



CROATIAN ENERGY
REGULATORY AGENCY

Current regulatory issues related to Smart Grids (in Croatia)

Zagreb, 02.07.2013.

**Workshop for Preparation of Croatian Technology Platform
for Cooperative Renewable Energy Systems and Smart Grids**

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ACER



Agency for the Cooperation
of Energy Regulators

WORKING TOWARDS A SINGLE ENERGY MARKET
TO THE BENEFIT OF ALL EU CONSUMERS!



THE AGENCY

THE EU ENERGY MARKET

ELECTRICITY

GAS

REMIT

OFFICIAL DOCUMENTS

MEDIA

ACER



Croatian Energy Regulatory Agency joins ACER

01-Jul-2013



ACER welcomes Croatia as the 28th Member State of the European Union. As a result, from today, Hrvatska energetska regulatorna agencija (HERA), the Croatian energy regulatory agency, participates in the Agency for the Cooperation of Energy Regulators, and will be represented in its Board of Regulators.

[...more](#)



More news



Upcoming events

July 2013

Mo	Tu	We	Th	Fr	Sa	Su
24	25	26	27	28	29	30
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31	1	2	3	4

Do not miss

11-Jul-2013

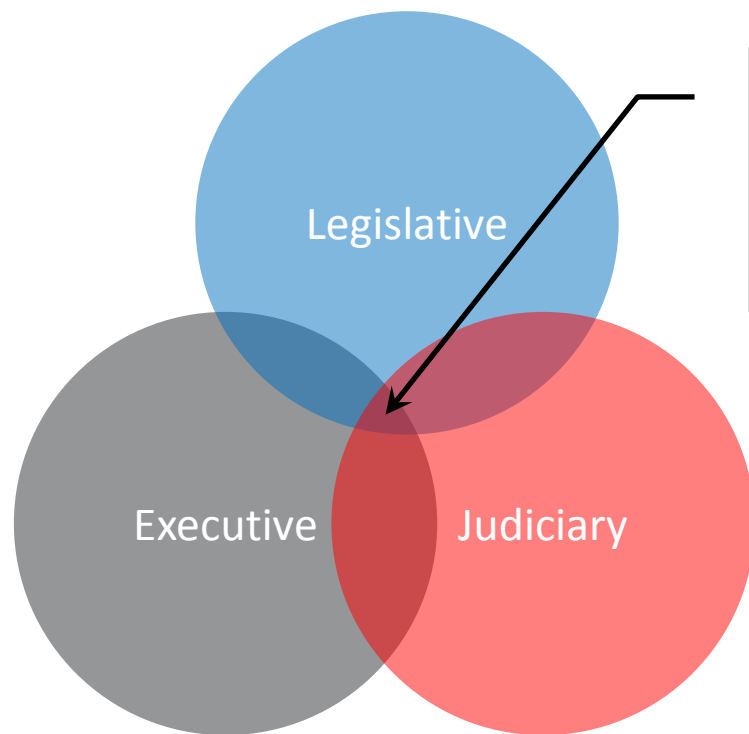
**Public workshop on REMIT
implementation**



Contents

- Regulatory issue of Regulatory issues !?!
- Smart Meters
- Incoming legislation
- Licensing regime
- Support schemes for RES and high-efficiency CHP
- Closed Distribution Systems

Regulatory issue of Regulatory issues



National Regulatory Authority

as prescribed by the 3rd package of legislation related to the internal EU gas and electricity markets

- Legistator ? Regulator ?
- Croatian practice ?
- New energy related laws in late 2012 and early 2013

Separation of Power

Time frames?
Deadlines?

Smart Meters

- Current roll-out scenario for Smart Meters as defined by Art. 38. Act on Energy (“Official Gazette”, no.120/12)
 1. **DSO defines technical requirements and implementation costs for the NRA**
 2. **NRA carries out a benefit/cost analysis and consultations with consumer protection organizations**
 3. **Based on #2, the Minister of Economy passes a decision providing a plan/program for a roll-out**
 4. **The roll-out is monitored by the NRA**



New secondary legislation

■ New energy related laws in late 2012 and early 2013

- The Energy Act
“Official Gazette”, no. 120/12
- The Act on the Regulation of Energy Activities
“Official Gazette”, no. 120/12
- The Electricity Market Act
“Official Gazette”, no. 22/13
- The Gas Market Act
“Official Gazette”, no. 28/13
- The Thermal Energy Market Act
“Official Gazette”, no. 80/13
- + The Act on Renewable Energy Sources
- + The Act on Energy Efficiency

Over 50
ordinances,
decrees,
rules, ...

+

Formal
approvals
or opinions

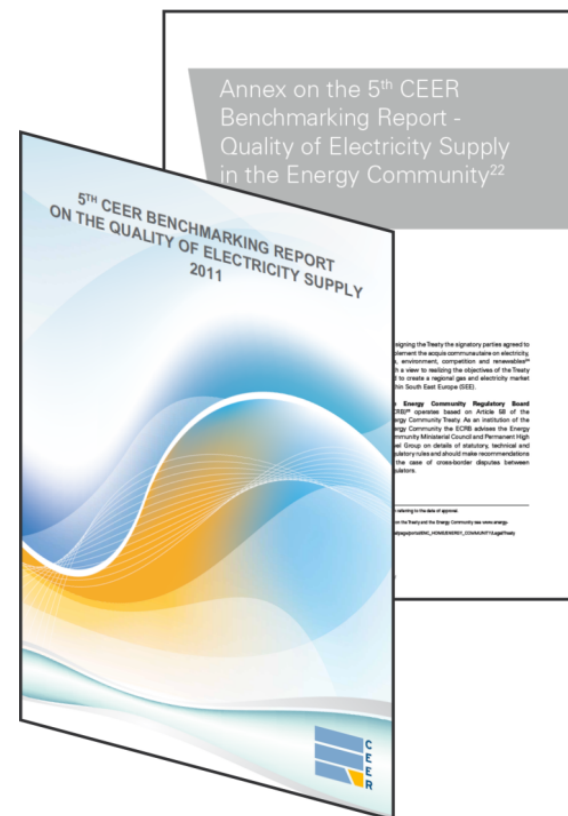
■ Deadlines for passing secondary legislation:

- 6 or 12 months in relation to the date
when an certain Act comes in affect



Highlights from the incoming legislation

- **Network Codes as defined Regulations 714/2009 and 715/2009**
 - Article 6 of the Regulation (EC) No 714/2009 on conditions for access to the network for cross-border exchanges in electricity and repealing Regulation (EC) No 1228/2003
 - Article 6 of the Regulation (EC) No 715/2009 of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2003
- **(TSO/DSO) Grid Codes as defined by the national Electricity Market Act (and Gas Market Act)**
 - HERA gives approval on the Codes passed by the TSO/DSO
- **HERA passes „Conditions for Quality of Supply”, a rulebook on 3 aspects of Quality of Supply:**
 1. Continuity
 2. Voltage Quality / Gas Quality
 3. Commercial Quality



Licensing regime in Croatia for small power plants

- HERA gives licenses for energy activities, including **Electricity Production**

- General (legal) requirements
- Technical requirements (essentially – ownership or rights to use an operational power plant)
- Staff requirements (essentially – competent workers and/or outsourced services)
- Financial requirements



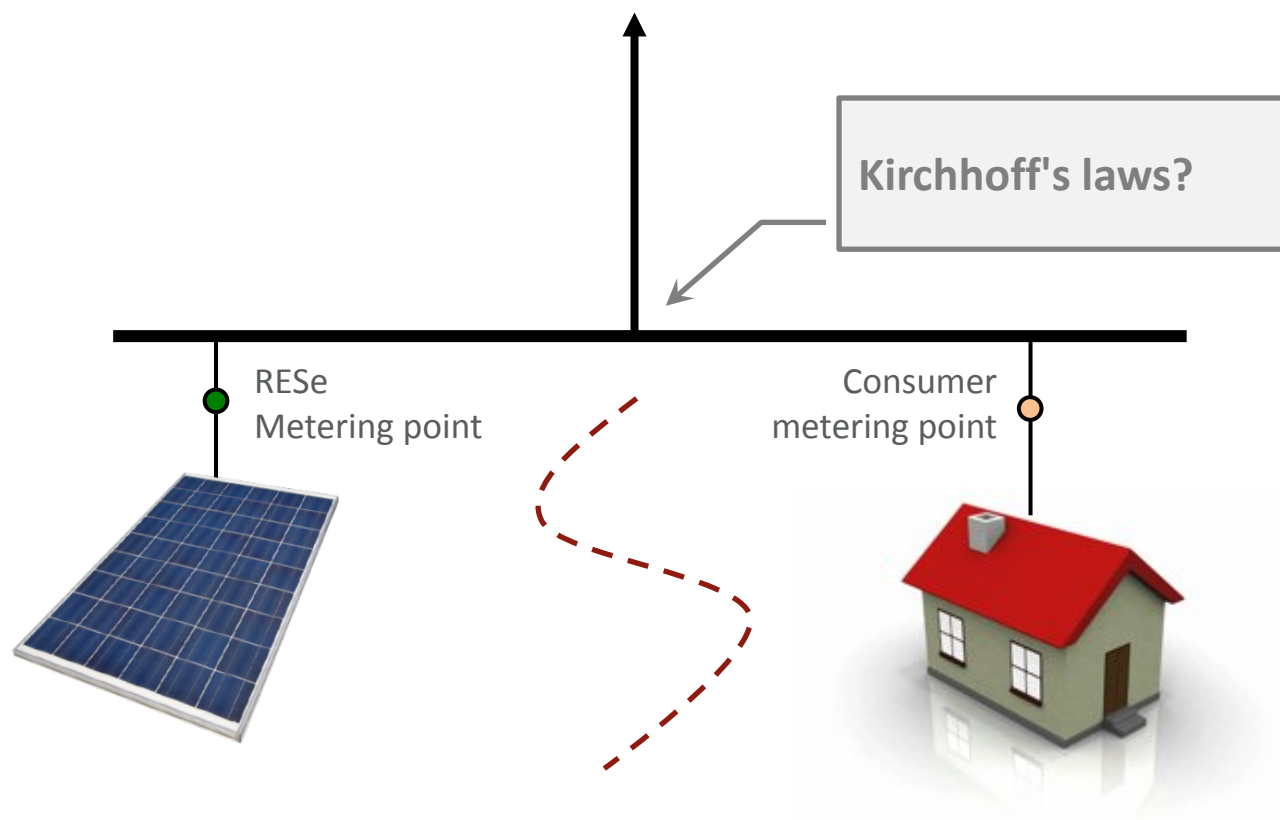
- Licenses are needed for operation when total installed capacity is over 1 MW and when electricity is sold (i.e. no license is needed for own consumption – Q: what if this consumption is on another location?)



- Producers outside the Feed-in System should abide to the COMPLETE setup of the wholesale electricity market (balancing, day-ahead planning)!!!



Current practice for small RESe generators



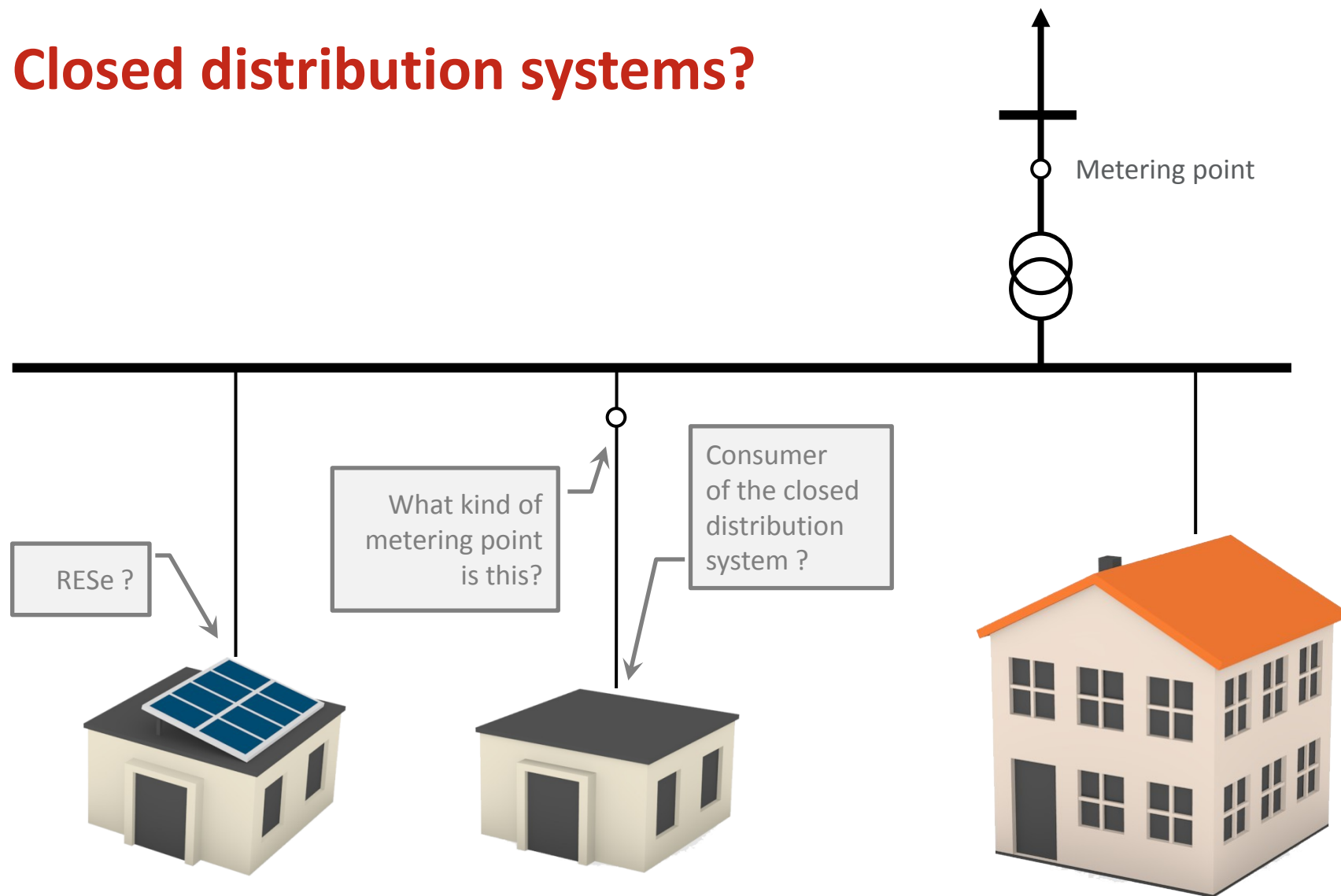
Lessons learnt from our RESe Feed-in System

- **Most investors want/like “Fit-and-Forget”**
 - RESe investments are regarded as fruitful investments
 - Low awareness/knowledge of energy issues
 - Extreme focus on delivery of energy into the grid (fueled by high buyoff prices)
- **Connection issues need to be (re)addressed**
 - Definitions and metering arrangements:
“Net electricity production from RES”
“Own consumption” vs.
“Consumption in function of electricity generation”
 - Connection costs for phased construction
(taking into consideration
the deep connection cost approach in Croatia)

Is electricity used by this
fire detection device
“Own Consumption”?



Closed distribution systems?



Thank you for your attention!

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