

## Monitoring of Energy Legislation

### **FEBRUARY 2025**

The most important legislative changes and interesting news

### MONITORING / February 2025

#### See the most important legal news in the field of energy for the month of February 2025.

Regional distribution companies and SEPS have launched **public consultations on proposed changes to their operational rules.** 

The Regulatory Office for Network Industries (RONI) has published a **guide for regulated entities**, providing an **overview of their obligations** towards RONI. Additionally, RONI has released **the results of its inspection activities for 2024**.

We also highlight a **new call from SIEA**, focused on supporting progressive technologies and materials for dual-use applications.

We wish you a pleasant reading!

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Pavol Poláček, Managing Partner

#### 1. WHAT HAS CHANGED?

ELECTRIC ENERGY AND GAS INDUSTRY	
Act no. <b>309/2009</b> Coll. on the support of RES	no
Act no. <b>250/2012</b> Coll. on Regulation	no
Act no. <b>251/2012</b> Coll. on Energy	no
Act no. <b>321/2014</b> Coll. on energy efficiency	no
Act no. 609/2007 Coll. on excise duty on electricity, coal and natural gas	no
Act no. <b>555/2005</b> Coll. on energy efficiency of buildings	no
RONI Decree no. <b>490/2009</b> Coll., laying down details on the support of RES	no
RONI Decree no. <b>92/2023</b> Coll., laying down the conditions of the tender procedure for the provision of electricity storage facility services	no
RONI Decree no. 107/2023 Coll., establishing price regulation of electricity supply	no
RONI Decree no. <b>207/2023</b> Coll., establishing the rules for the functioning of the internal electricity market	no
RONI Decree no. <b>208/2023</b> Coll., establishing the rules for the functioning of the internal natural gas market	no
RONI Decree no. <b>230/2023</b> Coll., establishing the content requirements of the distribution system development plan	no
RONI Decree no. <b>285/2012</b> Coll., establishing price regulation for the supply of natural gas to small businesses	no
RONI Decree no. <b>450/2022</b> Coll., establishing price regulation in natural gas industry	no
RONI Decree no. <b>370/2023</b> Coll., establishing price regulation in the field of supporting electricity production and some related conditions for the performance of regulated activities	no
RONI Decree no. <b>147/2024</b> Coll., establishing price regulation of regulated activities in the gas industry	no
RONI Decree no. <b>246/2023</b> Coll., establishing price regulation of selected regulated activities in the electric energy industry and some conditions for the performance of selected regulated activities in the electric energy industry	no
RONI Decree no. <b>154/2024</b> Coll., establishing price regulation in electric energy industry and some conditions for the performance of selected regulated activities in the electric energy industry	no
RONI Decree no. <b>278/2012</b> Coll., establishing quality standards for gas storage, gas transportation, gas distribution and gas supply	no
RONI Decree no. <b>236/2016</b> Coll., establishing quality standards for electricity transmission, electricity distribution and electricity supply	no
RONI Decree no. <b>284/2012</b> Coll. on the rules for the sale of electricity in the form of auctions	no
RONI Decree no. <b>212/2005</b> Coll., establishing the application form for the issuance of a permit	no

Decree of the Ministry of Economy of the Slovak Republic no. <b>599/2009</b> Coll., implementing certain provisions of the Act on the support of RES	no
Decree of the Ministry of Economy of the Slovak Republic no. <b>270/2012</b> Coll. on professional competence for carrying out business activities in the energy sector	no
Decree of the Ministry of Economy of the Slovak Republic no. <b>416/2012</b> Coll., establishing the details of the procedure for applying restrictive measures in a state of emergency and measures aimed at eliminating the state of emergency in the electric energy industry	no
Decree of the Ministry of Economy of the Slovak Republic no. <b>106/2019</b> Coll., establishing the list of authorized industries, the scope and structure of the administration and the method of providing compensation to entrepreneurs	no
Decree of the Ministry of Economy of the Slovak Republic no. <b>202/2019</b> Coll., establishing the conditions for participation in the auction for the selection of the electricity purchaser and determining the amount of the electricity purchaser's remuneration	no

THERMAL ENERGY	
Act no. <b>657/2004</b> Coll., on thermal energy	no
RONI Decree no. <b>312/2022</b> Coll., establishing price regulation in thermal energy	no
RONI Decree no. 277/2012 Coll., establishing heat supply quality standards	no
RONI Decree no. <b>328/2005</b> Coll., determining the method of verifying the economic efficiency of the operation of the heating facilities system, the energy efficiency indicators of heat production and heat distribution facilities, the normative indicators of heat consumption, the range of economically justified costs for the verification of the economic efficiency of the operation of the heating facilities system and the method of payment of these costs	no
RONI Decree no. <b>146/2024</b> Coll., establishing the range of economically justified costs caused by disconnection of the consumer from the system of the supplier's heating facilities and the method of their calculation	no
Decree of the Ministry of Economy of the Slovak Republic no. <b>151/2005</b> Coll., establishing the procedure for preventing the occurrence and removing the consequences of a state of emergency in the thermal energy industry	no
Decree of the Ministry of Economy of the Slovak Republic no. <b>152/2005</b> Coll. on the specified time and on the specified quality of heat supply for the end consumer	no
Decree of the Ministry of Economy of the Slovak Republic no. <b>15/2016</b> Coll., establishing the method of calculating the annual heat production in the production of electricity	no
Decree of the Ministry of Economy of the Slovak Republic no. <b>503/2022</b> Coll., establishing the temperature of hot water at the take-off point and the rules for budgeting costs for the amount of heat supplied in hot water, costs for the amount of heat supplied for heating, costs for the amount of heat supplied or the amount of heat produced in a decentralized heat source and economically justified costs for heat produced in a decentralized heat source	no
Decree of the Ministry of Economy of the Slovak Republic no. <b>308/2016</b> Coll., establishing the procedure for calculating the primary energy factor of the centralized heat supply system	no
Decree of the Ministry of Economy of the Slovak Republic no. <b>14/2016</b> Coll., establishing technical requirements for thermal insulation of heat and hot water distribution lines	no

**Note**: In our monitoring of energy legislation, we monitor for you the changes to the above-mentioned legal regulations, which were published in the Collection of Laws of the Slovak Republic last month. In the month of February 2025, **no change** to any of the afore mentioned legal regulations was published in the Collection of Laws of the Slovak Republic.

#### 2. YOU MIGHT BE INTERESTED

# Draft decree by RONI establishing the template for applications for permits in thermal Energy

On February 12, 2025, the public consultation process began for the preliminary information regarding the draft decree by the **Regulatory Office for Network Industries** (hereinafter referred to as **"RONI"**). This decree aims to establish a standardized template for applications for permits to conduct business in the thermal energy sector (legislative process no. **PI/2025/29**).

The objective of the draft decree is to set a **template for applications for business permits in thermal energy and proposals for defined territories**, in accordance with the authorization provision of § 5(8) of Act No. 657/2004 Coll. on Thermal Energy, as amended. The templates mainly include:

- a) An application form for individual entrepreneurs seeking a permit to conduct business in thermal energy and a proposal for the defined territory.
- b) An application form for legal entities seeking a permit to conduct business in thermal energy and a proposal for the defined territory.

Currently, the application template for permits in thermal energy is established by RONI Decree No. 212/2005 Coll.

The public was invited to participate in the preparation of this legal regulation by submitting suggestions or proposals by February 25, 2025. However, no comments were submitted within the specified deadline.

The inter-ministerial comment procedure is expected to begin in March 2025.

The current status of the legislative process can be monitored via this link.

## RONI guide for regulated entities with an overview of their basic obligations

On February 18, 2025, RONI published a guide for regulated entities on its website, providing an overview of their obligations towards RONI.

The guide, updated as of January 1, 2025, is available HERE.

RONI states that the guide was created to simplify navigation through the various obligations arising from current legislation, both for RONI and the regulated entities. The guide aims to:

clarify and summarize the obligations of regulated entities towards the authority,

- prevent the duplicate submission of the same data to different departments,
- standardize the format for submitting various forms and documents.

Learn more about RONI's report HERE.

# OKTE reminds of the upcoming deadline for applying guarantees of origin for 2024

In an announcement dated February 12, 2025, **The organizer of the short-term electricity market** (Organizátor krátkodobého trhu s elektrinou - OKTE, a.s., hereinafter referred to as "**OKTE**") informed about the upcoming deadline for applying guarantees of origin for 2024, which is set for **March 31, 2025**.

OKTE emphasizes that if guarantees of origin are not applied by this date, they will not be included in the calculation of the energy mix for the Slovak domain or for individual suppliers.

Read more <u>at this link</u>.

## ZSD announcement on the launch of public consultation for the draft operational rules

On March 4, 2025, The Western Slovak Distribution (Západoslovenská distribučná, a.s., hereinafter referred to as "**ZSD**") published an announcement regarding the launch of a public consultation for the draft of ZSD's operational rules.

The public consultation will run until March 18, 2025, at 12:00 PM.

The draft amendments to ZSD's operational rules are available at this link.

For submitting comments on the draft amendments to ZSD's operational rules click here.

## SSD announcement on the launch of public consultation for the draft operational rules

On February 28, 2025, The Central Slovak Distribution (Stredoslovenská distribučná, a.s., hereinafter referred to as "**SSD**") announced the launch of a **public consultation** for the draft operational rules, in accordance with § 19a of Act No. 251/2012 Coll. on Energy and on Amendments to Certain Acts. The draft was approved by RONI Decision No. 0015/2024/E-PP dated December 17, 2024.

The public consultation will last for 10 working days, from March 3, 2025 to March 14, 2025.

SSD notes that comments submitted after this deadline will not be considered. Interested parties can submit comments after registering <u>HERE</u>. In case of technical issues with the electronic system, comments can also be sent to the email address: <u>vk@ssd.sk</u>.

The draft operational rules are available HERE.

Learn more <u>at this link</u>.

# VSD announcement on the launch of public consultation for the draft operational rules

The Eastern Slovak Distribution (Východoslovenská distribučná, a.s., hereinafter referred to as "**VSD**") has published an announcement regarding the launch of a public consultation on changes to VSD's operational rules. The public consultation is taking place from **March 4**, **2025 to March 18**, **2025, until 6:00 PM**.

The draft of VSD's operational rules is available after logging in to the VSD website.

## SEPS announcement on the launch of public consultation for the draft operational rules

On March 4, 2025, The Slovak Electricity Transmission System (Slovenská elektrizačná prenosová sústava, a.s., hereinafter referred to as "**SEPS**") published an announcement regarding the launch of a public consultation for the draft SEPS operational rules.

The public consultation will take place from March 5, 2025 to March 18, 2025.

The SEPS announcement regarding the launch of the public consultation can be found <u>HERE</u>.

The draft amendments to SEPS's operational rules are available at this link.

Participation in the public consultation on the proposed changes is possible by submitting comments using the attached form to the following email address: **konzultacie.pp@sepsas.sk**.

The form for submitting comments to SEPS can be found at this link.

## Call from SIEA focused on supporting progressive technologies and materials for dual use

On February 7, 2025, the Slovak Innovation and Energy Agency (Slovenská inovačná a energetická agentúra, hereinafter referred to as "**SIEA**") announced the launch of a new call titled "**Innovation vouchers for progressive technologies and materials for dual use."** 

The full text of the call for applications for de minimis aid through innovation vouchers is available <u>HERE</u>.

SIEA states that within the framework of the national project "Increasing the innovation performance of the Slovak economy 2," it will support businesses **in the development, testing, and implementation of advanced technological solutions for both the civilian and defense sectors**. SIEA also encourages intensive cooperation between research institutions and businesses.

**Innovation vouchers**, **ranging from 3,000 to 30,000 euros**, are available to entrepreneurs, with the aid intensity covering **up to 85% of eligible costs**.

Entrepreneurs can also benefit from comprehensive online innovation consulting, which provides expert advice and technical support necessary for the implementation of projects.

**The goal of the call** is to support the development and implementation of progressive technologies and materials with dual use through activities such as:

- testing, certification, and analysis of new products,
- design and development of innovative devices, materials, and technologies,
- production and testing of prototypes and functional samples,
- process optimization to increase efficiency,

simulations and modeling of technological solutions.

According to the published information, applications through the INOWA portal will open on **March 10, 2025**.

More information on this announcement can be found at this link.

# SIEA warns about errors in voucher reimbursement requests under the Green Household Program

On February 26, 2025, SIEA informed that, within the Green Household Program, a record number of vouchers for the installation of renewable energy devices are being reimbursed monthly. However, according to SIEA, the reimbursement process is being slowed down by a high error rate in the requests. As a result, SIEA has prepared **recommendations for contractors on how to avoid the most common mistakes and verify if the voucher reimbursement request is complete**.

SIEA mentions that errors often occur in the installation location details, property owners, installed devices, invoices, installation documents, or the photo documentation is incomplete. In such cases, SIEA has to request additional information or corrections to the erroneous data, significantly delaying the reimbursement process.

A manual with recommendations on how to avoid the most common mistakes and what to look out for in voucher reimbursement requests is available <u>HERE</u>.

Further information, including additional tips, can be found at this link.

## OKTE Announces Client Certificate Exchange for XMtrade®/ISZO and XMtrade®/ISOT

On February 28, 2025, OKTE announced that during the service window on **March 18, 2025** (from 5:00 PM to 9:00 PM), it plans to exchange client certificates for **XMtrade ISZO - PSEUDONYM and XMtrade ISOT - PSEUDONYM**.

OKTE informs that **only the certificates are changing**, not the certification authority. This change will primarily affect users who report data to the XMtrade®/ISZO and XMtrade®/ISOT systems through **automated interfaces**. It does not apply to users reporting data via the portal.

The XMtrade®/ISZO and XMtrade®/ISOT systems will begin using the new certificates from 9:00 PM on **March 18, 2025**.

The public part of the certificates is available for download HERE.

OKTE also announces that the exchange of the XMtrade ISZO TEST - PSEUDONYM and XMtrade ISOT TEST - PSEUDONYM certificates in the TEST and SANDBOX environments will take place on **March 11, 2025**, during the service outage (from 5:00 PM to 9:00 PM).

Therefore, the XMtrade®/ISZO and XMtrade®/ISOT systems will be unavailable on **March 11, 2025** (TEST and SANDBOX) and **March 18, 2025** (PROD) from 5:00 PM to 9:00 PM.

Further information from OKTE is available HERE.

## OKTE announces exchange of sample documents for importing customers into EDC

On February 10, 2025, OKTE announced that as of February 10, 2025, an **exchange of sample documents** for importing customers into the EDC has been carried out.

According to OKTE, the change concerns only the numbering of the legend. Therefore, OKTE asks users to pay increased attention to this part when uploading or modifying customer data.

Further information is available at this link.

#### RONI comments on so-called "Electricity Dumpers"

On February 25, 2025, RONI published its stance on the current issue of so-called "electricity dumpers".

These are devices designed to **consume excess electrical energy** in the distribution system by converting it into **heat**, which is then released into the surrounding environment without further use.

RONI states that this process is used primarily in situations when **electricity generation** from renewable sources in the EU, such as solar panels or wind turbines, **exceeds current consumption**, which can lead to destabilization of the power grid.

According to RONI, this "boom" is also driven by the fact that electricity dumpers can be involved in providing ancillary services to the transmission system, where operators are paid for immediately consuming electricity. Czech distribution companies have reportedly seen a sharp increase in connection requests.

However, RONI considers this solution unacceptable, viewing electricity dumpers as environmentally unfriendly and economically wasteful, given that the electricity in question was paradoxically produced as "green electricity."

In this context, RONI calls for a return to common sense in the chaotic construction of renewable energy sources in the European Union and for a return to a balanced energy mix, which must be based on clean nuclear energy.

More about RONI's statement can be found HERE.

# RONI's statement on preventing electricity price increases through rebilling

On February 22, 2025, RONI published a report stating that **operators of local distribution networks** are using a purposeful interpretation of the law and supplying electricity to end consumers at prices higher than they should be, according to RONI's decision.

In response to this situation, RONI proposes refining the current legislation to better protect consumers. RONI Chairman Jozef Holjenčík stated: "With our proposed amendment to the law, we can achieve the original intent of the legislator, which is to exclude the supply of electricity to end consumers connected to local distribution systems at the prices of purchased electricity without the possibility of contractual agreements. This will create a competitive environment and pressure to reduce prices."

RONI mentions that prices were also increased through third parties, who had contracts for unregulated prices and then rebilled them to end consumers. These third parties failed to meet their obligations as distribution system operators and electricity suppliers under current legislation, including the freedom to choose an electricity supplier.

RONI, therefore, aims to strengthen consumer rights protection and increase trust in the regulated energy market in Slovakia. In this regard, RONI has already submitted its proposals to the Ministry of Economy of the Slovak Republic.

You can read more on this topic HERE.

#### RONI found the most violations in the electricity sector in 2024

On February 4, 2025, RONI reported that in the previous year, it conducted **51 inspections** of both regulated and unregulated entities and imposed **167 fines** totaling **€707,510**.

Out of these inspections, 18 were in entities engaged in electricity activities, 12 in the gas sector, 22 in thermal energy, and 15 in water management. In some cases, multiple regulated activities were inspected in a single inspection. There were also two inspections in the field of renewable energy sources and combined heat and power generation, as well as two inspections regarding protection zones.

The highest number of violations was found in the electricity sector, with 59 violations. The most common violations across various sectors included conducting activities in network industries contrary to applicable legislation, failing to comply with approved

electricity and gas supply terms, not adhering to the established pricing regulations, and failing to provide goods and services in accordance with the approved or set prices.

The highest fine, amounting to **€150,000**, was imposed on an entity that failed to submit an electricity supply contract with its subsidiary to RONI for approval within the prescribed deadline.

Additionally, RONI ordered regulated entities to refund heat consumers and wastewater producers the financial difference between the applied price and the price that should have been applied according to applicable regulations, in total €484,751.40.

RONI warns that in 2025, it will intensify its inspections of regulated entities. A new regional office of the control department will also be opened in Banská Bystrica.

More information is available on RONI's website at this link.

#### G-Component now also for electricity producers from hydropower

On February 7, 2025, **VSD** published an announcement stating that based on RONI's decision, as per the current pricing decree (402/2024 Coll.), the **payment for access to the distribution system** (the so-called **G-component**) now also applies to **electricity producers from hydropower with a capacity of up to 1 MW**.

For producers, this means that for the relevant month, they will receive an invoice from the distribution system operator (VSD) for an amount calculated as the product of the rate for 1 kW according to the valid distribution price list, multiplied by 20% of the maximum reserved capacity (MRC).

The rate for 1 kW depends on the voltage level to which the device is connected (available in the VSD **Distribution Price List**, pages 21-23). This applies if 20% of the MRC of the device exceeds the reserved capacity (RC) of the delivery point through which the device is connected to the distribution system.

However, producers who provided their production capacity for providing ancillary services to the transmission system operator during the relevant month **will not be required** to pay this fee. They must submit confirmation from the transmission system operator (SEPS) no later than the fifth working day of the following month.

More information can be found HERE.

# The Ministry of Economy supports the development of innovative industry

On February 17, 2025, the Ministry of Economy of the Slovak Republic (Ministerstvo hospodárstva Slovenskej republiky, hereinafter referred to as "**MH SR**") published a press release on its website regarding the support for the development of innovative industry through a greater scope of investment aid for technologies.

MH SR stated that, based on its proposal, the Slovak government approved a regulation aimed at increasing regional investment aid intensity by 10 percentage points for projects in critical technologies. This measure, reflecting the new rules approved by the European Commission, is designed to allow Slovakia to better support the arrival of innovative investments in digital technologies, clean technologies, and biotechnology. According to MH SR, the new conditions are expected to take effect from **March 1, 2025**.

Investment projects in **digital technologies, clean technologies** with zero carbon footprints, and **biotechnology**, including the development and production of critical EU-listed medicines, will benefit from the increased intensity of investment aid.

In addition to the increased aid intensity, the adopted proposal introduces a cap on the maximum amount of investment aid, in line with EU rules. This cap is set at 75% of eligible investment costs to ensure fair and sustainable support for investments. The new rules will come into effect on March 1, 2025, and the increased intensity of investment aid will be available **until December 31, 2027**.

More information on this topic can be found <u>HERE</u>.

#### This monitoring was prepared for you by:



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#### Legal notice

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