



Priorities in the development of Power Market of the Republic of Moldova

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Power Market Participants



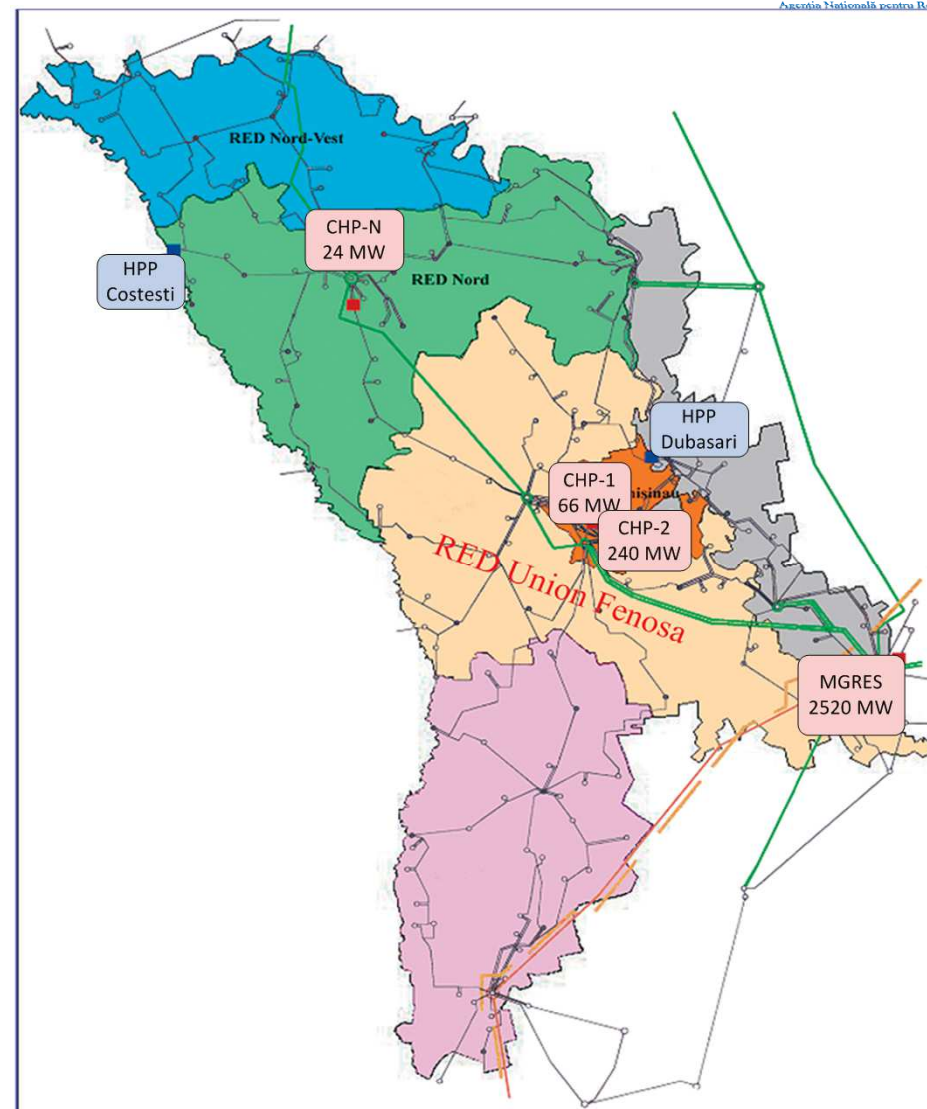
- TSO, Moldelectrica, is a state company that is functionally and legally unbundled from generation, distribution and supply of electricity;
- Power generators;
- Distribution system operators – 3, one private, 2 state owned;
- Suppliers of electricity at regulated tariffs -3, one private, 2 state owned, that are also suppliers of last resort;
- 9 suppliers of electricity at non regulated tariffs, of which one active;
- From the beginning of 2015 all final customers will be eligible.



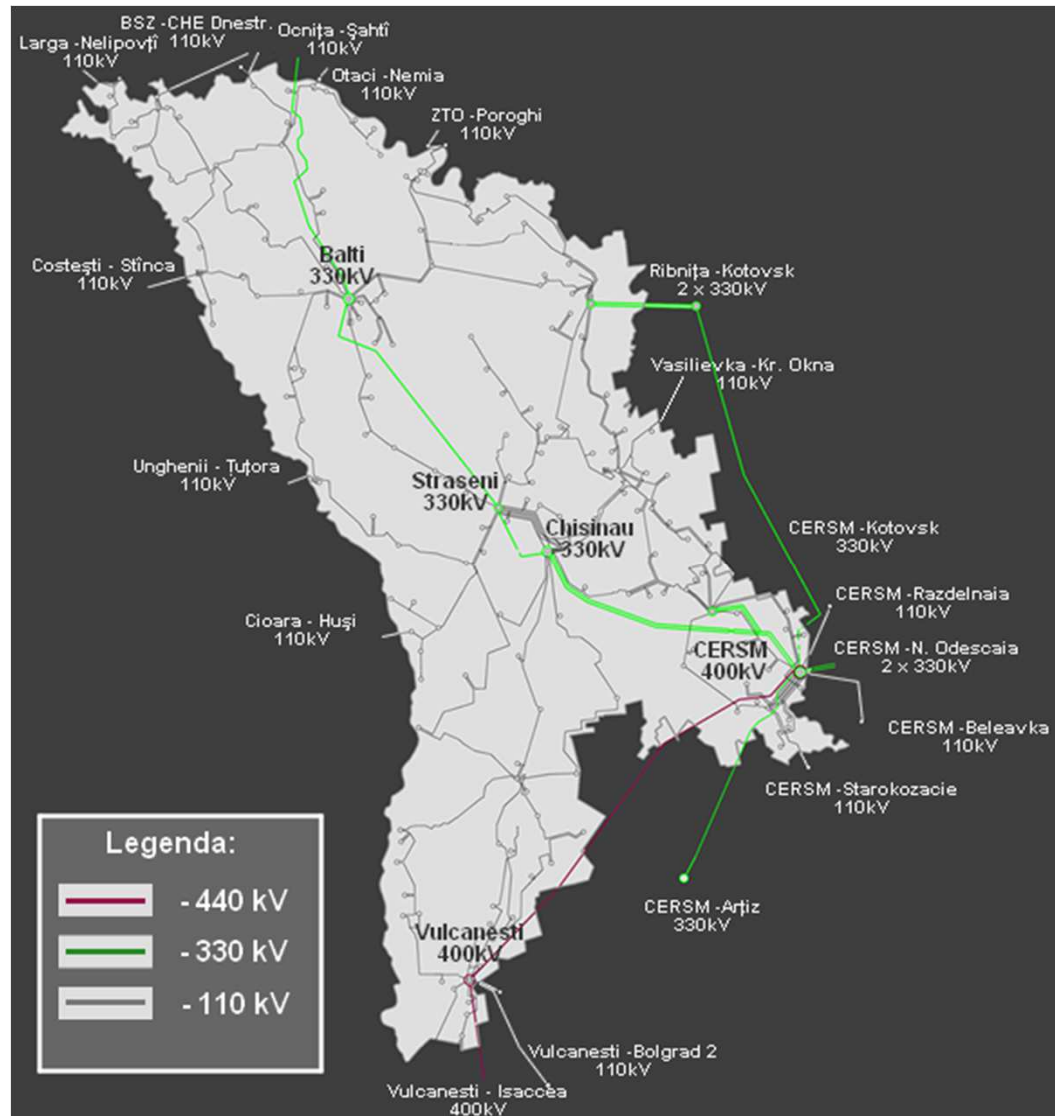
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Electricity Generation

- Cogeneration Power Plants
 - CHP-1 (66 MW)
 - CHP-2 (240 MW)
 - CHP-North (24 MW)
- 2 Hydro Power Plants
 - HPP Costesti (16 MW)
 - HPP Dubasari (48 MW)
- Kuchurgan Thermal Power Plant (MGRES, 2520 MW)
- 10 CHPs at Sugar Refineries (98 MW)
- Small renewable power plants



Cross-border transmission lines



Moldova - Ukraine

- 7 lines 330 kV
- 11 lines 110 kV

Moldova - Romania

- 3 lines 110 kV
- 1 line 400 kV (Vulcanesti-Isaccea)

Main principles of the Regulation on switching of the electricity supplier by eligible customers



- The procedure for switching the electricity supplier can be managed by the eligible customer or by the new supplier (if empowered by the eligible customer);
- 20 calendar days for an eligible customer to switch supplier, from the day it sent a notification on switching to the actual supplier, DSO/TSO ;
- Actual supplier and DSO/TSO – forbidden to impede eligible customer to switch to a new supplier (no additional fees, obligations);
- When concluding new contracts on transmission or distribution services, TSO/DSO forbidden to worsen for to the eligible customer switching the supplier the conditions than in previous contract or to refuse to conclude a new contract on transmission or distribution (capacity follows the eligible customer);
- Eligible customer paid its bills issued by the actual supplier until finalization of switching procedure;
- Until finalization of switching procedure, it was not discovered that the eligible customer withdraws illegally electricity.

Main principles of the Power Market Rules



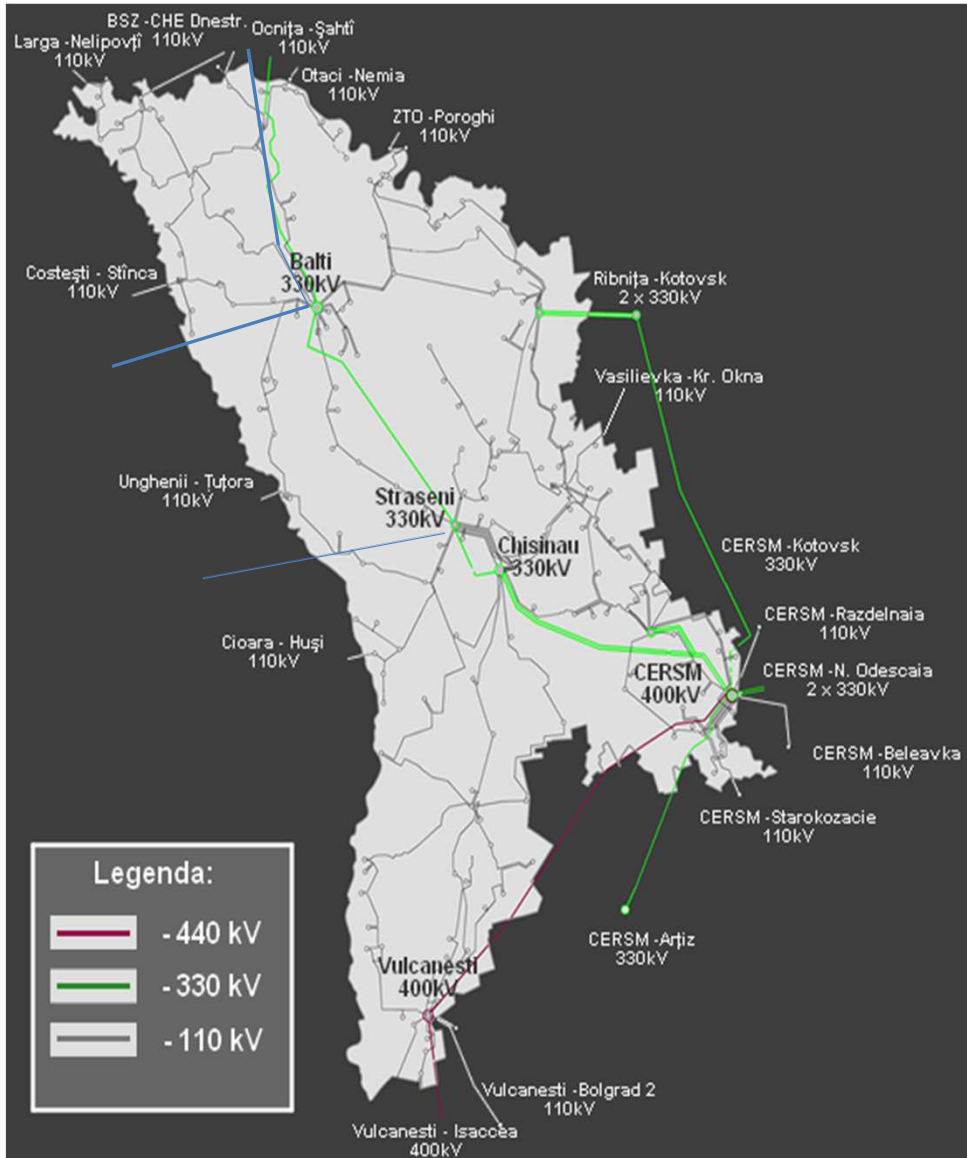
- Bilateral contracts for supply of electricity,**
- Eligible customers may sign contract with any supplier, including from abroad,**
- TSO and DSO obliged to sign contracts for transmission or distribution services with any system user,**
- Suppliers of electricity and eligible customers are balancing responsible parties and must sign contract for supplying balancing electricity,**
- TSO ensures balancing in real time and also has obligation to ensure balancing electricity in case one balancing responsible party doesn't have balancing contract or balancing electricity is not provided,**
- In such case suppliers and eligible customers pay for balancing electricity invoiced by TSO,**
- TSO obliged to buy electricity to cover the losses in the transmission network.**

Electricity generation from renewable energy sources and by combined heat and power plants



- According to the Electricity Law and Law on Renewable Energy electricity produced from renewable energy sources and by combined heat and power plants has priority in commercialization on the power market.
- Central supplier, a company established by the Government to buy all electricity produced by eligible producers from renewable energy and by combined heat and power plants.
- The amounts of this electricity is distributed among all suppliers and eligible customers which have contract for purchasing electricity signed with power plants that produce electricity only from conventional energy sources.
- Each supplier and eligible customer pays for electricity produced from renewable and by combined heat and power plants according to its market share.
- All final customers pay for supporting electricity produced from renewable energy sources and by combined heat and power plants.

Cross border electricity interconnection projects



State Company Moldelectrica presentation

- Integration into ENTSO-E system
- Development of Moldova - Romania interface - construction of at least two new 400 kV lines: Balti – Suceava and Straseni – Iasi
- An option under consideration implementation of back to back stations for asynchronous interconnection
- Strengthening the Moldova – Ukraine interface - construction of a new 330 kV line Balti – Dnestrovsk HPP

THANK YOU FOR YOUR ATTENTION