generation capacity (50 MW, the max bid cap is 8 eurocents), solar power with storage capacity (100 MW, the max bid cap is 12 eurocents), and wind power (700 MW, the max bid cap is 8 eurocents)[43]. All three auctions were successful, with the main interest in projects with "solar+storage" capacity and wind capacities, where demand exceeded the proposed quotas.

According to the results of the auctions[44] two participants in the solar auction bid in total for 38,99 MW with the price indicators from 7,3 to 7,99 eurocents/kWh; 26 participants in solar with storage auction bid for 385,94 MW with price indicators from 5,97 to 11,45 eurocents/kWh; and nine participants in wind auction bid in total for 1218,1 MW with the price indicators from 2,98 to 7,59 eurocents/kWh.

[43] https://www.gpee.com.ua/news_item/1686, https://www.gpee.com.ua/news_item/1687, https://www.gpee.com.ua/news_item/1688
[44] https://www.gpee.com.ua/news_item/1703, https://www.gpee.com.ua/news_item/1704

3. ENERGY MARKETS REFORM PROGRESS

UKRAINE FACILITY[45]

Energy Sector	Reform 2. Improved regulatory framework for increasing renewable energy and ensuring stable operation of the energy system	10.3 Improvement of permit procedures for RES investments

The Verkhovna Rada of Ukraine adopted **Law "On Amendments to Certain Legislative Acts on the Implementation of European Union Legislation in the Field of Renewable Energy Sources"** No.4963-IX of 02 September 2026, which entered into force as of 01 October 2026[46]. The law introduces provisions to transpose the EU Renewable Energy Directive (RED III), in particular:

- Simplification of permitting procedures for the construction and grid connection of renewable energy installations, including digitalisation and statutory deadlines.
- Renewables acceleration areas (REAAs) — designated areas where permitting and project implementation are expected to be faster.
- Sustainability criteria for biomass and biofuels — requirements concerning greenhouse gas emission savings, certification, auditing and traceability.
- Renewable energy communities — establishing a legal framework for their status and activities.
- Renewable self-consumers and self-generation — expanding opportunities to generate, store and sell surplus electricity, including peer-to-peer trading.
- Guarantees of origin for biomethane — establishing the relevant regulatory framework.

[45] as amended by Council Implementing Decision (EU) 2026/1923 of 30 July 2026 amending Implementing Decision (EU) 2024/1447 on the approval of the assessment of the Ukraine Plan, Implementing decision - EU - 2026/1923 - EN - EUR-Lex
[46] https://zakon.rada.gov.ua/laws/show/4963-20#n478

Energy Sector	Reform 3. Electricity market reform	10.5 Adoption of the Electricity Integration Package

Law of Ukraine "On Amendments to Certain Laws of Ukraine Regarding the Implementation of European Law on Energy Market Integration, Improving Security of Supply and Competitiveness in the Energy Sector" No.4834-IX of 07 April 2026 entered into force on 23 April 2026[47] (hereinafter, the EIP Law).

While these amendments incorporate key provisions of the Directive (EU) 2019/944, the Regulation (EU) 2019/943, the Regulation (EU) 2019/941, and the Regulation (EU) 2019/942, they do not include network codes and guidelines, except for some provisions of the Commission Regulation (EU) 2015/1222 related to the NEMO designation. To resolve unclear institutional responsibility for transposing the remaining EIP network codes and guidelines, the Ministry of Energy established a dedicated working group. Advisory Body, established by NEURC to implement the EIP Law, continues its work through the dedicated working groups.

Energy Sector	Reform 3. Electricity market reform	10.7 Appointment of a new electricity market operator

Following the approval of NEMO Designation Procedure on 7 July 2026[48], on 15 July 2026, the JOINT STOCK COMPANY "MARKET OPERATOR" (hereinafter, the Market Operator), which manages Day-Ahead and Intraday Electricity Markets in Ukraine, submitted to NEURC the application for designation as a nominated electricity market operator (hereinafter, the NEMO). Based on the submitted documents and information, NEURC established the compliance of the Market Operator with the criteria for designation specified in Article 51¹ of the Law of Ukraine "On the Electricity Market" and adopted the decision to designate the Market Operator as a NEMO to ensure a Single Day-Ahead Coupling and Single Intraday Coupling in the unified energy system of Ukraine for a period of four years[49].

Energy Sector	Reform 4. Liberalisation of electricity and natural gas prices	10.9 Adoption of a Roadmap for gradual liberalisation of gas and electricity market, to be implemented after the expiration of the martial law

In August 2026, NEURC submitted to the Secretariat the Report on state intervention in pricing for household consumers and progress towards effective competition in the retail electricity market in 2025 (hereinafter, Report on state price intervention)[50]. According to this report, the actual weighted-average electricity price for household consumers in 2025 was 3.341 UAH/MWh

[47] For more information, please refer to the Ukraine Energy Observatory Report for Q1 2026
[48] NEURC Resolution No. 1089 of 07.07.2026, https://zakon.rada.gov.ua/rada/show/v1089874-26#Text
[49] NEURC Resolution No. 1390 of 18.08.2026, https://www.nerc.gov.ua/acts/pro-pryznachennia-aktsionernoho-tovarystva-operator-rynku-nominovanym-operatorom-rynku-elektrychnoi-enerhii
[50] As stated by NEURC - to meet requirements of Article 5 of the Electricity Directive

(excluding VAT), or approximately 40,3% of the weighted-average universal service price of 8.300 UAH/MWh (excluding VAT)[51], that indicates substantial under-recovery of energy and network costs.

In September 2026, the Secretariat was consulted on the draft amendments to the existing PSO acts in the electricity and gas sectors, ruling the special end-user price regime for households and heat producers [52] respectively. According to the materials provided, the proposed amendments extend the existing PSO regime in electricity until 30 April 2027, and in gas until 31 March 2027 [53] with no further changes. No accompanying impact assessment has been provided in support of these extensions. In the context of ongoing energy sector reform, the Secretariat expressed concern about the continued extension of the PSO framework, as PSO and other regulated pricing mechanisms create significant quasi-fiscal burdens and may affect the financial sustainability and transparency of the energy sector. It is important that the proposed 2027 prolongation remains a temporary, clearly defined measure linked to specific circumstances and does not delay or undermine the broader reform of the PSO framework. Gradually reducing tariff gaps and strengthening targeted social support for vulnerable consumers must be prioritised.

These reforms should proceed in parallel with the proposed extension, with a clear roadmap towards reducing reliance on broad-based price regulation and PSO mechanisms.

Moreover, the Government proposed some encouraging actions to *lift, at least partially, the ban on gas exports* and to allow private companies which were left without customers to offer parts of their production to other markets. The scheme was still in the making during this reporting period.

The Secretariat was informed of the start of preparation of the draft *Roadmap for the gradual liberalisation of the natural gas and electricity markets* and provided its comments on the draft Roadmap developed by the Ministry of Energy to ensure compliance with the Energy Community acquis.

Follow-up:

[51] reflecting also additionally reduced prices (compared to PSO price) for certain categories and the application of time-differentiated prices
[52] Gas
[53] Amended the CMU Resolution No. 812 of 19 July, 2022 "On Approval of the Regulation on Imposing Special Obligations on Natural Gas Market Entities to Ensure General Public Interests in the Process of Operating the Natural Gas Market Regarding the Features of Supplying Natural Gas to Thermal Energy Producers and Budgetary Institutions" and CMU Regulation No.222 of 6 March 2022 "On Imposing Special Obligations on Natural Gas Market Entities to Ensure General Public Interests in the Process of Operating the Natural Gas Market"

In September 2026, the CMU extended[54] the existing gas PSO prices for households and heat producers until 31 March 2027[55]. On 7 October 2027, the CMU adopted a decision on the extension of the electricity end-user PSO price until 30 April 2026[56]. On the same date, CMU adopted the Procedure for the export of Domestically Produced Natural Gas[57].

Energy Sector	Reform 5. Ensuring the independence of the National Energy and Utilities Regulatory Commission	10.11 Defining the special status of the National Energy and Utilities Regulatory Commission

On 9 September, the Verkhovna Rada Committee on Energy, Housing and Communal Services discussed two draft **legislative proposals aimed at strengthening the NEURC's independence** and powers, which were registered in the Verkhovna Rada in December 2025. The draft Law of Ukraine "On Amendments to Certain Laws of Ukraine Concerning the Strengthening of Guarantees for the Exercise of Powers by the National Commission for State Regulation of Energy and Public Utilities" (Reg. No. 14282) was supported as a basic draft[58], and on 16 September 2026, the Verkhovna Rada voted it in the first reading. The finalisation of the draft Law No.14282 for the second reading is ongoing. In particular, the Ministry of Energy submitted its proposals to the Commission and the Secretariat for comments. While welcoming the objective of enhancing NEURC's independence and the oversight of its performance and integrity, the Secretariat highlighted that the Ministry's proposals on NEURC governance, selection and dismissal procedures, financial autonomy, and accountability need further alignment with the principles of the Electricity Directive regarding NRA independence. Whatever the model for NEURC is chosen, it shall comply with the Energy Community acquis.

Energy Sector	Reform 3. Electricity market reform	10.18 Entry into force of the secondary legislation of the law No. 4834-IX on the transposition of the electricity integration package, in line with the Energy Community Treaty acquis

[54] CMU Resolution 1178 of 23.09.2026, https://www.kmu.gov.ua/npas/pro-vnesennia-zmin-do-polozhennia-pro-pokladennia-spetsialnykh-oboviazkiv-na-subiektiv-rynku-pryrodnoho-hazu-1178-230926
CMU Resolution 1179 of 23.09.2026, https://www.kmu.gov.ua/npas/pro-vnesennia-zmin-do-postanovy-kabinetu-ministriv-ukrainy-vid-19-lypnia-2022-r-812-1179-230926
[55] Amended the CMU Resolution No. 812 of 19 July, 2022 "On Approval of the Regulation on Imposing Special Obligations on Natural Gas Market Entities to Ensure General Public Interests in the Process of Operating the Natural Gas Market Regarding the Features of Supplying Natural Gas to Thermal Energy Producers and Budgetary Institutions" and CMU Regulation No.222 of 6 March 2022 "On Imposing Special Obligations on Natural Gas Market Entities to Ensure General Public Interests in the Process of Operating the Natural Gas Market"
[56] CMU Resolution No.1245 of 07.10.2026, https://zakon.rada.gov.ua/laws/show/1245-2026-%D0%BF#n2
[57] CMU Resolution No.1251 of 07.10.2026, https://ips.ligazakon.net/document/kp261251?an=27
[58] https://kompek.rada.gov.ua/uploads/documents/31515.pdf

The following secondary legislation was adopted to implement provisions of the Law No. 4834-IX (EIP Law):

- On 7 July 2026, NEURC approved the NEMO Designation Procedure.
- On 23 September 2026, the Ministry of Energy approved the Procedure for Preparing a Risk-Preparedness Plan[59], to implement Regulation (EU) 2019/941.
- On 6 October, NEURC approved amendments to the Retail Market Rules[60] introducing regular assessments of the impact of electricity supply interruptions on customers, to be used in calculating the value of lost load (VoLL) in accordance with Article 11 of the Electricity Regulation.

During July-September 2026, NEURC also initiated the regulatory procedure for draft amendments to the Day-Ahead Market Rules (on introduction of negative prices)[61] and Retail Market Rules (on introduction of dynamic electricity supply contracts[62], price comparison tools and procedure for trust mark[63], etc.).

The transposition of the remaining parts of the Electricity Integration Package, i.e. network codes and guidelines, is yet to be initiated. For more details, see the information on Reform 10.5 above.

Energy Sector	Reform 5. Ensuring independence of National Energy and Utilities Regulatory Commission	10.19 Preparation of the Terms of Reference for a third-party audit of the National Energy and Utilities Regulatory Commission regarding the integrity and robustness of its financial and decision-making processes
		10.20 Completion of a third-party audit of the National Energy and Utilities Regulatory Commission regarding the integrity and robustness of its financial and decision-making processes

On 9 September 2026, NEURC announced, that, in cooperation with the European Bank for Reconstruction and Development (EBRD), a procurement has been launched to engage a

[59] Order of Ministry of Energy No.1297/46691 of 23.09.2026, On Approval of the Procedure for Preparing a Risk Preparedness Plan | LIGA:ZAKON
[60] NEURC Resolution No.1635 of 06.10.2026, https://www.nerc.gov.ua/acts/pro-zatverdzhennia-zmin-do-pravyl-rozdribnoho-rynku-elektrychnoi-enerhii-3
[61] https://www.nerc.gov.ua/news/opryliudniuietsia-proiekt-postanovy-shcho-maie-oznaky-rehuliatornoho-akta-zminy-do-pravyl-rynku-na-dobu-napered-ta-vnutrishnodob-rynku
[62] https://www.nerc.gov.ua/news/nkrekp-skhvalyla-proiekt-zmin-shchodo-dynamichnoi-tsiny-dlia-spozhyvachiv-z-intelektualnymy-lichylnykamy
[63] https://www.nerc.gov.ua/news/opryliudniuietsia-proiekt-postanovy-shcho-maie-oznaky-rehuliatornoho-akta-zminy-do-pravyl--rozdribnoho-rynku-elektrychnoi-enerhii

consultant to conduct an independent audit (assessment) of financial and decision-making processes in the Commission.

Based on the Terms of Reference, the assessment aims to identify strengths, risks and gaps in the NEURC's governance and accountability system, and to develop practical recommendations in line with international practice. The assessment will cover, in particular, decision-making processes, ethical practices, anti-corruption mechanisms, communication and engagement with stakeholders, as well as financial management, budgeting, procurement and internal control[64].

[64] https://www.nerc.gov.ua/news/rozpochato-vidbir-vykonavtsia-nezalezhnoho-audytu-nkrekp

4. IN FOCUS OF THIS REPORT

REGULATION OF ELECTRICITY DSOs

In July 2026, NEURC opened the regulatory procedure for setting the regulatory framework for the second regulatory period[65] of distribution tariff regulation for electricity DSOs[66]. Draft regulatory acts defined the long-term regulatory parameters (e.g. Rate of Return, efficiency factor, quality factor, etc.) for the regulatory period 2027-2031. Given the scale of investment required to restore and modernise Ukraine's distribution networks and address the challenges of the energy transition, these parameters will significantly affect DSOs' ability to attract the necessary financing.

Following the request of Public Union "Smart Grids Ukraine", the Secretariat provided its comments on the draft NEURC decision on the approval of changes to certain NEURC resolutions (Methodology) on the issue of long-term regulatory parameters for DSOs[67], highlighting several key areas where further refinement is necessary to ensure alignment with the Energy Community acquis, in particular Article 59 of the Electricity Directive (EU) 2019/944 and Article 18 of the Electricity Regulation (EU) 2019/943, as adapted for the Energy Community:

1) Regulatory Independence of NEURC in Tariff Making

NEURC should have the sole mandate to set tariff methodologies and parameters, including the Regulatory Rate of Return (RoR), without limits imposed or conditions set by other laws. Any provisions of the Law on Natural Monopolies that define conditions of incentive regulation, in particular limits on the regulatory rate of return and conditions on its application to the regulated asset base, are not in compliance with the Energy Community acquis and shall be deleted.

2) Incentive Regulation Approach

Operating under wartime conditions introduces significant unpredictability in the operational and economic parameters of DSOs and directly affects the quality of long-term projections of allowed revenues. Recognising this, the five-year regulatory period is recommended to be shortened to three years, or a scheduled intermediary review of parameters shall be envisaged. This will facilitate reflecting the actual performance and needs of DSOs, particularly those in the war-affected regions, by re-adjusting the performance targets accordingly.

The methodologies used for benchmarking and setting performance parameters should be clearly defined in advance of the regulatory period. The level of performance shall not be a

65 The first regulatory period was initially set for three years (2021-2024) but, due to martial law, was extended until 2026.
66 So-called incentive regulation is applied to most of the electricity DSOs in Ukraine, while six (6) are regulated according to the cost+ methodology.
67 Amending NERC Resolutions No. 899 of 11 July 2013, No. 1009 of 23 July 2013, and No. 1029 of 26 July 2013, and NEURC Resolutions No. 1175 of 5 October 2018 and No. 981 of 27 July 2017.

condition for DSOs to enter the third regulatory period but should be considered when defining the regulatory parameters for this period.

Secretariat also recommended considering a Total Expenditure (TOTEX) approach to the allowed revenue determination. This would allow DSOs to choose the most cost-efficient mix of physical "poles and wires" investments versus digital and flexibility solutions, preventing overinvestment in traditional assets.

3) Regulatory Rate of Return and Investment Requirements

The proposed RoR values (3% on "old" RAB[68] and 16,74% on new RAB[69]) lack sufficient justification, and the current market indicators in Ukraine, such as National Bank policy rates and government bond yields, indicate a materially higher cost of capital. The regulatory RoR shall be defined based on the best EU regulatory practices, reflecting the forward-looking cost of capital needed to finance network investment.

Mandatory reinvestment requirements to fully reinvest depreciation along with 80% of profit on the "old" RAB - would significantly reduce cash flow of DSOs, constraining their financial sustainability, and urge them to invest regardless of their actual investment needs. In line with Article 18(2) of the Electricity Regulation, the Secretariat encouraged NEURC to introduce incentives for efficient investment rather than relying on mandatory and general investment requirements.

4) Tariff Cost Reflection and Tariff Design

There is a need to improve tariff efficiency and ensure better cost reflection in tariffs. These include more voltage-level cascades, capacity-based charges, and the separation of metering services into a distinct tariff.

Following the public consultations, on 31 August 2026, NEURC adopted[70] the final decision on long-term regulatory parameters and rules for the second regulatory period for distribution tariffs under "incentive" regulation. The key parameters were set as initially proposed by NEURC, or with slight modifications. In particular, the second regulatory period is set for five years; the regulatory RoR on "old" RAB is 3% and on new RAB is 16.74%. DSOs shall annually invest 100% of the annual amount of depreciation plus revenues from reactive energy charges, and 60% mandatory reinvestment of return on the "old" RAB and 50% on the "new" RAB, with the possibility of subsequent adjustment to consider the return of loans for approved investments[71]. NEURC also

[68] Created before transition to incentive regulation
[69] Created after transition
[70] NEURC Resolution No.1462 of 31.08.2026, https://zakon.rada.gov.ua/rada/show/v1462874-26#n2
[71] 100% mandatory reinvestment remains applicable to selected DSOs.

set the commercial quality targets [72] and relevant revenue adjustment parameters for underperformance. Treatment of costs related to excess actual electricity losses over normative/actual technological losses includes recognition of 75% of the justified excess amount for each of the two voltage classes.

The Secretariat continues to follow the adopted amendments and their impact on DSOs' financial capacity to ensure a resilient and sustainable development of distribution networks in Ukraine. The Secretariat also provided recommendations to bring NEURC's network tariff-making powers into compliance with the Energy Community acquis, as part of the legislative process aimed at strengthening NEURC's independence.

PROCEDURE FOR EXPORT OF DOMESTIC NATURAL GAS

The Procedure for the Export of Domestically Produced Natural Gas was adopted by CMU Resolution No.1251 of 07.10.2026 (hereinafter, the Procedure).

The Procedure allows gas producers (except those under the PSO regime) to export a maximum of 15% of the actual volumes injected by the gas producer into the gas transportation system in the previous month. The eligible gas producers (namely those who supplied gas into the system in the previous month) and their relevant volumes shall be confirmed by data of GTSOU and approved by the Ministry of Energy monthly. Only those producers may offer the gas for export trades within the approved volumes.

The trading is organised by the commodity exchange through the special gas export session in accordance with this Procedure and exchange trading rules.

Contract conditions are defined by the seller; the price is the final trading price.

Only non-residents[73] may participate as buyers.

In the event of a crisis, the Ministry of Energy may cease export trade further (without affecting already sold volumes).

Export licenses are issued by the Ministry of Economy based on the trading results, upon information from the Ministry of Energy. Sold volumes are exempt from zero quotas for export of domestically produced gas[74].

[72] e.g. reliability/quality index for outage data in 6–150 kV networks – at least 98% from the second year of the regulatory period; standard connection service provided within the prescribed timeframe – at least 98% and commercial metering data quality index – gradual annual increase from the second year of the regulatory period.
[73] As defined by the Customs Code of ukraine: legal entities established under the laws of other states that conduct their activities outside Ukraine, as well as their separate subdivisions located within the territory of Ukraine that do not conduct business activities in accordance with the legislation of Ukraine
[74] https://zakon.rada.gov.ua/laws/show/1252-2026-%D0%BF#Text

The Procedure applies from March 1 to November 30 of the relevant year.

The power exchange (UEEX) published the following details of the trading mechanism[75]:

Parameter	Condition
Validity period	From March 1 to November 30 of each year, on weekdays
Selling limit	Up to 15% of the actual volume of gas transmitted by the enterprise at the entry points to the gas transmission system in the previous month
Who sets the limit?	Ministry of Energy - until the 12th of the trading month, based on data from the GTS Operator; the Exchange does not calculate limits
Type of bidding	One-sided auction for price increase, initiated by the Seller
Unit of volume	MWh (limit is approved in kWh; higher heating value 10.64 kWh/cubic m)
Price	Euro per 1 MWh excluding VAT, up to two decimal places
Price step / waiting time for the best offer	0.03 EUR per 1 MWh / 2 minutes (other values can be set in the session announcement)
Determining the winner	Highest bid; price is final and does not change. The parties settle payments for gas directly with each other under the purchase and sale agreement.
Sellers	Gas producing enterprises from the list approved by the Ministry of Energy for the current month
Buyers	Only legal entities - non-resident companies (subparagraph "a" of clause 33, part 1, article 4 of the Customs Code of Ukraine)
Delivery point	Exit point on the interstate connection of Ukraine with EU member states or the Republic of Moldova, chosen by the Seller
Delivery period	Determined by the Seller; ends no later than the last day of the second month following the month of trading
Purchase and sale agreement	Under the terms of the draft contract that the Seller adds to the sale offer in Ukrainian and English
Guarantee contributions	Not deposited unless required by the clearing house
Commission fee	Seller and Buyer Pay at Exchange Rates
Carryover of unused limit	Not allowed
Export license	Received by the Seller from the Ministry of Economy, consideration within 10 calendar days; approval by the Ministry of Energy – within one day

[75] https://www.ueex.com.ua/auctions/natural-gas-market/medium-and-long-term-natural-gas-market/export-of-domestically-produced-gas/

ANNEX: ENERGY OUTLOOK

This Annex highlights noticeable events and publications related to Ukraine's energy markets in the third quarter of 2026:

July 2026	Reference
Serhiy Koretsky: The Government will accelerate work to fulfil obligations within the Ukraine Facility	Link
Denys Shmyhal: Equipment from European CHP plants helps Ukraine strengthen energy sustainability	Link
NEURC has decided to conduct unscheduled on-site inspections of eleven gas distribution system operators	Link
Litgrid specialists study Ukrainian experience in protecting critical energy infrastructure	Link
JSC "MARKET OPERATOR" successfully passed an annual audit for compliance with the provisions of the DAM/IDM Rules	Link
JULY 2026: THE BASE ELECTRICITY PRICE INDEX ON UKRAINE'S DAY-AHEAD MARKET REACHED UAH 4,443.89/MWh. The weighted average electricity trading price on the DAM during the period stood at UAH 4,654.88/MWh, while the weighted average price of electricity on the Intraday Market (IDM) was UAH 4,311.33/MWh.	Link
UEEX: Natural gas trading results in July 2026	Link
Russia launches massive attack on gas production facility in Kharkiv Region, operations suspended	Link
Naftogaz Group restructures €1.2 billion in Eurobonds	Link
Argent LNG and Naftogaz Group sign Memorandum of Understanding on long-term U.S. LNG cooperation	Link
Naftogaz Supervisory Board appoints Acting Chairman of Executive Board	Link
DixiGroup: Electricity exports exceeded imports by nearly one-third in July	Link
DixiGroup: Monitoring implementation of the IMF program and EU assistance	Link

(July 2026)	
August 2026	
The IAEA has completed the eighth mission to assess the condition of Ukraine's electrical substations that ensure stable operation of nuclear power plants	Link
Over 4,500 units of energy equipment have arrived in Ukraine since the beginning of the year	Link
Ukraine's energy system went through a period of record August heat without any power outages, - Denys Shmyhal	Link
Ukraine has accumulated the gas necessary for the baseline scenario of getting through the winter, - Denys Shmyhal	Link
Denys Shmyhal held a meeting with representatives of the IMF mission	Link
Ukrenergo has launched a liability management exercise in respect of its sustainability-linked notes	Link
AUGUST 2026: THE BASE ELECTRICITY PRICE INDEX ON UKRAINE'S DAY-AHEAD MARKET AMOUNTED TO UAH 5 893,24/MWh. The weighted average electricity price on the DAM during the period was UAH 6,187.65/MWh, while the weighted average electricity price on the Intraday Market (IDM) was UAH 6,129.85/MWh.	Link
UEEX: Natural gas trading results for August 2026	Link
UABIO report: Guideline for export of biomethane from Ukraine to the EU	Link
September 2026	
NB8 countries will work on additional support for Ukrainian energy sector	Link
Over 642 MW of distributed gas generation has already been connected to the grids as part of regional and individual city resilience plans	Link
A 2 MW solar power plant has started operating at the Chernobyl NPP	Link
Ukraine and Canada signed a Joint Statement on Deepening Energy Cooperation	Link
The fifth Ministerial Meeting of the G7+ Coordination Group on Energy Issues for	Link

Ukraine was held in Paris	
The Ministry of Energy and the Energy Community Secretariat held an online seminar for potential equipment suppliers through the Energy Support Fund	Link
Ministry of Energy and UNDP launch Energy Equipment Installation Support Mechanism to accelerate restoration of Ukraine's power system	Link
The delegation of NPC Ukrenergo held a meeting with representatives of the Polish system operator – PSE	Link
NPC Ukrenergo has signed Memorandums with JSC Market Operator and Ukrainian Energy Exchange LLC to coordinate their work as part of preparations for UA-EU electricity market coupling.	Link
Gas TSO of Ukraine Signed an Updated Memorandum as Part of the Vertical Gas Corridor	Link
Bundled capacity allocation auctions at interconnection points: specifics of capacity allocation starting from October 1, 2026	Link
SEPTEMBER 2026: BASE ELECTRICITY PRICE INDEX ON DAM IS 5,988.28 UAH/MWH The electricity price index for the BASE period on the Ukrainian DAM in September 2026 is UAH 5,988.28/MWh. The weighted average electricity price on the DAM for this period is UAH 6,198.52/MWh, and the weighted average electricity price on the IDM is UAH 6,073.81/MWh.	Link
Naftogaz Supervisory Board decides to initiate an open competition for CEO	Link
Green Deal Ukraine: Reform of Ukraine's Energy Regulator: No Time Left to Wait	Link
Ukrhydroenergo expects to receive a €21 million tranche from the EIB for the urgent repair and modernization of key hydroelectric power plants.	Link
Naftogaz and Hungary's MOL sign memorandum on creating strategic fuel reserves for Ukraine	Link
One more Ukrainian company begins biomethane exports	Link

Energy Community Secretariat

Energy Community Secretariat
Am Hof 4, Level 5, 1010 Vienna, Austria

energy-community.org
info@energy-community.org
0043 (0)1 535 2222