

# ***Overview of the Energy Agency of the Republic of Serbia (AERS)***

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# Legal framework and energy legislation

## **National level:**

- Primary legislation
- Secondary legislation issued by Government/Ministry of Mining and Energy
- Secondary legislation issued/approved by AERS

## **Regional level:**

- Energy Community Treaty

# Legal framework and energy legislation (National level)

- **Primary legislation** = Energy Law
- **Secondary legislation** issued by governmental institutions:
  - Decrees on general conditions for delivery of electricity/natural gas
  - Licensing code

# Legal framework and energy legislation (National level - 2)

- **Secondary legislation** issued/approved by AERS:
  - \*\*\*Tariff systems (subject to approval of Government)
  - Methodologies
  - Codes (Distribution Codes, Grid Codes, Market Code, Natural gas storage Code)

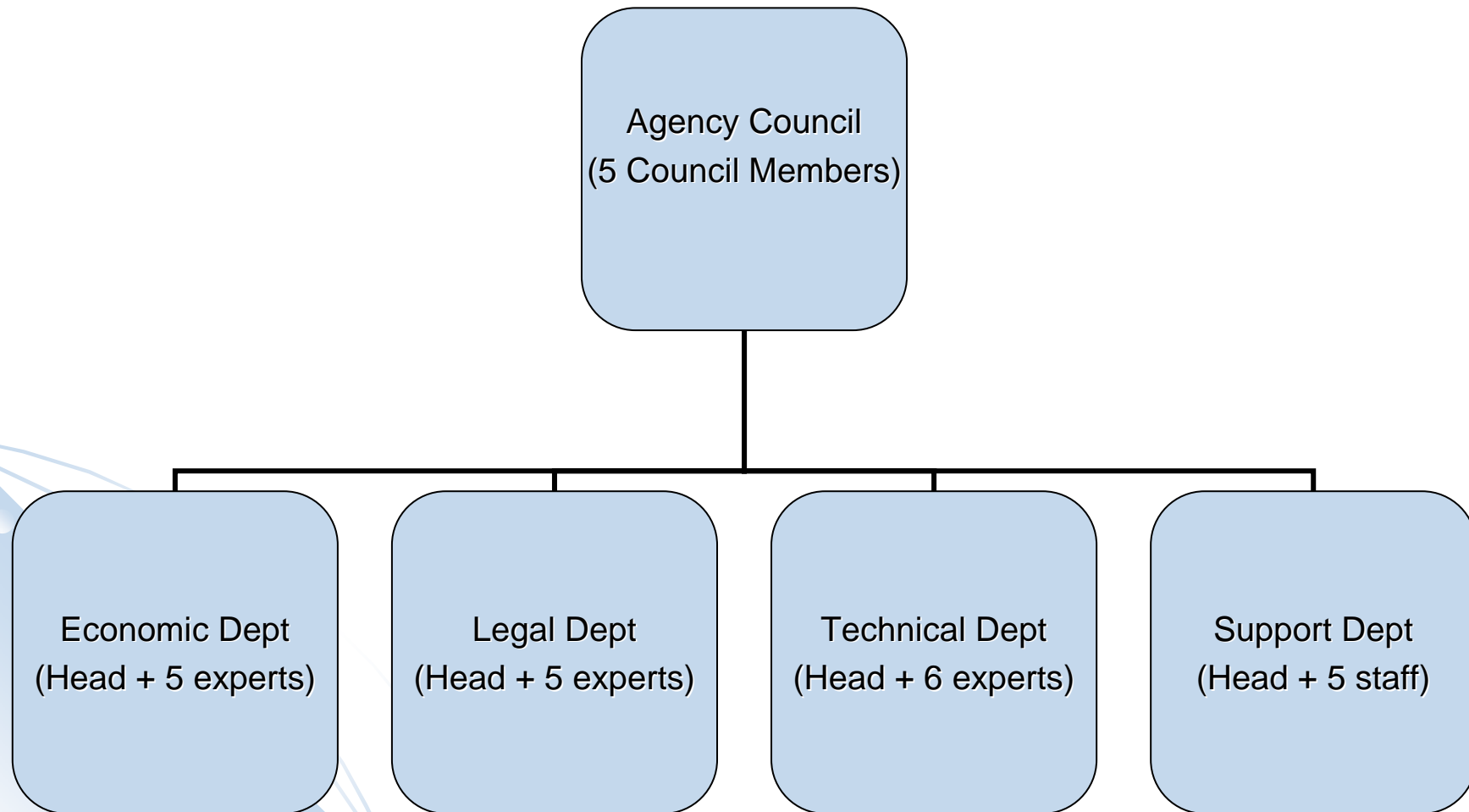
# The Energy Agency of the Republic of Serbia (AERS) - Establishment

- 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) – General goals**

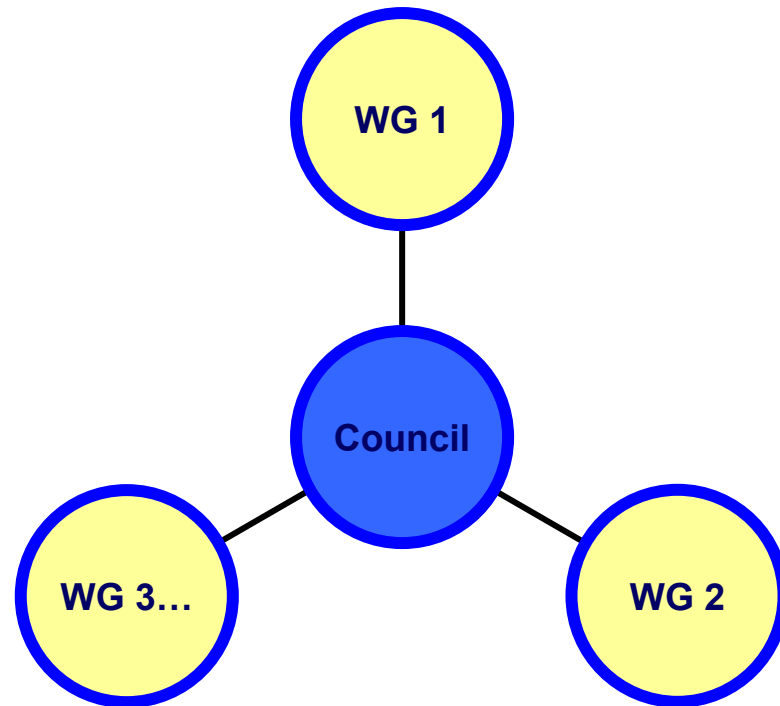
- Enhancing and directing the development of the energy market
- Ensuring customer protection and an equal market position for all customers
- Transparent setting of energy and service prices
- Development of a regulatory framework
- Monitoring of licensees
- Integration into regional and European energy markets

# Organizational structure, distribution of staff and responsibilities



# Organizational structure, distribution of staff and responsibilities (2)

- Work conducted in cross - functional work groups
- Work groups prepare all proposals for the Council
- Council takes final decisions



# Extent and scope of AERS' regulatory authority

- Covers sectors of electricity, natural gas, oil and oil products:
- Price regulation
- Licensing
- Dispute settlement
- Market monitoring
- Participation in regional activities

# Extent and scope of AERS' regulatory authority (2)

## Price Regulation

- Pricing methodologies
- Tariff systems (Govt. approves)
- Methodologies for connection charges
- Opinion on the energy prices (Govt. Approves)

## Dispute Settlement

- Disputes on TPA
- Disputes on connection to networks

## Participation in the Energy Community and ERRA Activities

## Licensing

- Issuing of licenses
- Suspending and revoking of licenses
- Keeping the license register

## Market Monitoring

- Price monitoring
- Approving Market Rules
- Approving Grid Codes
- Setting eligibility threshold for eligible customers
- Monitoring compliance with license conditions
- Keeping the register of eligible customers

# Independence of AERS

- Legal guarantees for the regulator's independence in decision-making set out in the Energy Law
- Goal? Avoid arbitrary and give more credibility to the decisions
- The guarantees relate to:
  - Status of AERS
  - Functional independence
  - Financial independence

***Thank you for your attention!***

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