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Energy Technology and Governance Program

**Southeast Europe Distribution System Operator Security of Supply
Working Group**

INITIAL WORKING GROUP MEETING

July 16-17, 2013
Zagreb, Croatia



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ENERGY AGENCY of the Republic of SERBIA

1. DSO Restructuring

a) Current Status

- DSOs (5) are unbundled from the generation and supply
- DSOs, GEN & Supply - in the same holding "Electric Power Industry of Serbia" (EPS)
- „EPS – Supply“ is responsible for final customers; 2 licenses; Supply & Public supply (PS)
- Temporary, „EPS – Supply“ has an agreement with the DSO on services: billing, collection and related activities

b) Next steps

- Staff and resources required for full functionality of the „EPS – Supply“ will be moved from DSOs and the other parts of EPS



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2. Retail Energy Market Liberalization

a) Current Status

- Retail market in 2012
 - Gross consumption: 34.1 TWh
 - Final consumption: 28.5 TWh
 - Number of metering points: 3.6 million (households 3.2 million)
- Since 2008: 43% of market was potentially opened (all non-household)
- Since Jan 1, 2013:
- 9.5% of final consumption purchased on the open market (24% of final consumption + netw. losses purchase at the open market price)

b) Next steps

- Since Jan 1, 2014: 50% of final consumption will be purchased on the open market (all except household & small costumers)
- Since Jan 1, 2015: 100% of market will be opened



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3. Public Supplier Obligation of DSO

a) **Current Status**

- DSO has no obligation of public supply
- Temporary, DSO will provide the contracted services to the PS until it would be able to work at full capacity

b) **Next steps**

- Complete abolition of the function of supply and related activities in the DSO
- Capacity building of „EPS – Supply“



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Issues of interest to DSOs and the Working Group

1. DSO's role in the market administration (status of balance responsible parties; running the register; change of balance groups; providing measurement data needed for the market functioning; role in the supplier switching procedure ...)
2. Load profiles (role; customer classes and the corresponding characteristic)
3. Integration of RES
4. Quality of service, electricity delivery and supply
5. New connections for power plants and industry - the unresolved issue for discussion among regional regulators and DSOs, because it depends on a similar legal system:
 - a) The connection is financed by the investor, while it will be owned by DSO
 - b) It is more practical to make the connection an integral part of the main facility which will be constructed: documentation in the investor's name, a credit may be granted to the investor, the problem is how to transfer the property to DSO in legal terms
 - c) If the documentation has to be in DSO's name from the start (Serbia), then the following problems are faced: long procedure of contractors' selection (public procurement), the investor cannot be granted with a credit for that segment