

energy - legal changes published in October 2018

Order of the National Regulatory Authority for Energy no. 177/2018 regarding the approval of the Framework Conditions for the implementation timetable of the smart electricity metering systems at national level, was published in the Official Gazette, Part I no. 866 of October 12, 2018, applicable from the same date.

The act approves the Framework Conditions for the implementation timetable of the smart electricity metering systems at national level, stipulated in the appendix, which is an integral part of the Order.

According to the Order, the electricity distribution operators perform cost-benefit analyzes for the establishment of plans for the implementation of smart meters in the concession area, broken down annually for the period 2019-2028. Cost-benefit analyzes must reflect the cost structure taken into account in meeting the mandatory functionality set out in the Order, as well as the benefits achieved, including for end-users, after the installation of the meters.

Implementation projects for smart meters that are economically efficient as a result of cost-benefit analyzes are included in the annual investment plans starting with 2019, in line with the regulatory framework in force. These projects must meet the Framework Conditions for the implementation timetable for smart metering systems at national level.

On the basis of the cost-benefit analyzes, the electricity distribution operators delegates to the NRAE the proposals regarding the plans for implementation of the intelligent electricity metering systems for the period 2019-2028, within 90 days from the date of coming into force of the Order. The NRAE verifies the respective proposals and requests, as appropriate, the amendment or supplementation of the plans for the implementation of smart metering systems in accordance with the provisions of the Order.

Law no. 240/2018 for the approval of Government Emergency Ordinance no. 26/2018 regarding the adoption of measures for the security of the electricity supply, published in the Official Gazette of Romania, Part I, no. 314 of April 10, 2018. The Law for the approval of GEO no. 26/2018 was published in the Official Gazette, Part I no. 871 of 15 October 2018 and is applicable from 18 October 2018.

The act approves the measures adopted for the security of supply for the period 15 April 2018 - 30 June 2020 by Government Emergency Ordinance no. 26/2018, according to which, in order to maintain the safety level of the National Power System, the Hunedoara Energy Complex - S.A. has the obligation to provide technological system services to the Transmission System Operator at a power value of at least 400 MW, under the conditions of the regulations issued by NRAE. The transmission and system operator will establish the monthly capacity corresponding to the technological system services representing a slow tertiary reserve, of which a capacity of 400 MW will be allocated to Hunedoara Energy Complex SA. In the case of accidental or unforeseen situations

in the functioning of energy groups within the Hunedoara Energy Complex, which determines the unavailability of the technological system services, the producer has the obligation to notify the Transmission System Operator according to the normative acts in force, and this will purchase the respective system services under competitive conditions.

Order of the National Regulatory Authority for Energy no. 178/2018 amending and supplementing the Regulation on the organization and functioning of the Green Certificates Market, approved by the Order of the President of the National Regulatory Authority for Energy no. 77/2017, was published in the Official Gazette, Part I no. 901 of October 26, 2018, applicable from December 1, 2018.

The act provides, inter alia, the following:

- (i) Redefining the terms of "revoked green certificate", " blocked green certificate", " temporarily blocked green certificate ", " expired green certificate ", " transferred green certificate ", " valid green certificate " transaction confirmation", "bilateral green certificates contract", "bilateral green certificates contract market", "negotiated price on the bilateral green certificates contract market";
- (ii) Redefinition of the GCM, in the sense that it is a competitive market separate from the electricity market, where one trades GCs afferent to the E-RES produced in the power plants benefiting or having benefitted from the GC promotion system established by the Law;
- (iii) The redefinition of BGCCM, in the sense that it is a market consisting of an anonymous centralized green certificates market and a market for GC bilateral contracts concluded through direct negotiation between electricity generators from renewable energy sources owning groups/plants benefiting or having benefitted from the GC promotion system and own GCs, with installed power of up to 3 MW per generator, and end-user electricity suppliers;
- (iv) The fact that the GCM participants are:
 - accredited power generators from renewable energy sources;
 - electricity suppliers purchasing electricity for their final consumption as well as for sale to end users in Romania;
 - electricity suppliers electricity purchasing electricity produced in Romania for sale to end users/ other suppliers outside Romania in the countries with which the Government of Romania has signed bilateral agreements in this respect;
 - electricity generators using the electricity produced for their own final consumption, other than the own technological consumption, except for the end use of prosumer individuals who are provided under art. 14 par. (6⁶) of the Law;

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News in Laws – Legal Monthly Newsletter
November 2018

- electricity generators using the electricity produced for supplying customers directly connected by power lines to the plant.