

Serbia and the Athens/Energy Community Process



Nikola Radovanović
Energy Agency of the Republic of Serbia

May 25th, 2007
ISTANBUL, TURKEY

Contents

- **The Energy Agency of the Republic of Serbia**
 - **Establishment**
 - **Major achievements & problems**
- **The Serbian experience in the Athens Process/Energy Community**

THE ENERGY AGENCY OF THE REPUBLIC OF SERBIA (AERS)



The Energy Agency of the Republic of Serbia (AERS) - Establishment

- Established by the Energy Law in 2004
- Registered at the Trade Court in Belgrade in June 2005
- Fully operational from January 2006
- Independence (legal, functional, financial) ensured by the Energy Law

The Energy Agency of the Republic of Serbia (AERS) - Goals

- Enhancing and directing the development of the energy market based on the principles of non-discrimination and efficient competition
- Ensuring customer protection and an equal market position for all customers
- Transparent setting of energy and service prices
- Development of a regulatory framework for energy entities' operation
- Efficient monitoring of licensed energy entities
- Integration into regional and European energy markets

The Energy Agency of the Republic of Serbia (AERS) - Role

- Covers sectors of electricity, natural gas, oil and oil products
- Price regulation:
 - Determining Methodologies for setting tariff elements for the calculation of electricity prices for tariff customers and use of system charges
 - Determining Methodologies for setting connection charges

The Energy Agency of the Republic of Serbia (AERS) – Role (2)

- Passing tariff systems for setting energy prices for tariff customers and use of system charges (approved by Government)
- Giving opinion on prices for which energy entities request Government approval
- Monitoring the application of tariff systems

The Energy Agency of the Republic of Serbia (AERS) – Role (3)

- Market Monitoring:
 - Approval of Market Code
 - Approval of Grid Codes
 - Approval of Operating Code for natural gas storage
 - Setting criteria for obtaining the eligible customer status (which gives the right to purchase electricity on the free/open market)
 - Approving eligibility status
 - Keeping the register of eligible customers

The Energy Agency of the Republic of Serbia (AERS) – Role (4)

- Licensing:
 - Issuing licenses
 - Suspending and revoking licenses
 - Keeping the register of licenses
 - Monitoring of compliance with license requirements

The Energy Agency of the Republic of Serbia (AERS) – Role (5)

- Deciding upon appeals:
 - For network access refusal
 - For network connection refusal for generation facilities and for customers



The Energy Agency of the Republic of Serbia (AERS) – Ensuring Compliance

- Possibility to request ALL data necessary to fulfill its tasks
- Only the ultimate sanction lies with AERS
 - suspension/revocation of licenses
- Possibility to initiate procedures for misdemeanors and trade offences

The Role of AERS in the Energy Community

- Active participation in development of the Internal Rules of Procedure – A Procedural Act of the ECRB
- Head of ECRB Electricity Working Group
- Active member of the ECRB Gas Working Group
- Commitment to ECRB Consumer Protection Working Group
- Interface with other Energy Community institutions and EU institutions

Conclusions

- Set out clear goals of regulation in the energy sector and link them with adequate means of achieving them
- National and regional actions take place simultaneously
- Moving from political to legally binding agreements on a regional level is preferable
- Focus on the benefits for the parties involved in the process
- Draw upon experiences of others, but do not stop being innovative

Conclusions

- It is essential for national regulators to have active roles in the institutions of the Energy Community, in particular but not limited to the ECRB
- National action is not only directed by regional activity, it also contributes to the shape that the regional process takes

***Thank you for your
attention***

Contact:

Nikola Radovanović

Energy Agency of the Republic of Serbia

Terazije 5 / V, 11000 Belgrade

Tel: + 381 11 3037184; Fax: + 381 11 3225780

e-mail: nikola.radovanovic@aers.org.yu

URL: www.aers.org.yu