



Європейсько-українське енергетичне агентство

European-Ukrainian Energy Agency

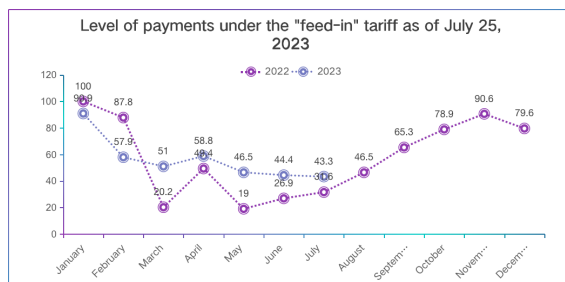


Level of payments under the "feed-in" tariff as of 25th July 2023

According to SE "Guaranteed Buyer", the payments made for electricity purchased in 2022 amounted to UAH 0.96 billion, for the seven months of 2023, the payments reached **UAH 14.4 billion**.

As of July 25th, 2023, the company had settled 99% of the total amount owed for electricity purchased in 2021, 55.2% for 2022, and **52%** for electricity purchased in 2023. Notably, the payment levels for July 2023 (20 days) were at **43.3%**, indicating a declining trend in settlement percentages with RES producers with each subsequent month. At the same time, the debt owed by NPC "Ukrenergo" to the "Guaranteed Buyer" amounted to **UAH 24.8 billion**.

During the period from January 1 to July 25, 2023, the "Guaranteed Buyer" purchased a total of **4,568 thousand MWh** from "green" energy producers. Among these purchases, solar energy accounted for 70%, wind energy for 15%, bioenergy for 12%, and hydropower for 1%. This shows a significant reliance on solar energy for electricity generation during this period.

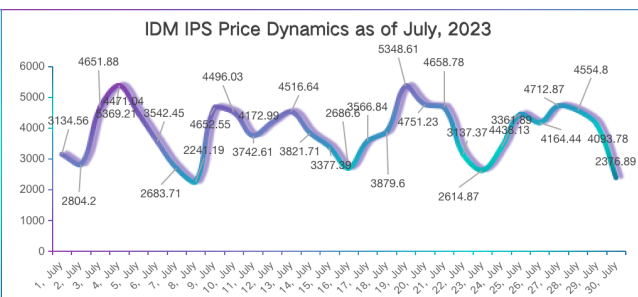
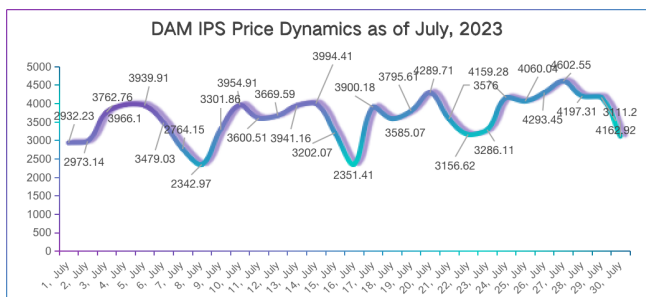


Source: [Guaranteed Buyer](#).

Market DAM and IDM Price Dynamics

During July 2023, the average price of electricity in Ukraine's IPS Day-Ahead Market (DAM) witnessed a significant increase. The average price climbed to **UAH 3,612 per MWh**, indicating a rise of **26.39%** compared to July 2022, when the average price stood at UAH 2,640 per MWh.

In July 2023, the Intraday Market (IDM) of Ukraine's Integrated Power System (IPS) experienced a notable increase in the average electricity price. The average price reached **UAH 3,867 per MWh**, while in July 2022 the average price was UAH 2,724 per MWh.



Source: [Ukrainian Market Operator](#).

In July, neighboring countries experienced varying electricity price dynamics for base load, witnessing fluctuations from high to low. Notably, there were significant price drops observed on July 02, July 16 and 30 in these countries, with average prices reaching 23.0 EUR/MWh; 52.8 EUR/MWh and 63.8 EUR/MWh respectively. Throughout the month, the highest electricity prices were recorded on specific dates in various countries as follows:

- Hungary (July 19) at 126.5 EUR/MWh,
- Slovakia (July 10) at 120.2 EUR/MWh,
- Romania (July 21) at 135.9 EUR/MWh,
- Poland (July 12) at 140.7 EUR/MWh,
- the Integrated Power System (IPS) of Ukraine (July 27) at 104.4 EUR/MWh.

As of July 2023, the average price in Ukraine stands at **85.8 EUR/MWh**.



Source: [Ukrainian Market Operator](#).

TOP RES News

The President of Ukraine signed a comprehensive draft law 9011-d for the RES industry

Volodymyr Zelenskyi signed the law 3220-IX (draft law 9011-d) on amendments to some laws of Ukraine regarding the restoration and green transformation of Ukraine's energy system. The changes are intended to introduce a mechanism for guaranteeing the origin of electric energy from RES, contracts for the difference. Also, conditions should be created for holding auctions for the allocation of quotas to support RES.

The regulator approved the draft decision on approval of the Procedure for registration of wholesale energy market participants

The SE "Guaranteed Buyer" initiated the start of the corporatization procedure

The legislation on REMIT, which was adopted in July, opens the possibility to corporatize the "Guaranteed Buyer" (GB). Currently, GB is the only enterprise in the energy sector that has remained in state ownership status. In order to effectively support energy sector development and develop electricity exports, the company must meet international standards, become transparent and introduce relevant governance procedures. In accordance with the requirements of the Law of Ukraine "On Management of State-Owned Entities", last week "Guaranteed Buyer" appealed to the Cabinet of Ministers of Ukraine with a proposal to start the procedure of transformation from a state-owned enterprise into a joint-stock company. The company hopes for the support of the

[The Draft Resolution](#) was developed under the enacted [REMIT Law](#). It defines:

- the procedure for registering participants in the wholesale energy market;
- a list of information required for registration (registration form);
- the public part of the register of participants of the wholesale energy market, which will be published on the official website of the NEURC;
- maintenance of the register of participants of the wholesale energy market by the NEURC;
- the procedure for excluding a participant of the wholesale energy market from the register of participants of the wholesale energy market.

The draft Resolution has the characteristics of a regulatory act, therefore, in accordance with the approved procedure, the NEURC decided to approve it and publish it on the official website in order to receive comments and suggestions from all interested parties.

NEURC and Energy Community Secretariat signed a Memorandum of Understanding

The Energy Community Secretariat and the National Commission for State Regulation in the Spheres of Energy and Communal Services of Ukraine (NEURC) took a significant step in strengthening their collaboration, by signing a crucial Memorandum of Understanding (MoU) focused on the implementation of REMIT procedures. Highlights of the MoU: enhance market integrity and promote fair competition in the energy sector; establish a robust framework for making decisions on fines in the wholesale energy market; strengthen the enforcement of market rules, ensuring that any abuses are met with appropriate measures.

Secretariat and NEURC meet to foster cooperation on regulatory issues

On July 26, in Vienna, the Director of the Energy Community Secretariat, Artur Lorkowski met with the Chairman of the National Commission for State Regulation in the Spheres of Energy and Communal Services of Ukraine (NEURC), Konstantyn Uschaporovskiy, to address critical issues in the energy sector.

A central focus of the meeting was the imperative issue of NEURC's regulatory independence. Acknowledging the importance of impartiality and autonomy in the energy sector, the Energy Community Secretariat reaffirmed its commitment to conduct a comprehensive assessment of NEURC's independence. This undertaking underscores the pivotal role played by independent regulatory bodies in fostering a transparent and competitive energy market.

Another point of discussion revolved around the recently adopted law establishing the system of Guarantees of Origin (GOs) of electricity produced from renewable energy sources. Energy Community Secretariat expressed its support to NEURC in its newly assigned role as an Issuing Body for Guarantees of Origin. The focus will be now put on the implementation of necessary actions in order to enable the integration of the Ukrainian Registry with the registries of the

government, key ministries and partners in the renewable energy sector.

The EUEA welcomes the beginning of the corporatization process of "Guaranteed Buyer" and emphasizes the importance of introducing corporate governance in the company. This will strengthen the company's operations and open up new opportunities for the company, as well as contribute to the transparency of its activities and harmonize its work with European standards. Strengthening the trust of stakeholders, and increasing the company's competitiveness in the energy market will be important results of this process.

[Details.](#)

The Ukraine Energy Market Observatory predicts a positive impact of the REMIT law

The Ukraine Energy Market Observatory, created within the Energy Community Secretariat, predicts the positive impact of the REMIT law on the economy of Ukraine. The document published by the Energy Community on July 21 indicates that Law of Ukraine No. 3141-IX "On Amendments to Certain Laws of Ukraine on Prevention of Abuse in the Wholesale Energy Market" will have a positive impact not only on the functioning of the energy industry, but also on the country's economy in as a whole, since the transparency of this segment is a key factor in economic growth. The REMIT Law is aimed at fulfilling Ukraine's obligations regarding the implementation of EU Regulation No. 1227/2011, which establishes rules of integrity and transparency for all market participants. In their assessments, the experts of the Observatory indicate that the content of the REMIT Law takes into account all the main requirements of the Regulation and will contribute to bringing the Ukrainian energy market to the standards of the European Union. [Details.](#)

On July 26, the NEURC approved the Procedure for the distribution of revenues from the management of restrictions between operators of the transmission systems of Ukraine and Romania, provided by NPC "Ukrenergo"

According to the terms of the draft Agreement between operators of the distribution systems of the two countries, it is assumed that the income (without VAT) from the management of restrictions on the border between Ukraine and Romania is distributed between NPC "Ukrenergo" and C.N.T.E.E. Transelectrica S.A. in the ratio of 50% by 50%. The adopted decision will allow to regulate the conduct of export-import operations of electricity through the cross-border flow in the direction of Ukraine - Romania and will help to stabilize the energy system, as it creates conditions for the import of electricity from Romania during the deficit hours of the day and the export to Romania during the hours when there is a surplus of electric energy. [Details.](#)

The Ministry of Economy, together with businesses and associations, will create sectoral working groups for the development of the investment plan for key sectors of the Ukrainian economy and the attraction of EUR 50 billion in aid from the European Commission

Energy Community and, finally, mutual recognition of GOs with the European Union. The Secretariat ensured its dedication to assist NEURC in this important task. [Details](#).

A biomethane register will be launched in Ukraine

[The relevant](#) agreements were established in the memorandum of the State Energy Efficiency Agency with the German Energy Agency DENA. According to the SAEE, it is expected that the register should become operational already this year. DENA is ready to provide practical assistance in the implementation of the mechanism for issuing guarantees of origin of biomethane in accordance with the EU standard CEN-EN 16325, by fully launching the biomethane register.

The register will be based on the work of the SAEE, which was started together with specialists of the Ministry of Energy, and software from Biogasregister Deutschland, recognized as a leader in the EU in this area. That is why guarantees of the origin of biomethane will fully meet all the requirements of Ukrainian and European legislation.

The formulation of the "Ukraine Plan" under the Ukraine Facility program will facilitate the attraction of 50 billion euros in aid from the European Commission, as announced during the Ukraine Recovery Conference.

Ukraine can resume electricity exports to Slovakia

At its meeting, the Regulator agreed on the Procedure for the distribution of revenues from the management of restrictions between Transmission Systems Operators of Ukraine and Slovakia, provided by NPC "Ukrenergo". The approval of the specified Procedure between NPC Ukrenergo and the Slovak SEPS is an important prerequisite, which opens up the opportunity for export-import transactions with electricity through cross-border flow in the direction of Ukraine - Slovakia, [notes](#) NUERC.

According to the Commission, such a decision will also serve as an additional factor in stabilizing the energy system, as it creates conditions for the import of electricity from Slovakia during the deficit hours of the day and export to Slovakia during the hours when there is a surplus of electricity.

As a reminder, from April 21, 2023, the export was stopped at the initiative of the transmission system operator of Slovakia (SEPS).

Ukraine started importing electricity from Poland through Khmelnytskyi NPP - Rzeszów

"On Sunday, July 16, electricity was imported from Poland to Ukraine through the interstate power transmission line, which Ukrenergo successfully modernized and turned on in May 2023," says the message of the Ukrenergo NPC. The power system received an additional 800 MW of power during the peak consumption period - from 8:00 p.m. to 11:00 p.m. In addition, imports from Slovakia and Moldova continued during

The Ministry of Economy of Ukraine, in collaboration with Ukrainian businesses, associations, and experts, will establish more than 10 industry working groups to discuss and formulate specific measures for the development of key sectors in the Ukrainian economy. This announcement was made by Yuliia Svyrydenko, the First Deputy Prime Minister of Ukraine and Minister of Economy, during a meeting with members of the Ukrainian business community.

These initiatives serve as the foundation for the Ukraine Facility (UF) Plan, supported by the European Union. Furthermore, according to Yuliia Svyrydenko, the engagement with the business sector will enable the development of sector-specific programs for the UF, along with business proposals for sectoral development strategies over a 10-year period, divided into three stages: short-term: 2023-2024; medium-term: 2025-2027; long-term: 2028-2033.

The Parliament adopted as a basis the draft law on the optimization of the structure of the GTSO

The Verkhovna Rada supported and adopted as a basis by 268 votes draft law №9311-1d on the optimization of the structure of the "Operator of the gas transportation system of Ukraine". The draft law defines the legal and organizational principles of the procedure for the transfer to the state in the person of the authorized corporate rights management body of a share in the authorized capital of LLC "Gas Transport System Operator of Ukraine", which is owned by JSC "Main Gas Pipelines of Ukraine". By the end of July 2023, the corporate rights of GTSO should be transferred to the Ministry of Energy from JSC "Main Gas Pipelines of Ukraine". [Details](#).

After a long break, Ukraine exports electricity again

After a break of more than a month, the export of electricity was resumed: on Tuesday, July 18, and Wednesday, July 19, electricity was exported to Moldova with a capacity of 67 MW.

During the daytime, when consumption in the country is not yet at its maximum, solar power plants are actively operating. Thanks to this, energy companies have the opportunity to export the surplus during the daytime hours of the day, earning funds for the restoration of the energy system, emphasizes Ukrenergo.

Ukrenergo will receive \$240 million from the World Bank to restore the energy system

Ukrenergo, together with the Ministry of Energy and the Ministry of Finance, [signed](#) two agreements with the World Bank (IBRD) on the allocation of grant aid to the company. The first agreement - grant funds from the German Government will be directed to the purchase and installation of special devices that increase the stable operation of the Ukrainian power system - STATCOM. Another document specifies the transfer of aid to Ukrenergo for the purchase of special

the day with a maximum capacity of up to 350 MW, mainly during the day and evening hours. [Details](#).

State energy trader ECU guarantees the sale of 100% green electricity to its counterparties

JSC Energy Company of Ukraine has concluded the first agreements with energy producers from renewable energy sources (RES) regarding balancing services and guaranteed purchase of electricity, said the General Director of ECU, Vitaliy Butenko. The energy company can become part of the solution to investors' problems in green energy. "We help to create additional value for industry producers and reduce their risks of working on the free energy market. At the same time, green generation does not need to create its trading department, which allows renewable energy producers to take advantage of new market opportunities as safely as possible," said the head of the ECU. According to him, the balancing service is in demand due to the difficulty of forecasting RES production. It helps RES producers eliminate financial costs and optimize imbalances through the mechanisms of the state balancing group, the second-largest market. [Details](#).

The North Ukrainian nuclear scientific hub will be built in Slavutych

The purpose of the hub is to create conditions for the development of the scientific and business component of nuclear power, as well as the search for solutions for the development of "green" energy in Ukraine. "The hub will allow to combine the efforts of scientific research institutes, educational institutions and energy companies in the creation of new projects of nuclear power plants, solving problems of safety of their operation, development of related infrastructure," the Telegram channel of NAEC "Energoatom" reports. The company added that the construction of such a center will contribute to the development of the Chernobyl NPP, the search for ways to further use alienated territories, and the development of "green" energy based on the closed power plant. [Details](#).

equipment, autotransformers and other high-voltage equipment that was damaged by Russian missiles and drones.

"Market Operator" opened a platform for retail electricity trade

JSC "Market Operator" has developed a platform for retail trade in electricity - [RETAIL ENERGY PLATFORM](#). According to the company, REP is an IT solution that makes it easy for consumers to find their suppliers. The platform allows you to find the required kWth quickly and free of charge from suppliers - from licensed participants of the electricity market. The supplier can offer his terms and price of electricity supply, and the consumer can find a favorable offer for himself - adds the market operator. [Details](#).

Zhytomyr launches a green CHP plant that will burn sorted garbage

One of the bio-CHP plants in Zhytomyr, which was planned to operate on wood chips, will switch to 50% refuse-derived fuel (RDF) from the local waste processing plant, Deputy Mayor of Zhytomyr Serhii Kondratyuk said. According to him, at the suggestion of the city council, investors reworked the bio-CHP project, which will produce 20 MW of heat from wood chips (40 MW was planned) and 20 MW from RDF. In addition, its design capacity also includes the production of 10 MW of electricity. However, it is not yet known when exactly the waste processing plant will be able to produce the required volumes of RDF. During the plant's test operation, it became clear that it does not conform to the parameters specified during the design: 85% recycling and 15% returned to the landfill. Therefore, an additional purchase of equipment is planned to meet these parameters. At the same time, as the deputy mayor noted, the most likely reason for the deviations is the composition of the garbage, most of which is organic waste.

Latest EUEA publications

- [EUEA RES market review: market news and settlements review, June 2023](#).
- [IMEPOWER Monitoring on legislative initiatives impacting RES market as of May, 2023](#).
- [Implementation of Guarantees of Origin in Ukraine: EUEA Interview with Naida Taso from Energy Community Secretariat](#).
- [2022 in RES Sector: the Year in Review](#).

Other useful reports

- [Ukraine War Economy Tracker](#) (CES).
- [Economy review in June. London Conference: Will there be projects, and the funding?](#) (CES together with GET).
- [Renewable energy statistics 2023](#) (IRENA).
- [Electricity Market Report - Update 2023](#) (IEA).
- [Tracking Clean Energy Progress 2023](#) (IEA).