

Tariff System on Electricity Transmission and on Electricity Market („Official Gazette of the Republic of North Macedonia” no. 95/19 and 103/19)

Based on Article 24, paragraph (1), point 1), indent 7 and in conjunction with Article 29, paragraph (1) from the Law on Energy („Official Gazette of the Republic of Macedonia“ no. 96/18), the Energy and Water Services Regulatory Commission of the Republic of North Macedonia, in the session held on 10 May 2019, has adopted the following

TARIFF SYSTEM ON ELECTRICITY TRANSMISSION AND ELECTRICITY MARKET

I. GENERAL PROVISIONS

Article 1

- (1) This Tariff System on Electricity Transmission and Electricity Market (hereinafter: Tariff System) sets calculation elements and the base for tariff formation for calculation elements for using the electricity transmission system and the electricity market and regulates the manner and terms for formation and approval of tariffs for calculation elements for using the electricity transmission system and the electricity market, according to which the Electricity Transmission System Operator (hereinafter: ETSO) and the Electricity Market Operator (hereinafter: EMO) invoices the fee for using the electricity transmission system or for using the electricity market to its consumers.
- (2) This Tariff System shall provide:
 - 1) Reliable and secure functioning of the electricity transmission system of the Republic of North Macedonia and the electricity market, in accordance with valid regulations, and
 - 2) Safe, secure, and qualitative electricity transmission and delivery via the electricity transmission system of the Republic of North Macedonia, in a non-discriminatory and transparent manner.
- (3) The tariffs for calculation elements shall provide to ETSO and EMO to achieve maximum allowed revenue, laid down in the decision of the Energy and Water Services Regulatory Commission of the Republic of North Macedonia (hereinafter: Energy Regulatory Commission) , in compliance with the Rulebook on the Manner and Conditions for Determining Maximum Allowed Revenue and Regulated Average Tariffs for Electricity Transmission, Electricity Market Organization and Management and Electricity Distribution (hereinafter: Rulebook).

Article 2

- (1) ETSO invoices the fee for using the electricity transmission system to:
 - 1) Consumers, directly connected to the electricity transmission system that act independently in the electricity market,
 - 2) Electricity producers directly connected to the electricity transmission system, for the consumed electricity from the electricity transmission network for own needs,
 - 3) Suppliers, consumers, directly connected to the electricity transmission system that act independently in the electricity market, and
 - 4) Electricity distribution system operators or electricity suppliers for consumers connected to the electricity distribution systems.
- (2) EMO invoices the fee for using the electricity market to traders or suppliers for consumers, to whom they sell electricity, to consumers who in accordance with Electricity Market Rules are registered for market participation, to consumers who in accordance with the Electricity Market Rules are registered for market participation, as well as to ETSO and the distribution system operators when they purchase electricity for covering the losses in the adequate systems.

II. TARIFFS FOR USING THE ELECTRICITY TRANSMISSION SYSTEM

Article 3

- (1) Calculation elements for which tariffs for using the electricity transmission system are set, are:
 - 1) Peak active power,
 - 2) Active electricity, and
 - 3) Excessively consumed reactive electricity
- (2) The overall fee for using the electricity transmission system is a sum of fees on:
 - 1) Peak active power,
 - 2) Active electricity, and
 - 3) Excessively consumed reactive electricity
- (3) The period for when the fees referred to in paragraph (2) of this Article are calculated is one calendar month.

Article 4

- (1) Peak active power is the largest metered average power achieved in an interval of 15 minutes during the calculation period during high daily loads.
- (2) High daily loads referred to paragraph (1) of this Article refers to the period from 07:00 AM to 10:00 PM, in the period of summer and winter time, for every day, except for Sunday.
- (3) The fee for peak active power in the calculation period is the product of the tariff for peak active power (expressed in MKD/kW) and simultaneous peak active power (expressed in kW).
- (4) For users of the electricity transmission system that have one metering point, as a simultaneous peak active power referred to in paragraph (3) of this Article, shall be considered the metered active power.
- (5) For users of the electricity transmission system that have two or more metering points, the simultaneous peak active power from paragraph (3) of this Article represents the largest peak active power in the period of high daily loads determined by the cumulative load curve for metering points.

Article 5

The fee for active electricity for the monthly calculation period is the product of the tariff for active electricity, expressed in MKD/kWh and the metered consumed active electricity, expressed in kWh).

Article 6

- (1) The excessively consumed reactive electricity shall be set by calculation and is expressed in kvarh.
- (2) The excessively consumed reactive electricity represents a positive difference between the metered consumed reactive electricity and reactive electricity that corresponds to the consumed active electricity with the power factor of 0,95.
- (3) The fee for excessively consumed reactive electricity for the calculation period is the product of the tariff for excessively consumed reactive electricity (expressed in MKD/kvarh) and the calculated excessively consumed reactive electricity (expressed in kvarh).
- (4) Electricity producers directly connected to the electricity transmission system pay the fee for excessively consumed reactive electricity only in the periods when they consume active electricity.

Article 7

- (1) The maximum allowed revenue of ETSO is achieved by charging the fee for active electricity, peak active power and excessively reactive electricity.
- (2) For calculating the tariffs of calculation elements referred to in Article 5 paragraph (1) of this Tariff System, for each year of the regulated period, the Energy Regulatory Commission, at ETSO's proposal, for each year of the regulated period, shall determine the percentage of the maximum allowed revenue of ETSO which shall be achieved by the fees referred to in paragraph (1) of this

Article, thus it shall be considered that a part of the revenues which shall be achieved based on the fee for excessively consumed reactive electricity equals zero.

- (3) The tariff for peak active power shall be calculated as a quotient of a part of the maximum allowed revenue of ETSO which must be achieved from the fee for peak active power and the sum of forecasted monthly peak active powers during one calendar year.
- (4) The sum of forecasted monthly peak active powers referred to in paragraph (3) of this Article shall be set by ETSO based on achieved monthly peak active powers achieved in previous five years.
- (5) The tariff for active electricity shall be calculated as a quotient between the part of the maximum achieved revenue of ETSO which shall be achieved by the fee for active electricity and the forecast for consumed active electricity in connection points of the transmission network.
- (6) The tariff for excessively consumed reactive electricity shall be set to be 40% of the tariff for active electricity.

III. TARIFF FOR ELECTRICITY MARKET

Article 8

- (1) The tariff for electricity market shall be calculated for each regulated period as the quotient between the regulated revenue of EMO, authorized by Energy Regulatory Commission and the forecasted electricity consumption in the Republic of North Macedonia for the same period. As electricity consumption, beside the energy consumed by consumers, shall be considered the losses in the electricity transmission and electricity distribution systems.
- (2) The fee for electricity market shall be calculated as a product between the tariff for electricity market and the announced transactions for electricity sale to consumers in each calendar month.

IV. TRANSITIONAL AND FINAL PROVISIONS

The provision of Article 9 is deleted in compliance with Article 1 of the Tariff System for Amending the Tariff System on Electricity Transmission and on Electricity Market ("Official Gazette of the Republic of North Macedonia" no. 103/19)

Article 10

On the day of entry into force of this Tariff System, the Tariff System on Electricity Transmission and Market ("Official Gazette of Republic of Macedonia" no. 44/14) shall cease to have effect.

Article 11

This Tariff System shall enter into force in the day of its adoption and it shall be published in the "Official Gazette of the Republic of North Macedonia".

No. 01-996/1

10 May 2019

Skopje

PRESIDENT

Marko Bislimoski