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Pursuant to Article 75, paragraphs 1 and 2 of the Constitution of the Republic of North Macedonia, the President of the Republic of North Macedonia and the President of the Assembly of the Republic of North Macedonia hereby issue the following

DECREE FOR PROMULGATION OF THE LAW ON THE USE OF ENERGY FROM RENEWABLE SOURCES (*)

The Law on the Use of Energy from Renewable Sources (*), adopted by the Assembly of the Republic of North Macedonia on its session held on 26 June 2026, is hereby promulgated.

No. 08-4314/1	President of the Republic
26 June 2026	of North Macedonia,
Skopje	**Gordana Siljanovska Davkova**

President

of the Assembly of the Republic

of North Macedonia,

Afrim Gashi

LAW ON THE USE OF ENERGY FROM RENEWABLE SOURCES (*)

CHAPTER I. GENERAL PROVISIONS

Subject Matter

Article 1

This Law shall regulate the determination of the public interest in the production and use of energy from renewable sources; national mandatory targets for the share of energy produced from renewable sources in gross final consumption of energy (hereinafter referred to as: the binding national targets); the calculation of the share of renewable energy sources (hereinafter referred to as: RES) in the gross final consumption of energy in the Republic of North Macedonia (hereinafter referred to as: the Republic); support measures; the issuance of guarantees of origin; the renewables power purchase agreement (RPPA); the supply agreement; the calculation, settlement and purchase of electricity from renewable sources between a self-consumer and a supplier; the method of calculating electricity consumed and supplied by a self-consumer, jointly acting self-consumers and RES community; the use of energy from renewable sources in the heating and cooling sector and in the transport sector; sustainability

(*) This Law, in accordance with the Decision of the Ministerial Council of the Energy Community No. D/2021/14/MC-EnC, aligns with Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (CELEX No. 32018L2001) and greenhouse gas emissions reduction criteria for biofuels, bioliquids and biomass fuels; international cooperation and cross-border mechanisms for the production and use of electricity from renewable sources; the licensing of installers and registration in the register of RES power plants and facilities; supervision of the implementation of this Law; and other matters of relevance to RES.

Public Interest Established by this Law

Article 2

The production and use of energy from renewable sources which contribute to ensuring the long-term energy security of the Republic and to achieving the binding national targets referred to in Article 5 of this Law, as assumed under international agreements ratified in accordance with the Constitution of the Republic of North Macedonia, shall constitute a public interest established by this Law.

Purpose of the Law

Article 3

(1) The purpose of this Law shall be to ensure:

1. a long-term reduction of dependence on the import of energy and energy products;

2. an increased RES share in the gross final consumption of energy;

3. increased security of energy supply to final consumers;

4. diversification of energy production;

5. achievement of the climate and energy objectives for the periods specified in the Integrated National Energy and Climate Plan;

6. a reduction in the use of fossil fuels and greenhouse gas emissions and an increase in the utilisation of RES, with a view to protecting the environment and mitigating climate change;

7. transparent, non-discriminatory, competitive, economical and efficient allocation of support measures for the production of energy from renewable sources, in accordance with the strategic and planning documents in the field of energy;

8. the development of entrepreneurship and the creation of new jobs related to the production of energy from RES;

9. support for the development and use of new technologies; and

10. the encouragement of consumers to increase the use and production of energy from renewable sources for their own consumption.

(2) In respect of matters relating to the production and use of energy from renewable sources which are not regulated by this Law, the provisions of the Law on Energy (*) and the

Law on Energy Efficiency (*) shall apply.

Definitions

Article 4

(1) For the purposes of this Law, the following terms shall have the following meanings:

1. “agrivoltaic” shall mean an integrated system for the production of electricity from renewable sources through photovoltaic installations, constructed in such a manner as not to interfere with agricultural activities;

2. “ambient energy” shall mean naturally occurring thermal energy and energy accumulated in the environment within a confined space, which may be stored in the air, excluding energy from exhaust gases or surface water or wastewater;

3. “biogas” shall mean gaseous fuel obtained from biomass;

4. “low indirect land-use change-risk biofuels, bioliquids or biomass fuels” shall mean biofuels, bioliquids and biomass fuels whose feedstock is produced under programmes ensuring that its production does not displace food and feed crop production, for which improved agricultural practices have been applied, or which are produced by cultivating crops on land that was not previously used for the cultivation of agricultural crops, and whose production complies with the sustainability criteria for biofuels, bioliquids and biomass fuels laid down in this Law;

5. “bio-waste” shall mean biodegradable waste and waste from parks, food waste, household kitchen waste, waste from restaurants, catering establishments and retail premises, and waste which, by its nature, composition and quantity, is comparable to waste generated by food-processing facilities, as well as garden waste, grass, branches, leaves and the like;

6. “bioliquid” shall mean liquid fuel produced from biomass and intended for energy purposes, namely for the production of electricity, heating and cooling energy, and which is not used as a fuel in the transport sector;

7. “wind turbine generator” shall mean an energy unit for converting the kinetic energy of wind into electricity, consisting of a wind turbine, a rotational speed control system and an electric generator, which together constitute a functional unit;

8. “guarantee of origin” shall mean an electronic document which provides the final consumer with evidence that a certain share or specified quantity of the energy consumed by the final consumer has been produced from RES;

9. “geothermal energy” shall mean energy stored in the form of heat beneath the surface of the earth;

10. “biomass fuel” shall mean gaseous or solid fuel produced from biomass;

11. “recycled carbon fuel” shall mean liquid or gaseous fuel produced from liquid or solid waste of non-renewable origin that is unsuitable for recycling, or from gas produced in a waste processing process and exhaust gas, i.e. waste gas of non-renewable

origin arising as an unavoidable and unintended consequence of a production process at industrial facilities, in accordance with the regulations governing waste management;

12. “market premium contract” shall mean a financial instrument through which the difference in price is settled on a market basis (two-way contract for difference), concluded between a producer of electricity from RES and the authorised contracting party, whereby the price at which energy from renewable sources is sold is settled, while at the same time financial stability and protection of the minimum remuneration are ensured and excess remuneration arising from the market price in relation to the achieved market price is limited;

13. “power purchase agreement (PPA)” (hereinafter referred to as: “PPA agreement”) shall mean a purchase agreement under which a natural person or legal entity purchases electricity from renewable sources directly from an electricity producer;

14. “renewable energy purchase agreement” shall mean an agreement under which a natural person or legal entity purchases energy from renewable sources directly from the producer and includes agreements for the purchase of renewable electricity and agreements for the purchase of renewable energy for heating and cooling;

15. “power plant under construction” shall mean a power plant that has not commenced commercial operation and for which the investor has secured financing, i.e. the financial resources required to complete the construction works, has obtained a building permit, submitted notification of the commencement of construction, registered the construction site and commenced construction works, in accordance with the law;

16. “energy from renewable sources” or “renewable energy” shall mean energy derived from renewable non-fossil sources, namely wind energy, solar energy (solar thermal and solar photovoltaic), geothermal energy, ambient energy, hydropower, biogas, landfill gas and sewage treatment plant gas, excluding electricity produced from water in pumped-storage facilities which had previously been returned to the reservoir by pumping;

17. “renewable energy sources community” shall mean a legal entity:

- established in accordance with the Law on Cooperatives, on the basis of voluntary participation and open membership, autonomous and independent, jointly owned and controlled by its founders and/or members, having a permanent residence, temporary residence or registered office within a geographical area in the vicinity of the energy production facility owned or constructed by the legal entity;

- whose founders and/or members are natural persons and/or legal entities which, in accordance with the classification under the Law on Trade Companies, are micro, small and/or medium-sized enterprises, or municipalities, the municipalities of the City of Skopje and the City of Skopje (hereinafter referred to as: the local self-government units); and

- whose primary purpose is to provide environmental, economic or social benefits for its founders and/or members or for the local self-government unit;

18. “capacity increase/decrease” shall mean a change in the installed capacity of an existing power plant that uses renewable sources for the production of electricity;

19. “agricultural biomass” shall mean biomass produced in agriculture;

20. “agricultural, aquaculture, forestry and aquaculture by-product” shall mean a by-product arising directly from agriculture, aquaculture, fisheries or forestry, which does not include by-products from related industrial production and processing;

21. “quota” shall mean the total approved capacity of power plants and facilities for the production of energy from renewable sources, expressed in MW, for which a support measure in the form of a market premium or a feed-in tariff is awarded pursuant to this Law;

22. “jointly acting self-consumers of electricity from renewable sources” (hereinafter referred to as: “jointly acting self-consumers”) shall mean a group of at least two self-consumers located in the same residential, commercial or mixed-use residential and commercial building, or in multi-residential blocks;

23. “co-located energy storage” shall mean an energy storage facility combined with a renewable energy production facility and connected to the grid at the same connection point;

24. “food and feed crops” shall mean agricultural crops rich in starch, sugar crops or oil crops produced on agricultural land as the main crop, excluding residues, waste or ligno-cellulosic material and intermediate crops, such as catch and cover crops for land protection, provided that the use of such intermediate crops does not trigger demand for additional land;

25. “ligno-cellulosic material” shall mean material composed of lignin, cellulose and hemicellulose, such as biomass sourced from forests, woody energy crops and forest-based industries' residues and wastes;

26. “small RES power plant” shall mean a power plant using RES with an installed capacity of up to 400 kW for a power plant commissioned by 31 December 2025, and up to 200 kW for a power plant commissioned from 1 January 2026 onwards;

27. “peer-to-peer trading’ of renewable energy” shall mean the sale of renewable energy between market participants by means of a contract with pre-determined conditions governing the automated execution and settlement of the transaction, either directly between market participants or indirectly through a certified third-party market participant, such as an aggregator. The right to conduct peer-to-peer trading shall be without prejudice to the rights and obligations of the parties involved as final customers, producers, suppliers or aggregators;

28. “support measure” shall mean an instrument, scheme or mechanism designed to promote the production of energy from renewable sources;

29. “advanced biofuels” shall mean sustainable transport fuels with low greenhouse gas emissions, produced exclusively from feedstock not intended for food or feed purposes, such as organic waste, residues and non-agricultural biomass, without adversely affecting the production of food or feed;

30. “negative market premium” shall mean the difference between the reference market price and the achieved market price, where the reference market price is higher than the market price paid by the privileged producer to the authorised contracting party;

31. “national residual mix” shall mean the structure of electricity sources for electricity sold in the Republic, relating to quantities for which the origin has not been demonstrated by guarantees of origin that have been cancelled, and which serves as the basis for suppliers to calculate and disclose the share of energy sources in the electricity supplied to final consumers;

32. “low-carbon hydrogen” shall mean hydrogen produced from a non-renewable energy source which, in accordance with the sustainability and greenhouse gas emissions reduction criteria, achieves a substantial reduction in greenhouse gas emissions compared with fossil fuels;

33. “renewable energy obligation” shall mean an obligation on energy producers to have an appropriate share of energy from renewable sources in their total energy production, requiring energy suppliers to include a given share of energy from renewable sources in their supply, or requiring energy consumers to include a given share of energy from renewable sources in their consumption, including the purchase and sale of guarantees of origin as mechanisms for fulfilling the obligation;

34. “renewable hydrogen” shall mean hydrogen produced by the electrolysis of water using electricity from RES, in accordance with the sustainability and greenhouse gas emissions reduction criteria;

35. “renewable fuels” shall mean biofuels, bioliquids and renewable fuels of non-biological origin;

36. “renewable liquid and gaseous fuels of non-biological origin” shall mean liquid or gaseous fuels which are used in the transport sector other than biofuels or biogas, the energy content of which is derived from renewable sources other than biomass;

37. “repowering” shall mean renewing power plants using RES, including the full or partial replacement of installations, parts of the energy production facility or equipment, with the aim of replacing the capacity or increasing the efficiency or capacity of the installation;

38. “authorised contracting party” shall mean a party to a feed-in tariff contract or a market premium contract concluded with the privileged producer;

39. “actual production” shall mean the quantity of electricity delivered to the system operator at the connection point;

40. “waste” shall mean any substance or object which is discarded, intended to be discarded, or which the producer and/or holder is required to discard, excluding substances or objects which have been intentionally altered or which contaminate;

41. “waste heat and cold” shall mean thermal energy or cooling energy generated as a by-product of industrial processes, power plants, energy installations, processing and municipal processes, which can technically be used through district heating and/or

cooling systems or to meet other energy needs, and which, if unused, would be released into the air or water;

42. “market premium” shall mean a support measure awarded to a privileged producer, under which the authorised contracting party pays the difference between the reference market price and the achieved market price of electricity where the reference price is lower than the achieved market price;

43. “scheduled production” shall mean the planned quantity of electricity contained in the final daily schedule in accordance with the Rules on Registration for Participation in the Electricity Market and Regulation of the Bilateral Contract Market;

44. “privileged producer” shall mean a producer of energy from renewable sources to whom, in a procedure based on the principles of objectivity, transparency and non-discrimination in accordance with this Law and the regulations governing State aid control, a support measure has been awarded;

45. “floating system” shall mean a photovoltaic installation erected on a water surface (on a lake, reservoir or other body of water) for the purpose of producing electricity from renewable sources, which does not interfere with the aquatic ecosystem or the purpose for which the water surface is used;

46. “feed-in tariff” shall mean a support measure awarded to a privileged producer, for a small power plant or a demonstration project, in the form of a guaranteed amount at which the electricity produced by the privileged producer is purchased;

47. “achieved market price” shall mean the price specified in the financial bid of the privileged producer, achieved in a bidding procedure, for which the market premium contract is concluded;

48. “self-consumer of electricity from RES (hereinafter referred to as: self-consumer”) shall mean a final consumer, being a natural or legal person, who produces electricity from renewable sources for own consumption and may store or sell the energy from RES produced by that self-consumer, provided that, where the self-consumer is a legal person, the production, storage and sale of electricity shall not constitute its primary activity;

49. “just transition” shall mean a planned and managed process of transition towards a climate-neutral economy, which ensures the alignment of economic, social and environmental objectives through the creation and maintenance of jobs, support for local self-government units, promotion of sustainable investment and ensuring equal access to the benefits of the transition for all interested and affected parties;

50. “temporary privileged producer of electricity from RES” shall mean a legal entity or producer that has acquired the right to a support measure, with other rights and obligations regulated by the Law on Energy (*) (Official Gazette of the Republic of Macedonia No. 96/18 and Official Gazette of the Republic of North Macedonia Nos. 96/19, 236/22, 134/24 and 147/24);

51. “do no harm“ shall mean the principle according to which economic activities and investments must not cause significant harm to the environment, economic stability

and sustainable development, in accordance with national and international standards;

52. “life-cycle principle for a power plant using RES” shall mean a mandatory approach to the assessment, monitoring and management of environmental and climate impacts throughout the entire life cycle of an energy facility, including the stages of design, manufacture and procurement of materials and equipment, construction, operation, maintenance, reconstruction, decommissioning, waste management, and reuse or recycling of materials;

53. “producer of energy from renewable sources” shall mean a natural or legal person that produces electricity or another form of energy from renewable sources;

54. “pumped-storage hydropower plant” shall mean a structure, i.e. an energy facility, enabling the storage and production of electricity and consisting of two reservoirs located at different elevations, where water is pumped during filling or discharged during the production of electricity;

55. “reversible pumped-storage hydropower plant” shall mean a structure, i.e. an energy facility, enabling the storage and production of electricity through reversible units capable of operating in both pumping and turbine-generator modes;

56. “reconstructed or renovated RES power plant” shall mean a power plant that has been in operation for at least 20 years, or a hydropower plant that has been in operation for at least 30 years, in which, based on an assessment by an authorised person, funds have been invested in reconstruction in an amount exceeding 80 % of the estimated cost required for the construction of a new power plant at the same location and with the same capacity, or a biogas power plant that has been in operation for at least 10 years and in which, based on an assessment by an authorised person, funds have been invested in reconstruction in an amount exceeding 70 % of the estimated cost required for the construction of a new power plant at the same location;

57. “reference market price” shall mean the price calculated on the basis of the hourly day-ahead electricity prices on the organised electricity market in the Republic of North Macedonia for bilateral contracts (hereinafter referred to as: “EMO”), in accordance with this Law;

58. “electricity supplier’s residual mix” shall mean the structure of the electricity sold by an electricity supplier to its final consumers which has not been substantiated by activated guarantees of origin for electricity;

59. “sharing of energy from renewable sources” shall mean the use and allocation of electricity from renewable sources for own consumption among active consumers, where the energy is produced or stored outside the facility, i.e. consumption point, or at a shared consumption point, through energy facilities owned or leased by them or for which the right of use has been transferred to them by another active consumer, with or without remuneration;

60. “statistical transfer” shall mean a mechanism whereby the quantity of energy from renewable sources agreed between two or more countries is statistically transferred from one country to another;

61. “guarantees of origin issuing body of another country” shall mean the authority responsible for maintaining the register of guarantees of origin for electricity produced from RES in a Member State of the European Union or in a Contracting Party to the Energy Community, as well as in a third country with which the European Union or the Energy Community has concluded a bilateral agreement on the mutual recognition of guarantees of origin, and which body is a member of the Association of Issuing Bodies (AIB) and/or a contracting party with which a bilateral agreement on the mutual recognition of guarantees of origin has been concluded;

62. “third country” shall mean a country that is neither a Member State of the European Union nor a Contracting Party to the Energy Community;

63. “district heating or district cooling” shall mean the distribution of thermal energy in the form of steam, hot water or chilled liquids, from central or decentralised sources of production through a network to multiple buildings or sites, for the use of space or process heating or cooling; and

64. “forest biomass” means biomass produced from forestry.

(2) Terms used in this Law which are not defined in paragraph (1) of this Article shall have the meaning assigned to them by the Law on Energy (*) and the Law on Energy Efficiency (*).

CHAPTER II. RES POLICY AND TYPES OF POWER PLANTS USING RES

Binding National Targets

Article 5

The binding national targets for specified periods arising from the international agreements ratified by the Republic and aligned with the national strategic and planning documents forming part of the energy policy of the Republic regulated by the Law on Energy (*), which are calculated in accordance with this Law and the regulations adopted pursuant to this Law, shall be set out in the Integrated National Energy and Climate Plan.

Calculation of the RES Share

Article 6

(1) The share of energy produced from renewable sources in the gross final consumption of energy shall be calculated as the sum of:

1. gross final consumption of electricity from renewable sources;

2. gross final consumption of energy from renewable sources in the heating and cooling sector; and

3. gross final consumption of energy from renewable sources in the transport sector.

(2) The Minister of Energy, Mining and Mineral Resources (hereinafter referred to as: the Minister) shall, by means of a Rulebook on the Method of Calculating the Share of Energy Produced from Renewable Sources in Gross Final Consumption of Energy, prescribe:

1. the method of calculating the share of energy from renewable sources in the gross final consumption of energy;

2. the method of calculating the gross final consumption of energy from renewable sources;

3. the method of calculating the gross final consumption of energy from renewable sources in the heating and cooling sector;

4. the method of calculating the gross final consumption of energy in the transport sector;

5. the method of calculating the energy produced by hydroelectric power plants and wind power plants;

6. the method of calculating the impact of biofuels, bioliquids and comparable biofuels on greenhouse gas emissions; and

7. the method of calculating the amount of energy produced by heat pumps.

Measurement of Wind Energy Potential

Article 7

(1) The wind potential for the purposes of planning, development and construction of power plants using wind energy that are included in the Annual Plan for Construction of Energy Facilities shall be determined on the basis of direct measurements and/or analyses and meteorological data, models and other relevant data.

(2) Direct measurements of wind energy potential referred to in paragraph (1) of this Article shall be carried out on the basis of an issued measurement permit (hereinafter referred to as: the permit).

(3) For the issuance of the permit, the legal entity referred to in paragraph (4) of this Article shall submit an application to the Ministry, accompanied by the following documentation:

1. a notification confirming that it is included in the ranking list of accepted initiatives forming part of the Annual Plan for Construction of Energy Facilities;

2. a preliminary analysis prepared on the basis of the expected measurement results, presenting the basic data on the wind power plant; and

3. consent to the construction conditions issued by the Civil Aviation Agency.

(4) The permit referred to in paragraph (2) of this Article shall be issued by the Ministry of Energy, Mining and Mineral Resources (hereinafter referred to as: the Ministry) to a domestic or foreign legal entity with a branch registered in the Central Registry of the Republic of North Macedonia, for a period of one year from the date of issuance of the permit.

(5) The Minister shall issue a permit to a legal entity that meets the requirements for obtaining a permit laid down in this Law, the regulations adopted pursuant to this Law and the Law on Energy (*) within 30 days from the date of submission of the application.

(6) If the applicant does not meet the requirements for obtaining a permit, the Minister shall, within the period referred to in paragraph (5) of this Article, adopt a decision rejecting the application.

(7) The assessment of wind potential may also be carried out in accordance with IEC 61400-50-1 for meteorological measurement masts (met masts), IEC 61400-50-2 for ground-based LiDAR/SODAR systems, IEC 61400-15-1 for site suitability and long-term assessment, the MEASNET Evaluation of Site-Specific Wind Conditions for wind potential assessment suitable for securing project financing, calibration in accordance with ISO/IEC 17025 and MEASNET, and other internationally recognised standards and methodologies.

(8) The data and models used for the assessment of wind potential shall be technically verified and fit for purpose.

(9) The data and models referred to in paragraph (8) of this Article may be used independently or in combination with direct measurements for:

1. assessment of wind potential;
2. selection, comparison and ranking of sites;
3. preparation of energy, technical and economic analyses; and
4. preparation of project documentation for power plants.

(10) The application referred to in paragraph (3) of this Article can also be submitted electronically using electronic identification means through the National e-Services Portal or through an administrative services intermediary in accordance with the regulations governing electronic governance and electronic services and the regulations governing electronic documents, electronic identification and trust services.

(11) In the event of a technical interruption of the National e-Services Portal or the National Interoperability Platform, the application referred to in paragraph (3) of this Article can also be submitted in the form of an electronic document by means of qualified electronic registered delivery to the applicant's electronic address, in accordance with the regulations governing electronic governance and electronic services and the regulations governing electronic documents, electronic identification and trust services.

(12) The permit referred to in paragraph (5) of this Article and the decision referred to in paragraph (6) of this Article can also be issued as an electronic document, which shall be delivered to the user's profile on the National e-Services Portal or through a one-stop service point in accordance with the law.

(13) An administrative dispute can be initiated before the competent court against the decision referred to in paragraph (6) of this Article.

(14) The form and content of the application referred to in paragraph (3) of this Article, the type of equipment, the number of measurement masts per area, the list of permitted data sources, the models and software tools for assessing wind potential, as well as the manner of their application, verification and updating, and the form and content of the permit referred to in paragraph (2) of this Article shall be prescribed by the Minister by means of a Rulebook on the Measurement of Wind Energy Potential.

Submission of Measurement Results and Collection of Data on Wind Energy Potential

Article 8

(1) The legal entity holding the permit referred to in Article 7 paragraph (2) of this Law shall submit the measurement results to the Ministry no later than the 15th day of the current month for the preceding month, throughout the period for which the permit has been issued.

(2) If a legal entity fails to submit the results referred to in paragraph (1) of this Article twice during the period for which the permit has been issued, the Minister shall, by means of a decision, revoke the measurement permit. The decision shall be adopted on the first working day following the expiry of the deadline specified for submission.

(3) The decision referred to in paragraph (2) of this Article can also be issued as an electronic document, which shall be delivered to the user's profile on the National e-Services Portal or through a one-stop service point in accordance with the law.

(4) Upon expiry of the period for which the permit has been issued, the permit holder shall be obliged to continue with the implementation of the construction of the power plant included in the Annual Plan for Construction of Energy Facilities, for which the permit was issued.

(5) If, upon expiry of the period for which the permit has been issued, the legal entity does not continue with the implementation of the project referred to in paragraph (4) of this Article, it shall lose the right to be included in the Annual Plan for Construction of Energy Facilities, and the measurement results submitted shall become the property of the Ministry.

(6) A legal entity included in the Annual Plan for Construction of Energy Facilities that has been issued a permit and fails to implement the project in accordance with the Law on Energy (*), shall lose the right to be issued a new permit.

Types of Power Plants Using RES

Article 9

Power plants using RES for the generation of electricity shall include:

1. hydroelectric power plants;

2. wind power plants;

3. photovoltaic power plants;

4. biomass thermal power plants;

5. biogas thermal power plants;

6. geothermal power plants;

7. power plants using other RES (biodegradable waste, landfill gas, gas from wastewater treatment plants); and

8. pumped-storage hydroelectric power plants and energy storage systems (production of

gas from electricity, production of hydrogen from electricity, etc.), only in respect of the portion of electricity generated that is reduced by the energy used in charging or pumping mode, or by the energy used for the production of hydrogen from electricity.

CHAPTER III.

SUPPORT MEASURES

Types and Purpose of Support Measures

Article 10

(1) The Ministry shall, through an open, transparent, competitive, non-discriminatory and market-based procedure, in accordance with this Law and the regulations adopted pursuant to this Law, award the following support measures: feed-in tariff and market premium.

(2) The support measures referred to in paragraph (1) of this Article shall aim to:

1. enable the integration of electricity from renewable sources into the electricity market on a market-based basis, without distorting the market and taking into account the costs required for the integration of electricity from renewable sources;

2. achieve the binding national targets;

3. ensure the stability of the electricity system; and

4. ensure compliance with environmental protection measures.

(3) The support measure referred to in paragraph (1) of this Article shall be awarded through a public call or a public bidding procedure – auction, for the entire or part of the installed capacity of a power plant using RES.

(4) A privileged producer of a power plant using RES, or of part of its installed capacity, shall be entitled to one type of support measure.

(5) A privileged producer using a support measure for a power plant or part of its installed capacity, who has used or terminated the contract for awarding a support measure, shall not be entitled to yet another support measure under this Law.

Security of Support Measures

Article 11

(1) The support measure shall be used in accordance with this Law and the conditions laid down in the decision referred to in Article 27 paragraph (6) and Article 37 paragraph (2) of this Law.

(2) The conditions referred to in paragraph (1) of this Article shall be predictable and stable, with no possibility of frequent and less favourable amendments for privileged producers.

(3) Where the conditions laid down in a decision referred to in paragraph (1) of this Article permit an amendment to the support measure, such amendment shall not adversely affect the

acquired rights to use the support measure and shall not jeopardise the economic viability of the projects.

Three-Year Plan and Determination of Quotas for Awarding Support Measures

Article 12

(1) In order to achieve the binding national targets referred to in Article 5 of this Law, where their achievement is not in line with the indicative trajectory established in the Integrated National Energy and Climate Plan, the Ministry shall, based on the identified deviation, prepare a draft three-year plan for the introduction of support measures.

(2) The Ministry shall prepare the draft three-year plan referred to in paragraph (1) of this Article based on an assessment of the long-term impact of the support measures and the need to introduce the support measures referred to in Article 13 paragraph (1) of this Law, as well as on the basis of public consultations conducted with the ministry responsible for environmental protection and spatial planning, no later than 30 June of the current year. Public consultations shall be conducted with the participation of experts in the relevant field, interested civil society organisations, and other competent institutions and bodies. Following completion of the consultations, the Ministry shall prepare a report containing a summary of the consultation process conducted.

(3) The Minister shall adopt the three-year plan for the introduction of support measures (hereinafter referred to as: the Three-Year Plan) no later than 31 December.

(4) The Three-Year Plan referred to in paragraph (3) of this Article shall contain:

1. the indicative timing, i.e. the timetable for the introduction of support measures for each year;

2. the timeframe, i.e. the planning or schedule for conducting a public call or auction;

3. the expected capacity and financial resources, i.e. the maximum support expected to be awarded; and

4. the expected technologies for which a support measure is to be awarded.

(5) In accordance with the Three-Year Plan referred to in paragraph (3) of this Article, and upon a proposal from the Ministry, the Government shall, no later than 31 January, adopt a decision determining the annual quotas for a support measure or quotas for individual support measures, the types of production technologies and the installed capacity separately for each technology for the current year.

(6) The quotas referred to in paragraph (5) of this Article shall be determined in a manner that ensures the availability, during different periods, of predefined quantities of energy from RES, in accordance with the decarbonisation targets, the expected availability of flexible resources and the security of the electricity system, at the lowest cost to the final consumer, while also taking into account the contribution to achieving the decarbonisation targets through other measures in accordance with the law.

(7) Unallocated annual quotas referred to in paragraph (5) of this Article may be transferred

to the quota for the next public call, the next auction or the following year.

(8) For the transfer of the quota referred to in paragraph (7) of this Article, the Government shall, upon a proposal from the Ministry, adopt a decision on awarding the unallocated quotas.

(9) The Three-Year Plan shall be published on the Ministry's website.

(10) Regarding the utilisation and effects of the support measures awarded pursuant to paragraphs (5) and (7) of this Article, and the applications submitted for the extension of the support measure referred to in Article 16 paragraph (3) of this Law, the Ministry shall, by 31 March of the current year, submit to the Government an annual report for the preceding year for information purposes, and shall also publish the report on its website.

Assessment of the Long-Term Impact of Support Measures

Article 13

(1) In accordance with the Integrated National Energy and Climate Plan, the Action Plan for the Implementation of the Integrated National Energy and Climate Plan, the annual plans for the construction of energy facilities, and the data from the annual reports referred to in Article 12 paragraph (10) of this Law, the Ministry shall, no later than 30 June of the third year following the adoption of the Three-Year Plan referred to in Article 12 paragraph (3) of this Law, prepare an assessment of the long-term impact of the support measures and the need to introduce support measures for the following three years, and shall submit it to the Government for information purposes.

(2) The need to introduce support measures for the following three years shall be determined when preparing the assessment referred to in paragraph (1) of this Article, based on the achievement of the binding national targets, the implementation of the indicative trajectory set out in the Integrated National Energy and Climate Plan, and the initiatives submitted for the construction of energy facilities during the current year in accordance with the Law on Energy (*).

Technical Compliance and Certification of Equipment and Systems for Renewable Energy

Article 14

(1) Equipment and systems for the production, distribution and transmission of energy from renewable sources may benefit from a support measure provided they are certified in accordance with national standards and European standards for RES.

(2) As an exception from paragraph (1) of this Article, uncertified equipment and systems for the production, distribution and transmission of energy from renewable sources may benefit from a support measure provided they comply with the technical specifications prescribed by the Minister in accordance with national standards and European standards for RES that guarantee safety, quality and compliance and that are mandatory for a particular type of equipment or system, with the aim of preventing them from obstructing the proper functioning and free movement of goods in the internal market.

Awarding Support Measures for Power Plants Using RES

Article 15

(1) The support measures referred to in Article 10 paragraph (1) of this Law shall be awarded to power plants included in the Annual Plan for Construction of Energy Facilities adopted in accordance with the Law on Energy (*), which use renewable sources for energy production, namely the following RES:

1. solar energy;

2. wind energy;

3. hydro energy;

4. geothermal energy;

5. biomass energy;

6. landfill gas energy;

7. gas from wastewater treatment plants; and

8. biogas energy.

(2) Support measures shall not be awarded for:

1, power plants under construction or existing power plants;

2. electricity generation in reversible hydroelectric power plants operating in pumping mode;

3. energy consumed in energy storage facilities and electricity stored by standalone energy storage facilities; and

4. electricity taken from the grid and subsequently stored and injected by energy storage facilities.

(3) As an exception from paragraph (2) of this Article, a support measure may be awarded for the increased capacity of existing power plants that have undergone reconstruction.

Duration of Support Measures

Article 16

(1) A support measure shall be awarded for a period of 10 years, with the possibility of extension for a maximum of five years.

(2) The payment period for the support measure referred to in paragraph (1) of this Article shall commence on the date of the first payment of the feed-in tariff or market premium, as determined by the feed-in tariff contract or market premium contract, respectively.

(3) In order to extend the support measure, the beneficiary shall submit an application to the Ministry no later than six months before the expiry of the period referred to in paragraph (1) of this Article.

(4) Taking into account the achievement of the objectives, financial viability, implementation of activities and results achieved, the Ministry shall, within 30 days of submission of the application referred to in paragraph (2) of this Article, conduct an assessment of the effectiveness and sustainability of the support measures.

(5) Following the assessment referred to in paragraph (4) of this Article, the Ministry shall prepare a report containing a proposal for the extension of the support measure for a specified period and submit it to the Commission for the Protection of Competition.

(6) Within 15 days from the date of submission of the proposal referred to in paragraph (5) of this Article, the Commission for the Protection of Competition shall issue an opinion on the proposal in accordance with the regulations governing state aid.

(7) With regard to the proposal referred to in paragraph (6) of this Article, on which the Commission for the Protection of Competition has issued a positive opinion, the Government shall adopt a decision on the extension of the support measure.

(8) The funds for the extension of the support measure referred to in paragraph (7) of this Article shall be provided from the Budget of the Republic of North Macedonia and from other sources specified by this Law.

(9) The form and content of the application referred to in paragraph (3) of this Article shall be prescribed by the Minister.

Guarantee for Participation in the Procedure for Obtaining a Support Measure

Article 17

(1) To participate in a procedure for obtaining the right to use a support measure in accordance with the provisions of this Law, a guarantee shall be submitted as a security instrument to ensure the seriousness of the bid, in the form of a bank guarantee, expressed in euros per MW of installed capacity of a power plant using RES.

(2) Bids submitted without a guarantee shall be rejected as inadmissible.

(3) The guarantee referred to in paragraph (1) of this Article shall be non-transferable, irrevocable and unconditional, issued in favour of the Ministry, without the right to raise objections, payable upon first demand, and issued by a commercial bank registered and operating in the Republic in accordance with the law. It shall remain valid for participants in the procedure at least until completion of the public call, and for privileged producers until expiry of the period for which the support measure has been awarded, excluding events caused by force majeure.

(4) The guarantee referred to in paragraph (1) of this Article shall not be required for a power plant using RES whose construction is financed from the Budget of the Republic of North Macedonia or from a loan guaranteed by the Republic.

(5) The form, content, amount, conditions for enforcement, amendment and return of the guarantee referred to in paragraph (1) of this Article shall be prescribed by the Minister by means of a Rulebook on Guarantees for Participation in the Procedure for Obtaining a Support Measure.

Authorised Contracting Party

Article 18

(1) The rights and obligations of the authorised contracting party for the feed-in tariff support measure established by this Law shall be exercised by the EMO.

(2) The EMO shall conclude contracts with the beneficiaries of support measures for:

1. the purchase of electricity from privileged producers benefiting from a feed-in tariff; and

2. assuming balancing responsibility for the production of privileged producers benefiting from a feed-in tariff.

(3) The Government shall, upon a proposal from the Ministry, designate an authorised contracting party for the market premium support measure.

(4) The manner of selection and designation of the authorised contracting party referred to in paragraph (3) of this Article, as well as the manner of changing the designated authorised contracting party, shall be regulated by a regulation adopted by the Government upon a proposal from the Ministry.

Assumption of Balancing Responsibility

Article 19

(1) Producers shall forecast the electricity production of power plants using RES in accordance with the Rules on Registration for Participation in the Electricity Market and Regulation of the Bilateral Contract Market and the Rules on the Balancing Energy Market, pursuant to the Law on Energy (*).

(2) The EMO/the authorised contracting party shall assume balancing responsibility for the production of privileged producers.

Privileged Producer

Article 20

(1) A privileged producer shall acquire the right to use a support measure in accordance with the provisions of this Law and the regulations adopted pursuant to this Law.

(2) The right to use a support measure shall be acquired through a procedure based on the principles of objectivity, transparency and non-discrimination.

(3) The status of privileged producer shall be acquired by means of a decision adopted by the Minister.

Transfer of the Status of Privileged Producer

Article 21

(1) The status of privileged producer may be transferred to another energy entity in the

event of a change of ownership or a change in the legal status of the project holder, provided that the power facility continues to operate without any change to the installed capacity, technology, location or other technical characteristics on the basis of which the status was acquired.

(2) The status referred to in paragraph (1) of this Article shall be transferred on the basis of a valid licence for carrying out the energy activity of electricity generation or on the basis of the transfer of the existing licence in accordance with the law.

(3) To transfer the status of privileged producer referred to in paragraph (1) of this Article, an application shall be submitted, accompanied by the following documentation:

1. proof of the legal status of the existing and the new energy entity;

2. proof of the legal basis for the transfer;

3. data and documentation concerning the power facility, including its technical characteristics;

4. proof of connection of the power installation to the transmission or distribution network;

5. a notarised statement confirming that no changes have been made to the installed capacity, technology, location or other technical characteristics of the facility;

6. proof of possession of an appropriate licence for carrying out an energy activity or an instrument for the transfer of the existing licence;

7. an electricity purchase agreement;

8. permits and consents issued by the competent authorities; and

9. a certificate from the transmission system operator or distribution system operator confirming the connection and technical compliance of the facility.

(4) Within 30 days from the date of submission of the application referred to in paragraph (3) of this Article, the Minister shall issue a decision on the transfer of the status of privileged producer to the applicant that meets the requirements laid down in this Law and the regulations adopted pursuant to this Law.

(5) Where the documentation referred to in paragraph (3) of this Article is incomplete, the Ministry shall notify the applicant and set a period of eight days for completion of the documentation.

(6) If the applicant fails to complete the documentation within the period referred to in paragraph (5) of this Article, the Ministry shall adopt a decision rejecting the application, whereas if the documentation is completed, the Ministry shall, within the period referred to in paragraph (4) of this Article, issue a decision on the transfer of the status of privileged producer.

(7) The application and the documentation referred to in paragraph (3) of this Article can also be submitted electronically using electronic identification means through the National e-Services Portal or through an administrative services intermediary in accordance with the

regulations governing electronic governance and electronic services and the regulations governing electronic documents, electronic identification and trust services.

(8) In the event of a technical interruption of the National e-Services Portal or the National Interoperability Platform, the application and the documentation referred to in paragraph (3) of this Article can also be submitted in the form of an electronic document by means of qualified electronic registered delivery to the applicant's electronic address, in accordance with the regulations governing electronic governance and electronic services and the regulations governing electronic documents, electronic identification and trust services.

(9) The decision referred to in paragraphs (4) and (6) of this Article can also be issued as an electronic document, which shall be delivered to the user's profile on the National e-Services Portal or through a one-stop service point in accordance with the law.

(10) An administrative dispute can be initiated before the competent court against the decision referred to in paragraph (9) of this Article rejecting the application.

(11) The Minister shall prescribe, by means of a rulebook, the form and content of the application and the type of documentation referred to in paragraph (3) of this Article.

Termination of the Status of Privileged Producer

Article 22

(1) The status of privileged producer shall terminate upon expiry of the period for which the support measure has been awarded.

(2) The status of privileged producer shall also terminate if:

1. the decision granting the status was adopted on the basis of false, inaccurate or incomplete data;

2. the technical and technological characteristics of the energy facility have been altered as a result of improper or inadequate maintenance, thereby affecting the conditions on the basis of which the status was acquired;

3. the entity fails to fulfil the obligations or conditions laid down in this Law or the regulations adopted pursuant to this Law;

4. its licence to carry out an energy activity has expired or has been revoked in accordance with the Law on Energy (*).

(3) If any of the grounds for termination of the status of privileged producer referred to in paragraph (2) of this Article arises, the Ministry shall, ex officio or upon a proposal by another competent authority, on the basis of facts established in writing, adopt a decision terminating the status of privileged producer.

(4) An administrative dispute can be initiated before the competent court against the decision referred to in paragraph (3) of this Article.

Commission for Conducting the Procedure for Awarding a Support Measure

Article 23

(1) For the purpose of conducting procedures for awarding support measures, the Minister shall establish a Commission (hereinafter referred to as: the Commission), comprising a chairperson and four members and their alternates, of whom three members and their alternates shall be appointed from among the employees of the Ministry and two members and their alternates from among the employees of the General Secretariat of the Government. The chairperson of the Commission shall be a member appointed from among the employees of the Ministry.

(2) The members of the Commission referred to in paragraph (1) of this Article shall be persons who have obtained at least 240 ECTS credits or completed VII/1 level of education and have at least five years of professional experience in the field of energy and/or public procurement.

(3) In the procedure for awarding the feed-in tariff support measure, the Commission shall perform the following tasks:

1. open and record the applications received;

2. verify the completeness and eligibility of the applications;

3. evaluate the applications in accordance with the conditions laid down in Article 28 of this Law; and

4. prepare a report containing a proposal for the selection of the most advantageous bidders.

(4) In the auction procedure, the Commission shall perform the following tasks:

1. opening the bids;

2. verifying the eligibility of the bidders;

3. verifying the bids with regard to their compliance and fulfilment of the conditions laid down in the public call and tender documentation; and

4. evaluating the bids and drawing up a ranking list of bidders.

(5) The chairperson and the members of the Commission shall not have any direct or indirect interests which, during the work of the Commission, may result in a conflict with their personal or business interests.

(6) In the event of a suspicion or existence of a conflict of interest in accordance with the law governing the prevention of corruption and conflict of interest, the chairperson and the members of the Commission shall be obliged to inform the Ministry.

(7) Within five days from the date on which the conflict of interest referred to in paragraph (6) of this Article is established, the Ministry shall appoint another chairperson or member of the Commission, as applicable.

(8) Members of the Commission conducting the auction shall be entitled to a monthly

remuneration for the work performed, in the amount of one tenth of the average monthly net salary paid in the Republic in the preceding year, as published by the State Statistical Office. The remuneration shall be paid for the months in which the auction is conducted. The funds for the remuneration shall be provided from the Budget of the Republic of North Macedonia.

Register of Privileged Electricity Producers

Article 24

(1) The Ministry shall maintain a register in electronic form and publish on its website an updated record of privileged producers containing data on:

1. privileged electricity producers using the feed-in tariff support measure;
2. active privileged producers;
3. the status of concluded support measure contracts; and
4. temporary privileged producers.

(2) The form, content and manner of maintaining the register referred to in paragraph (1) of this Article shall be prescribed by the Minister by means of a rulebook.

Compensation in the Event of Curtailment of Delivery by the System Operator

Article 25

(1) A privileged producer shall be entitled to compensation for electricity that it could have generated or for generated electricity that was not taken by the system operator due to temporary curtailment of delivery, for the purpose of ensuring the reliable and safe operation of the electricity system.

(2) A privileged producer that has concluded a grid connection contract which does not include guarantees of non-interruptible delivery of energy subject to operational curtailment shall not be entitled to the compensation referred to in paragraph (1) of this Article.

(3) The compensation referred to in paragraph (1) of this Article shall be determined in the Rules for Determining Financial Compensation for Redispatching, Liability for Non-fulfilment of Obligations in the Allocation of Transmission Capacity, which also contain the methodology for calculating the financial consequences of non-market-based redispatching procedures and the manner of compensating for such consequences, in accordance with the Law on Energy (*).

Financing Support Measures from Funds for Supporting the Use of Energy from Renewable Sources

Article 26

(1) Support measures may be financed from a charge paid by final consumers for the use of energy from renewable sources, as well as from the Budget of the Republic of North Macedonia.

(2) The charge for support measures for privileged producers shall consist of a charge for the costs of the feed-in tariff support measure and a charge for the costs of the market premium support measure.

(3) The charge shall be paid by suppliers and traders for notified transactions for final consumption, or by final consumers for notified transactions for their own needs where they do not procure electricity from suppliers or traders registered on the wholesale electricity market.

(4) Suppliers and traders or final consumers referred to in paragraph (3) of this Article shall pay the charge for support measures for privileged producers into a separate designated account opened with the EMO and the authorised contracting party where the EMO has not been designated as the authorised contracting party, based on a monthly invoice issued by the EMO and the authorised contracting party.

(5) Suppliers and traders shall collect the charge for support measures for privileged producers from the consumers with whom they have concluded electricity supply or electricity sales agreements, respectively.

(6) When determining the charge referred to in paragraph (2) of this Article, the costs and revenues incurred by the EMO and the authorised contracting party in implementing the support measure system shall be taken into account.

(7) The funds referred to in paragraph (2) of this Article shall not constitute revenue of the EMO or the authorised contracting party and shall be used exclusively for payments to privileged producers and for covering the costs of implementing the support measures.

(8) The EMO or the authorised contracting party, as applicable, shall maintain a designated account into which the funds shall be paid and from which payments shall be made to privileged producers.

(9) Upon a proposal from the Ministry, the Government may, by decision, determine that part of the funds referred to in paragraph (2) of this Article be used to finance demand-side management and electricity consumption optimisation measures in circumstances of market distortions, increased or volatile prices, system congestion or an increased need for imports, with the aim of reducing consumption during periods of peak demand, encouraging consumption during periods of lower prices and reducing the amount of bills, without distorting competition between electricity suppliers and traders.

(10) The manner of determining, calculating and paying the charge referred to in paragraph (2) of this Article, as well as the manner of collecting and using the funds for support measures, shall be prescribed by the Government upon a proposal from the Ministry.

CHAPTER IV.

FEED-IN TARIFF

Procedure for Awarding a Feed-in Tariff

Article 27

(1) A feed-in tariff shall be awarded to small power plants or demonstration projects

through a procedure conducted by the Ministry in accordance with the quotas determined by the decision on the allocation of annual quotas referred to in Article 12 paragraph (5) of this Law and the decision on the allocation of unallocated annual quotas referred to in Article 12 paragraph (8) of this Law.

(2) The value of the feed-in tariff shall, upon a proposal from the Ministry, be determined by the Government by means of a decision, as a fixed price per kWh for each individual procedure, as a fixed amount per unit of electricity generated (kWh), according to the type of technology, installed capacity, expected generation characteristics and market conditions.

(3) The Ministry shall issue a public call for awarding a feed-in tariff, which shall be published in the Official Gazette of the Republic of North Macedonia and on the Ministry's website.

(4) The public call referred to in paragraph (3) of this Article shall remain open for 30 days from the date of its publication in the Official Gazette of the Republic of North Macedonia and shall contain:

1. the available quota, types of eligible technologies, maximum installed capacity of qualifying power plants and the feed-in tariff applicable under the procedure;

2. the deadline and manner of submission of the guarantee referred to in Article 17 of this Law;

3. the deadline and manner of submission of the environmental protection financial security referred to in Article 76 of this Law;

4. the conditions for participation and eligibility requirements and the required documentation;

5. the deadlines for conducting the procedure;

6. the manner of participation and submission of applications;

7. other information required for the procedure in accordance with this Law and the regulations adopted pursuant to this Law; and

8. the value of the feed-in tariff determined by the decision referred to in paragraph (2) of this Article.

(5) The Commission referred to in Article 23 of this Law shall, within 15 days from the date of completion of the public call, prepare a report containing a proposal for the selection of the most advantageous bidders and submit it to the Minister.

(6) Within 15 days following submission of the report and proposal referred to in paragraph (5) of this Article, the Minister shall adopt a decision on awarding the feed-in tariff support measure, which shall be published on the Ministry's website.

(7) The feed-in tariff shall be calculated and paid on a monthly basis.

(8) Where the procedure for awarding a feed-in tariff is conducted for a predetermined location for which the lease of state-owned land or the use of natural resources is required, the

most advantageous bidder shall carry out the lease or use in accordance with the law governing the lease of state-owned land or the use of natural resources.

Conditions for Awarding a Feed-in Tariff

Article 28

(1) The feed-in tariff shall be awarded through a transparent, non-discriminatory and competitive procedure, applying the following conditions:

1. the technical capacity and feasibility of the project, including the suitability of the proposed technology, assessed on the basis of the project's stage of development, degree of technical elaboration, selection and suitability of the technology, possibility of connection to infrastructure, and feasibility of completing the planned construction and commissioning within the prescribed deadlines;

2. the economic and financial capacity of the applicant to complete the construction and operate the power plant;

3. the impact on the stability and security of the grid and supply to final consumers, taking into account the location of the power plant and the possibility of connecting it to the grid;

4. compliance with environmental protection measures, for which an opinion shall be obtained from the ministry responsible for environmental protection and spatial planning;

5. connection of the power plant to the grid;

6. the energy efficiency of the power plant, taking into account the generation technology and the technical compliance and certification of equipment and systems; and

7. the use of primary energy sources.

(2) Within five working days from the date of publication of the decision referred to in Article 27 paragraph (6) of this Law, the Minister shall issue the successful bidder awarded the feed-in tariff a decision granting the status of privileged producer benefiting from a feed-in tariff and shall enter the producer in the register referred to in Article 24 of this Law.

(3) The manner of conducting the procedure for awarding a feed-in tariff, the conditions for participation, the manner of submitting bids, qualification, selection and publication of the procedure for awarding a feed-in tariff shall, upon a proposal from the Ministry, be regulated by the Government by means of a regulation.

Feed-in Tariff Contract

Article 29

(1) Any privileged producer benefiting from a feed-in tariff can, for the duration of the support measure, conclude a feed-in tariff contract with the EMO, under which it shall acquire the right to the purchase of all electricity generated and the EMO shall assume balancing

responsibility.

(2) The contract referred to in paragraph (1) of this Article shall be concluded within 30 days from the adoption of the decision referred to in Article 28 paragraph (2) of this Law.

(3) During the period for which the feed-in tariff contract has been concluded, the value of the feed-in tariff specified in the public call referred to in Article 27 paragraph (4) point 8 of this Law and in the decision referred to in Article 27 paragraph (6) of this Law shall not be changed.

(4) The feed-in tariff contract referred to in paragraph (1) of this Article shall, in particular, contain:

1. information on the contracting parties and the subject matter of the contract;
2. the generation technology and approved capacity of the privileged producer's power plant;
3. the point of delivery of the energy to the system;
4. the rights and obligations of the contracting parties;
5. the place and method of metering;
6. the feed-in tariff rate;
7. instruments for securing the contractual obligations;
8. the obligations of the EMO/the authorised contracting party with regard to assuming balancing responsibility;
9. the obligations of the privileged producer with regard to planning the operation of the power plant;
10. the date on which payment of the feed-in tariff commences;
11. grounds for termination of the contract;
12. methods for dispute resolution; and
13. other elements relevant to the contract.

(5) The feed-in tariff contract referred to in paragraph (1) of this Article shall, upon a proposal from the Ministry, be approved by the Government.

(6) The rights and obligations of the contracting parties established by the concluded feed-in tariff contract referred to in paragraph (1) of this Article shall take effect from the date of signing of the contract.

Purchase and Sale of Electricity from Privileged Producers Benefiting from a Feed-in Tariff

Article 30

(1) The EMO shall purchase electricity from a privileged producer benefiting from a feed-in tariff in accordance with the feed-in tariff contract referred to in Article 29 of this Law and the Rules on Registration for Participation in the Electricity Market and Regulation of the Bilateral Contract Market adopted pursuant to the Law on Energy (*).

(2) The EMO's costs for purchasing electricity generated by privileged producers benefiting from a feed-in tariff and the costs of balancing payable to the transmission system operator shall be covered from the electricity sold referred to in paragraph (1) of this Article and from the charge for support measures referred to in Article 26 paragraph (2) of this Law.

CHAPTER V.

MARKET PREMIUM

Market Premium

Article 31

(1) An electricity producer can obtain the market premium support measure through an auction procedure conducted in accordance with this Law.

(2) The producer referred to in paragraph (1) of this Article can obtain a market premium for the entire or part of the installed capacity of the power plant.

(3) A market premium shall not be awarded to a small power plant or demonstration project.

(4) The minimum percentage of the installed capacity of the power plant for which a market premium is awarded shall be determined by the Ministry in the public call.

(5) Where a market premium has been awarded for part of the capacity of a power plant, the quantity of electricity for which the market premium is paid shall be determined by applying the approved percentage of the capacity to the total electricity generated and delivered to the electricity system at the connection point, expressed in MWh.

Determination of Maximum Prices for the Purposes of Market Premium Auctions

Article 32

(1) The maximum price that may be offered in an auction for awarding a market premium, separately for each auction, shall be determined by a methodology for determining the maximum price for a market premium auction, developed in accordance with the following criteria:

1. investment costs for the construction of the power plant using RES;
2. operating costs of the power plant using RES;
3. discount rate;
4. operating lifetime of the power plant using RES;

5. capacity factor of the power plant using RES;

6. duration of the support measures;

7. planned annual electricity generation by the power plant using RES; and

8. the projected purchase price of electricity from the power plant using RES on the reference exchange.

(2) The methodology referred to in paragraph (1) of this Article shall be prescribed by the Minister and published on the Ministry's website.

Auctions for Market Premiums

Article 33

(1) In accordance with the quotas determined by the decision on the determination of annual quotas referred to in Article 12 paragraph (5) of this Law and/or the decision on the allocation of unallocated quotas referred to in Article 12 paragraph (8) of this Law, the Ministry shall issue a public call for the organisation of an auction for awarding market premiums (hereinafter referred to as: the auction).

(2) The auction referred to in paragraph (1) of this Article may be conducted for specific geographical areas and/or for one or more types of power plant technologies using renewable energy sources, depending on the possibilities for connection and the impact on the stability of the electricity system.

(3) Investors whose projects are included in the Annual Plan for the Construction of Energy Facilities in accordance with the Law on Energy (*) can participate in the auction.

(4) The auction shall be conducted in the following stages: qualification, bidding and awarding the market premium.

(5) To participate in the auctions, the investor referred to in paragraph (2) of this Article shall submit an application electronically through a publicly accessible platform or the National e-Services Portal, in accordance with the regulations governing electronic governance and electronic services, as well as electronic documents, electronic identification and trust services, as specified in the public call for each auction.

(6) The Government shall, upon a proposal from the Ministry, prescribe in greater detail by a Regulation on the Market Premium Support Measure:

1. the manner of conducting auctions;

2. the content and form of bids;

3. the manner of safeguarding the confidentiality of the bid until its opening;

4. the time of opening of bids;

5. the publication and form of decisions in the auction procedure;

6. the manner of determining compliance with the criteria that must be included in the conduct of the auction;

7. rules for the publication of the auction;

8. the deadlines for conducting the auction;

9. the criteria for evaluating the documentation submitted;

10. the market premium contract sample;

11. the manner of filling the quota and expanding the quota where the remaining quota is smaller than the capacity offered by the applicants; and

12. the ranking of bids in auctions for unspecified locations.

Commencement of the Auction

Article 34

(1) The auction procedure shall commence with the publication of the public call referred to in Article 33 paragraph (1) of this Law, which shall contain:

1. information on the manner of submitting the documentation;

2. the power plants eligible to participate as bidders;

3. the available quotas by type of power plant and installed capacity of the power plant using RES;

4. the maximum electricity price that a bidder may offer at the auction;

5. the manner and form of applying for participation in the auction;

6. the documents to be submitted with the application for participation in the auction;

7. the eligibility criteria for bidders at the auction;

8. the eligibility conditions and bidding rules for the auction in accordance with this Law and the by-laws adopted pursuant to this Law;

9. the deadlines for the procedure;

10. the conditions and manner of providing a bank guarantee;

11. information on legal remedies available in the auction procedure;

12. the minimum bid capacity per project;

13. restrictions on related bidders and projects; and

14. the technical compliance and certification of equipment and systems for energy

from renewable sources.

(2) The public call shall be published in the Official Gazette of the Republic of North Macedonia and on the Ministry's website and shall remain open for 15 days from the date of its publication in the Official Gazette of the Republic of North Macedonia.

(3) The Ministry shall publish the auction in accordance with the Regulation referred to in Article 33 paragraph (6) of this Law.

Qualification Stage

Article 35

(1) In the qualification stage, the Commission referred to in Article 23 of this Law shall determine the bidders that meet the following participation criteria:

1. the energy facility must be included in the Annual Plan for the Construction of Energy Facilities in accordance with the Law on Energy (*); and

2. a bank guarantee for participation in the procedures must have been submitted.

(2) Bidders participating in the auction that do not meet these conditions shall be rejected.

(3) For the purpose of determining eligibility for awarding market premiums, the Commission referred to in paragraph (1) of this Article shall keep minutes, which shall be signed by the Chairperson and the members of the Commission.

Bidding Stage

Article 36

(1) In the bidding stage, the bidders qualified in accordance with Article 35 of this Law shall have the right to submit bids until the auction quota is filled, based on the criterion of the lowest bid price.

(2) Following completion of the bidding referred to in paragraph (1) of this Article, the Commission referred to in Article 23 of this Law shall prepare a ranking list of bidders, containing information ranking the bidders from the lowest to the highest price and information on the filling of the quotas in the same order.

(3) A bidder that offers a price higher than the maximum price referred to in Article 32 of this Law shall not be included in the ranking list referred to in paragraph (2) of this Article.

(4) A market premium can be awarded for the remaining quota in accordance with the decision on the allocation of the unallocated annual quota referred to in Article 12 paragraph (8) of this Law.

(5) Any bidder shall have the right to reject the market premium awarded under paragraph (4) of this Article if the remaining quota is smaller than the capacity of the power plant offered by the bidder.

(6) Where the Government adopts a decision to expand the auction quota, a bidder whose

offered power plant capacity is only partially included in the quota shall, following the ranking of all bids, be entitled to a market premium for the total offered capacity of the power plant only if the expansion relating to the marginal portion of the offered installed capacity amounts to no more than 5 % of the total quota for that auction.

Market Premium Award Stage

Article 37

(1) The Commission referred to in Article 23 of this Law shall, together with the ranking list referred to in Article 36 paragraph (2) of this Law, prepare a report on the bidding stage conducted and submit it to the Minister.

(2) Within 15 days of receiving the report and ranking list referred to in paragraph (1) of this Article, the Minister shall adopt a decision on awarding the market premium support measure, which shall be published on the Ministry's website.

(3) Within five working days from the date of publication of the decision referred to in paragraph (2) of this Article, the Minister shall issue the bidder a decision granting the status of privileged producer benefiting from a market premium and shall enter the producer in the register referred to in Article 24 of this Law.

(4) Any bidder that has not been awarded a support measure may initiate an administrative dispute before the competent court.

Market Premium Contract

Article 38

(1) The authorised contracting party shall conclude a market premium contract with the privileged producer referred to in Article 37 paragraph (3) of this Law.

(2) The contract shall be concluded within 30 days from the date on which the privileged producer requests its conclusion.

(3) The contract referred to in paragraph (1) of this Article shall contain, in particular, provisions on:

1. information on the contracting parties and their rights and obligations;
2. the subject matter of the contract;
3. the type and approved capacity of the power plant of the privileged producer;
4. the auction price achieved for the market premium;
5. the reference market price;
6. security assets for the performance of contractual obligations;
7. the rights and obligations of the parties regarding the right of assumption by the project financiers;

8. instruments for securing the performance of contractual obligations by the authorised contracting party and the privileged producer;

9. grounds for termination of the contract;

10. methods for dispute resolution;

11. provisions in the event of force majeure; and

12. other elements of the contract.

(4) Where, during the settlement period, the reference market price is lower than the achieved price, the authorised contracting party shall pay the electricity producers benefiting from the market premium the positive market premium in accordance with the market premium contract.

(5) Where, during the settlement period, the reference market price is higher than the achieved price, the electricity producers benefiting from the market premium shall pay the authorised contracting party the negative market premium in accordance with the market premium contract.

(6) The market premium shall not be paid to privileged producers for periods during which the reference market price is negative.

Reporting on Conducted Procedures and Projects Awarded Support Measures

Article 39

(1) With regard to the auctions conducted for awarding market premiums acquired on the basis of a market premium contract and the procedures for awarding feed-in tariffs, the Ministry shall prepare a report by 31 March of the current year for the previous calendar year, which shall be submitted to the Government for information by 15 April at the latest and shall be published on the Ministry’s website.

(2) The report referred to in paragraph (1) of this Article can also contain information on the status and stage of development of the projects for which privileged producers have acquired the right to support through the conducted auctions for awarding market premiums or feed-in tariffs.

CHAPTER VI.

GUARANTEES OF ORIGIN

Issuance of a Guarantee of Origin

Article 40

(1) A guarantee of origin for electricity shall be issued by the EMO.

(2) A guarantee of origin shall be issued to a producer of electricity from renewable energy sources who does not have the status of a privileged producer, for a power plant constructed in the Republic.

(3) Guarantees of origin for pumped-storage hydropower plants shall be issued for the electricity generated, less the energy consumed in pumping mode for storage.

(4) A guarantee of origin shall not be issued for:

1. electricity generated by a pumped-storage hydropower plant in respect of the portion of electricity generated in pumping mode; and

2. stored electricity for the generation of which non-renewable energy sources have been used.

(5) As an exception from paragraph (2) of this Article, the EMO shall issue guarantees of origin for electricity generated by privileged producers benefiting from a feed-in tariff, which shall be transferred to the EMO user account.

(6) The EMO shall sell the guarantees of origin referred to in paragraph (5) of this Article in accordance with Article 43, paragraph (7) of this Law, and shall transfer the proceeds to a separate dedicated account, which shall be used to finance the system of support measures referred to in Article 26 of this Law.

(7) The EMO cannot hold a licence and cannot be involved in carrying out the energy activities of electricity generation, supply or trading.

(8) A guarantee of origin shall be issued only for an energy facility registered in the Register of Guarantees of Origin referred to in Article 48 of this Law.

(9) A guarantee of origin shall be issued for the net quantity of electricity generated, measured at the point of connection of the power plant using renewable energy sources.

(10) The net quantity of electricity generated referred to in paragraph (9) of this Article shall be calculated by deducting the electricity used for own consumption and the electricity purchased from another source from the gross quantity of electricity generated.

(11) A guarantee of origin shall be issued only once, in the standard size of 1 MWh of electricity generated from renewable energy sources, produced over a cumulative period of no more than six months, calculated from the last day on which the electricity for which the guarantee of origin is requested was generated.

(12) The EMO may not issue more than one guarantee of origin per unit of electricity generated.

(13) A guarantee of origin shall be valid for 12 months, calculated from the date of the last generation of the quantity of electricity for which the guarantee of origin is requested.

Procedure for Issuing Guarantees of Origin

Article 41

(1) An application for the issuance of guarantees of origin shall be submitted to the EMO.

(2) The application for the issuance of a guarantee of origin referred to in paragraph (1) of this Article shall be submitted within six months from the last day of the electricity generation

period for which the guarantee is requested, but no later than 15 March of the current year for electricity generated in the preceding year.

(3) The applicant shall submit, along with the application referred to in paragraph (1) of this Article, proof of payment of the fee for the issuance of guarantees of origin, determined by a tariff adopted by the EMO.

(4) Following submission of the application and payment of the fee referred to in paragraphs (1) and (3) of this Article, the EMO shall obtain from the electricity transmission system operator, electricity distribution system operator or closed electricity distribution system operator the data on the total quantity of electricity generated, expressed in kWh, that the applicant has delivered to the grid during the period for which the guarantees are requested.

(5) The operator of the electricity transmission system, electricity distribution system or closed electricity distribution system to which the facility for which the guarantee of origin is issued is connected shall be obliged to provide the EMO with data on the electricity generation.

(6) The operator of the electricity transmission system, electricity distribution system or closed electricity distribution system to which the facility for which the guarantee of origin is issued is connected shall be obliged to provide the EMO with data on the electricity generation.

(7) Upon issuance, the applicant shall become the holder of the guarantee of origin.

(8) Where, based on the application for the issuance of guarantees of origin and the documentation and data provided, the EMO determines that additional data or clarification of the data is required, it shall notify the applicant thereof within 10 days from the date of receipt of the application. The notification shall specify the additional data and documents, or clarifications, which the applicant is required to submit to the EMO.

(9) Within 10 days from receipt of the additional data and documents or clarifications referred to in paragraph (8) of this Article, the EMO shall issue a decision granting the guarantee of origin or rejecting the application if it determines that the conditions for issuance have not been met, whereby the decision shall state the grounds for rejection.

(10) At the request of the electricity producer, the operator of the electricity transmission system, electricity distribution system or closed electricity distribution system to which the energy facility using RES is connected shall issue a certificate confirming that electricity generation metering has been provided.

(11) The form and content of the application referred to in paragraph (1) of this Article shall be regulated by the Rules on the Administration of Guarantees of Origin for Electricity referred to in Article 49 of this Law.

Guarantees of Origin for Gas

Article 42

(1) A guarantee of origin for gas shall be issued at the request of a producer of gas from renewable sources, including renewable fuels of non-biological origin and biomethane, and the supplier shall use it to demonstrate the share or quantity of energy from renewable sources in its energy mix to final consumers in an objective, transparent and non-discriminatory manner.

(2) The guarantee of origin referred to in paragraph (1) of this Article shall not be issued for:

1. the part of the energy mix offered for commercial purposes without an individual consumer tracking system, where such offers exist, in which case the supplier may use the residual mix of energy sources for that consumer; and

2. a producer benefiting from support measures under this Law.

(3) Where, under the supplier's contract or market offer, the final consumer uses gas from hydrogen or from a gas network, including renewable fuels of non-biological origin and biomethane, the competent issuing body shall ensure that the cancelled guarantees of origin correspond to the characteristics of the network through which the supply was provided.

(4) The Government, upon a proposal from the Ministry, shall designate the body responsible for issuing guarantees of origin for gas.

(5) The manner of selection and designation, and the conditions to be met by the body referred to in paragraph (4) of this Article, shall be regulated by a regulation adopted by the Government upon a proposal from the Ministry.

(6) The manner of calculating and presenting the share of gas supplied through the natural gas or hydrogen network, including renewable fuels of non-biological origin and biomethane, from all types of energy sources in the electricity sold shall be prescribed by the Minister in the Rulebook on Guarantees of Origin for Gas.

System of Guarantees of Origin

Article 43

(1) The EMO shall establish and maintain an electronic system for the issuance, transfer, transmission, activation and cancellation of guarantees of origin, ensuring accuracy, reliability and protection against misuse.

(2) The EMO shall carry out the procedures for the issuance, transmission, transfer, activation and cancellation of guarantees of origin in accordance with the CEN–EN 16325 standard.

(3) The EMO shall carry out the issuance, transmission, transfer, activation and cancellation of guarantees of origin.

(4) Any guarantee of origin that has not been activated shall expire no later than 18 months from the date of issuance of the guarantee of origin.

(5) The EMO shall establish and maintain an electronic auction-trading system for issued guarantees of origin.

(6) At the request of users of the Register, the EMO shall conduct auction trading of guarantees of origin.

(7) The EMO shall also conduct an auction sale of guarantees of origin obtained from privileged producers referred to in Article 40(5) of this Law.

(8) The EMO shall draw up the Rules for Auction Trading in Guarantees of Origin.

Content of a Guarantee of Origin

Article 44

The guarantee of origin for electricity generated from renewable sources shall contain the following information:

1. the date of issuance;

2. the name of the body issuing guarantees of origin of the country in which the guarantee of origin was issued;

3. the name, registered office and identification number of the entity that is the holder of the guarantee of origin;

4. the location, installed capacity and type of technology of the power plant;

5. the registration code of the power plant in which the electricity covered by the guarantee of origin was generated; and

6. the unique serial number of the guarantee of origin.

Transfer of Guarantees of Origin

Article 45

(1) Guarantees of origin shall be transferable and shall be sold independently of the electricity generated for which they were issued.

(2) During its period of validity, a guarantee of origin may be transferred by its holder to an electricity producer, trader and/or supplier (hereinafter referred to as: user of the Register of Guarantees of Origin), whereby following the transfer, the user of the Register of Guarantees of Origin shall become the holder of the guarantee for its remaining period of validity.

(3) The transfer of guarantees of origin shall be carried out upon an application submitted electronically to the EMO by the user of the Register of Guarantees of Origin, which shall also contain a statement of consent to the transfer given by the holder of the guarantee of origin referred to in paragraph (2) of this Article.

(4) The body issuing guarantees of origin shall not record a change of holder in the Register of Guarantees of Origin if, when obtaining the relevant data and documentation, it receives:

1. electronic notification from the body issuing guarantees of origin of another country that a procedure for recognising the same guarantee of origin has been initiated in that country; or

2. information that the holder of the guarantee of origin is an electricity consumer; or

3. information that the holder of the guarantee of origin is a user of the Register of

Guarantees of Origin who sells electricity to consumers and that the guarantee in question constitutes evidence of the share of electricity from renewable sources in the electricity sold.

(5) Where, based on the application for the transfer of a guarantee of origin referred to in paragraph (3) of this Article and the documentation and data provided under paragraph (4) of this Article, the EMO determines that the conditions for transfer have been met, it shall, within 10 days from the date of submission of the application, issue a guarantee of origin indicating the new holder and record the change of holder in the Register of Guarantees of Origin.

(6) Where, based on the application for the transfer of a guarantee of origin and the documentation and data provided, the EMO determines that additional data or clarification is required, it shall notify the applicant thereof within 10 days from receipt of the application, whereby the notification shall specify the additional data and documents, or clarifications, that the applicant is required to submit to the EMO.

(7) Within 10 days from receipt of the additional data and documents or clarifications, the EMO shall issue a decision rejecting the application, stating the grounds for rejection, or shall transfer the guarantee of origin.

Activation and Cancellation of Guarantees of Origin

Article 46

(1) Guarantees of origin shall be activated following an electronic application for activation submitted by the user of the Register of Guarantees of Origin to the EMO through the Register of Guarantees of Origin.

(2) In the application referred to in paragraph (1) of this Article, the user of the Register of Guarantees of Origin shall specify the quantity of guarantees of origin to be activated and the final recipient of the activated guarantees of origin.

(3) The activation of guarantees of origin referred to in paragraph (2) of this Article shall be recorded in the Register of Guarantees of Origin.

(4) The guarantee of origin shall be cancelled by the EMO and the cancellation shall be recorded in the Register of Guarantees of Origin where:

1. notification has been received from the body issuing guarantees of origin of another country that the guarantee of origin has been entered in the relevant register of guarantees of that country; or

2. the issued guarantee of origin was issued on the basis of incorrect information provided in the application or incorrect data concerning the measured quantity of electricity to which the guarantee of origin relates; or

3. the holder of the guarantee of origin has submitted an application for cancellation of the guarantee of origin.

(5) In the case referred to in paragraph (4), point 1 of this Article, before cancelling the guarantee of origin, the EMO shall notify the body issuing guarantees of origin of the other country in whose register the guarantee of origin in question has been entered, as well as the

holder of the guarantee.

Recognition of Guarantees of Origin Issued in Other Countries

Article 47

(1) A guarantee of origin issued by a body issuing guarantees of origin of an EU Member State or a Contracting Party to the Energy Community shall be recognised by the EMO on the basis of the principle of reciprocity and the same shall be entered in the Register referred to in Article 48 of this Law.

(2) For the recognition and registration of the guarantee of origin referred to in paragraph (1) of this Article, the holder of the guarantee of origin shall submit an application to the EMO.

(3) The holder of the guarantee of origin shall submit, together with the application referred to in paragraph (2) of this Article, proof of payment of the fee for recognition of guarantees of origin in accordance with the EMO's tariff.

(4) The EMO may reject the application referred to in paragraph (2) of this Article if the content of the guarantee of origin does not allow its accuracy, reliability and authenticity to be established, or if it was issued by a body that is not a member of the Association of Issuing Bodies (AIB).

(5) In the event of rejection of recognition of a guarantee of origin referred to in paragraph (4) of this Article, the EMO shall immediately notify the Ministry, the Secretariat of the Energy Community where the guarantee was issued by a Contracting Party to the Energy Community, and the European Commission where it was issued by an EU Member State, stating the reasons for rejection.

(6) When rejecting the application referred to in paragraph (4) of this Article, the EMO shall take into account the opinion of the Secretariat of the Energy Community or the European Commission and, where it does not accept that opinion, shall provide a written explanation of the reasons for not accepting it.

Register of Guarantees of Origin

Article 48

(1) The EMO shall maintain a Register of Guarantees of Origin for electricity generated from renewable sources, in which all issued, transferred, transmitted, activated and cancelled guarantees of origin shall be recorded.

(2) The Register of Guarantees of Origin shall be maintained in electronic form.

(3) The Register of Guarantees of Origin shall contain, in particular, the following information:

1. the name, registered office and unique identification number of the user of the Register of Guarantees of Origin, and the contact details of the holder of the licence for electricity generation, trading and supply;

2. the unique registration code of the power plant from the Register referred to in Article

88 of this Law;

3. the location, installed capacity and type of technology of the power plant in which the electricity is generated;

4. the start and end dates of the electricity generation period to which the guarantee of origin relates;

5. the metered quantities of electricity delivered to the grid, according to data received from the electricity transmission system operator or the electricity transmission system operator;

6. the unique serial number of the guarantee of origin;

7. information on transfers of the guarantee, the user of the Register of Guarantees of Origin or the producer;

8. information on guarantees of origin recognised from other countries;

9. information on expired guarantees of origin; and

10. information on activated or cancelled guarantees of origin.

(4) The Register referred to in paragraph (1) of this Article shall be publicly accessible on the EMO's website.

Rules on the Administration of Guarantees of Origin

Article 49

The EMO shall draw up Rules on the Administration of Guarantees of Origin for Electricity in accordance with this Law and the rules of the European association of organisations issuing guarantees of origin, which shall regulate the manner of registration of users of guarantees of origin, the form and content of applications for recognition and registration of guarantees of origin, the content and form of agreements with users, the recording of guarantees of origin, and other matters relating to the issuance, transfer, transmission, activation and cancellation of guarantees of origin.

Calculation of the Share of Energy from Renewable Sources in Total Electricity Sold

Article 50

(1) The electricity supplier shall disclose to its customers the structure of the total electricity sold in accordance with the national residual mix, whereby energy produced from renewable sources shall be evidenced by guarantees of origin activated by the EMO or by guarantees of origin recognised and registered in accordance with Article 47 paragraph (1) of this Law.

(2) Electricity produced from renewable sources for which the producer has sold the guarantees of origin separately from the electricity produced for which those guarantees were issued shall not be presented as energy produced from renewable sources.

(3) The EMO shall calculate the national residual mix, which shows the structure of electricity sold in the Republic for which the origin has not been evidenced by guarantees of origin.

(4) The calculation of the share of all types of energy sources in the electricity sold to consumers and suppliers shall be carried out in accordance with the data from the national residual mix referred to in paragraph (5) of this Article and the Rulebook referred to in paragraph (6) of this Article.

(5) The method of calculating the national residual mix and the deadlines for its publication, as well as the method of calculating and the deadlines for the submission of data on the residual mix by the electricity supplier to its consumers, shall be prescribed by the Rulebook referred to in paragraph (6) of this Article. The EMO shall publish the national residual mix on its website.

(6) The method of calculating and presenting the share of all types of energy sources/energy commodities in the electricity sold to the consumer, as well as the method of verification of the calculation, shall be prescribed by the Minister by a Rulebook, upon a proposal from the EMO.

CHAPTER VII.

SELF-CONSUMERS, JOINTLY ACTING SELF-CONSUMERS OF ELECTRICITY FROM RES AND THE RES COMMUNITY

Self-Consumers of Electricity from RES

Article 51

(1) The status of a self-consumer of electricity from RES (hereinafter referred to as: self-consumer) shall be acquired by a consumer who:

1. has connected the power plant to the internal electrical installations of the building in which they have ownership or a right of use; and

2. has regulated the relations by means of an agreement concluded with the relevant electricity transmission or distribution system operator and the supplier.

(2) The self-consumer, independently or through an aggregator, shall have the right to:

1. produce renewable energy, including production for own consumption, store electricity produced from RES and sell surplus electricity produced from RES through a PPA agreement, a supply agreement, an agreement for calculation, settlement and purchase of electricity from renewable energy sources with an electricity supplier, without discriminatory or disproportionate procedures or charges for the use of the relevant systems;

2. install and operate electricity storage systems in combination with installations producing electricity from renewable energy sources for own consumption, without being subject to double charges, including network charges for stored electricity that remains on their premises;

3. retain the rights and obligations of a final consumer; and

4. receive compensation, which may also constitute a support measure, for electricity produced from RES that they inject into the grid, in a manner that reflects the market value of the electricity and takes into account its long-term value for the grid and the environment.

(3) The approved maximum capacity pursuant to the decision on connection to the relevant grid of the power plant using renewable energy sources of a self-consumer may not exceed the installed capacity of the consumer.

(4) The installations used by a self-consumer to produce or store electricity shall be deemed to be the internal installations of the self-consumer.

(5) The self-consumer may use a support measure in the manner and under the procedure established by this Law.

(6) The self-consumer shall be charged proportionate fees for electricity produced from renewable energy sources that remains on the self-consumer's premises where:

1. a support measure is used for the electricity produced, to the extent that this does not affect the economic viability of the project and the incentive effect of the support;

2. the electricity is produced in installations with a total installed capacity exceeding 30 kW; or

3. the total share of renewable electricity generation installations for own consumption exceeds 8 % of the total installed electricity generation capacity at the level of the Republic, and where a cost-benefit analysis carried out by the Energy Regulatory Commission for Energy, Water Services and Municipal Waste Management (hereinafter referred to as: Energy Regulatory Commission) in an open, transparent and non-discriminatory manner demonstrates that self-consumers, independently or through an aggregator, produce renewable energy, including energy for own consumption, store it and sell it through concluded PPAs, electricity supply, calculation, settlement and purchase agreements between the self-consumer and the supplier, and peer-to-peer trading agreements, thereby causing a significant disproportionate burden on the long-term financial sustainability of the electricity system or failing to promote the economically efficient deployment of renewable energy, which cannot be minimised by taking other measures.

(7) The fee referred to in paragraph (6) of this Article shall not be charged to a self-consumer who uses the electricity produced from RES for their own needs.

(8) The installation of a self-consumer may be owned by or operated by a third party, provided that, for the purposes of installation, operation and maintenance, the third party acts exclusively in accordance with the instructions and for the benefit of the self-consumer.

(9) The third party referred to in paragraph (8) of this Article shall not be deemed to be an electricity self-consumer from renewable sources.

(10) The Minister shall prescribe, by the Rulebook on Self-Consumers of Electricity from

RES, the type and maximum installed capacity of the power plant, the maximum installed capacity of the electricity storage facility, the form and content of the agreement for the supply, calculation, settlement and purchase of electricity between the self-consumer and the electricity supplier, the type of data, the method of submitting the data, as well as the content and method of maintaining the register referred to in Article 59 paragraph (1) of this Law, the method of calculating the value of surplus electricity produced by the self-consumer and the method of calculating the value of surplus electricity delivered to the electricity distribution grid, as well as the settlement period.

Agreement for the Supply, Calculation, Settlement and Purchase of Electricity from Renewable Sources between a Self-Consumer and a Supplier

Article 52

(1) The self-consumer may conclude an agreement with an electricity supplier for the supply, calculation, settlement and purchase of electricity from renewable sources in respect of electricity produced from renewable sources.

(2) The agreement referred to in paragraph (1) of this Article shall regulate:

1. the supply of electricity from renewable sources;
2. the calculation of electricity produced and consumed from renewable sources;
3. the period for settlement of mutual claims and obligations; and
4. the purchase of surplus electricity produced from renewable sources.

(3) The settlement period referred to in paragraph (2) item 3 of this Article shall be one year and shall be carried out no later than 1 April of the current year for the previous year.

(4) The purchase of surplus electricity produced referred to in paragraph (2) item 4 of this Article shall be carried out by the electricity supplier in accordance with Article 55 paragraph (1) of this Law.

Active Consumers of Electricity from Renewable Sources

Article 53

(1) Households, small and medium-sized enterprises and public institutions, as active consumers, shall participate in the sharing of electricity from renewable sources in a transparent, non-discriminatory, competitive and cost-effective manner.

(2) The active consumers referred to in paragraph (1) of this Article may share electricity from renewable sources among themselves through mutual agreements (hereinafter referred to as: electricity-sharing agreement) or through a legal entity, provided that the sharing of energy does not constitute their primary activity and that they have installed smart electricity metering systems.

(3) To share electricity, the active consumers referred to in paragraph (1) of this Article may designate a third party as an organiser which, for the purposes of such sharing, may provide the following services:

1. to prepare and notify the agreements referred to in paragraph (2) of this Article for energy sharing with other entities, including suppliers and operators of the relevant electricity systems, and on aspects relating to tariffs, fees and other costs;

2. to provide support for management and balancing;

3. to conclude agreements and issue invoices to active consumers participating in energy sharing; and

4. to install and operate, including metering and maintenance of, renewable energy generation or storage facilities.

(4) The organiser referred to in paragraph (3) of this Article or another person may own or operate a renewable energy storage or generation facility with a capacity of up to 6 MW without being considered an active consumer, unless it is one of the active consumers participating in energy sharing.

(5) The organiser referred to in paragraph (3) of this Article shall provide the active consumers who appointed it with non-discriminatory services, at transparent prices and under clearly defined conditions for the use of the services. Active consumers participating in energy sharing:

1. shall have the right to have the shared electricity delivered to the grid deducted from their total metered consumption within a time interval not exceeding the settlement period in accordance with the Law on Energy (*);

2. shall retain their rights and obligations as final consumers;

3. shall not be required to obtain a licence for electricity supply where electricity from renewable sources is shared between households with an installed capacity of up to 10 kW for individual households and up to 50 kW for multi-apartment residential blocks;

4. shall have access to voluntary model agreements with fair and transparent conditions for energy sharing;

5. in the event of a dispute with other participants in the electricity-sharing agreement, shall have the right to legal protection in accordance with the law;

6. shall not be subject to unfair or discriminatory treatment by market participants; and

7. shall notify the operators of the relevant electricity systems and their electricity suppliers of the electricity-sharing agreements, directly or through an energy-sharing organiser.

(6) Vulnerable consumers and consumers affected by energy poverty may also participate in electricity sharing.

(7) The Government, upon a proposal from the Ministry, may introduce, through a programme for the protection of vulnerable consumers adopted in accordance with the Law on Energy (*), support measures or a quota for the participation of these categories of consumers

in energy sharing.

(8) The operators of the relevant electricity systems shall, on a monthly basis, monitor, collect and verify metering data relating to shared electricity with final consumers and market participants, establish the relevant information systems and, as a point of contact, register electricity-sharing agreements, receive information on metering points and changes in location and participation, verify the calculation in a clear, transparent and timely manner, and publish practical information on energy sharing.

Right of Priority Access of a Self-Consumer

Article 54

(1) The operator of the electricity distribution system, closed electricity distribution system or electricity transmission system shall give priority to electricity produced by the self-consumer for injection into the system, except in cases where the security of supply is compromised.

(2) The operators referred to in paragraph (1) of this Article shall install a bidirectional meter at the point of delivery of electricity from renewable sources, enabling separate metering of electricity delivered to and taken from the system.

(3) The operators referred to in paragraph (1) of this Article shall provide the supplier and the Ministry, by the 10th day of each month for the previous month, with hourly data on the quantity of electricity taken from, delivered to and produced by the self-consumer's power plant.

(4) For the purpose of checking proper operation, adjusting protective devices, replacing, maintaining and disconnecting the equipment, the self-consumer shall allow and provide the operators referred to in paragraph (1) of this Article with access to the metering equipment and the connection point.

Method of Calculating Electricity Taken from and Delivered by a Self-Consumer

Article 55

(1) The calculation of electricity taken from and delivered by a self-consumer shall be carried out in one of the following ways:

1. net metering, for power plants with an installed capacity of up to 10 kW;

2. net billing, for power plants with an installed capacity from 10 kW to 70 kW;

3. commercial supply scheme, for power plants using RES with an installed capacity exceeding 50 kW.

(2) The calculation shall be based on the data referred to in Article 54 paragraph (3) of this Law, applying the suppliers' prices according to the relevant time periods for the taking and delivery of electricity.

(3) The calculation of the charge for the use of the relevant system by the self-consumer shall be carried out in accordance with the prices established by the rulebooks and

methodologies for determining prices and tariffs for regulated energy activities involving the transmission and distribution of electricity, taking into account the quantities of electricity taken from and delivered to the system.

(4) The method of calculating electricity taken from and delivered by the self-consumer referred to in paragraph (1) item 1 of this Article shall be based on separate metering and recording of electricity delivered to the grid and electricity taken from the grid during the settlement period. Any surplus electricity delivered shall be recognised as an energy deposit to be used to settle future differences in subsequent settlement periods, while a negative net difference shall constitute the basis for invoicing in accordance with the agreement for the supply, calculation, settlement and purchase of electricity from renewable sources between the self-consumer and the supplier. The calculation shall be carried out monthly, while the final annual calculation shall be carried out by 1 April of the current year for the previous year. Any surplus shall be purchased at the agreed price without additional network or other charges, with existing liabilities being settled first, and the remaining amount being paid within 30 days of completion of the annual calculation.

(5) Separate metering means a method of metering electricity whereby electricity delivered to the electricity grid by the self-consumer and electricity taken from the electricity grid are recorded separately, without netting them against each other.

(6) The supplier shall assume balancing responsibility for the self-consumer's metering point.

(7) Any self-consumer with a power plant having an installed capacity exceeding 300 kW shall submit a daily schedule of delivered electricity to the supplier and the operator of the electricity distribution or closed electricity distribution system and shall bear the costs of imbalance.

(8) The EMO shall determine the imbalance costs in accordance with the imbalance unit prices for all hours in the settlement period, pursuant to the Law on Energy (*).

Metering of Electricity by the System Operator

Article 56

(1) The operator of the system to which the self-consumer's energy facility is connected shall measure the quantity of electricity delivered to and taken from the system at the point of connection to the electricity transmission or distribution system.

(2) In addition to the metering referred to in paragraph (1) of this Article, the operator of the system to which the prosumer's energy facility is connected shall additionally measure or estimate the electricity produced at the point of connection of the generation facility and at the electricity consumption installation.

(3) The system operator referred to in paragraph (1) of this Article shall provide the supplier and the EMO with the metering data no later than the fifth day of the current month for the previous month.

Net Billing

Article 57

(1) Under net billing, the monetary value of surplus electricity delivered by the self-consumer shall be used as a deposit to reduce bills in subsequent periods.

(2) The basis for monthly net billing shall be the net difference between the value of electricity delivered and the value of electricity taken from the system.

(3) If the self-consumer takes more electricity than they have delivered, they shall pay the difference at the agreed price.

(4) Where the electricity delivered is greater, the difference shall be carried forward as a monetary deposit in favour of the self-consumer.

(5) The financial deposit shall be calculated as the surplus multiplied by the agreed price, reduced by 5 %.

(6) The deposit shall be used in periods when the electricity taken from the system exceeds the electricity produced.

(7) The RES incentive charge shall be calculated on the basis of the net difference for the settlement period.

Metering of Electricity by the System Operators

Article 58

(1) The operator of the relevant system to which the self-consumer’s facility is connected shall meter the quantity of electricity supplied to and consumed by the self-consumer at the point of connection of the self-consumer’s facility to the transmission or distribution system and shall meter or estimate the electricity generated at the point of connection of the electricity generation facility and the electricity consumption installations of the self-consumer.

(2) The operator of the relevant system referred to in paragraph (1) of this Article shall, on a monthly basis, submit to the electricity supplier and the EMO the metering data at the point of connection of the self-consumer’s facility.

Register of Self-Consumers Using RES and Estimation of Their Generation

Article 59

(1) The operator of the electricity distribution system, the closed electricity distribution system and the operator of the electricity transmission system shall maintain, in electronic form, a register of self-consumers connected to the electricity distribution system, closed electricity distribution system or electricity transmission system and shall submit to the Ministry, by 1 March of the current year at the latest for the preceding year, data on the total quantity of electricity taken from, supplied to and generated at the self-consumer’s power plant.

(2) When submitting the data referred to in paragraph (1) of this Article, the regulations governing the protection of personal data shall be complied with.

(3) The form, content and manner of maintaining the register referred to in paragraph (1) of this Article shall be prescribed by the Minister by means of a Rulebook.

Jointly Acting Self-Consumers

Article 60

(1) At least two self-consumers from the category of households and commercial entities in accordance with the Law on Energy (*), located in the same building or in several residential blocks of residential buildings forming a residential complex, may act as a jointly acting self-consumer.

(2) The consumers referred to in paragraph (1) of this Article acting as a jointly acting self-consumer shall regulate their mutual relations by an agreement which shall, inter alia, include the respective share of each individual consumer in the capacity and generation of the power plant, as well as the appointment of a representative of the jointly acting self-consumer.

(3) The consumers referred to in paragraph (1) of this Article acting as a jointly acting self-consumer shall have the same rights as those referred to in Article 51 paragraph (2) of this Law and may mutually agree on the sharing of renewable energy generated at their location or at several of their locations, irrespective of the charges for the use of the relevant systems and other costs, fees, levies and taxes applicable to each self-consumer of renewable energy.

(4) The method for calculating the installed capacity of the power plant using RES of a self-consumer and the other rights referred to in Article 51 paragraph (2) of this Law shall also apply to an individual self-consumer acting jointly.

(5) The supplier and the representative of the jointly acting self-consumer referred to in paragraph (2) of this Article shall conclude an agreement regulating the rules and period for the allocation of electricity.

(6) Consumers acting as a jointly acting self-consumer shall retain their rights and obligations as consumers, while the electricity distribution system operator shall be obliged not to prevent their participation in collective generation through unjustified or discriminatory conditions and procedures.

(7) A power plant using RES for the self-consumption of a jointly acting self-consumer shall be connected to the electricity distribution network through a separate connection at the relevant metering point.

(8) The metering points of consumers participating in joint generation and the metering point of the power plant for self-consumption shall be equipped with a smart electricity metering system.

(9) The total capacity of the power plant of a jointly acting self-consumer shall not exceed the sum of the approved connection capacities of the consumers referred to in paragraph (1) of this Article acting jointly.

(10) The supplier shall allocate the electricity generated among the jointly acting self-consumers.

(11) The type and method of calculating the obligations of a jointly acting self-consumer, as well as the rights and obligations of suppliers in relation to electricity supply agreements concluded with jointly acting self-consumers, shall be prescribed by the electricity distribution system operator.

RES Community

Article 61

(1) RES community may:

1. generate, consume, store and sell electricity from renewable energy sources and conclude agreements for the purchase and sale of electricity from renewable energy sources;

2. allocate the electricity generated from renewable energy sources and obtained from the generation facilities of the RES community among its members in accordance with their mutual agreements; and

3. participate in the electricity market independently or through an aggregator under an aggregation agreement concluded in accordance with the Law on Energy (*).

(2) The conditions for obtaining a licence to carry out the energy activity of electricity generation or electricity storage, the rights and obligations of licence holders, access to and connection to the relevant transmission or distribution network and the payment of charges for access, connection and use of the relevant network, as well as registration and participation in the relevant energy market, as established by the Law on Energy (*), shall also apply to the RES community.

Consumers as Members of RES Community

Article 62

(1) Final consumers, including households, shall have the right to participate in RES communities.

(2) Consumers that are part of RES community shall retain their rights and obligations as consumers and shall not be subject to unjustified or discriminatory conditions and procedures that would prevent their participation in the community and, where they are legal entities, the generation and sale of electricity shall not be their primary activity.

(3) In order to facilitate the transfer of energy within RES communities, the electricity distribution system operator shall establish cooperation with RES communities.

(4) RES community may acquire the status of a privileged producer of energy from renewable energy sources and the right to support measures for electricity generation in accordance with this Law.

“PPA Agreement”

Article 63

(1) Any producer of electricity from renewable energy sources may, under market conditions, conclude a PPA agreement with final consumers and suppliers.

(2) The agreement referred to in paragraph (1) of this Article shall not contain provisions constituting disproportionate or discriminatory restrictions that impede its conclusion or

performance.

CHAPTER VIII.

USE OF ENERGY FROM RENEWABLE SOURCES IN THE HEATING AND COOLING SECTOR

Share of Energy from Renewable Sources in Total Energy Consumption for Heating and Cooling

Article 64

(1) The RES share in the total energy consumption for heating and cooling shall be expressed in indicative percentage points, calculated as an annual average of total energy consumption in the heating and cooling sector, for the period determined in the Integrated National Energy and Climate Plan.

(2) The annual average referred to in paragraph (1) of this Article shall be determined on the basis of data for the reference period and the current period.

(3) If the increase in the annual average referred to in paragraph (1) of this Article has not been achieved, the Government, upon a proposal from the Ministry, may by decision determine the degree of achievement of the binding national targets in the heating and cooling sector in one of the following ways:

1. waste heat from heating and cooling may be included in the calculation up to a maximum of 40 % of the total target for the annual increase in the annual average;

2. the average annual increase may be deemed to have been achieved if it exceeds 60 % of the indicative values set out in the Integrated National Energy and Climate Plan;

3. 50 % of the annual increase may be deemed to have been achieved where the share is more than 50 % but not more than 60 % of the indicative values set out in the Integrated National Energy and Climate Plan;

4. electricity from renewable energy sources used in the heating and cooling sector may be included in the calculation up to a maximum of 0.4 percentage points, provided that the efficiency of the heating and cooling system is greater than 100 %, whereby the average annual increase shall be increased by half of the energy expressed in percentage points; and

5. the cost-effectiveness of implementing certain solutions in sparsely populated areas with a small number of inhabitants may be taken into account.

(4) If the targets, i.e. the annual average, are not achieved by means of the decision referred to in paragraph (3) of this Article and the measures referred to in Article 65 paragraph (2) of this Law, the Ministry shall notify the Secretariat of the Energy Community through the Integrated National Energy and Climate Progress Report on the status of implementation of the Integrated National Energy and Climate Plan, in accordance with the Law on Energy (*).

Measures to Increase the Share of Renewable Energy Sources in the Heating and

Cooling Sector

Article 65

(1) In order to increase the RES share in the heating and cooling sector, the Ministry may, by decision, establish a list of measures and designate energy entities, public institutions, or professional and educational institutions to implement the measures. The decision shall be published on the Ministry's website.

(2) In order to achieve the annual average referred to in Article 64 paragraph (1) of this Law, the Ministry may adopt a programme to increase the share of renewable energy sources in the heating and cooling sector, which shall include at least two of the following measures:

1. the physical incorporation of energy from renewable energy sources as a mixture of energy sources or waste heat and cooling into the energy sources and fuels supplied for heating and cooling;

2. installation of highly efficient renewable heating and cooling systems in buildings, connection of buildings to efficient district heating and cooling systems, or use of renewable energy or waste heat and cooling in industrial heating and cooling processes;

3. provision of institutional support and capacity building for state administration bodies, competent institutions and local self-government units to assess the potential for local renewable heating and cooling and to plan, implement and provide advice on renewable energy projects and infrastructure;

4. development of mechanisms to reduce the risk and investment costs for renewable heating and cooling and waste heat and cooling projects, including opportunities for pooling smaller projects and integrating smaller projects into energy efficiency and building renovation programmes in accordance with the Law on Energy Efficiency (*);

5. promotion of renewable energy purchase agreements for heating and cooling for commercial consumers and collective small consumers with an installed design thermal capacity of 30 kW or less;

6. replacement of fossil fuels and heating systems incompatible with renewable energy sources, or programmes for the gradual phase-out of fossil fuels;

7. implementation of renewable heating and cooling projects in cooperation with local self-government units;

8. promotion of biogas production and its blending into the gas network instead of its use for electricity generation;

9. promotion of the integration of thermal energy storage technology into heating and cooling systems;

10. promotion of renewable district heating and cooling systems, including RES communities, through support schemes and measures in accordance with the Law on Energy Efficiency (*);

11. other measures contributing to the installation of renewable heating and cooling equipment and the development of energy networks for supplying buildings and industrial facilities with renewable energy for heating and cooling; and

12. replacement of large heat pumps to modernise the district heating system and achieve cost-effectiveness compared with other solutions, and replacement with small and medium-sized heat pumps for providers of primary social services in local self-government units where there is no district heating.

(3) When adopting programmes and implementing the measures referred to in paragraph (2) of this Article, the Ministry shall ensure accessibility to all users, including vulnerable consumers as defined in accordance with the Law on Energy (*).

(4) To monitor the implementation of the measures under the decision referred to in paragraph (1) of this Article, the designated energy entities, public institutions or professional and educational institutions responsible for implementing the measures shall submit to the Ministry, by 31 March of the current year at the latest for the preceding year, a report containing:

1. the total quantity of energy supplied for heating and cooling;

2. the total quantity of renewable energy consumed for heating and cooling;

3. the quantity of waste heat and energy consumed for heating and cooling;

4. the RES share and waste heat in the total quantity of energy consumed for heating and cooling; and

5. the type of renewable energy source.

Information on the RES Share in the District Heating and Cooling System

Article 66

(1) The heat energy supplier shall publish information on the RES share and the level of energy efficiency of the district heating and cooling system on consumers' bills and on its website.

(2) Information on the share of energy from renewable energy sources shall be expressed as a percentage of gross final energy consumption for heating and cooling allocated to consumers of the given district heating and cooling system, including information on the amount of energy consumed to deliver one unit of heat to the consumer or final consumer.

Procedure and Conditions for Connection

Article 67

(1) The producer of heat energy from renewable energy sources shall ensure that the heat energy supplied meets the quality, security of supply and environmental protection requirements established by the technical regulations, as well as the required level of energy efficiency of the generation facility.

(2) The manner and conditions for connecting producers and consumers to the existing distribution system shall be prescribed by the operator of the district heating distribution system in the network rules for thermal energy adopted in accordance with the Law on Energy (*), subject to prior approval by the Energy Regulatory Commission.

Balancing Services

Article 68

(1) The electricity distribution system operator, i.e. the closed electricity distribution system operator, every four years, and no later than 31 December of the fourth year, in cooperation with the operators of heat energy distribution systems, shall assess the potential of district heating systems in terms of cost-effectiveness compared with other available solutions, including the provision of balancing and other system services for demand-side management and the storage of surplus electricity from renewable energy sources.

(2) At the request of the Ministry, the operators referred to in paragraph (1) of this Article shall carry out an additional assessment of the potential of the systems in terms of cost-effectiveness compared with other available solutions where there are significant changes in technological solutions, market conditions or the legal framework that may substantially affect the cost-effectiveness, sustainability or technical feasibility of the proposed systems, or where there is a possibility of future projects for which an assessment of the development of heating infrastructure is required.

(3) The operators of the relevant heat energy distribution systems shall submit the assessment referred to in paragraphs (1) and (2) of this Article to the Ministry within 15 days of completion of the assessment.

(4) Following receipt of the assessment referred to in paragraph (3) of this Article, the Ministry can adopt a programme referred to in Article 65 paragraph (2) of this Law.

CHAPTER IX.

USE OF ENERGY FROM RENEWABLE SOURCES IN THE TRANSPORT SECTOR

Share of Energy from Renewable Sources in the Gross Final Energy Consumption in the Transport Sector

Article 69

(1) The share of energy from renewable sources in the gross final energy consumption in the transport sector and the measures for achieving the share shall be regulated by the Integrated National Energy and Climate Plan.

(2) To calculate the RES share in the gross final energy consumption in the transport sector, the following shall be considered RES:

1. liquid and gaseous fuels of non-biological origin used in transport and their use in transport as an intermediate product for the production of:

- conventional liquid and gaseous fuels; or

- biofuels, provided that the reduction in greenhouse gas emissions achieved through the use of renewable fuels of non-biological origin is not included in the calculation of greenhouse gas emission savings from biofuels;

2. biogas; and

3. recycled carbon fuels.

(3) The gross final consumption of energy from renewable sources in the transport sector shall be calculated as the sum of all quantities of biofuels, biogas and renewable fuels of non-biological origin, electricity from RES and hydrogen from RES used for energy purposes in the transport sector, including fuels supplied directly into the tanks of vessels used for transport on lakes.

(4) Holders of licences for wholesale trading in crude oil, petroleum products, biofuels and transport fuels, and holders of licences for the production of transport fuels by blending petroleum products and biofuels in accordance with the Law on Energy (*) (hereinafter referred to as: fuel traders) shall participate in achieving the mandatory targets for RES in the transport sector.

(5) The method for calculating the minimum shares of renewable energy in the transport sector and the type of feedstocks from which biogas for transport and advanced biofuels referred to in paragraph (2) of this Article are produced shall be prescribed by the Minister by means of a Rulebook.

(6) In order to prepare the Rulebook referred to in paragraph (5) of this Article, the Ministry shall cooperate with the ministry responsible for agriculture.

(7) The Government, upon a proposal from the Ministry, may adopt a decision by which:

1. fuel traders supplying electricity, or renewable fuels of non-biological origin intended for use in transport, which comply with the minimum share of advanced biofuels and biogas, shall be exempted;

2. different obligations shall be established for fuel traders or obligations for different types of fuels, taking into account quantities, energy content or greenhouse gas emissions;

3. different obligations shall be established for fuel traders depending on the transport sector, whereby a specific method for fulfilling the obligation may be determined for each sector.

(8) The procedure steps to be followed by fuel traders for achieving and monitoring the RES share in the transport sector shall be regulated by a Decree adopted by the Government upon a proposal from the Ministry.

(9) The Decree referred to in paragraph (8) of this Article shall regulate:

1. the achievement of the share of renewable energy sources in the transport sector;

2. the manner of fulfilling the obligations;

3. The measures for achieving the RES share in the transport sector;

4. the manner of placing the fuels referred to in paragraph (3) of this Article on the market and the use of electricity from renewable sources for powering motor vehicles;

5. the manner of reporting on the achievement of the RES share in the transport sector; and

6. other matters relating to achieving the RES share in the transport sector.

(10) The Ministry shall maintain a Register of Fuel Traders, containing also data on the achievement of the RES share in the transport sector on an annual basis.

(11) The form and content of the Register referred to in paragraph (10) of this Article shall be prescribed by the Rulebook referred to in paragraph (5) of this Article.

Quality of Biofuels

Article 70

(1) Biofuels and bioliquids placed on the market shall comply with the quality requirements laid down in the Regulation on the Quality of Liquid Fuels pursuant to the Law on Energy (*) and with the technical and other regulations relating to the storage of biofuels.

(2) The quality of biomethane placed on the market shall be prescribed by the Minister by means of a Rulebook on the Quality of Biomethane.

(3) In addition to the quality requirements for liquid fuels and the technical and other regulations governing storage referred to in paragraph (1) of this Article, biofuels placed on the market shall also comply with the sustainability criteria and greenhouse gas emission reduction criteria laid down by this Law.

(4) Compliance with the sustainability criteria shall be verified by an accredited legal entity in accordance with the law.

Specific Rules for Biofuels, Bioliquids and Biomass Fuels with a Low Risk of Indirect Land-Use Change

Article 71

(1) The share of biofuels and bioliquids, as well as biomass fuels, used in the transport sector and produced from food and feed crops shall be established by the Integrated National Energy and Climate Plan.

(2) To achieve the share of energy from renewable sources in the transport sector in the gross final energy consumption and to stimulate the use of biofuels, bioliquids and biomass fuels with a low risk of indirect land-use change, produced from food and feed crops in the transport sector, specific rules shall apply to ensure their sustainability.

(3) The Ministry, in cooperation with the ministry responsible for agriculture and the ministry responsible for the environment, shall prepare the specific rules referred to in paragraph (2) of this Article for the production of biofuels, bioliquids and biomass fuels

produced from cereals intended for human consumption and animal feed, and shall publish them on its website.

Cooperation, Exchange and Monitoring of Data on Liquid and Gaseous Fuels

Article 72

(1) To reduce the risk of multiple reporting of the same data concerning the sustainability and characteristics of fuels, including greenhouse gas emissions throughout their life cycle, the Ministry shall cooperate and exchange data on voluntary schemes with the systems of Contracting Parties to the Energy Community and Member States of the European Union, as well as with the accredited verification bodies referred to in Article 75 paragraph (3) of this Law.

(2) Fuel traders shall, no later than the 15th day of the current month, submit to the Ministry, for the previous month, the data and information necessary to verify compliance with the conditions for achieving the share of energy from renewable sources in the transport sector, which shall be recorded in the Register referred to in Article 69 paragraph (10) of this Law.

(3) In case of suspected misuse or abuse of data, the Ministry shall notify the Secretariat of the Energy Community and the Contracting Parties to the Energy Community and, where the matter concerns a Member State of the European Union, shall notify the European Commission and the Member State of the European Union.

(4) By means of the Rulebook referred to in Article 69 paragraph (5) of this Law, the Minister shall prescribe the manner of maintaining and making available the data, the types of data and the manner in which such data are to be submitted by fuel traders.

CHAPTER X.

SUSTAINABILITY CRITERIA AND GREENHOUSE GAS EMISSION REDUCTION CRITERIA FOR BIOFUELS, BIOLIQUIDS AND BIOMASS FUELS

Sustainability Criteria and Greenhouse Gas Emission Reduction Criteria

Article 73

(1) Biofuels, bioliquids and biomass fuels placed on the market and taken into account in the share of energy produced from renewable fuels shall comply with the sustainability criteria and greenhouse gas emission reduction criteria laid down by law and by the Rulebook referred to in Article 69 paragraph (5) of this Law.

(2) The establishment of sustainability criteria and greenhouse gas emission reduction criteria shall aim to reduce greenhouse gas emissions arising from the use of biofuels and bioliquids and the use of biomass fuels; preserve agricultural, forest and natural ecosystems of high biological value; prevent indirect changes in land use; reduce impacts on protected areas and biodiversity; and protect the carbon and moisture content of soil, water and forests.

(3) Compliance with sustainability criteria and greenhouse gas emission reduction criteria may also be promoted through financial support programmes in agriculture.

(4) The sustainability criteria and greenhouse gas emission reduction criteria shall apply to

biofuels, bioliquids and biomass fuels irrespective of their geographical origin.

(5) The total quantity of production of the biofuels, bioliquids and biomass fuels referred to in paragraph (1) of this Article:

1. shall be taken into account when calculating the share of energy from renewable sources in the total gross final energy consumption and the gross final energy consumption in the transport sector;

2. shall be eligible for financial support with a view to increasing the consumption of biofuels, bioliquids and biomass fuels; and

3. shall be included in the fulfilment of the obligation of fuel traders to achieve the share of renewable energy sources placed on the market by them in the transport sector.

(6) Biofuels, bioliquids and biomass fuels produced from waste and waste residues, other than agricultural, fisheries, forestry and aquaculture waste and residues, shall be taken into account when calculating the share of the gross final energy consumption from renewable sources, provided that they meet the greenhouse gas emission reduction criterion in accordance with the law and the Rulebook referred to in Article 69 paragraph (5) of this Law, without having to meet the sustainability criterion.

(7) The obligation to comply with the greenhouse gas emission reduction criterion laid down by the Rulebook referred to in Article 69 paragraph (5) of this Law shall not apply to electricity and/or heat where the electricity and/or heat is produced from solid biodegradable municipal waste.

(8) Compliance with the sustainability criteria and greenhouse gas emission reduction criteria shall be mandatory for biomass fuels used for the production of electricity and/or heat where:

1. the input thermal capacity of a plant using solid biomass is equal to or greater than 20 MW;

2. the input thermal capacity of a plant using biogas is equal to or greater than 2 MW; and

3. the high-efficiency cogeneration plant produces electricity exclusively, does not use fossil fuels as the primary fuel for production, and only where the inclusion of biomass fuels does not result in additional costs for the cogeneration technology.

Sustainability Criteria and Greenhouse Gas Emission Reduction Criteria for Biomass from Agricultural and Forestry Waste

Article 74

(1) Biofuels, bioliquids and biomass fuels produced from waste and residues obtained from agricultural land shall be included in the RES share in the transport sector provided that they are not produced from feedstock obtained from land with a high carbon stock and provided that a monitoring or management plan for the fuels has been prepared for the purpose of reducing the impact on soil quality and carbon in

the soil, as well as a sustainable land management plan prepared by the Ministry, the ministry responsible for agriculture and the ministry responsible for the environment, demonstrating that there will be no adverse impact on soil quality and carbon in the soil.

(2) Biomass from forestry waste may be used for the production of biofuels, bioliquids and biomass fuels in accordance with the law governing the use of forests and in the quantities provided for in forestry planning documents, and information on such use shall be included in the Integrated National Energy and Climate Progress Report on the implementation status of the Integrated National Energy and Climate Plan.

(3) The sustainability criteria and greenhouse gas emission reduction criteria for biofuels, bioliquids and biomass fuels obtained from agricultural waste biomass, as well as for biofuels, bioliquids and biomass fuels obtained from forestry waste, shall be prescribed by the Minister by means of a Rulebook.

Verification of Criteria and Record-Keeping

Article 75

(1) Biofuels, bioliquids and biomass fuels shall be subject to verification of the sustainability criteria and greenhouse gas emission reduction criteria (hereinafter referred to as: verification).

(2) The purpose of verification shall be to establish compliance with the sustainability criteria and to contribute to the reduction of greenhouse gas emissions from biofuels, bioliquids and biomass fuels.

(3) To assess the compliance of biofuels and bioliquids with the sustainability criteria and for supervision purposed, the ministry responsible for environmental matters shall authorise an accredited legal entity in accordance with the law.

(4) The Minister shall prescribe the conditions to be met by an accredited legal entity for verification of the sustainability criteria, the manner of verifying compliance with the sustainability criteria for the recognition of biofuels, bioliquids and biomass fuels in achieving the share, reporting on compliance with the sustainability criteria and greenhouse gas emission savings, independent auditing of information submitted in the reporting process, and other elements relating to the sustainability criteria and greenhouse gas emission savings.

CHAPTER XI.

ENVIRONMENTAL PROTECTION FUNDS, JUST TRANSITION AND INFORMATION ON CONSTRUCTION PROCEDURES

Environmental Protection Funds

Article 76

(1) For the purpose of environmental protection and the application of the life-cycle principle in assessing the impact of a power plant using RES, a fee shall be payable.

(2) The fee referred to in paragraph (1) of this Article shall be payable for all power plants using RES, i.e. energy facilities constructed on construction land owned by the State or

privately owned.

(3) The fee referred to in paragraph (1) of this Article shall be paid by investors, i.e. holders of the right to construct a power plant using RES, i.e. an energy facility.

(4) The amount of the fee shall be determined based on the following criteria:

1. the type of power plant using RES, i.e. the energy facility;

2. the installed capacity;

3. the technology applied; and

4. the environmental impact assessment and cumulative effects throughout the life cycle of the facility.

(5) The amount of the fee, the method of calculation and the method of collection of the fee referred to in paragraph (1) of this Article shall, following approval by the ministry responsible for environmental matters and the ministry responsible for agricultural matters, be prescribed by the Minister by means of a Rulebook.

(6) The Ministry shall monitor the collection of the fee and maintain records of collections, implement collection measures in cases of non-payment, including the enforcement of a bank guarantee, and propose amendments to the amount of the fee in accordance with changes in the impact of the energy facility on the environment.

(7) The funds from the fee referred to in paragraph (1) of this Article shall be paid into the account of the Budget of the Republic of North Macedonia.

(8) The funds paid pursuant to paragraph (7) of this Article shall be used exclusively for:

1. activities and projects for environmental protection;

2. waste management and recycling;

3. development of sustainable energy technologies;

4. decommissioning of a power plant using RES or an energy facility; and

5. remediation and recultivation of land.

(9) Regarding the use of the funds referred to in paragraph (7) of this Article, the Ministry, the ministry responsible for environmental matters and the ministry responsible for agricultural matters shall, no later than 31 March of the current year for the previous year, submit an annual report to the Government.

(10) The Ministry, the ministry responsible for environmental matters and the ministry responsible for agricultural matters shall, in order to ensure that the funds correspond to the actual costs of decommissioning a power plant using RES or an energy facility and of land remediation, update the amount of the funds referred to in paragraph (1) of this Article every three years.

Just Transition Council

Article 77

(1) The Government shall establish a Just Transition Council (hereinafter referred to as: the Council) consisting of 12 members, one of whom shall be the Chairperson and one the Co-Chairperson.

(2) The Just Transition Council shall:

1. coordinate and align the policy for a just energy transition with sectoral policies and macroeconomic policy;

2. monitor the alignment of policies and measures with national strategic documents and contribute to achieving the national mandatory targets laid down in the Integrated National Energy and Climate Plan;

3. provide opinions on strategic documents in the fields of energy, climate change and the just transition process;

4. coordinate and align the preparation of the Draft List of Priority Projects;

5. determine the proposal for priority investments and measures for a just transition;

6. align the implementation of investments with national policies, strategic documents and the obligations of the State;

7. monitor progress in implementing the just transition process and propose measures for its improvement;

8. consider and provide opinions on annual reports on the implementation of priority projects and annual implementation plans for the just transition process;

9. coordinate and provide opinions on programmes and measures of the competent institutions regarding the just transition process;

10. propose measures for transparent, non-discriminatory, competitive and efficient financing of investments;

11. propose measures for the development of alternative economic activities and the development of coal-dependent regions;

12. propose measures for the development of entrepreneurship and the creation of new jobs related to the energy transition;

13. monitor the environmental impact and the impact on climate targets of the projects included in the List of Priority Projects; and

14. consider other matters relating to the field of the just transition.

(3) Members of the Just Transition Council shall be the ministers or heads of:

1. the Ministry of Energy, Mining and Mineral Resources;
2. the Ministry of Economy and Labour;
3. the Ministry of Finance;
4. the Ministry of Environment and Physical Planning;
5. the Ministry of Transport;
6. the Ministry of Education and Science;
7. the Ministry of Social Policy, Demography and Youth;
8. the Ministry of Local Self-Government;
9. the Ministry of Agriculture, Forestry and Water Economy;
10. the state-owned electricity generation company;
11. the electricity transmission system operator; and
12. the gas transmission system operator.

(4) The Chairperson of the Council shall be the Minister of Energy, Mining and Mineral Resources, while the Co-Chairperson shall be the Minister of Environment and Physical Planning.

(5) A technical support unit and three thematic working groups on renewable energy sources and storage capacities, economic diversification, and retraining and training shall be established within the Council.

(6) The technical support unit referred to in paragraph (5) of this Article shall be established as an operational body supporting the implementation of the just transition process, thereby providing expert, analytical and administrative support in the implementation of the just transition process, including the preparation of analyses, reports and proposals, coordination of data and information among stakeholders, and giving support for the implementation of projects included in the List of Priority Projects.

(7) The thematic working groups referred to in paragraph (5) of this Article shall comprise representatives of the ministries referred to in paragraph (3), local self-government units, funds, agencies, other state authorities established in accordance with the Constitution and laws, as well as public institutions and public enterprises established by the Republic or by local self-government units, scientific institutions and international financial institutions. The thematic working groups shall aim, through coordination and the involvement of stakeholders, to provide expert input in the relevant areas, as well as to harmonise policies and activities through various forms of public consultation, including regional consultations and forums, with particular emphasis on local self-government units dependent on coal, with a view to ensuring a sustainable and just transition at national and regional level.

Investment Platform for a Just Energy Transition

Article 78

(1) The Government shall establish an Investment Platform for a Just Energy Transition (hereinafter referred to as: the Platform), through which the systematic, coordinated and accelerated implementation of investment procedures in renewable energy sources, energy efficiency, energy storage and other projects contributing to an increase in energy from renewable sources and supporting the just transition process shall be ensured.

(2) The Platform referred to in paragraph (1) of this Article shall provide for:

1. identification, selection and prioritisation of investment projects;

2. alignment of projects with national energy, climate and development policies and the Annual Plan for the Construction of Energy Facilities;

3. coordination among ministries, local self-government units, funds, agencies, other state authorities established in accordance with the Constitution and laws, as well as public institutions and public enterprises established by the Republic or by local self-government units and international financial institutions; and

4. prioritisation of projects and coordination of administrative, spatial planning and investment procedures for their implementation.

(3) The List of Priority Projects shall include projects through which the public interest of importance for the energy transition established by law is achieved, thus enabling the generation of energy from renewable sources, with particular emphasis on coal-dependent regions, which comply with the “do no harm” principle and legal requirements for environmental protection and social security, projects for energy storage and increasing system flexibility, projects promoting and developing alternative economic activities, and projects contributing to the appropriate use and revitalisation of degraded land for energy purposes in industrial and mining areas.

(4) The projects referred to in paragraph (3) of this Article shall aim to achieve the public interest established by this Law and shall be given priority during implementation, without prejudice to the rules on public procurement, State aid and environmental protection.

(5) The List of Priority Projects may not include:

1. projects for the construction of new facilities using fossil fuels;

2. activities not aligned with climate neutrality objectives; and

3. activities that cause significant harm to the environment.

Monitoring and Reporting on the Implementation of Projects from the List of Projects

Article 79

(1) The projects included in the List of Priority Projects referred to in Article 78 paragraph (3) of this Law shall be monitored by the Council with regard to their implementation progress, financial implementation and socio-economic impact, and the Council shall submit an Annual Report to the Government by 31 March of the current year at the latest, covering the preceding

year.

(2) The Annual Report referred to in paragraph (1) of this Article shall be published on the websites of the Government and the Ministry.

Information on Procedures for the Construction of a Power Plant or Facility for the Generation of Energy from Renewable Sources

Article 80

(1) In order to facilitate access to information on investment in energy generation from renewable sources, the Ministry, acting as the contact point, shall publicly publish on its website:

1. useful information and advice for investors and prosumers on the conditions and procedures for investing in energy generation from RES, or for acquiring the self-consumer status, as well as on their rights and obligations;

2. a guide to investing in energy generation from RES and acquiring the self-consumer status, containing clear and precise information on the applicable regulations, the competences of the authorities and institutions involved, their contact details, as well as the types of permits and the deadlines for their issuance;

3. information and advice for electricity consumers intending to establish, or who have initiated a procedure for establishing, a RES community, concerning the conditions and procedures for its registration and operation, as well as opportunities for access to financial resources for its establishment and/or operation;

4. guidelines for conducting permit-issuing procedures before the competent authorities and institutions up to the commissioning of a RES power plant, including procedures in the fields of energy, spatial planning, construction and environmental protection; and.

5. guides for urban planners and architects to ensure that appropriate and optimal consideration is given to combinations of renewable energy generation systems, high-efficiency cooling and heating technologies, and district heating and cooling when planning and designing buildings and when renovating industrial zones and residential settlements.

(2) For the purposes of preparing the information, advice, manuals, guides and guidelines referred to in paragraph (1) of this Article, the Ministry shall involve representatives of the ministry responsible for construction, the ministry responsible for the environment and spatial planning, the electricity transmission system operator, the electricity distribution system operators, the gas transmission system operator, the district heating system operator, and other stakeholders, such as chambers, scientific institutions and associations.

CHAPTER XII.

INTERNATIONAL COOPERATION AND CROSS-BORDER MECHANISMS FOR THE GENERATION AND USE OF ENERGY FROM RENEWABLE SOURCES

Cooperation for the Purpose of Achieving the Mandatory Share of Energy from

Renewable Sources

Article 81

(1) For the purpose of achieving the binding national targets, the Ministry may conclude cooperation agreements with other countries.

(2) The cooperation referred to in paragraph (1) of this Article may be implemented through agreements concluded for one or more calendar years.

(3) The cooperation referred to in paragraph (1) of this Article may include:

1. cooperation on joint projects;

2. statistical transfer of a specified amount of energy from renewable sources from the country concerned; and

3. joint implementation of support measures and other forms of cooperation enabling the State to reduce the costs of achieving the overall share of energy from renewable sources in the gross final energy consumption.

Statistical Transfers

Article 82

(1) The Government, upon a proposal by the Ministry, shall submit to the Ministerial Council of the Energy Community a request for approval to conclude an agreement on the statistical transfer of a specified amount of energy from renewable sources with a Contracting Party to the Energy Community or a Member State of the European Union (hereinafter referred to as: the country concerned).

(2) Where the Republic is involved in a statistical transfer referred to in paragraph (1) of this Article, in either direction, the amount of energy subject to the statistical transfer shall, depending on the direction of the transfer, be deducted from or added to the amount of energy from renewable sources when calculating the achievement of the binding national targets established in the Integrated National Energy and Climate Plan.

(3) Agreements on statistical transfers referred to in paragraph (1) of this Article shall have a duration of one or more calendar years.

(4) For each statistical transfer, the Government shall notify the Energy Community Secretariat or record the transfer on the Union Renewables Development Platform by 1 April of the current year at the latest, for the preceding year in which the statistical transfer takes effect, specifying the amount and price of the energy involved.

(5) Statistical transfers shall take effect once all Energy Community Contracting Parties involved in the transfer have notified the Energy Community Secretariat of the transfer, or once all conditions for recording the transfer on the European Union Renewable Energy Development Platform have been fulfilled.

(6) The Government and the Contracting Party to the statistical transfer may mutually agree on different conditions, which may not be more lenient than those laid down in this Article.

Joint Projects with Energy Community Contracting Parties and European Union Member States

Article 83

(1) The Government may cooperate with one or more Contracting Parties to the Energy Community and Member States of the European Union in implementing joint projects involving the generation of electricity or energy for heating or cooling from renewable sources. The realisation of joint projects may involve private-sector entities.

(2) With regard to energy generated from renewable sources within the framework of a joint project referred to in paragraph (1) of this Article, the Government shall submit a notification to the Energy Community Secretariat.

(3) The notification referred to in paragraph (2) of this Article may not be amended or withdrawn without the consent of the Energy Community Contracting Party and the Member State of the European Union participating in the joint project.

(4) Within 90 days after the end of each year of the period specified in the Integrated National Energy and Climate Plan, the Government shall submit a notification to the Energy Community Secretariat and to the State participating in the joint project.

(5) The percentage or amount of energy generated within the framework of the joint project referred to in paragraph (1) of this Article shall be counted towards the binding national targets established by this Law.

(6) For the purpose of calculating the achievement of the binding national targets, the amount of electricity or energy for heating or cooling from renewable energy sources:

1. shall be deducted from the amount of energy referred to in paragraph (1) of this Article that was taken into account when calculating the achievement of the targets of the State submitting the notification referred to in paragraph (4) of this Article; and

2. shall be added to the amount of energy referred to in paragraph (1) of this Article that was taken into account when calculating the achievement of the targets of the State receiving the notification referred to in paragraph (4) of this Article.

Joint Projects with a Third Country

Article 84

(1) For the purpose of implementing joint projects involving the generation of electricity from renewable sources, the Government may cooperate with a third country. The realisation of joint projects may involve private-sector entities.

(2) Electricity generated from renewable sources in a third country may be taken into account when calculating the achievement of the binding national targets if the following conditions are met:

1. the electricity is consumed in the Energy Community, provided that:

1.1. an amount of electricity equal to the recorded electricity is continuously nominated in the allocated interconnection capacity by the electricity transmission system operators of the country of origin, the country in which it is consumed and, where applicable, the country of transit;

1.2. an amount of electricity equal to the recorded electricity is continuously registered in the balancing schedule of the electricity transmission system operator of the Republic; and

1.3. the nominated capacity and the generation of electricity from renewable sources by the facility referred to in point 2 of this paragraph relate to the same period;

2. the electricity is generated by a new facility constructed, or by an existing facility whose capacity has been increased, after 18 December 2012, within the framework of the joint project referred to in paragraph (1) of this Article;

3. no support measure has been granted by the third country for the amount of electricity generated and exported, except investment aid granted for the construction or capacity increase of the facility; and

4. the electricity is generated in a third country that is a signatory to the Council of Europe Convention for the Protection of Human Rights and Fundamental Freedoms or to other international conventions or agreements on human rights.

(3) The Government shall notify the Energy Community Secretariat of:

1. the percentage or amount of electricity generated by facilities located in the territory of a third country that is counted towards the binding national targets established in the Integrated National Energy and Climate Plan or towards the overall national target of any other country participating in the joint project; and

2. the allocation of the percentage or amount referred to in paragraph (2) of this Article between the Republic and the third country, which may not exceed the percentage or amount exported to and consumed in the European Union or the Energy Community and which meets the conditions laid down in paragraph (2) point 1 of this Article.

(4) The Government may submit a request to the Energy Community Secretariat for electricity from renewable sources generated and consumed in a third country connected to its electricity transmission system by an interconnection line requiring a lengthy period for joint construction to be taken into account, provided that the following conditions are met:

1. construction of the interconnection line has commenced or is at the stage of contractual or technical arrangements for its commencement;

2. the interconnection line is not operational at the time of submission of the request, but is expected to be commissioned within the agreed or planned timeframe of the project;

3. upon commissioning, the interconnection line will be used to export electricity from renewable sources to the Energy Community; and

4. the request concerns a joint project meeting the conditions referred to in paragraph (2) points 2 and 3 of this Article, as well as an amount of electricity not exceeding the projected amount for export to the Energy Community following the commissioning of the interconnection line.

(5) By 1 April of the current year at the latest, for the preceding year within the period specified in the Integrated National Energy and Climate Plan, the Government shall submit a notification to the third country participating in the joint project and to the Energy Community Secretariat, specifying:

1. the total amount of electricity or energy for heating or cooling generated from renewable sources during the year by the power plant or facility to which the notification relates;

2. the amount of electricity generated from renewable sources during the year by that power plant or facility which is counted towards the overall binding national targets, in accordance with the notification conditions referred to in paragraph (3) of this Article; and
evidence demonstrating compliance with the conditions laid down in paragraph (2) of this Article.

3. evidence demonstrating compliance with the conditions laid down in paragraph (2) of this Article.

(6) The notifications referred to in paragraphs (3) and (5) of this Article may not be amended or withdrawn without the mutual consent of the Government and the Member State of the European Union or the third country participating in the joint project.

(7) The amount of electricity generated from RES which is notified in accordance with the provisions of this Article shall be added to the recorded amount of energy from renewable sources for the purpose of calculating the achievement of the overall binding national targets.

Joint Implementation of Support Measures and Other Forms of Cooperation

Article 85

(1) In accordance with the obligations assumed under ratified international agreements, the Government may decide to join or partially coordinate its support measures for the use of renewable energy sources with one or more Member States of the European Union and/or Contracting Parties to the Energy Community, whereby a certain amount of energy from renewable sources produced in the territory of a state participating in the joint support measures may be counted towards the total binding national target of the Republic and of the Member States of the European Union and/or the Contracting Parties to the Energy Community, provided that the state concerned:

1. carries out a statistical transfer of specified amounts of energy from renewable sources to the Republic in accordance with Article 82 of this Law; or

2. in agreement with the other participating states, establishes allocation rules according to which the amounts of energy from renewable sources produced are allocated among them.

(2) The rules referred to in paragraph (1), point 2 of this Article shall be submitted to the Energy Community Secretariat no later than 90 days after the end of the first year in which the rules began to apply.

(3) No later than 1 April of the current year, the Government shall submit to the Energy Community Secretariat a notification specifying the total amount of electricity or energy for heating or cooling from renewable sources produced during the preceding year and subject to the allocation rules referred to in paragraph (1), point 2 of this Article.

(4) The amount of electricity or energy for heating or cooling from renewable sources notified in accordance with paragraph (3) of this Article shall be reallocated among the participating states in accordance with the allocation rules referred to in paragraph (1), point 2 of this Article.

Calculation of Energy Produced Following an Increase in Capacity

Article 86

When carrying out the calculations referred to in Articles 83 and 84 of this Law, the amount of electricity produced from renewable sources as a result of an increase in the capacity of a power plant shall be deemed to have been produced in a separate power plant from the moment the increase in capacity occurred.

CHAPTER XIII.

LICENSING OF INSTALLERS AND REGISTRATION IN THE REGISTER OF POWER PLANTS AND INSTALLATIONS USING RES

Licensing of Installers

Article 87

(1) The installation of biomass boilers and stoves, photovoltaic systems, solar thermal and photovoltaic systems, shallow geothermal systems and heat pumps shall be carried out by a person holding an installer licence (hereinafter referred to as: licensed installer) issued by the Ministry.

(2) The installer licence referred to in paragraph (1) of this Article shall be valid for five years, with the possibility of renewal.

(3) In order to conduct an examination for obtaining an installer licence, the Ministry shall, in accordance with the procedure laid down by the Law on Public Procurement, select a legal entity registered in the Central Registry of the Republic of North Macedonia for a period of three years, or shall organise the examination electronically in accordance with the Law on Electronic Management and Electronic Services.

(4) In order to obtain an installer licence, a candidate shall take an examination consisting of practical work to assess the candidate's ability to install biomass boilers and stoves, photovoltaic systems, solar thermal and photovoltaic systems, shallow geothermal systems and heat pumps.

(5) The examination shall be held during the March, May, September and December

examination sessions.

(6) A candidate shall register for the examination session referred to in paragraph (5) of this Article from the 1st to the 15th day of the month preceding the month in which the examination session is to be held.

(7) A candidate wishing to obtain an installer licence shall, prior to taking the examination, attend the number of training hours prescribed by the rulebook referred to in paragraph (16) of this Article.

(8) Candidates holding a diploma in secondary vocational technical education at Level IV of the Macedonian Qualifications Framework in the fields of energy, electrical engineering or mechanical engineering shall have the right to take the examination.

(9) The installer examination shall be conducted by a commission established by the Minister, consisting of three members, two of whom shall be selected from among the employees of the Ministry and one from among external experts holding at least 240 ECTS credits or having completed Level VII/1 higher education in the fields of electrical engineering or mechanical engineering, economics, technological sciences or law.

(10) The licence referred to in paragraph (1) of this Article may be renewed provided that the candidate has completed training comprising the required number of hours in accordance with paragraph (7) of this Article no later than 15 days before the expiry of the licence.

(11) The fees for participation in installer training and professional development, as well as the costs of taking the examination, shall be borne by the installer candidate.

(12) The fees paid for taking the examination shall constitute revenue of the Budget of the Republic of North Macedonia.

(13) The members of the commission referred to in paragraph (9) of this Article conducting the examination shall be entitled to remuneration for the work performed in an amount equal to one tenth of the average monthly net salary paid in the Republic in the preceding year, as published by the State Statistical Office. The funds for the payment of the remuneration shall be provided from the Budget of the Republic of North Macedonia.

(14) The Ministry shall recognise any installer licence or certificate issued by another state in accordance with the obligations assumed by the Republic under ratified international agreements.

(15) The Ministry shall establish and maintain a Register of Licensed Installers of Equipment and Systems for the Production of Energy from Renewable Sources, which shall be published on its website.

(16) By means of a Rulebook on the Licensing of Installers of Equipment and Systems for the Production of Energy from Renewable Sources, the Minister shall prescribe:

1. training and professional development programmes, as well as programmes for taking the professional examination for obtaining a licence for installers of equipment and systems for the production of energy from renewable sources;

2. the required number of training hours which a candidate for a licensed installer

is required to attend;

3. the procedure for licensing installers;

4. the procedure for taking the professional examination;

5. the procedure for recognising an installer licence or certificate issued by another state and the required documentation;

6. the form, content and manner of maintaining the Register of Licensed Installers of Equipment and Systems for the Production of Energy from Renewable Sources;

7. the detailed conditions to be fulfilled by legal entities providing installer training and professional development, as well as the procedure for their selection; and

8. the procedure for renewing the validity of an installer licence. (17) The Minister shall prescribe, by means of the rulebook referred to in paragraph (16) of this Article, the calculation of the fees for participation in installer training, as well as the costs of taking the examination, determined on the basis of the spatial and material conditions required for conducting the training, the costs of engaging experts to conduct the training and examinations, and other costs necessary for conducting the training.

Entry in the Register of Power Plants Using RES and Installations Producing Electricity from Renewable Sources

Article 88

(1) The producer of energy from renewable sources shall, within 30 days from the date of obtaining a licence to carry out the energy activity of electricity generation, or from the date of connection of the power plant or installation to the grid where no activity licence is required, register the power plant using RES or installation in the Register of Power Plants Using RES and Installations Producing Electricity from Renewable Sources.

(2) As an exception from paragraph (1) of this Article, power plants or installations with an installed capacity equal to or less than 2 kW shall not be entered in the Register of Power Plants Using RES and Installations Producing Electricity from Renewable Sources.

(3) The entry in the Register of Power Plants Using Renewable Energy Sources shall be carried out on the basis of an application for entry and an on-site inspection conducted by a commission established by the Minister.

(4) The commission referred to in paragraph (3) of this Article shall consist of three members selected from among the employees of the Ministry, holding at least 180 ECTS credits or having completed Level VII/1 higher education in the fields of electrical engineering, mechanical engineering, law or economics.

(5) The applicant shall submit the following documents together with the application referred to in paragraph (3) of this Article:

1. an approval or a completed technical inspection;

2. a connection agreement/decision concluded between the producer and the

electricity distribution system operator, together with a document relating to the inspection of the metering point;

3. a topographical map; and

4. a site plan of the power plant and a schematic representation of the basic equipment and the current status of the applicant.

(6) During the inspection, the Commission shall establish the actual condition of the power plant, in particular its location, type, installed capacity, and the number and type of basic technical units (photovoltaic panels, inverters, wind turbines, generators and other equipment), and shall draw up a report.

(7) Following the on-site inspection, the Minister shall decide on the application within 15 days by means of a decision.

(8) If it is established that the application referred to in paragraph (3) of this Article is incomplete, the Ministry shall request the applicant to complete the required documentation within eight days; otherwise, the application shall be rejected by means of a decision.

(9) The application referred to in paragraph (3) of this Article can also be submitted electronically using electronic identification means through the National e-Services Portal or through an administrative services intermediary in accordance with the regulations governing electronic governance and electronic services and the regulations governing electronic documents, electronic identification and trust services.

(10) In the event of a technical interruption of the National e-Services Portal or the National Interoperability Platform, the application referred to in paragraph (3) of this Article can also be submitted in the form of an electronic document by means of qualified electronic registered delivery to the applicant's electronic address, in accordance with the regulations governing electronic governance and electronic services and the regulations governing electronic documents, electronic identification and trust services.

(11) The decision referred to in paragraph (7) of this Article can also be issued as an electronic document, which shall be delivered to the user's profile on the National e-Services Portal or through a one-stop service point in accordance with the law.

(12) An administrative dispute can be initiated before the competent court against the decision referred to in paragraph (8) of this Article.

(13) The members of the commission referred to in paragraph (3) of this Article shall be entitled to monetary remuneration for the months in which inspections are carried out, in an amount determined by the Minister by means of a decision, equal to one tenth of the average net salary paid in the Republic in the preceding year, according to data from the State Statistical Office.

(14) The form, content and manner of maintaining the Register shall be prescribed by the Minister by means of a rulebook.

CHAPTER XIV SUPERVISION

Bodies Responsible for Supervision

Article 89

(1) The Ministry shall supervise the implementation of this Law and the regulations adopted pursuant to this Law.

(2) The Ministry shall supervise the legality of the work of the local self-government units in accordance with this Law.

(3) The Energy Regulatory Commission shall supervise the operation of entities carrying out regulated energy activities.

(4) The Energy Regulatory Commission shall supervise the operation of licence holders with regard to the fulfilment of their obligations laid down in the licences issued to them.

(5) The Energy Regulatory Commission shall conduct supervision in accordance with an annual supervision plan adopted by 31 December for the following year, which may also be conducted as extraordinary supervision, through authorised persons employed by the Energy Regulatory Commission in accordance with the rulebook governing supervision.

(6) The person subject to supervision shall be obliged to enable the authorised persons to carry out the supervision without hindrance, and in particular to prepare and make available for inspection accurate and complete data, reports, documents, materials or other documents necessary for carrying out the supervision; to provide oral information in the form of statements or responses; and to provide access to premises, installations, energy products, documents or any other means relating to the subject matter of the supervision.

(7) The Energy Regulatory Commission shall supervise participants in wholesale energy markets for energy products through investigations involving the examination and verification of prohibited conduct.

Inspection Supervision

Article 90

(1) Inspection supervision over the implementation of this Law shall be carried out by the State Inspectorate for Energy, Mining and Mineral Resources, the State Environmental Inspectorate, the State Market Inspectorate and the State Agriculture Inspectorate.

(2) While conducting inspection supervision:

1. The State Inspectorate for Energy, Mining and Mineral Resources shall conduct inspection supervision over installations for the production of electricity and heat from renewable sources, their connection to the energy system, as well as the accuracy, operation and use of systems for measuring, monitoring and recording the energy produced;

2. The State Market Inspectorate shall conduct inspection supervision over the application of regulations concerning the trade in goods, the labelling and conformity of technical equipment with the applicable technical regulations and standards, the trade in oil and petroleum products, the origin of products related to renewable energy sources, as well as consumer protection;

3. The State Environmental Inspectorate shall conduct inspection supervision over the application of environmental protection regulations, including the conditions laid down in environmental permits, the impact of energy facilities on the environment, waste management, nature protection, as well as greenhouse gas emissions and climate impacts arising from energy activities;

4. The State Agriculture Inspectorate shall conduct inspection supervision concerning the use and conversion of agricultural land for energy facilities, the protection of agricultural production, soil and agricultural resources, as well as the production, use, traceability and origin of agricultural and forest biomass, by-products, waste and residues, and food and feed crops used for the production of biofuels, bioliquids and biomass fuels.

(3) The inspection supervision referred to in this Article shall be based on the principles of legality, accountability and independence in the exercise of the competences established by this and other laws.

(4) The inspection services within the inspectorates referred to in paragraph (1) of this Article shall apply the law governing inspection supervision, unless otherwise provided for by this Law, the Law on Energy (*) or another law.

(5) Energy activity operators, users of energy systems and consumers shall be obliged to comply with requests or orders issued by the inspection bodies referred to in paragraph (1) of this Article, and in particular:

1. to enable the inspection supervision to be carried out without hindrance;

2. to make available for inspection the documents and data required for conducting the supervision;

3. to provide, within the specified period, access to premises, products, documents or any other means subject to inspection supervision;

4. upon the written request of the inspection body, to suspend operations during the inspection supervision, if this is necessary for conducting the supervision and establishing the factual situation; and

5. upon the written request of the inspection body, within the period specified in the request, to provide or prepare for the inspector accurate and complete data, reports, materials or other documents necessary for conducting the inspection supervision.

(6) In respect of the inspection supervision carried out, the factual situation established, the evidence obtained, the irregularities and deficiencies observed and established, the comments, statements and other relevant facts and circumstances, the inspector shall draw up a written report at the place where the inspection supervision is conducted.

(7) When conducting inspection supervision, the inspector may, by means of an inspection act, impose an inspection measure in the form of an obligation, order, prohibition or another measure prescribed by a special law, which is most appropriate for achieving the purpose of the inspection supervision, no later than eight days from the date of preparation of the report referred to in paragraph (6) of this Article.

(8) Before submitting a request for the initiation of misdemeanour proceedings before the competent court, the inspector shall be obliged to offer the offender a settlement procedure in accordance with the Law on Misdemeanours.

(9) The competent inspector shall issue the offender with a misdemeanour payment order.

(10) Upon receipt and signing of the misdemeanour payment order, the offender shall be obliged to pay the fine within eight days of receipt of the misdemeanour payment order, to the account specified in the payment order.

(11) An offender who pays the fine within the period referred to in paragraph (10) of this Article shall pay half of the imposed fine, and shall be informed of this right in the legal instruction.

(12) If the offender fails to pay the fine within the period referred to in paragraph (10) of this Article, the competent inspector shall submit a request for the initiation of misdemeanour proceedings before the competent court in accordance with Article 99 of this Law, or before the Misdemeanour Commission referred to in Article 91, paragraph (2) of this Law.

(13) The receipt of the payment order referred to in paragraph (9) of this Article shall be recorded in the report.

(14) If the inspector establishes irregularities and deficiencies which endanger human life or health or the environment, the inspector shall temporarily prohibit the activity of the entity subject to inspection supervision by sealing the premises, facilities, construction sites, equipment, means of work and other means, until the irregularities and deficiencies have been remedied.

(15) The competent inspector shall be obliged to maintain records of the misdemeanour payment orders issued and of the outcome of the proceedings initiated, in accordance with the law.

(16) The form and content of the misdemeanour payment order shall be prescribed by the Minister.

CHAPTER XV MISDEMEANOUR PROVISIONS

Misdemeanour Proceedings

Article 91

(1) The Ministry shall conduct misdemeanour proceedings and impose misdemeanour sanctions for misdemeanours established by this Law.

(2) For conducting misdemeanour proceedings and imposing misdemeanour sanctions for the misdemeanours referred to in paragraph (1) of this Article, for which a fine of up to 1,000 euro in denar equivalent is prescribed for a legal entity and up to 500 euro in denar equivalent for the responsible person within the legal entity, the Minister shall, by means of a decision, establish a commission for deciding on misdemeanours (hereinafter referred to as: Misdemeanour Commission), consisting of three members selected from among the persons employed by the Ministry, as follows:

1. one member who is a graduate lawyer, has passed the bar examination and has five years of professional experience in his or her field, who shall be the chairperson of the Misdemeanour Commission;

2. one member with higher education qualifications in the field of technical sciences and five years of professional experience in his or her field; and

3. one member with higher education qualifications in the field of economic sciences and five years of professional experience in his or her field.

(3) The Misdemeanour Commission shall be appointed for a period of three years, with the possibility of reappointment.

(4) At the proposal of the chairperson of the Misdemeanour Commission, the Minister may issue a decision dismissing a member of the Misdemeanour Commission in the following cases:

1. upon expiry of the period for which the member was appointed;

2. at the member's request;

3. upon fulfilment of the statutory conditions for old-age retirement;

4. if permanent incapacity to participate in the work of the Misdemeanour Commission is established;

5. if a final court decision establishes a violation of the regulations governing misdemeanour proceedings;

6. if the member fails to fulfil the obligations arising from his or her work on the Misdemeanour Commission; and

7. if the member has failed to disclose the existence of a conflict of interest in a case being decided by the Misdemeanour Commission.

(5) The Misdemeanour Commission shall adopt rules of procedure governing its work, which shall be approved by the Minister.

(6) The Misdemeanour Commission shall sit as a panel and shall take decisions by a majority vote of the total number of its members.

(7) The members of the Misdemeanour Commission shall take decisions independently and autonomously, on the basis of the law and in accordance with their professional knowledge and personal conviction.

(8) A legal remedy may be lodged against decisions of the Misdemeanour Commission with the competent authority in accordance with the Law on Misdemeanours.

Misdemeanour Provisions for the Electricity Transmission System Operator

Article 92

(1) A fine in the amount of 3,000 euro to 5,000 euro in denar equivalent shall be imposed

on the electricity transmission system operator for a misdemeanour if it:

1. fails to publish practical information on energy sharing (Article 53 paragraph (8));

2. fails to give priority to taking over electricity into the system (Article 54 paragraph (1));

3. fails to install a bidirectional meter (Article 54 paragraph (2));

4. fails to provide data on the quantity of electricity taken over, supplied and generated at a power plant (Article 54 paragraph (3));

5. carries out metering contrary to Article 56 paragraph (2) of this Law;

6. fails to provide metering data in accordance with Article 56 paragraph (3);

7. carries out metering or estimation of generated electricity contrary to Article 58 paragraph (1) of this Law;

8. fails to provide monthly metering data (Article 58 paragraph (2)); and

9. fails to maintain a register and provide data (Article 59 paragraph (1)). (2) A fine in the amount of 1,000 euro in denar equivalent shall be imposed on the responsible person within the electricity transmission system operator for the misdemeanours referred to in paragraph (1) of this Article.

Misdemeanour Provisions for the EMO

Article 93

(1) A fine shall be imposed on the company operating the electricity market under bilateral contracts in the amount of 4,000 euro to 6,000 euro in denar equivalent if classified as a medium-sized trader, or a fine in the amount of 7,000 euro to 10,000 euro in denar equivalent if classified as a large trader, if it:

1. uses the funds collected as the authorised contracting and balance-responsible party contrary to Article 26 paragraph (4) of this Law;

2. fails to open and maintain a dedicated account (Article 26 paragraph (8));

3. where the designated authorised contracting party fails to pay the positive market premium to privileged electricity producers in accordance with the market premium contract (Article 38 paragraph (4));

4. holds a licence and is engaged in the activities of electricity generation, supply or trading (Article 40 paragraph (7));

5. issues a guarantee of origin contrary to Article 40 paragraphs (4), (8), (9) and (11);

6. issues more than one guarantee of origin for a unit of electricity generated (Article 40 paragraph (12));

7. fails to establish and maintain an electronic system for the issuance, transfer, transmission, activation and cancellation of guarantees of origin (Article 43 paragraph (1));

8. as the issuing body for guarantees of origin, issues an amended guarantee of origin and records the change of holder in the Register of Guarantees of Origin (Article 45 paragraph (4));

9. activates and cancels guarantees of origin contrary to Article 46 of this Law;

10. recognises a guarantee of origin contrary to Article 47 of this Law;

11. fails to maintain the Register of Guarantees of Origin referred to in Article 48 of this Law;

12. fails to calculate the share of energy from renewable sources in total electricity sold contrary to Article 50 of this Law; and

13. fails to publish the National Residual Mix on its website (Article 50 paragraph (5)).

(2) A fine in the amount of 1,000 euro in denar equivalent shall be imposed on the responsible person within the electricity market operator under bilateral contracts for the acts referred to in paragraph (1) of this Article.

Misdemeanour Provisions for the Electricity Distribution System Operator

Article 94

(1) A fine in the amount of 7,000 euro to 10,000 euro in denar equivalent shall be imposed on the electricity distribution system operator for a misdemeanour if it:

1. fails to publish practical information on energy sharing (Article 53 paragraph (8));

2. fails to give priority to taking over electricity into the system (Article 54 paragraph (1));

3. fails to install a bidirectional meter (Article 54 paragraph (2));

4. fails to provide data on the quantity of electricity taken over, supplied and generated at a power plant (Article 54 paragraph (3));

5. carries out metering contrary to Article 56 paragraph (2) of this Law;

6. fails to provide metering data in accordance with Article 56 paragraph (3);

7. carries out metering or estimation of generated electricity contrary to Article 58 paragraph (1) of this Law;

8. fails to provide monthly metering data (Article 58 paragraph (2)); and

9. fails to maintain a register and provide data (Article 59 paragraph (1)). (2) A fine in the amount of 1,000 euro in denar equivalent shall be imposed on the responsible

person within the electricity distribution system operator for the acts referred to in paragraph (1) of this Article.

Misdemeanour Provisions for Electricity Suppliers

Article 95

(1) A fine shall be imposed on a company supplying electricity in the amount of 700 euro to 1,000 euro in denar equivalent if classified as a micro trader, a fine in the amount of 1,500 euro to 2,000 euro in denar equivalent if classified as a small trader, a fine in the amount of 4,000 euro to 6,000 euro in denar equivalent if classified as a medium-sized trader, or a fine in the amount of 7,000 euro to 10,000 euro in denar equivalent if classified as a large trader, if it:

1. fails to carry out settlement in accordance with Article 52 paragraph (3) of this Law; and

2. calculates consumption contrary to Article 57 of this Law.

(2) A fine in the amount of 1,000 euro in denar equivalent shall be imposed on the responsible person within the electricity supply company for the misdemeanours referred to in paragraph (1) of this Article.

Misdemeanour Provisions for the Market for Crude Oil, Petroleum Products and Transport Fuels

Article 96

(1) A fine in the amount of 700 euro to 1,000 euro in denar equivalent shall be imposed for a misdemeanour on a company classified as a micro trader, a fine in the amount of 1,500 euro to 2,000 euro in denar equivalent shall be imposed on a company classified as a small trader, a fine in the amount of 4,000 euro to 6,000 euro in denar equivalent shall be imposed on a company classified as a medium-sized trader, and a fine in the amount of 7,000 euro to 10,000 euro in denar equivalent shall be imposed on a company classified as a large trader that carries out the activity and:

1. fails to enter the data and information referred to in Article 72 paragraph (2) of this Law; and

2. places on the market biofuels, bioliquids and biomass fuels that do not meet the sustainability criteria and the greenhouse gas emissions reduction criteria (Article 73 paragraph (1)).

(2) A fine in the amount of 1,000 euro in denar equivalent shall be imposed on the responsible person within the company for the misdemeanours referred to in paragraph (1) of this Article.

Misdemeanour Provisions for the Heat Energy Distribution System Operator and the Heat Energy Supplier

Article 97

(1) A fine shall be imposed on a company supplying heat energy in the amount of 300 euro

to 700 euro in denar equivalent if classified as a micro trader, a fine in the amount of 500 euro to 1,000 euro in denar equivalent if classified as a small trader, a fine in the amount of 1,500 euro to 3,000 euro in denar equivalent if classified as a medium-sized trader, or a fine in the amount of 3,000 euro to 5,000 euro in denar equivalent if classified as a large trader, if it:

1. fails to publish information on the RES share and the level of energy efficiency of the district heating and cooling system on consumers' bills and on its website (Article 66 paragraph (1)).

(2) A fine in the amount of 500 euro in denar equivalent shall be imposed on the responsible person within the company for the misdemeanours referred to in paragraph (1) of this Article.

Misdemeanour Fines for Legal Entities

Article 98

(1) A fine in the amount of 100 euro to 300 euro in denar equivalent shall be imposed for a misdemeanour on a company classified as a micro trader, a fine in the amount of 300 euro to 700 euro in denar equivalent shall be imposed on a company classified as a small trader, a fine in the amount of 1,000 euro to 2,000 euro in denar equivalent shall be imposed on a company classified as a medium-sized trader, and a fine in the amount of 2,000 euro to 3,000 euro in denar equivalent shall be imposed on a company classified as a large trader if it:

1. as a privileged producer using a support measure, fails to conclude an agreement with an authorised contracting party (Article 18 paragraph (2));

2. fails to estimate electricity generation (Article 19 paragraph (1));

3. as the holder of a decision granting temporary status as a privileged producer using a feed-in tariff, or a decision granting status as a privileged producer using a feed-in tariff, makes a change contrary to Article 21 of this Law;

4. as a privileged producer using a feed-in tariff, fails to conclude a contract in accordance with Article 29 of this Law; and

5. fails to pay the negative market premium to the authorised contracting party in accordance with the market premium agreement (Article 38 paragraph (5)).

(2) A fine in the amount of 100 euro in denar equivalent shall be imposed on the responsible person within a company classified as a micro trader, a fine in the amount of 200 euro in denar equivalent shall be imposed on the responsible person within a company classified as a small or medium-sized trader, and a fine in the amount of 300 euro in denar equivalent shall be imposed on the responsible person within a company classified as a large trader for the misdemeanours referred to in paragraph (1) of this Article.

Misdemeanour Proceedings before a Competent Court

Article 99

For misdemeanours established under this Law for which the Ministry does not conduct misdemeanour proceedings and does not impose a misdemeanour sanction, the proceedings shall be conducted and the misdemeanour sanction shall be imposed by the competent court in accordance with the Law on Misdemeanours.

CHAPTER XVI.

TRANSITIONAL AND FINAL PROVISIONS

Proceedings for Measurement of Wind Energy Potential Already Initiated

Article 100

Measurements of the wind energy potential initiated before the date of entry into force of this Law and carried out pursuant to permits issued under the Law on Energy (*) (Official Gazette of the Republic of Macedonia No. 96/18 and Official Gazette of the Republic of North Macedonia Nos. 96/19, 236/22, 134/24 and 147/24) shall continue until the expiry of the validity of the issued permit.

Conducting the First Auction

Article 101

(1) In accordance with the Integrated National Energy and Climate Plan, within 30 days from the date of entry into force of this Law, the Ministry shall assess and determine the deviation from the dynamics of the indicative trajectory.

(2) If the Ministry determines a deviation from the indicative trajectory, within 60 days from the date of such determination, it shall propose annual quotas for the allocation of support measures, as well as quotas for individual support measures, by type of generation technology and installed capacity separately for each type of technology for the current year, on which the Government shall adopt a decision.

(3) Following the adoption of the decision referred to in paragraph (2) of this Article, the procedure for allocating a market premium or feed-in tariff support measure shall commence in accordance with this Law.

Proceedings Already Initiated and Rights Acquired to Use Support Measures

Article 102

(1) Decisions on the use of a feed-in tariff for electricity generated from renewable energy sources adopted by the Energy and Water Services Regulatory Commission before the date of entry into force of this Law shall apply until the expiry of their validity as determined in the decision, provided that the power plants have been constructed.

(2) Users of support measures who acquired the right to use such measures pursuant to the Law on Energy (*) (Official Gazette of the Republic of Macedonia No. 96/18 and Official Gazette of the Republic of North Macedonia Nos. 96/19, 236/22, 134/24 and 147/24) shall continue to exercise their rights and fulfil their obligations in accordance with the agreements concluded.

Proceedings Already Initiated for Acquiring a Temporary Status as a Privileged Producer

Article 103

(1) Proceedings already initiated for acquiring a temporary status as a privileged producer using a feed-in tariff and for acquiring the status of a privileged producer using a feed-in tariff before the date of entry into force of this Law shall be completed in accordance with the provisions of the Law on Energy (*) (Official Gazette of the Republic of Macedonia No. 96/18 and Official Gazette of the Republic of North Macedonia Nos. 96/19, 236/22, 134/24 and 147/24).

(2) Power plants using RES financed from the Budget of the Republic of North Macedonia, or from a loan for which a guarantee is issued by the Republic of North Macedonia in accordance with the law, which, before the date of entry into force of this Law, acquired a temporary status as a privileged producer using a feed-in tariff pursuant to the provisions of the Law on Energy (*) (Official Gazette of the Republic of Macedonia No. 96/18 and Official Gazette of the Republic of North Macedonia Nos. 96/19, 236/22, 134/24 and 147/24), shall retain such status at all stages of implementation of the project financed from the Budget of the Republic of North Macedonia for which the loan was obtained or the guarantee was issued.

Issued Guarantees of Origin

Article 104

(1) Guarantees of origin issued before the date of entry into force of this Law shall not be taken into account in the share for compliance with the RES targets under the Integrated National Energy and Climate Plan for the period up to 31 December 2026.

(2) Within 30 days from the date of entry into force of this Law, privileged producers who acquired the right to a feed-in tariff before the date of entry into force of this Law, and privileged producers who acquired the right to a premium before the date of entry into force of this Law, shall submit and transfer to the electricity market operator the guarantees of origin issued for the part of the installed capacity of the power plant for which the privileged producer status was acquired.

Application of the Provision on Guarantees of Origin for Gas

Article 105

The provisions of this Law relating to guarantees of origin for gas shall start to apply from 1 January 2030.

Application of the Provisions on the Purchase and Sale of Electricity from Privileged Producers

Article 106

The existing method of selling electricity purchased from privileged producers using a feed-in tariff by the electricity market operator, pursuant to the Law on Energy (*) (Official Gazette of the Republic of Macedonia No. 96/18 and Official Gazette of the Republic of North Macedonia Nos. 96/19, 236/22, 134/24 and 147/24), shall apply for a period of six months from the date of entry into force of this Law.

Application of the Provisions on the Calculation of Electricity Taken from and Supplied

by a Self-Consumer

Article 107

(1) The provisions of Chapter VII of this Law concerning the method of calculating electricity taken from and supplied by a self-consumer shall start to apply two months from the date of entry into force of this Law.

(2) Until the application of the calculation method referred to in paragraph (1) of this Article commences, the existing calculation method established in accordance with the Rulebook on Renewable Energy Sources prescribed pursuant to the Law on Energy (*) (Official Gazette of the Republic of Macedonia No. 96/18 and Official Gazette of the Republic of North Macedonia Nos. 96/19, 236/22, 134/24 and 147/24) shall apply, as well as in accordance with the existing electricity supply agreements and agreements for the delivery of surplus electricity generated to the electricity distribution network, as specified in the Electricity Supply Rules adopted by the Energy and Water Services Regulatory Commission.

(3) The agreements referred to in paragraph (2) of this Article concluded before the date of entry into force of this Law shall be harmonised with the provisions of this Law by the date on which the calculation method referred to in paragraph (1) of this Article starts to apply.

(4) A self-consumer using the support measure of a preferential tariff in accordance with the Law on Energy (*) (Official Gazette of the Republic of Macedonia No. 96/18 and Official Gazette of the Republic of North Macedonia Nos. 96/19, 236/22, 134/24 and 147/24) may conclude an agreement with the EMO in accordance with Article 18 paragraph (2) of this Law within three months from the date of entry into force of this Law.

(5) The collection of proportional charges in respect of electricity generated from renewable energy sources that remains on the premises of the self-consumer, referred to in Article 51 paragraph (6) point 3 of this Law, shall commence on 1 December 2026.

Application of the Provisions on Net Metering

Article 108

(1) Any self-consumer who, before the date of entry into force of this Law, applies net metering in accordance with the provisions of the Law on Energy (*) (Official Gazette of the Republic of Macedonia No. 96/18 and Official Gazette of the Republic of North Macedonia Nos. 96/19, 236/22, 134/24 and 147/24) and the energy regulations applicable until the date of entry into force of this Law shall continue to apply net metering until 31 December 2026 at the latest.

(2) Upon expiry of the period referred to in paragraph (1) of this Article, the self-consumers referred to in paragraph (1) shall switch to a system of separate metering and financial settlement of electricity supplied to and taken from the electricity network.

Appointment of an Authorised Contracting Party for the Implementation of the Market Premium

Article 109

The Government, upon a proposal from the Ministry, shall appoint a contracting party for the market premium support measure within 30 days from the adoption of the Regulation referred to in Article 18 paragraph (4) of this Law.

Application of the Provisions on the Reduction of Greenhouse Gas Emissions

Article 110

The provisions of Chapter X of this Law concerning sustainability criteria and greenhouse gas emission reductions for biofuels, bioliquids and biomass fuels shall start to apply within nine months from the date of entry into force of the law regulating climate action.

Just Transition Council

Article 111

The Just Transition Council established before the date of entry into force of this Law shall continue its work.

Validity Period of Certificates for Renewable Energy Systems Installers Issued Before the Entry into Force of this Law

Article 112

(1) Installers who have been issued licences pursuant to the Law on Energy (*) (Official Gazette of the Republic of Macedonia No. 96/18 and Official Gazette of the Republic of North Macedonia Nos. 96/19, 236/22, 134/24 and 147/24), and persons who, before the date of entry into force of this Law, obtained a certificate as installers of renewable energy systems, may, within one year from the date of entry into force of this Law, submit an application to the Ministry for the issuance of an installer licence, valid until the expiry of the period for which the original licence or certificate was issued.

(2) Persons referred to in paragraph (1) of this Article who fail to submit an application for the issuance of an installer licence within the period referred to in paragraph (1) of this Article may not install equipment, and their licence shall cease to be valid by operation of law.

Selection of a Legal Entity for Conducting Installer Training

Article 113

The Minister shall select the legal entity for conducting installer training referred to in Article 87 paragraph (3) of this Law within nine months from the date of entry into force of the Rulebook referred to in Article 87 paragraph (16) of this Law.

Transfer of the Register of Privileged Producers

Article 114

The Ministry shall take over from the Energy and Water Services Regulatory Commission the Register of privileged producers using a preferential tariff, together with the archive and other documentation relating to privileged producers using a preferential tariff, within 60 days from the date of entry into force of the Rulebook referred to in Article 24 paragraph (2) of this Law.

Pending Registration Procedures for Power Plants and Installations Using Renewable Energy Sources with an Installed Capacity Equal to or Less Than 2 kW

Article 115

Power plants and installations using renewable energy sources registered in the Register of power plants and installations using renewable energy sources, whose installed capacity is equal to or less than 2 kW, shall remain in the Register.

Adoption of Secondary Legislation

Article 116

(1) The secondary legislation provided for by this Law shall be adopted within two years from the date of entry into force of this Law.

(2) Until the adoption of the secondary legislation referred to in paragraph (1) of this Article, matters not regulated by this Law shall be governed accordingly by the secondary legislation on renewable energy sources adopted pursuant to the Law on Energy (*) (Official Gazette of the Republic of Macedonia No. 96/18 and Official Gazette of the Republic of North Macedonia Nos. 96/19, 236/22, 134/24 and 147/24).

Repeal of Provisions of the Law on Energy

Article 117

On the date of entry into force of this Law, Articles 185 and 185-a, as well as the provisions relating to support measures for renewable energy sources and the issuance of guarantees of origin under the Law on Energy (*) (Official Gazette of the Republic of Macedonia No. 96/18 and Official Gazette of the Republic of North Macedonia Nos. 96/19, 236/22, 134/24 and 147/24), shall cease to apply.

Entry into Force

Article 118

This Law shall enter into force on the eighth day from the date of its publication in the Official Gazette of the Republic of North Macedonia.