

# Monitoring of Energy Legislation

**JUNE 2024** 

The most important legislative changes and interesting news

#### **MONITORING / June 2024**

See the most important news in the field of Slovak energy legislation for the month of June 2024.

On 1 July 2024, new price decrees in the energy sector, as well as amendments to the electricity market rules and the gas market rules, entered into force.

The Ministry of the Environment of the Slovak Republic and the Ministry of the Economy of the Slovak Republic **have announced a new state aid scheme for the heating industry**, which, according to available information, applicants will be able to apply for from mid-July 2024.

You can read more about these and many other interesting news in this **monitoring for the** month of June 2024.

We wish you a pleasant reading!

Pavol Poláček, Managing Partner

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#### 1. WHAT HAS CHANGED?

ELECTRIC ENERGY AND GAS INDUSTRY		
Act no. <b>309/2009</b> Coll. on the support of RES	yes	
Act no. <b>250/2012</b> Coll. on Regulation	yes	
Act no. <b>251/2012</b> Coll. on Energy	yes	
Act no. <b>321/2014</b> Coll. on energy efficiency	no	
Act no. <b>609/2007</b> Coll. on excise duty on electricity, coal and natural gas	no	
Act no. <b>555/2005</b> Coll. on energy efficiency of buildings	yes	
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 he provision of electricity storage facility services	no	
RONI Decree no. 107/2023 Coll., establishing price regulation of electricity supply	yes	
RONI Decree no. <b>207/2023</b> Coll., establishing the rules for the functioning of the nternal electricity market	yes	
RONI Decree no. <b>208/2023</b> Coll., establishing the rules for the functioning of the nternal natural gas market	yes	
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	yes	
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	yes	
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	yes	
RONI Decree no. <b>154/2024</b> Coll., establishing price regulation in electric energy ndustry and some conditions for the performance of selected regulated activities in he electric energy industry	yes	
RONI Decree no. <b>278/2012</b> Coll., establishing quality standards for gas storage, gas ransportation, gas distribution and gas supply	no	
RONI Decree no. <b>236/2016</b> Coll., establishing quality standards for electricity ransmission, electricity distribution and electricity supply	no	
RONI Decree no. <b>2/2013</b> Coll., establishing procedures and measures regarding data storage, form and content of stored data	yes	
RONI Decree no. <b>3/2013</b> Coll., establishing the method, scope and structure of providing measured data on consumption at the take-off point of the electricity consumer and their storage	yes	
RONI Decree no. <b>4/2013</b> Coll., establishing the method, scope and structure of providing measured data on consumption at the take-off point of the gas customer and their storage	yes	

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	yes
RONI Decree no. 312/2022 Coll., establishing price regulation in thermal energy	yes
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>283/2010</b> Coll., establishing the range of economically justified costs caused by disconnection of the consumer from the supplier's heating facilities system and the method of their calculation	yes
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. **14/2016** 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.

#### Act amending the Act on Regulation, the Act on Thermal Energy, and the Act on Energy

On 8 June 2024, Act no. **128/2024 Coll.**, was published in the Collection of Laws of the Slovak Republic, **amending** Act no. 250/2012 Coll. on regulation in network industries, as amended (hereinafter referred to as the "**Regulation Act**"), and amending Act no. 657/2004 Coll. on thermal energy, as amended (hereinafter referred to as the "**Thermal Energy Act**") and Act no. 251/2012 Coll. on energy and on amendments and supplementations to certain laws as amended (hereinafter referred to as the "**Energy Act**").

The Act modifies selected provisions of the Regulation Act, Thermal Energy Act and Energy Act so that it is possible to ensure **emergency operation** of facilities necessary for the performance of regulated activities, emergency operation of a system of thermal facilities or parts of it in a defined area during extraordinary circumstances.

Through this act, inter alia, the continuity of the operation of such facilities should be ensured, since in the event of their shutdown and long-term suspension of operation, their damage could occur. Such a situation would subsequently have negative impact on concerned customers in the form of a limitation or suspension of supply.

Inter alia, through this act, the competences of the Regulatory Office for Network Industries (hereinafter referred to as "**RONI**") were extended, the cases of extraordinary regulation carried out by RONI were specified, the reasons for amending and annulling the decisions of RONI issued to a regulated entity whose license to carry out business in the energy or thermal energy sector was revoked were added, the rights and obligations of the concerned market participants were regulated.

This act became effective on the day of its promulgation, i.e. on 8 June 2024.

The wording of the act is available **HERE**.

#### RONI Decree amending the electricity market rules

On 18 June 2024, RONI Decree no. **133/2024 Coll.**, **amending** Decree no. **207/2023 Coll.**, establishing the rules for the functioning of the internal electricity market, the content requirements of the system operator's operating rules, the short-term electricity market organizer and the scope of commercial conditions that are part of the system operator's operating rules as amended by Decree no. 492/2023 Coll. (hereinafter referred to as "**electricity market rules**") was published.

The amendment to the electricity market rules takes into account the changes in the internal electricity market in the coming period, in particular:

the process of changing the balance group,

- responsibility for the deviation and relationships between participants in the electricity market, if responsibility for the deviation is transferred to another participant in the electricity market,
- process-technical modifications and optimization of processes related to new participants and activities on the electricity market: active customer, energy community, independent and integrated aggregator, provision of flexibility, operation of electricity storage facilities and other related areas,
- regulation of processes related to cross-border exchange of balancing electricity, cross-border procurement and provision of support services for the transmission system operator and other related areas,
- conditions of connection of electric power and off-take electrical facilities to the system,
- details in the field of reactive electric power flows and its compensation,
- method, scope and structure of provision of measured consumption data at the electricity off-take point and their storage,
- procedure and measures related to data storage, form and content of stored data.

As a result of the adoption of the decree, with effect from 1 July 2024, the following are revoked:

- RONI Decree no. **2/2013 Coll**., establishing procedures and measures regarding data storage, form and content of stored data,
- RONI Decree no. 3/2013 Coll., establishing the method, scope and structure of providing measured data on consumption at the take-off point of the electricity consumer and their storage.

Amended electricity market rules, effective from 1 July 2024, are available HERE.

#### ■ RONI decree amending the gas market rules

On 18 June 2024, the collection of laws was updated with information on RONI decree no. 132/2024 Coll., amending and supplementing RONI decree no. 208/2023 Coll., establishing the rules for the functioning of the internal gas market, the content requirements of the system operator's and storage operator's operating rules and the scope of commercial conditions that are part of the system operator's operating rules as amended by Decree no. 491/2023 Coll. (hereinafter referred to as "gas market rules").

#### The amendment to the gas market rules brought the change of:

- details of contractual relationships within the access to the transport system and gas transportation,
- conditions for the protection of vulnerable gas consumers,
- structure of information on the secured amount of gas for the supply of gas to the end consumer of gas,
- contractual requirements for gas supply contracts,

- method, scope and structure of providing measured and evaluated consumption data at the gas customer's off-take point, depending on the type of measurement at the off-take point and the structure of the measurement, as well as the storage of consumption data by system operators,
- procedure and measures related to data storage, form and content of stored data.

With the adoption of the decree, with effect from 1 July 2024, RONI decree no. **4/2013 Coll**., establishing the method, scope and structure of providing measured data on consumption at the gas consumer's off-take point and their storage, is revoked.

The amended market rules, effective from 1 July 2024, are available HERE.

#### RONI decree amending and supplementing the price decree in thermal energy

On 26 June 2024, RONI decree no. **141/2024 Coll.**, **amending and supplementing** RONI decree no. **312/2022 Coll.**, establishing price regulation in the thermal energy sector (hereinafter referred to as the "**price decree in the thermal energy sector**") was published in the Collection of Laws of the Slovak Republic.

# The amendment to the price decree in the thermal energy sector brings, inter alia, the following changes:

- mitigating the negative effects of high inflation on the amount of fixed payments for heat to all consumers,
- a positive effect on the price of heat,
- an exact way of dividing joint costs in the production of heat and cold in one facility, e.g., heat pump, which will bring an increase in fairness and transparency of payments for both commodities for their consumers.

Wording of RONI decree, effective from 1 July 2024, is available HERE.

# ■ RONI decree, 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

On 27 June 2024, RONI decree no. **146/2024 Coll**., establishing the range of economically justified costs caused by disconnection of the consumer from the supplier's heating facilities system and the method of their calculation (hereinafter referred to as the "**decree on economically justified costs**"), was published in the Collection of Laws of the Slovak Republic.

The new decree establishes the range of economically justified costs and the method of calculating their amount, which will ensure the compensation of economically justified costs caused by the consumer's disconnection from the supplier's heating facilities system, which the supplier did not anticipate, and which are not included in the price of heat.

The adoption of the decree was initiated due to the adoption of Act no. 363/2022 Coll., amending and supplementing Act no. 309/2009 Coll. on the support of renewable energy

sources and highly efficient cogeneration and on the amendment of certain laws as amended (hereinafter referred to as the "**RES Support Act**") and by which certain laws are amended and supplemented.

The decree simultaneously **annuls** the previous RONI decree no. **283/2010 Coll.**, establishing the range of economically justified costs caused by the customer's disconnection from the supplier's heating facilities system and the method of their calculation.

Wording of the decree, effective from 1 July 2024, is available HERE.

# Act amending the Regulation Act, Thermal Energy Act, RES Support Act and Energy Act

On 27 June 2024, the Collection of Laws of the Slovak Republic was updated with Act no. **143/2024 Coll.,** that, within the framework of the monitored legal regulations, **amends and supplements**:

- Regulation Act,
- Thermal Energy Act,
- Act no. 555/2005 Coll. on energy efficiency of buildings,
- RES Support Act,
- Energy Act and others.

With the adoption of this act, selected provisions of the aforementioned legal regulations are amended, based on experience from application practice. For example, the following changes were adopted within the legal regulations in question:

- powers and inspection competences of RONI were extended, including the area of state supervision;
- areas of price regulation and procedural rules of proceedings on price regulation were amended;
- regulation concerning the so-called island facilities (which operate outside the electricity market, are not connected to the distribution system, or to the transmission system, serve to produce electricity from RES or CHP) was supplemented;
- provisions relating to the requirements for electricity production facilities have been supplemented, based on a quantitative analysis of costs and benefits in the area of frequency adjustment of electricity production facilities.

The adopted act entered into force on the day of its promulgation, i.e. **27 June 2024**, except for Art. I to IV, Art. V points 1 to 14 and 17 to 57, Art. VI and VII, which will take effect on **1 August 2024**, and except for Art. points 15 and 16, which will take effect on **1 January 2025**.

Wording of this act is available **HERE**.

#### ■ RONI decree establishing price regulation in the gas industry

On 27 June 2024, RONI decree no. **147/2024 Coll**., establishing price regulation of regulated activities in the gas industry and some conditions for the performance of regulated activities in the gas industry (hereinafter referred to as the "**price decree in the gas industry**").

The new price decree in the gas industry establishes rules for price regulation in the gas industry in the area of connection to the system, gas transport, gas distribution and gas supply and takes into account the goals and priorities of the regulatory policy for the 6. regulatory period, including knowledge from previous regulation.

The decree introduces the following changes in price regulation in the gas industry:

- specification of the range of economically justified costs,
- adjustment of costs, including the price of gas included in the calculation of the maximum price for gas supply for vulnerable gas consumers, as well as in the calculation of the price of gas to cover losses and own consumption in the distribution system,
- modification of the calculation of prices for access to the system,
- inclusion of regulation of exceeding the transport capacity within the price regulation of access to the transport system and gas transport.

The decree **annuls** the previous RONI decree no. **450/2022 Coll.**, establishing price regulation of gas supply and RONI decree no. **451/2022 Coll.**, establishing price regulation of selected regulated activities in the gas industry and some conditions for the performance of selected regulated activities in the gas industry.

Price regulation is going to be carried out pursuant to the new price decree in the gas industry for the first time for the year **2025**.

Wording of the price decree in the gas industry, effective from **1 July 2024** (exept for Sec. 23 that becomes effective on **1 January 2025**), is available <u>HERE</u>.

# ■ RONI decree establishing price regulation in the electric energy industry

On 28 June 2024, new RONI decree no. **154/2024 Coll**., establishing price regulation in the electric energy industry and some conditions for the performance of regulated activities in the electric energy industry (hereinafter referred to as the "**price decree in the electric energy industry**"), was published in the Collection of Laws of the Slovak Republic.

The new decree establishes new price regulation in the electric energy industry in the field of electricity production, electricity transmission, electricity distribution and electricity supply.

The changes brought by the new price decree in the electric energy industry mainly represent:

- a change in the scope and structure of eligible costs, regulation of the method of determining RAB and depreciation,
- regulation of input parameters forming the resulting tariffs for transmission, distribution and supply of electricity,
- a change in the methodology of applying TPS and TSS,
- an increase in payment for reserved capacity,
- higher transparency of regulation,
- fair and non-discriminatory setting and redistribution of costs and revenues between individual market participants.

Finally, the new price decree in the electric energy industry does not introduce the originally intended cancellation of the band tariff for system operation (TPS) or the band tariff for system services (TSS). On the contrary, in the case of both of these tariffs, i.e., TPS and TSS, RONI expanded the already existing bands by a new 4th band.

With regard to individual TPS, Annex no. 2 to the decree was **supplemented by 2 additional NACE codes**, thanks to which there is an expansion of entities that are able to apply for determination of individual TPS.

The change also affected the regulation of reserved capacity in the transfer point, which was **increased** from the previous value of 15% to a **value of 20%** (instead of the originally proposed 50% from the interdepartmental comment procedure or the value of the total installed power of the electric power facility).

The change also affected, for example, the definition of justified costs for the purposes of calculating prolonged support with a reduced price of electricity (this is the so-called repowering or prolongation of support). Newly, in such a case, **justified costs are not, for example**: costs of procuring or repairing fencing, operating costs, costs of maintaining the premises, costs of providing a security service, costs of procuring or repairing a camera system, costs of procuring or repairing lighting on the premises, **costs of replacement of photovoltaic panels of a different type and installed power**, costs of replacement and modification of supporting structures of photovoltaic panels and dam wall.

Price regulation is going to be carried out pursuant to the new price decree in the electric energy industry for the first time for the year **2025**.

On the basis of the new price decree in the electric energy industry, the following legal regulations are **repealed with effect from 1 January 2025**:

- RONI decree no. 107/2023 Coll., establishing price regulation of electricity supply,
- RONI decree no. 370/2023 Coll., establishing price regulation in the field of supporting electricity production and some related conditions for the performance of regulated activities,
- RONI decree no. 246/2023 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.

Wording of the new price decree in the electricity energy industry is available **HERE**.

#### 2. YOU MIGHT BE INTERESTED

#### SIEA published a notice on the amount of funds requested in the call aimed at promoting energy efficiency and the use of renewable energy in public buildings

The Slovak Innovation and Energy Agency (hereinafter referred to as "**SIEA**") has published information on the amount of funds requested in the call for the Slovakia Program, which is aimed at reducing energy intensity and the use of renewable sources in public buildings with the code PSK-SIEA-002-2023-DV- ERDF – 19th evaluation round.

SIEA informs that as of **28 June 2024**, 614 applications were submitted within the call, while SIEA is not yet proceeding to close the call, which thus remains open.

You can learn more about the topic **HERE**.

#### A new state aid scheme for the heating industry was introduced

On 25 June 2024, information on the updated state aid scheme for the heating industry was published on the website of the Ministry of the Environment of the Slovak Republic (hereinafter referred to as the "**Ministry of the Environment**"). By 2030, heat producers in Slovakia will have access to funds in the amount of 1 billion EUR from the target for the modernization of energy systems, including energy storage and improving energy efficiency.

The state aid scheme for the heating industry is covered by the Ministry of the Environment through the Environmental Fund. The European Investment Bank approved the new mechanism of state aid to Slovakia. Applicants should be able to apply for support **from the second half of July 2024.** 

As part of the new call, the circle of potential applicants is to be expanded, and project documentation, construction supervision, and expenses for revisions and tests will also be justified costs.

According to the information available on the website of the Ministry of the Environment, the departments of the environment and the economy are also actively working on new schemes for the production of energy only from RES, aimed at e.g., the production of heat and cold from RES, storage of electrical energy, production of renewable hydrogen or production and storage of bio-liquids and biogas. According to this information, the Ministry of the Environment of the Slovak Republic is to announce the first call by the end of 2024.

You can find more information at this link.

# ■ Ministry of the Economy announces fairer conditions of the project Green households and introduces a new project Green solidarity

On 26 June 2024, information was published on the website of the Ministry of the Economy about the planned modification of the **Green households** project, which serves to support

the installation of equipment for the use of renewable energy sources - biomass boilers, heat pumps, solar collectors or photovoltaic panels.

According to published information, the Ministry of the Economy of the Slovak Republic plans to adjust the project so that it is set up more fairly for the applicants. The Ministry of the Economy informs that the share of more than 50 million EUR for Bratislava region from the total amount of 150 million EUR will be set in the framework of the planned changes to the project conditions so that resources comparable to the rest of Slovakia are used in this region.

In addition to the planned changes in the Green Households project, the Ministry of the Economy in cooperation with SIEA also presented a new project for low-income households called **Green Solidarity**. As part of this project, low-income households will be able to apply for support of up to 90% of justified costs.

This form of aid is intended to reduce household energy costs and support the installation of equipment using renewable sources. The aid is directed primarily to low-income households that cannot afford to invest in modern equipment even with a standard support amount.

The Ministry of the Economy plans to launch the Green Solidarity project in the **3rd quarter** of **2024**.

You can read more about this topic at this link.

#### Changing the energy supplier is now easier

In connection with the new decrees, RONI informed on 14 June 2024 that with effect from 1 August 2024, there will be the abolition of "contractual slavery" for vulnerable consumers of electricity and gas and consumers who now have the right to change their energy supplier at any time during the calendar year.

According to the current legislation, consumers could ask their electricity or gas supplier to terminate the contract only until 31 March of the respective year, and this change subsequently took effect only from 1 January of the following calendar year. In the event that the customer did not request the termination of the contract within the set time limit, the contract with his supplier was automatically extended for the following calendar year.

Since, according to RONI, it was an obvious disadvantage of the legal regulation for consumers, RONI initiated an amendment to the Energy Act, which will, **with effect from 1 August 2024**, bring, inter alia, the cancellation of this time limit (until 31 March) and thus ensure customers greater liberty and freedom in changing their supplier.

The entire RONI report is available **HERE**.

# ■ SEPS will implement the modernization and digitization of the transmission system worth 83 million EUR

On 13 June 2024, Slovak Electricity and Transmission System (hereinafter referred to as "**SEPS**") published on its website that SEPS received more than 83 million EUR from the Recovery and Resilience Plan of the Slovak Republic (component 19 "REPowerEU").

SEPS plans to use these funds for the construction of a new electric power station in Senica and for the modernization of almost 254 km of existing very high voltage lines. Contracts for both projects as part of the investment "Modernization and digitization of the transmission system and regional distribution systems" were signed by the Ministry of the Economy with SEPS on **11 June 2024**.

Through the first project "Increasing the transformation power between the transmission system and regional distribution systems by means of a new transformer", the transformation power in Senica location is to be increased from the original 200 MVA to 350 MVA. The completion of this project is scheduled for **April 2026**, and the estimated cost of its implementation is more than 45 million EUR.

The second project "Modernization of transmission lines" focuses on the modernization of almost 254 km of transmission lines and includes the replacement of all insulation elements, switchgear and in some cases the replacement of line conductors. This project is intended to ensure an increase in the current load of the modernized lines, as well as the safety and reliability of line operation. The modernization of the lines is expected to be completed in **March 2025**, and the estimated cost of the project is approximately 38.5 million EUR.

SEPS adds that the investment in the mentioned projects will ensure an increase in the capacity of the transmission system. For consumers, this means a high-quality, stable and safe supply of the required amount of electricity even in the future, when the requirements for green sources of production, the volume of consumption and transmission and distribution technologies will continue to grow.

More detailed information from SEPS can be found at this link.

#### ■ Launch of intraday auctions project in Europe

On 14 June 2024, OKTE, a.s. (hereinafter referred to as "**RONI**") published, on its website, information that nominated short-term market organizers and transmission system operators presented a new solution for pricing cross-border capacities on the intraday market through a new trading format - intraday auctions (hereinafter referred to as "**IDA**").

The IDA project was launched in Europe on 13 June 2024. From that date, the pricing of cross-border capacity through the IDA is part of the single intraday market in Europe (hereinafter referred to as "**SIDC**").

At the same time, RONI said that IDAs are completing the SIDC market, which in recent years was based on continuous trading. IDAs are implicit auctions where collected orders are matched and cross-border capacity is allocated simultaneously for different trade areas, with settlement prices determined for each trade area.

According to RONI, the implementation of the IDA project should bring a new technical setup and communication processes between representatives of NEMO and TSO, which will supplement the current platform of the continuous intraday market on a single European intraday market.

You can find more detailed information at this link.

#### ■ OKTE's new operating rules

OKTE informs that on **13 June 2024**, the change to its operating rules, approved by RONI on 5 June 2024, came into effect.

OKTE's new operating rules introduce changes to the electricity market related to the launch of the intraday auctions project.

RONI decision no. 0008/2024/E-PP on the change of the operating rules of OKTE is available **HERE**.

The new operating rules of OKTE are available at this link.

#### ■ The Green for Businesses project promises subsidies for companies

As part of the Slovakia 2021-2027 Program, SIEA will implement four national projects. One of these projects is a project aimed at supporting the use of renewable energy sources in companies called Green for Businesses.

Thanks to the project, **micro**, **small and medium-sized enterprises** will be able to receive a financial contribution of up to 70,000 EUR in the form of a voucher **for the installation of equipment for the use of renewable energy sources**, as well as for the **preparation of energy audits**.

The aim of this project is to increase the share of use of renewable sources, taking into account the principles of sustainability and supporting the decentralization of energy production.

As part of the project, equipment for the production of heat/cold or electricity, specifically **photovoltaic panels, heat pumps, solar collectors and wind turbines**, are to be supported. Batteries, intelligent production and consumption management systems, operating meters and auxiliary energy meters are also to receive support. Preference will be given to equipment producing energy **for the company's own consumption**.

The project Green for Businesses was supposed to be launched already at the beginning of 2024. However, the project is still in the **preparation stage and the exact date of its launch is not yet known**.

More than 66 million EUR have been allocated to the project, of which 22 million for businesses in Bratislava self-governing region and 44 million for other regions.

Learn more about the topic **HERE**.

#### ■ OKTE's annual report for 2023 was approved

On 17 June 2024, information was published on OKTE website that SEPS, as the sole shareholder of OKTE, approved OKTE's annual report for the year 2023.

You can find the text of OKTE's annual report for the year 2023 at this link.

# ■ OKTE has published a new technical specification for external interfaces for market participants

On 20 June 2024, OKTE published a new technical specification for external interfaces for market participants, version 2.23 (hereinafter referred to as the "**technical specification**"), which will be **valid from 19 August 2024**.

The purpose of the new technical specification is to provide all necessary technical information for the implementation of automated data exchange between the external system of the market participant and the information system of the operator of measurements and central invoicing. The document contains a specification of the communication method as well as the data structures that are used in data exchange.

The change compared to the currently valid technical specification (version 2.22) consists in the introduction of a new data flow for verifying the consumer's consumption.

You can find the text of the technical specification (valid from 19 August 2024) and information on the evaluation of the comment procedure at this link.

# SEPS informs about the launch of the MARI PICASSO technical go-live project

Information was published on the SEPS website on 4 June 2024, that on 1 July 2024, the local operation of the MARI and PICASSO projects, the so-called technical go-live, was launched.

The technical go-live according to SEPS brings changes mainly in the preparation of the operation, which will be adjusted to a 15-minute resolution.

A new module should be added for submitting price offers "bids" for RE, which are covered by contracts for the availability of auxiliary services, but also offers beyond the scope of the contract, or outside of it, the so-called "free bids". The change will also occur within the evaluation of availability and RE, as well as changes in the method of activating RE within the auxiliary services of the mFRR type.

Connection to the aFRR (PICASSO) and mFRR (MARI) platforms themselves is planned for the **end of this year**.

You can find more information at this link.

# ■ By changing the SEPS´s document S of technical conditions, the available installed capacities for connection determined by SEPS no longer apply to battery facilities

On 27 June 2024, information was published on the SEPS website that on 19 June 2024, RONI issued decision no. 005/2024/E-TP, by which it changed its decision no. 0002/2023/E-TP dated 20 March 2023 on the approval of the technical conditions of the system operator in the part that regulates the conditions for connecting electricity production facilities and electricity storage facilities to the system (Document S of technical conditions).

On the basis of the decision of RONI, there is a **change** in chapter S4 of Document S of the technical conditions, which now reads - Rules for the allocation of available connection capacity to the system for electricity generation facilities and, separately, for local sources between the transmission system operator and distribution system operators (hereinafter referred to as "**available connection capacity allocation rules**").

According to the justification of the RONI decision, the reason for the change was the inconsistency of the rules for allocating the available connection capacity with the provision of Sec. 5 (9) the first sentence of RES Support Act, according to which the SEPS operator has the right to allocate the available connection capacity **exclusively for production facilities and separately for local sources**. However, the previous Rules for the allocation of available connection capacity determined the limits of available installed power even for the connection of battery facilities.

Therefore, in order to harmonize the rules for allocating available connection capacity with the Act, RONI decided to remove the provisions related to batteries from the new rules for allocating available connection capacity. **There are no longer any limits on the installed power for connecting batteries to the system.** 

The wording of the SEPS's Document S of technical conditions entered into force on **28 June 2024.** 

The relevant decision of RONI and the current wording of Document S of technical conditions of SEPS are available **HERE**.

#### ■ The energy data center is in full operation

On 2 July 2024, SEPS informed that OKTE expanded the functionality of the Energy Data Center (EDC) as of **1 July 2024** by additional methods of electricity sharing and the possibility of providing flexibility through aggregation blocks.

EDC brings a simpler exchange of data on the provision of electricity between market participants and less administration. Producers who do not receive support in the form of a feed-in tariff, or mandatory purchase, have the opportunity thanks to EDC to offer flexibility for aggregators, or to share excess electricity with end consumers. Aggregators can combine flexibility sources into aggregation blocks and can choose between providing flexibility at the off-take and transfer points or at the facility.

You can read more about this topic **HERE**.

# ■ SEPS freed up additional installed power for connecting new sources and increasing the power of existing sources

On 1 July 2024, SEPS published information on the release of additional installed power for connecting new electricity production facilities to the Slovak electricity system and for increasing the power of existing electricity production facilities, including renewable energy sources.

The value of the installed power for the connection of new electricity production facilities or for increasing the installed power of existing electricity production facilities, including photovoltaic power plants (PVP) and wind power plants (WPP) was **increased by 763 MW** with effect from 1 July 2024.

**From the point of view of system throughput**, SEPS proceeded to increase the limit installed power from the current **1,837 MW to 2,600 MW** for connecting sources, which is an increase by the mentioned 763 MW. Individual regional distribution system operators and the transmission system operator were allocated increased power as follows:

- Západoslovenská distribučná, a.s. (ZSD) increase by 208 MW,
- Stredoslovenská distribučná, a.s. (SSD) increase by 13 MW,
- Východoslovenská distribučná, a.s. (VSD) increase by 35 MW,
- SEPS increase by 507 MW.

In this context, SEPS also pointed out that based on the decision of RONI no. 0005/2024/E-TP, as of 28 June 2024, electricity storage and recuperation facilities are not subject to the limit installed power determined by SEPS.

At the same time, SEPS also applies this change **retroactively**, i.e. also to already approved applications. Therefore, the power used up for approving applications to connect facilities of these two mentioned types is freed up again and can be used again to approve other applications to connect sources or to increase the installed power of existing electricity production facilities. SEPS adds that this change does not affect the change in allocated power but increases the available power of individual system operators.

SEPS determines the limit installed power not only from the point of view of system throughput, but also from the point of view of system flexibility.

Power from the point of view of flexibility is intended exclusively for the connection of renewable energy sources such as FVP and WPP. As of 1 July 2024, SEPS increased this power by another 170 MW. The value of the limit installed power from the point of view of system flexibility has thus increased from 577 MW to 747 MW.

You can read more detailed information **HERE**.

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