



National
Association of
Regulatory
Utility
Commissioners



Current status and the perspectives of development of RES in the Republic of Moldova

Leonid Belinschi

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Primary Legislation

- **Renewable Energy Law (160-XVI/12.07.2007)**
- Energy Efficiency Law (142/02.08.2010)
- Law on Electricity (124/23.12.2009)
- Law on Energy (1525/19.02.1998)

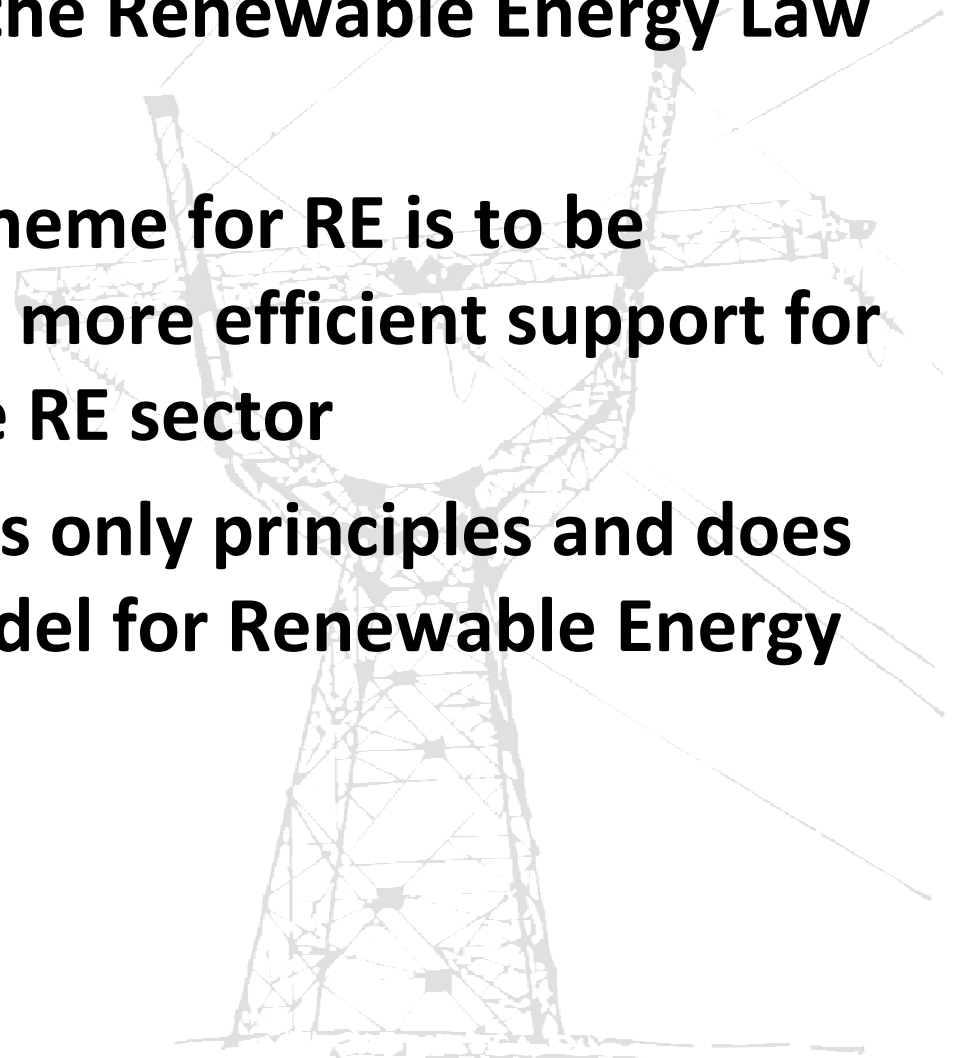
Secondary Legislation: ANRE Regulations

- Regulation on guarantees of origin for electricity produced from renewable energy sources
- Methodology for the calculation of tariffs for electricity and biofuels produced from renewable energy sources

Developing a more efficient framework for Renewable Energy



- A draft law, amending the Renewable Energy Law is under development
- The existing support scheme for RE is to be redesigned, to ensure a more efficient support for the development of the RE sector
- The existing Law defines only principles and does not shape a market model for Renewable Energy



Developing a more efficient framework for Renewable Energy



- A “single buyer” model was considered as the most appropriate option
- One single supplier (the RE Supplier) will have the obligation to buy all the electricity produced from RES-E plants and from CHPs and resell at an average tariff to all suppliers and big customers that buy electricity generated from traditional sources
 - All electricity suppliers and big customers that buy electricity generated from traditional sources, will have the obligation to buy RES-E from the RE Supplier proportional to their market/consumption share at tariffs approved by the Agency.

Developing a more efficient framework for Renewable Energy

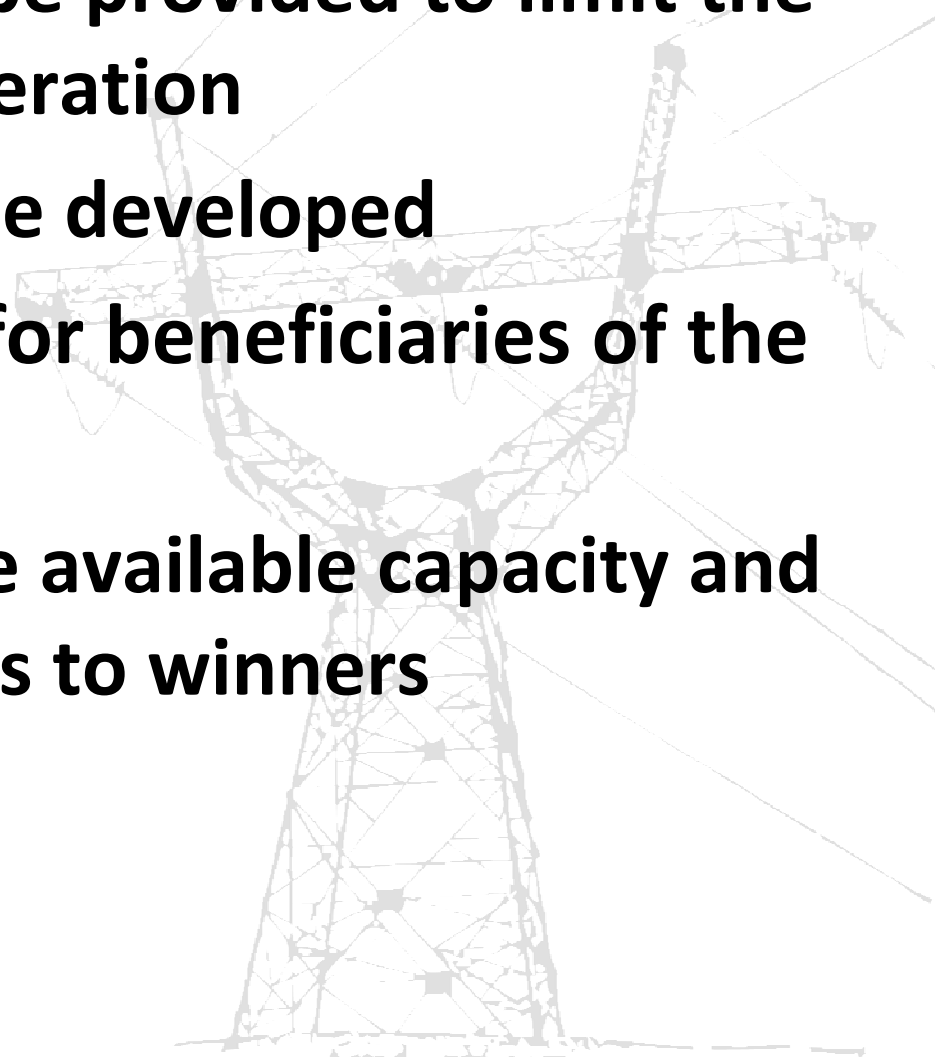


- RE Supplier shall be assigned by the Agency following a tendering procedure, organized under Power Market Rules
- **Balancing issues: to be decided who will be responsible for buying the energy for balancing**
- All RE generators shall have the obligation to forecast the production and report it to the RE supplier
 - Timeframe and frequency to be established

Developing a more efficient framework for Renewable Energy



- Capacity caps should be provided to limit the impact of new RE generation
- Queue procedure to be developed
- Eligibility conditions for beneficiaries of the FiT
- Option: auctioning the available capacity and grant the resulting FiTs to winners



Developing a more efficient framework for Renewable Energy



- Capacity caps were calculated taking into account the forecasted growth of electricity consumption until 2020 and the national RE target of 20% by 2020*

Year	2013	2014	2016	2016	2017	2018	2019	2020
Total installed capacity	64	103	137	171	205	250	304	328
Wind	35	70	100	130	160	200	250	270
biogas	3	4	5	6	7	8	9	10
PV	1	2	3	4	5	6	7	8
Biomass	3	4	5	6	7	8	9	10
Landfill gas	5	6	7	8	9	10	11	12
New Hydro	1	1	1	1	1	2	2	2

Developing a more efficient framework for Renewable Energy



*** The national RE target is subject to discussions within the Energy Community Treaty**

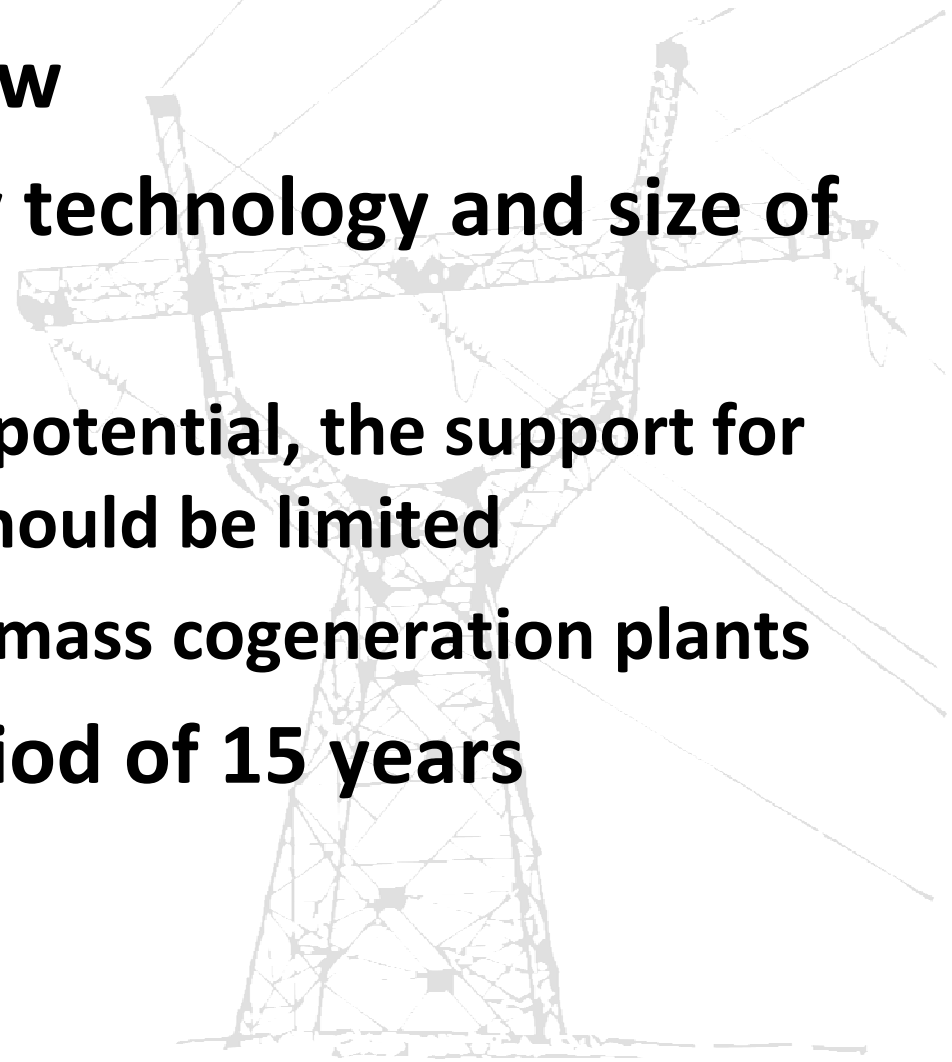
- Premise of equivalent level of ambition in ECT Contracting Parties as EU 20% target
- adaptation of the methodology used for EU Member States

Final target calculated by the ECS Consultant: 17% share of energy from RES in the national gross final energy consumption in 2020

Developing a more efficient framework for Renewable Energy



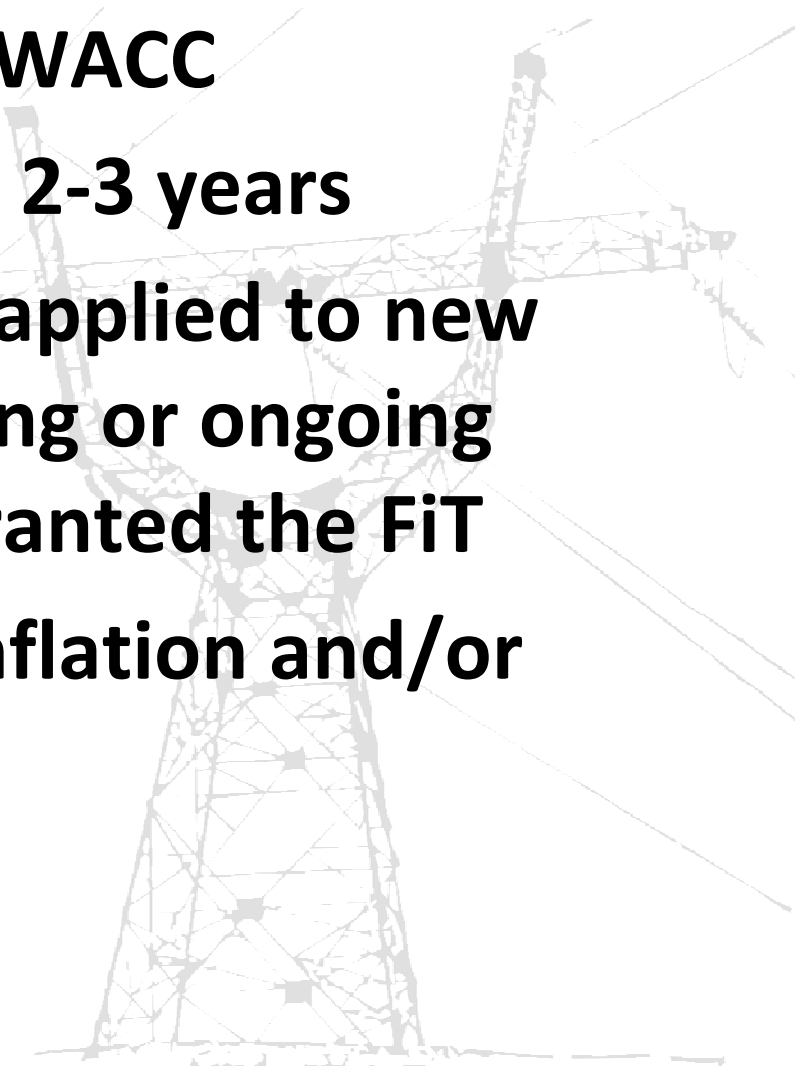
- **The Feed-in Tariff scheme is to be established in the Law**
- **FiTs differentiated by technology and size of the plant**
 - **Due to limited hydro potential, the support for new hydro projects should be limited**
 - **Focus on efficient biomass cogeneration plants**
- **FiTs offered for a period of 15 years**



Developing a more efficient framework for Renewable Energy



- **FiTs calculated using the WACC**
- **FiTs shall be revised each 2-3 years**
- **Recalculated FiTs will be applied to new projects and not to existing or ongoing projects that had been granted the FiT**
- **FiTs will be adjusted to inflation and/or exchange rate**



Developing a more efficient framework for Renewable Energy



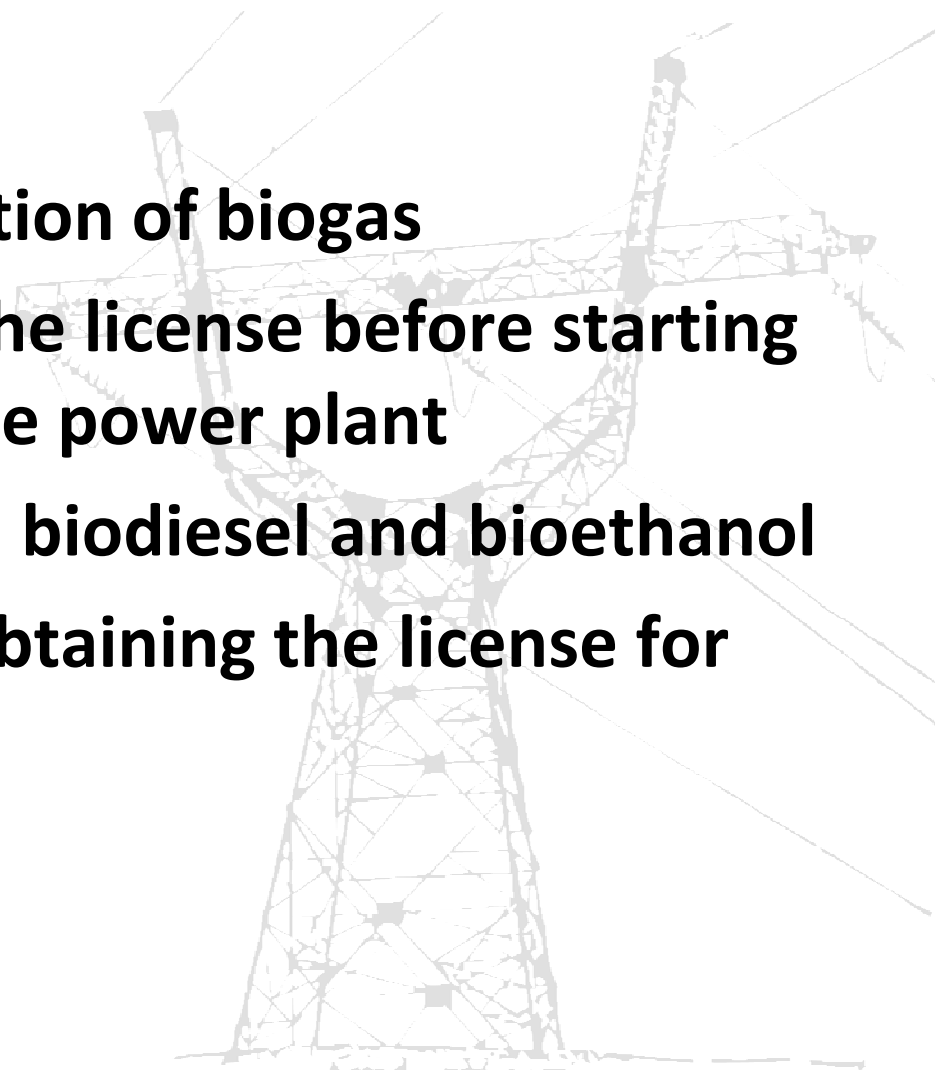
Technology	Capacity	Tariff ANRE, €/kWh	
Hydro	≤ 1 MW	7,74	
Wind		8,31	
PV		Scenario 1	Scenario 2
	≤ 50 kW	24,72	18,07
	> 50 kW	18,26	14,90
Biomass (electricity)		10,7	
Biomass (CHP)		10,48	
Biogas	≤ 300kW	11,28	
	> 300kW	8,78	
Landfill gas		5,57	

Developing a more efficient framework for Renewable Energy



- **Other provisions**

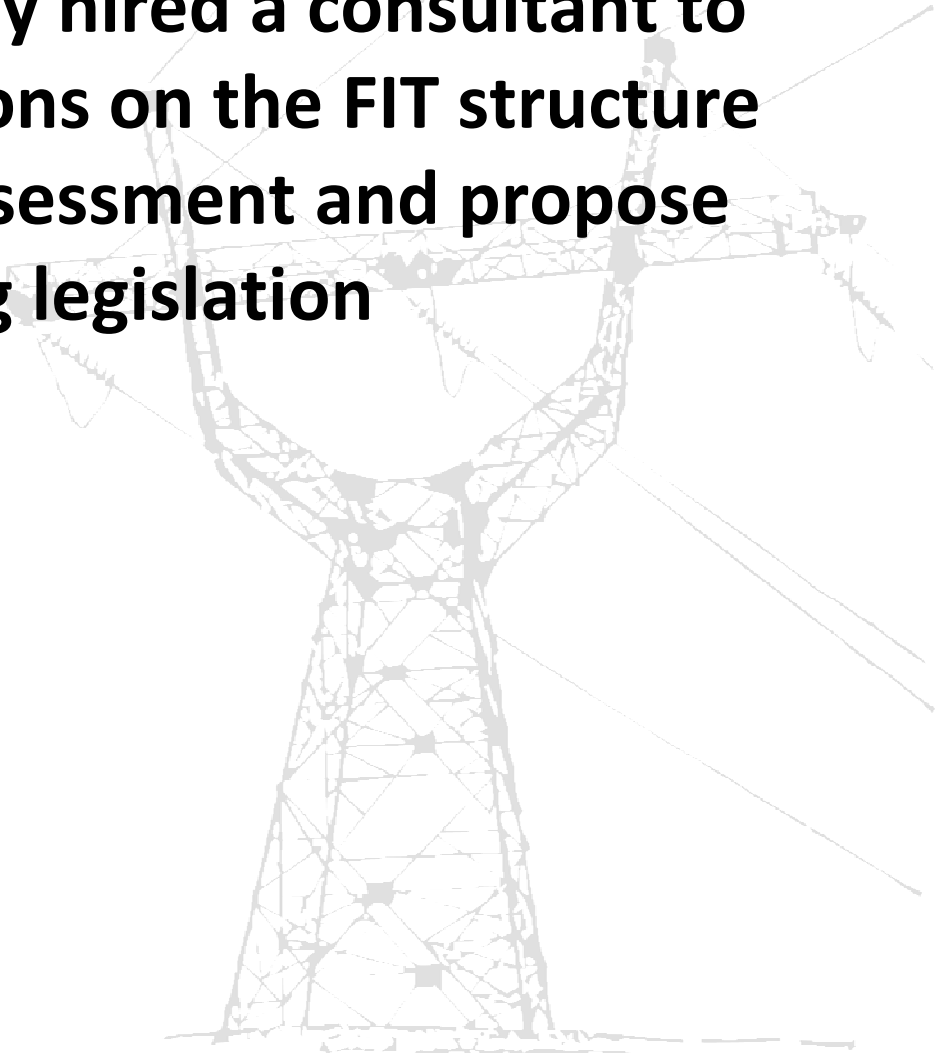
- Net-metering
- Incentives for production of biogas
- Possibility to obtain the license before starting the construction of the power plant
- Definition of biofuels: biodiesel and bioethanol
- Clear conditions for obtaining the license for biofuel production



Developing a more efficient framework for Renewable Energy



- **The Ministry of Economy hired a consultant to provide recommendations on the FIT structure and FIT level, impact assessment and propose amendments to existing legislation**





Thank you!

Leonid Belinschi

Director, ANRE

E-mail: ibelinschi@anre.md

+373 2285 2905

