

Energy Community is urging Serbia to adopt a set of amendments to the Energy Law that stipulate state's support for renewable energy companies with the aim of Serbia harmonizing its regulation in this segment with that of the EU.

The amendments stipulate tendering procedures to ascertain who will be the recipient of the state's financial support, the abolition of the status of temporary preferential electricity producer, balancing responsibility and introduction of renewable energy operators.

Director of the Energy Community, Janez Kopac has sent a letter to the Serbian Parliamentarians to inform them on the next steps Serbia as a Contracting Party of the Energy Community is to make in order to align its legal framework with the European Union's Acquis.

According to the document sent to Serbian Parliamentarians, the current law, adopted in December 2014, is not completely compliant with the EU legal framework since it does not include a new approach to designing the support schemes for renewable energy.

The proposed amendments in the Energy law eliminate the temporary privileged power producer status. Instead of the current incentives scheme based on feed-in-tariffs, the new concept for acquiring the status of privileged electricity producer is to be based on the competitive bidding procedure (auction or tender), in which the successful bidder profits from the support scheme and signs a contract for difference with the renewable energy operator.

According to the proposal, the tendering process, to determine the beneficiaries of the support scheme, would be open to all power producers from renewable sources, on the basis of clear, transparent and non-discriminatory criteria. The amendments also stipulate incentive measures for privileged power producers would be given in the form of a premium, calculated as the difference between the price with which the renewable energy producer is declared successful in the competitive tendering process for granting the aid (the strike price) and the market price for electricity (the reference price).

Source: serbianmonitor