



Gregorčičeva 20–25, SI-1001 Ljubljana

T: +386 1 478 1000

F: +386 1 478 1607

E: [gp.gs@gov.si](mailto:gp.gs@gov.si)

<http://www.vlada.si/>

THIRD READING  
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## ENERGY ACT PROPOSAL (EZ-1)

### Part One GENERAL PROVISIONS

#### Chapter I: SUBJECT MATTER AND SCOPE

##### Article 1 (Contents of the Act)

This Act lays down the principles of energy policy, energy market operation rules, manners and forms of providing public services in the energy sector, principles and measures for achieving a secure energy supply, for increasing energy efficiency and energy saving and for increasing the use of energy generated from renewable energy sources, and lays down the conditions for the operation of energy installations, regulates the responsibilities, organisation and tasks of the Energy Agency (hereinafter: the Agency) and the competences of other authorities operating under this Act.

##### Article 2 (Transposition and implementation of European Union regulations)

(1) By this Act the following EU directives shall be transposed into the legislation of the Republic of Slovenia:

- Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC (OJ L no. 211 of 14 August 2009, p. 55; hereinafter: Directive 2009/72/EC),
- Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC (OJ L no. 211 of 14 August 2009, p. 94; hereinafter: Directive 2009/73/EC),
- Directive 2005/89/EC of the European Parliament and of the Council concerning measures to safeguard security of electricity supply and infrastructure investment (OJ L 33, of 18 January 2006, p. 22; hereinafter: Directive 2005/89/EC),
- Directive 2009/28/EC of the European Parliament and of the Council on the promotion of the use of energy generated from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC (OJ L no. 140 of 5 June 2009, p. 16; hereinafter: Directive 2009/28/EC),
- Directive 2009/125/EC of the European parliament and of the Council of 21 October 2009 establishing a framework for the setting of ecodesign requirements for energy-related products (OJ L no. 285 of 31 October 2009, p. 10; hereinafter: Directive 2005/89/EC),

- Directive 2010/30/EU of the European Parliament and of the Council of 19 May 2010 on the indication by labelling and standard product information of the consumption of energy and other resources by energy-related products (OJ L no. 153 of 18 June 2010, p. 1; hereinafter: Directive 2010/30/EU),
- Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings (OJ L 153 of 18 June 2010, p. 13; hereinafter: Directive 2010/31/EU),
- Directive 2012/27/EC of the European parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EU and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ L no. 315 of 14 November 2012, p. 1; hereinafter: Directive 2012/27/EC),
- Directive 2004/8/EC of the European Parliament and of the Council of 11 February 2004 on the promotion of cogeneration based on a useful heat demand in the internal energy market and amending Directive 92/42/EEC (OJ L 52 of 21 April 2004, p. 50; hereinafter: Directive 2004/8/EC),
- Directive 2009/31/EC of the European Parliament and of the Council on the geological storage of carbon dioxide and amending Council Directive 85/337/EEC, European Parliament and Council Directives 2000/60/EC, 2001/80/EC, 2004/35/EC, 2006/12/EC, 2008/1/EC and Regulation (EC) No 1013/2006 (OJ L no. 140 of 5 June 2009, p. 114; hereinafter: Directive 2009/31/EC).

(2) This Act shall also define the competent authorities for the implementation and sanctions for the violations of the following Regulations of the European Union:

- Regulation (EC) No °714/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the network for cross-border exchanges in electricity and repealing Regulation (EC) No 1228/2003 (OJ L no. 211 of 14 August 2009, p. 15; hereinafter: Regulation (EC) No°714/2009),
- Regulation (EC) No °715/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No°1775/2005 (OJ L no. 211 of 14 August 2009, p. 36; hereinafter: Regulation (EC) No°715/2009),
- Regulation (EU) No 994/2010 of the European Parliament and of the Council of 20 October 2010 concerning measures to safeguard security of gas supply and repealing Council Directive 2004/67/EC (OJ L no. 295 of 12 November 2010, p. 1; hereinafter: Regulation (EU) 994/2010);
- Regulation (EC) No 713/2009 of the European Parliament and of the Council of 13 July 2009 establishing an Agency for the Cooperation of Energy Regulators (OJ L 211 of 14 August 2009, p. 1; hereinafter: Regulation (EC) No°713/2009),
- Regulation (EU) No 1227/2011 of the European Parliament and of the Council of 25 October 2011 on wholesale energy market integrity and transparency (OJ L no. 326 of 8 December 2011, p. 1; hereinafter: Regulation (EU) No°1227/2011).

### Article 3 (Purpose of the Act)

The purpose of the act is to ensure a competitive, secure, reliable and accessible supply of energy and energy services, taking into account the principles of sustainable development.

### Article 4 (Definitions)

Unless individual meanings of terms are defined otherwise in individual Parts of this Act, the terms used in this Act shall have the following meaning:

1. "ACER" means the Agency for the Cooperation of Energy Regulators established by Regulation (EC) No 713/2009;
2. "biofuel" means liquid or gaseous fuel intended for use in transport and produced from biomass;
3. "district cooling" means the distribution of cooled liquids from central production resources through a network to final customers in several buildings or at several locations;
4. "district heating" means the distribution of steam, hot or warm water from central production resources through a network to final customers in several buildings or at several locations;
5. "distribution of liquid fuels" means the distribution of liquid fuels to final customers that is not carried out through distribution piping networks;
6. "distribution of heat" means the distribution of heat through a distribution system that also includes the supply to final customers;
7. "electricity distribution system operator" (hereinafter: the electricity DSO) means a natural or legal person who carries out the function of electricity DSO and is responsible for operating, maintaining and developing the electricity distribution system in a given area and, where applicable, its interconnections with other systems, and for ensuring the long-term ability of the system to meet reasonable demands for the distribution of electricity;
8. "long-term planning" means the planning of the need for investment in generation and transmission and distribution capacity and other installations on a long-term basis, with a view to meeting the demand of the system for electricity, natural gas and other fuels and for securing reliable supplies to consumers;
9. "electricity" means electric power;
10. "electricity system operator" means an electricity TSO or an electricity DSO;
11. "energy review" means a systematic procedure carried out for the purpose of obtaining knowledge of the existing consumption of energy by a building or a group of buildings, industrial or commercial process, installation, private or public service, with the aim of determining and assessing cost-effective options for energy savings, and in the framework of which the findings are reported;
12. "energy" means all forms of fuels as defined in point d) of Article 2 of Regulation (EC) No 1099/2008 of the European Parliament and of the Council of 22 October 2008 on energy statistics (OJ L 304 of 14 November 2008, p. 1);
13. "household customer" means a customer purchasing electricity, natural gas, heat or other energy gas for his own household consumption, excluding consumption for performing commercial or professional activities;
14. "gross final energy consumption" means energy or fuel supplied for energy purposes to industry, transport, households, the service sector, including the public sector, agriculture, forestry and fisheries, including electricity and heat consumed by the energy transformation sector for the generation of electricity and heat, and losses of electricity and heat in distribution and transmission;
15. "final energy consumption" means energy or fuel supplied for energy purposes to industry, transport, households, the service sector, including the public sector, agriculture, forestry and fisheries, excluding that supplied to the energy transformation sector;
16. "final customer" means any natural or legal person buying energy for his own final consumption;
17. "local community" means a self-governing local community;
18. "local energy concept" is a concept of development of a local community or several local communities in the field of energy supply and consumption which includes measures for efficient energy use and the manner of supply of energy generated from renewable sources, co-generation, excess heat and other sources;
19. "intelligent metering system" means an electronic system that can measure energy consumption, which provides more information than a regular meter and can send and receive data by means of electronic communication;
20. "low-carbon technologies" mean technologies that do not cause carbon dioxide emissions in the process of heat or electricity generation;

21. "renewable energy sources" are renewable non-fossil energy sources (wind, solar, aerothermal, hydrothermal and geothermal energy, ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas and biogases);
22. "commitments concerning renewable energy sources" is the support programme that requires from: energy producers to include a certain share of energy generated from renewable sources in their production; energy suppliers to include a certain share of energy generated from renewable sources in their supply; energy consumers to include a certain share of energy generated from renewable sources in their consumption;
23. "customer" is any legal or natural person buying energy or fuel for his or her own use or for further sale;
24. "operator" means an electricity system operator or a natural gas system operator;
25. "gas distribution system operator" (hereinafter: the gas DSO means a natural or legal person who carries out the function of natural gas DSO and is responsible for operating, maintaining and developing the distribution system in a given area and, where applicable, its interconnections with other systems, and for ensuring the long-term ability of the system to meet reasonable demands for the distribution of gas;
26. "gas transmission system operator" (hereinafter: the gas TSO) means a natural or legal person who carries out the function of natural gas TSO and is responsible for operating, maintaining and developing the transmission system in a given area and, where applicable, its interconnections with other systems, and for ensuring the long-term ability of the system to meet reasonable demands for the transport of gas;
27. "gas system operator" is a natural gas TSO or DSO;
28. "energy retail sale undertaking" means any natural or legal person selling energy to final customers;
29. "guaranteed energy performance savings contract" means a contractual arrangement between the user and the provider of a measure for an improvement in energy efficiency that is reviewed and monitored for the entire period of validity of the contract and in the framework of which investments (labour, supply or service) in the measure are paid proportionally with the level of improved energy efficiency agreed under the contract, or with another agreed measure of energy efficiency, such as financial savings;
30. "energy service provider" means a natural or legal person providing energy services or other measures to improve energy efficiency in a building or on the premises of a final customer;
31. "energy savings" means the quantity of energy saved determined by measurement or assessed consumption prior to the implementation of a measure to improve energy efficiency and thereafter, while ensuring normal external conditions influencing energy consumption;
32. "auditor" means an auditing firm or an independent auditor that holds a permit to perform auditing according to the act governing auditing;
33. "electricity transmission system operator" (hereinafter: the electricity TSO) means a natural or legal person who carries out the function of electricity TSO and is responsible for operating, maintaining and developing the electricity transmission system in a given area and, where applicable, its interconnections with other systems, and for ensuring the long-term ability of the system to meet reasonable demands for the transmission of electricity;
34. "co-generation" means the simultaneous generation in one process of thermal energy and electrical or mechanical energy;
35. "heat" means heat in the form of steam, hot water, warm water or cooled liquids;
36. "efficient district heating and cooling" means a system of district heating or cooling that uses at least 50 per cent of energy generated from renewable sources, 50 per cent of excess heat, 75 per cent of heat from co-generation or 75 per cent of combination of such energy and heat;
37. "efficient individual heating and cooling" means a system of supply for individual heating and cooling that, in comparison with efficient district heating and cooling, considerably reduces the input of primary energy from non-renewable sources necessary for the supply of an energy unit within an appropriate system limit, or requires an equal input of primary energy from non-renewable sources, but at lower costs, which takes into account the energy necessary for the generation, conversion, transport and distribution of energy;

38. "policy measure" means a regulative, financial, fiscal, voluntary instrument or an instrument on notification that a local community introduces and implements to create a supportive framework, demands or incentives to ensure that market participants offer or purchase energy services and implement other measures to improve energy efficiency.

#### Article 5 (Objectives of the Act)

The principal objectives in the field of energy supply and use are as follows:

- reliable energy supply,
- to establish effective competition in the energy market,
- competitiveness in performing non-market activities,
- efficient energy transformation,
- reduced use of energy,
- efficient use of energy,
- energy efficiency,
- increased production and use of renewable energy sources,
- transition to a low-carbon society with the application of low-carbon energy technologies,
- provision of energy services,
- ensuring social cohesiveness,
- protecting consumers as final customers of energy,
- ensuring effective control of the implementation of the provisions of this act.

#### Article 6 (Implementation of the Act)

(1) The provisions of this Act, unless otherwise stipulated in individual Articles, shall apply to legal and natural person of public and private law that carry out activities in the following areas of the energy sector (hereinafter referred to as: performers of energy sector activities):

- processing of oil and petroleum products,
- storing of gaseous, liquid and solid fuels,
- transmission of energy and fuels through networks,
- production, generation, trading in and distribution of liquid and gaseous fuels,
- electricity generation,
- production and distribution of heat for district heating and cooling,
- operator activity,
- supply of electricity, gas or heat,
- activity of electricity market operator,
- trading, representation and intermediation in electricity and natural gas markets.

(2) The provisions of this Act, unless otherwise stipulated in individual Articles, shall also apply to other legal and natural persons of public and private law and to natural persons (hereinafter referred to as other liable persons), namely to:

- economic operators who perform the activities of coal, petroleum and natural gas extraction,
- providers of energy services, energy consulting and energy audits,
- fitters of installations using renewable energy sources,
- producers or their authorised agents or importers that place energy-related products on the market,
- producers or their authorised agents or importers who place on the market installations for the production of heat from renewable energy sources,
- operators or owners of public car parks and car parks accessible to public, and car parks of public sector entities,
- public sector entities,

- Eco Fund, Slovenian Environmental Public Fund,
- owners of buildings,
- users of buildings,
- legal persons of public and private law and natural persons who are owners or users of energy installations, plants and lines,
- final customers of energy.

## Chapter II: FUNDAMENTAL PRINCIPLES

### Article 7 (Principle of priority)

(1) Measures to increase energy efficiency and reduce the use of energy shall have, with regard to comparable costs considered in the life of the measure, priority over the provision of new capacities for energy supply.

(2) Measures for the provision of new capacities for the supply of energy generated from renewable and low-carbon sources shall have, with regard to comparable costs considered in the life of the facility, priority over the provision of new capacities for the supply of energy from other sources.

### Article 8 (Principle of cost-effectiveness)

When adopting policies, strategies, programmes, plans, general and concrete legal acts and implementing measures based on this Act, the State and local communities shall make efforts to minimise the direct costs of measures for legal and natural persons and external costs relative to the results achieved, with regard to the principle of costs in the entire life.

### Article 9 (Principle of social cohesiveness)

Energy supply shall enable suitable living conditions for poorer population groups or households.

### Article 10 (Principle of equal treatment)

Procedures related to the construction of capacities for the supply of energy, to the supply of energy or use of energy that are implemented by the state or local communities shall be implemented in a manner that ensures the equal treatment of all parties to the procedures.

### Article 11 (Principle of transparency)

Procedures related to the construction of capacities for the supply of energy, to the supply of energy or use of energy that are implemented by the state or local communities shall be implemented in a manner that ensures the transparency of the implementation of procedures and decision making.

Article 12  
(Principle of publicity)

- (1) Quantitative data about the supply of energy by types of consumer groups and by groups of final customers shall be public, except when otherwise provided by the this Act or other act.
- (2) The public shall be included in the procedure of adopting policies, strategies, programmes and plans referring to energy supply and consumption in accordance with this Act.
- (3) The public shall be included in the procedure of issuing general legal acts referring to energy supply and consumption in accordance with this Act.

Article 13  
(Consumer protection principle)

The rights of consumers as final customers of energy shall be considered in the supply of energy.

Article 14  
(Principle of integrity)

When adopting policies, strategies, programmes, plans and general legal acts and implementing other matters in their competence, the State and local communities shall take into account their impact on achieving objectives in the fields of energy efficiency, renewable energy sources and environmental acceptability.

Article 15  
(Principle of incentives)

- (1) The state and local communities, in accordance with their competences, shall promote the activities to increase energy efficiency and the share of renewable of other low-carbon energy sources.
- (2) In determining incentives, those installations, technologies, equipment, products and services and activities that are more environmentally sound shall be granted greater incentives than those that are less environmentally sound.
- (3) The state and local communities shall promote awareness-raising, information and education about energy efficiency and renewable energy sources.

Article 16  
(Principle of transparent and non-discriminatory energy supply)

Consumers of energy supplied from the networks shall enjoy the right to be supplied with energy in a transparent and non-discriminatory manner, under conditions stipulated in this Act and in compliance with the regulations adopted on its basis and on the basis of general legal acts issued under public authority.

Article 17  
(Principle of competitiveness)

(1) The state shall be obliged to implement market rules and promote competition in the energy supply.

(2) Individual producers or suppliers shall be treated in a non-discriminatory manner within the framework of the system operating conditions stipulated in this Act.

Article 18  
(Polluter-pays principle)

Energy producers shall bear the burdens and risks of environmental pollution caused by their production. It is necessary to consider the environmental burdens and risks that occur throughout the entire life cycle, from the manufacture of raw materials, during operation, in the event of accidents, when operations are terminated, in the rehabilitation of the environment and in waste disposal.

Article 19  
(Environmental sustainability principle)

When adopting policies, strategies, programmes, plans, general and concrete legal acts and implementing measures based on this Act, the State and local communities shall make efforts to minimise the negative environmental impacts with regard to the environmental burdens throughout the entire life cycle. In the event of policies, strategies, programmes, plans, general and concrete legal acts that have long-term environmental impacts, efforts shall be taken to reduce the environmental burden of future generations.

Chapter III: ENERGY POLICY

**Article 20**  
(Energy policy)

(1) Energy policy is the implementation of measures in accordance with the principles of this Act the aim of which is to achieve a reliable, sustainable and competitive national supply with energy by means of promoting the following:

- security and quality of energy supply,
- balanced long-term development of energy economy considering trends in energy consumption,
- planned diversification of various primary energy sources, taking into account their economics,
- competitive energy supply,
- use of renewable and low-carbon energy sources,
- ensuring the priority of efficient energy use over energy supply,
- environmentally acceptable generation, production, transmission and consumption of all types of energy,
- competition in the energy market,
- flexible energy users,
- consumer protection.

(2) The measures to achieve the objectives referred to in the preceding paragraph shall be determined in the following long-term planning documents: the energy concept of Slovenia, the national energy development plan and operational and action plans for individual fields of energy supply and management. The measures shall include the regulative management of energy supply, conclusion and implementation of international treaties in the field of energy, implementation of investments and promotion of investments in the field of energy, and other activities.



(3) The implementation of the measures to achieve the objectives referred to in the first paragraph of the present Article is in the general economic interest of the state.

**Article 21**  
(Priority use of energy)

With equal specific costs of achieving energy savings in comparison to the costs of providing new capacities for the same amount of energy, priority shall be given to measures for achieving energy savings while maintaining the existing reliability of the energy system.

**Article 22**  
(International obligations)

Obligations under international treaties and agreements, in particular those concerning the energy market, investments, the transmission of energy and fuels and connections to international energy networks shall form an integral part of energy policy and planning of the development of energy sector activities.

**Article 23**  
(Energy Concept of Slovenia)

(1) The Energy Concept of Slovenia (hereinafter: the ECS) is the core development document that constitutes the national energy programme and that is adopted by a resolution of the National Assembly of the Republic of Slovenia (hereinafter: the National Assembly) following the proposal of the Government of the Republic of Slovenia (hereinafter: the Government).

(2) ECS shall determine the objectives of reliable, sustainable and competitive energy supply for the period of the next 20 years and for the framework period of 40 years on the basis of the projected economic, environmental and social development of the state and on the basis of adopted international commitments.

(3) The ECS shall determine the following:

- projected energy balance and the manner of energy supply and management based on the twenty-year development projection of the state, considering technological, environmental and geopolitical development trends;
- objectives of the state in energy supply and management;
- measures necessary to achieve the objectives referred to in the preceding indent;
- commitments concerning renewable energy sources;
- indicators by corresponding objectives of the energy policy of the programme budget of the Republic of Slovenia.

(4) The Government shall renew the ECS every ten years, except for the event referred to in the sixth paragraph of this Article.

(5) The Government shall be responsible for implementing the ECS measures. Every three years, the Government shall report to the National Assembly on the achievement of the national energy policy objectives, the implementation of measures under the ECS and the investments in infrastructure facilities defined in the national energy development plan.

(6) If the valid ECS is amended with respect to certain objectives or measures on the basis of the report referred to in the preceding paragraph, the Government shall propose to the National Assembly the adoption of the new ECS.

#### **Article 24** **(National Energy Development Plan)**

**(1) The National Energy Development Plan (hereinafter: DREN) is a framework plan of investments in energy infrastructure for achieving the objectives referred to in Article 5 of this Act for the period to which the ECS refers.**

**(2) Within a year of adopting the ECS, the ministry responsible for energy shall prepare the draft DREN and submit it to the Government for adoption.**

**(3) Investments in energy infrastructure covered by DREN are in the general national economic interest.**

**(4) In the process of adopting DREN, the Government shall observe the criteria for assessing initiatives for drafting spatial acts in accordance with regulations governing the planning of spatial arrangements of national importance and conditions to be fulfilled by installations referred to in the first paragraph of Article 52 of this Act in order to obtain the final energy permit referred to in the fourth paragraph of Article 52 of this Act.**

#### **Article 25** **(Annual energy balance)**

(1) The annual energy balance forecasts the total annual consumption of individual energy sources and the types of provision of the energy supply at the national level.

(2) The ministry responsible for energy shall submit each year's energy balance to the Government for adoption.

(3) The compulsory components of the energy balance are the balances of the quantities of primary and final energy expressed in natural quantities and equivalent energy value by individual sources in the country; these are realisations in the previous year but one, the assessment for the previous year and forecasts for the current and coming year. Energy balances shall also contain the plan for the operation of the support scheme for electricity from renewable sources and from high-efficiency co-generation, and the forecast of funding sources available for implementing the foreseen annual objectives of the support scheme.

#### **Article 26** **(Action plans and operational programmes)**

(1) To implement the ECS or meet international obligations from ratified and published international treaties, regulations, strategies and programmes of the European Union that apply to the formation of programmes in the field of energy supply and use, the government, following the proposal of the ministry responsible for energy, shall adopt the following operational programmes or action plans for energy supply and/or use:

- energy efficiency action plan;
- renewable sources action plan;
- action plan for nearly zero-energy buildings;

- other action plans or operational programmes for energy supply and/or use.

(2) The operational programme or action plan referred to in the preceding paragraph shall determine the objectives, programmes and policy measures for achieving objectives, providers and level and sources of programme implementation and policy measure funding.

#### **Article 27**

(Energy-efficiency action plan)

(1) Following the proposal of the ministry responsible for energy, the Government shall adopt the energy efficiency action plan for the period up to 2020 every three years.

(2) The energy efficiency action plan shall include the aims of energy efficiency increase, programmes and policy measures for achieving objectives in energy supply and consumption, and the target consumption of primary energy and consumption of final energy in 2020.

(3) The ministry responsible for energy shall annually prepare a report on progress in increasing energy efficiency by 30 April and notify the European Commission thereof.

#### **Article 28**

(Renewable sources action plan)

(1) Following the proposal of the ministry responsible for energy, the Government shall adopt the renewable sources action plan for the period up to 2020 and forward it to the European Commission.

(2) The renewable energy sources action plan shall cover national and sectoral objectives of renewable sources, programmes and measures to attain these objectives and human and financial resources for the implementation of programmes and measures to attain the objectives.

(3) The Government shall set the following sectoral objectives in the renewable sources action plan for each year until 2020:

- gross final consumption of electricity from renewable sources;
- gross final consumption of energy generated from renewable sources used for heating and cooling, and
- final consumption of energy generated from renewable sources in transport.

(4) The renewable sources action plan shall also cover the estimate of constructing new infrastructure for district heating and cooling generated from renewable energy sources necessary for attaining the objectives referred to in the second paragraph of this Article that follows the development of the generation of heat in biomass, solar energy and geothermal energy installations.

(5) The renewable sources action plan shall also cover appropriate measures for the development of network infrastructure for the transmission and distribution of intelligent network services, the development of storage facilities and of an electric power system that enable the safe operation of the electric power system and its adaptation to further developments in the field of electricity generation from renewable energy sources, including the interconnections among European Union Member States and among European Union Member States and third countries.

(6) The minister responsible for energy shall determine the manner of calculating the national and sectoral objectives referred to in the third paragraph of this Article and indicators for verifying the attainment of these objectives.

(7) The ministry responsible for energy shall biannually evaluate the progress in attaining the objectives in the field of renewable energy sources by 31 December and notify the European Commission thereof.

### **Article 29**

(Local energy concept)

(1) Local communities shall adopt local energy concept (hereinafter: LEC) as a programme of energy management in the local community with the prior consent of the minister responsible for energy, and publish it on its websites.

(2) LEC shall serve as a basis for planning the spatial and economic development of the local community, development of energy-related local services of general economic interest, efficient use of energy and energy saving, use of renewable energy sources and improved air quality in the area of the local community.

(3) LEC shall define objectives and measures for their implementation, which shall be in accordance with the ECS and action plans referred to in Article 26 of this Act and the objectives to improve air quality. LEC shall include specific objectives and measures for energy saving and increasing the energy efficiency of buildings owned by local communities and housing funds, and local plans for energy efficiency based on long-term strategies to promote investments in the renovation of buildings and possibility of efficient individual heating and cooling.

(4) The minister responsible for energy shall prescribe a methodology of preparation that includes public participation and the compulsory contents of LEC.

(5) Local communities shall be obliged to harmonise LEC with the newly adopted ECS or action plan in a period of one year following the adoption of the ECS or action plan.

(6) Several local communities may adopt a common LEC which shall demonstrate objectives and measures of individual local communities.

(7) LEC shall be adopted every ten years or even more frequently if objectives and measures are changed by the ECS or action plans or if spatial planning and development bases in the local community are changed.

(8) On the basis of orientations from LEC, a local community may issue a decree prescribing the priority use of heating fuels with consideration to environmental criteria and technical characteristics of buildings.

(9) Local community authorities and performers of energy sector activities in the area covered by LEC shall be obliged to harmonise their development documents and activities with objectives and measures provided by LEC.

(10) LEC shall constitute a compulsory expert basis for preparing the spatial plans of local communities. A local community shall be obliged to harmonise its spatial plans with the LEC that applies in its area. In the event of the non-compliance of spatial plans with LEC, a local community shall observe the non-compliance in the process of drafting or amending its spatial plan. If a local community does not conduct a procedure to draft or amend the spatial plan at the time of the adoption of LEC, it shall commence the procedure on the basis of non-compliance established in LEC.

### **Article 30**

(Development plans of operators and other performers of energy sector activities)

(1) On the basis of the methodology referred to in the fifth paragraph of this Article, a gas TSO, electricity TSO and electricity DSO shall draft development plans of the system within nine months of the adoption of DREN and acquire the consent of the ministry responsible for energy. Development plans shall be produced for at least ten years and aligned with DREN.

(2) The operators referred to in the preceding paragraph shall adopt system development plans every two years.

(3) The minister responsible for energy shall decide on the consent to the development plan within three months of the receipt of the application; otherwise the consent shall be deemed granted.

(4) The development plan shall determine the main infrastructure for the transmission of electricity and natural gas and for the distribution of electricity that should be constructed or modernised in the next ten years in order to ensure a reliable electricity and natural gas supply, safe network operation and adaptation to further developments in the field of generation of electricity from renewable sources with the introduction of intelligent network services and provision of storage facilities. The determination shall be based on the forecast of the consumption of energy and power or natural gas, and on the forecast capacity to cover the energy consumed and power and natural gas. The development plan shall include an estimate of the potential to increase the energy efficiency of the gas and electricity infrastructure by balancing loads and interoperability related to installations for the generation of energy, including micro production, and define the time dynamics and financial evaluation of planned investments and actual measures for cost-effective improvements to the network infrastructure.

(5) The minister responsible for energy shall prescribe the methodology for drafting development plans.

### **Article 31**

(Professional qualifications)

(1) To provide the safe and reliable operation of energy installations and efficient use of energy, workers performing the tasks and duties of energy installation management shall be professionally qualified.

(2) The minister responsible for energy shall prescribe the method of meeting the requirement of professional qualification referred to in the preceding paragraph.

(3) Article 343 of this Act shall apply *mutatis mutandis* for the purpose of recognising the professional qualifications of energy installation managers from other European Union Member States.

### **Article 32**

(Duties of the ministry responsible for energy)

(1) The ministry responsible for energy shall perform the following activities related to energy planning and monitoring of energy policy implementation:

- monitoring investments in energy infrastructure and granting approval to the ten-year plan of operator development referred to in the first paragraph of Article 30 of this Act,
- collect and analyse data on production, generation, storage, transport, distribution, import, export, consumption, prices of energy and fuels and trade in energy and fuels, and other data needed for energy planning,

- carry out activities to promote the production of electricity and heat from renewable energy sources and efficient use of primary energy for the production of electricity and heat,
- draw up reports in the field of energy and publish them on websites in the context of public information,
- perform duties of spatial planning stakeholder according to spatial planning regulations,
- participate in the preparation of the national spatial plan and be responsible for its professional and efficient preparation according to regulations on planning spatial arrangements of national importance in the field of energy infrastructure for electricity, natural gas and oil supply,
- implement sectoral policy from the ECS, action plans and operational programmes.

(2) In order to determine the suitability or adequacy of measures for the efficient implementation of the adopted energy policy, the minister responsible for energy shall prescribe the scope and type of necessary data that performers of energy sector activities and other persons liable are obliged to report.

(3) The minister responsible for energy shall issue technical rules concerning the setting-up, planning, construction, operation and maintenance of energy installations, plants, lines, networks and systems that serve as the basis for prescribing the conditions for providing for the safe and reliable operation or use of energy installations, plants, lines, networks, systems and fuels.

(4) Where a technical rule refers to particular standards and the energy installations, plants, networks, systems and lines comply with them, it shall be deemed that the energy installations, plants, networks, systems and lines concerned are in compliance with the requirements of that technical rule.

### **Article 33**

(Exchange of information)

(1) National authorities, the Agency and other holders of public authority that collect the data from the performers of energy sector activities and other persons with reporting obligation under this Act shall be obliged to ensure efficient cooperation in the exchange of information.

(2) In the process of mutually exchanging information, the authorities and persons referred to in the preceding paragraph may be provided only the data that said authority or persons need to carry out the tasks under this Act or other tasks in the field of energy. The data shall be communicated in a manner that does not involve the communication or disclosure of personal data, unless this is necessary for the purpose of exercising the statutory powers of the data user, or if the Act expressly determines the communication of personal data to other persons as referred to in the first paragraph of this Article.

(3) The ministry responsible for energy shall harmonise and oversee the standardisation of the procedures for exchanging data between authorities and persons referred to in the first paragraph of this Article.

## Part Two ELECTRICITY

### Chapter I: GENERAL PROVISIONS

#### Section 1: Introductory provisions

### **Article 34**

(Application of the provisions of this Part)

The provisions of this Part shall apply to electricity undertakings and to final customers of electricity.

### **Article 35** (Electricity activities)

(1) Electricity activities shall comprise the following:

- electricity generation,
- electricity supply,
- activity of the electricity TSO,
- activity of the electricity DSO,
- activity of electricity market operator.

(2) The functions of the production and supply of electricity shall be carried out freely in the market, in which participants shall freely agree on the price and quantity of electricity to be supplied, final customers shall have the right to choose and switch the supplier from which they purchase electricity, and producers shall have the right to choose and switch the supplier to which they sell electricity. Traders shall conclude contracts among themselves, save for the congestion of the system referred to in point c) of the second paragraph of Article 2 of Regulation (EC) No 714/2009, when the right to conclude contracts shall be granted in accordance with the provisions of Article 58 of this Act. Suppliers to users shall conclude open contracts on the supply to final customers and purchasing from producers regardless of the connection point. Suppliers shall have an offset balance; any imbalances shall be calculated in accordance with the rules adopted by the market operator on the basis of the fourth paragraph of Article 97 of this Act.

(3) The functions of an electricity TSO, electricity DSO and electricity market operator shall be obligatory state services of general economic interest.

(4) An electricity TSO shall provide a service of general economic interest relating to the transmission system that encompasses the elements of electricity system at the 400- and 220-kilovolt level, while an electricity DSO shall provide a service of general economic interest relating to the distribution system that encompasses elements at voltage levels lower than 110 kilovolts. The Government shall issue a decree detailing the elements at the 110-kilovolt level that are part of the transmission or distribution system, considering especially the actual functionality of lines and junctions, the actual situation, the minimisation of necessary ownership transfers and payments, and the uniformity of ownership of individual loops.

### **Article 36** (Definitions)

**In this Part of the Act, the following definitions shall apply:**

- 1. "balancing contract" means a legal transaction by means of which a legal or natural person shall arrange with an electricity market operator the supply of balancing energy and financial settlement in cases of imbalance, through which a legal or natural person shall be included in the balance scheme and acquire the status of a member of the balance scheme;**
- 2. "a certificate" means a decision by means of which the Agency certifies the electricity TSO;**
- 3. "distribution" means the distribution of electricity through distribution system;**
- 4. "supply" means the sale, including resale, of electricity to customers;**
- 5. "supplier" means any natural or legal person who performs the function of supply, and does not mean producer, unless a producer is included in the balance scheme and acquires the status of a member of the balance scheme;**

6. "long-term planning" means the planning of the need for investment in generation and transmission and distribution capacity on a long-term basis, with a view to meeting the demand of the system for electricity and safeguarding the security of supply to customers;
7. "electricity undertaking" means any natural or legal person carrying out at least one of the following functions: generation, transmission, distribution, electricity market operator function, electricity system operator, supply, or purchase of electricity, which is responsible for the commercial, technical and maintenance tasks related to those functions, but does not include final customers;
8. "horizontally integrated undertaking" means an undertaking performing at least one of the functions of generation for sale, transmission, distribution, electricity system operator, electricity market operator function or supply of electricity, and a non-electricity activity;
9. "integrated electricity undertaking" means a vertically or horizontally integrated undertaking;
10. "balancing energy" is electricity that is necessary at a certain hour to clear imbalances of forecast consumption, delivery and cross-border transmissions;
11. "balancing electricity market" means an organised market of balancing energy;
12. "electricity derivative" means a financial instrument specified in points 5, 6 or 7 of the second paragraph of Article 7 of the Financial Instruments Market Act (Uradni list Republike Slovenije [Official Gazette of the Republic of Slovenia], nos 108/10 – official consolidated text, 78/11, 55/12 and 105/12 – ZBan-1J), where that instrument relates to electricity;
13. "small business customer" is a customer at low-voltage connection that is not a household customer and whose maximum consumption power is not metered;
14. "control" means any rights, contracts or any other means which, either separately or jointly and having regard to the considerations of fact or law involved, confer the possibility of exercising a decisive influence on an undertaking, in particular by:
  - a. ownership or the right to use all or part of the assets of an undertaking;
  - b. rights or contracts which confer a decisive influence on the composition, voting or decisions of the bodies of an undertaking;
15. "direct line" means either a line linking an isolated generation site with an isolated customer, or a line linking an electricity producer and an electricity supplier to supply directly their own premises, subsidiaries and customers;
16. "distribution system area" means a functional part of an electricity distribution system with its own control system in which an electricity DSO function may be carried out separately;
17. "customer" means a supplier or a final customer of electricity; all customers shall be eligible customers;
18. "open supply contract" means a legal transaction in the electricity market determining the balancing affiliation of delivery points;
19. "network charges" is a sum that a system user is liable to pay for the use of an electricity system;
20. "market operator" is a provider of the electricity market operator's obligatory state service of general economic interest;
21. "agreement on balance scheme membership" means a legal transaction on the basis of which an electricity market operator includes a natural or legal person in a balance scheme;
22. "supply contract" means an open or closed electricity supply contract, without electricity derivatives;
23. "compensation agreement" means a legal transaction by means of which a legal or natural person shall arrange with an electricity market balance scheme member the supply of balancing energy and settlement in case of imbalances, through which a legal or natural person shall be included in the balance scheme and acquire the status of a member of the balance scheme;
24. "system use contract" means a contract concluded by an electricity system operator and system user on the basis of which the user undertakes to pay the network charges for the use



- of the system, and the electricity system operator shall undertake to enable the user to deliver electricity to the system or to consume electricity from the system;
25. "connection contract" means a contract concluded by an electricity system operator and connection approval holder that regulates relations concerning connection, network charges for connected load and payment for connection to the network;
  26. "business customer" means a customer purchasing electricity, which is not for household use, for their own use;
  27. "interconnected system" means transmission and distribution systems linked by means of one or more interconnector circuits;
  28. "related undertaking" means an affiliated undertaking or an associated undertaking, within the meaning of Article 56 or 69 of the Companies Act (Uradni list RS, nos 65/09 – official consolidated text, 83/09-Constitutional Court Decision, 33/11, 91/11, 100/11-Constitutional Court Order, 32/12, 57/12 in 44/13-odl.US) or an undertaking which belongs to the same shareholders;
  29. "interconnector" means an electricity line that connects two electricity systems;
  30. "producer" means a natural or legal person generating electricity;
  31. "transmission" means the transmission of electricity through a transmission system;
  32. "delivery point" means a point at a transmission or distribution system where the delivery of electricity occurs and where the realised quantities of electricity delivered are established by means of measurements or otherwise;
  33. "regular price list" means a price list for a particular type of customer (a household, business or sub-business group customer), which applies to all customers that conclude a supply contract with the supplier for a particular type of customer, with the exception of action or package price lists, and includes at least 50 per cent of customers and at least 1000 customers with each supplier;
  34. "regulated annual income" means the regulated annual revenue of the electricity system operator for individual year of the regulatory period which is received from network charges and other revenues and is intended to cover the operator's eligible costs;
  35. "regulatory period" means a period of one or several consecutive calendar years for which a regulatory framework is determined;
  36. "regulatory framework" means a specification of the amount of planned eligible costs of the electricity system operator by individual year of the regulatory period, planned network charges, planned other revenue from performing the function of electricity system operator, and network surplus or deficit from previous years;
  37. "system" means electricity installations, plants and networks used for the function of electricity system operator;
  38. "ancillary services" means services necessary for providing the reliable and secure operation of transmission and distribution systems; they are detailed in the Network Code referred to in Article 144 of this Act;
  39. "tariff" means a list of tariff elements which, on the basis of tariff rates, enable the calculation of the network charge for the use of the electricity system;
  40. "tariff item" means the value of individual tariff element for network use expressed in a monetary unit per calculation unit;
  41. "trader" means a natural or legal person purchasing electricity under a closed contract for the purpose of resale inside or outside the system in which he is established;
  42. "system user" means a producer or final customer;
  43. "eligible customer" means a customer who is free to purchase electricity from the supplier of his/her choice;
  44. "vertically integrated undertaking" means an electricity undertaking or a group of electricity undertakings where the same person or the same persons are entitled, directly or indirectly, to exercise control referred to in point 15 of this Article, and where the undertaking or group of undertakings perform at least one of the functions of transmission or distribution, and at least one of the functions of generation or supply of electricity;
  45. "economic precedence" means the ranking of sources of electricity supply in accordance with economic criteria;

46. "security" means the security of electricity supply;
47. "closed supply contract" means a legal transaction between the members of the balance scheme of the electricity market, where the quantity of the supplied electricity within the relevant period shall be fixed for every accounting interval;
48. "closed distribution system" is a network isolated from the public distribution network which, under the conditions provided by this Act, is intended for the distribution of electricity within a geographically confined industrial, commercial or shared services site and, as a rule, does not supply household customers and is directly connected to the transmission system.

Section 2: Tasks in the public interest and provision of service of general economic interest

### **Article 37**

(Tasks of electricity undertakings)

(1) Electricity undertakings shall, in the public interest, perform tasks that refer to the reliability, regularity, quality and price of supply and to environment protection, including the efficient use of energy, energy generated from renewable sources and climate protection.

(2) The electricity undertakings providing the services of general economic interest under this Act shall ensure:

- permanent and uninterrupted system operation within the limitations set by the technical condition of equipment and quality supply standards;
- safe and reliable operation and maintenance of the system;
- system development;
- connection of system users in accordance with general and non-discriminatory conditions;
- a system that enables customers to freely choose their supplier and enables producers and suppliers to freely sell and purchase electricity;
- billing the use of the system;
- long-term planning of system development;
- provision of emergency supply to vulnerable users;
- provision of sustaining supply;
- other obligations specified in an Act or some other regulation.

### **Article 38**

(Exclusive rights)

In order to ensure the fulfilment of obligations relating to the obligatory state services of general economic interest referred to in the preceding Article, the Government, in accordance with the regulations on services of general economic interest and on public-private partnership as well as in accordance with this Act, shall grant an exclusive right to provide an electricity TSO service of general economic interest, an exclusive right to provide electricity DSO service and an exclusive right to provide electricity market operator service.

Section 3: Protection of final customers and consumers

1. Subsection 1: General provisions regarding the protection of final customers

Article 39

(Right to conclude a contract with a supplier)

- (1) Final customers of electricity shall have the right to an electricity supply on the basis of an open contract on supply with supplier regardless of the European Union Member State in which the supplier is registered.
- (2) Prior to the conclusion of the contract on supply referred to in the preceding paragraph, the supplier shall meet the requirements regarding balance scheme membership and other requirements determined by this Act and other regulations regarding the implementation of the activity of supply in the electricity market in the Republic of Slovenia.
- (3) Prior to connection to the system, the electricity DSO shall notify the customer of his or her rights and obligations in connection with the choice of supplier and in connection with the sustaining or emergency supply in accordance with this Act.
- (4) The electricity supply to customers and the purchase of electricity from producers connected to the transmission or distribution system in the Republic of Slovenia shall be subject to the provisions of this Act and regulations issued pursuant to it and to the general acts for the exercise of public authority, regardless of where the supply contract has been concluded.

Article 40  
(Switching suppliers)

- (1) A final customer who wishes to switch suppliers shall communicate a request for the change to the electricity system operator of the system to which the customer is connected. The new supplier may communicate the request on behalf of, and for the account of, the final customer on the basis of an authorisation.
- (2) An electricity system operator that receives a request shall do everything necessary to enable the final customer to begin implementing the contract for electricity supply with the new supplier within 21 days of lodging a complete request. Final customers must not be charged to change supplier.
- (3) An electricity system operator shall reject the change of supplier if the new supplier fails to fulfil the obligations set out by this Act, the regulations issued pursuant to this Act and general acts for the exercise of public authority.
- (4) Final customers shall receive the final account after each change of supplier within six weeks from the commencement of receiving the electricity supply from the new supplier.
- (5) The change of supplier shall be detailed by the electricity system operator in the Network Code.

Article 41  
(Access to consumption data)

- (1) A supplier shall provide free and periodic information to final customers on actual electricity consumption and the characteristics of such consumption with sufficient frequency to enable them to regulate their own electricity consumption.
- (2) An electricity system operator shall enable customers using the system on which it performs the function of an operator to access their consumption data; this information shall be given within a sufficient time frame which takes account of the capability of customer's metering equipment, the electricity product in question and the cost-efficiency of such measures. An electricity system operator

shall also enable access to data to other legal or natural persons that enclose with a request for access to data on a customer's consumption the customer's authorisation for each case separately or for all future cases until such authorisation is revoked.

(3) The costs of access referred to in the preceding paragraph shall comply with the direct costs of the operator's service. No additional costs shall be charged to final customers for this service;

(4) The manner of access to consumption data shall be specified in detail by the electricity system operator in the Network Code.

## **Article 42**

(Indication of production energy sources on supplier's invoice)

(1) On the electricity invoices to final customers, in the promotion materials and on the internet, electricity suppliers shall indicate the following:

- shares of individual energy production sources in the whole structure of the electricity of individual supplier in the preceding year in a manner that enables a reasonable comparison of different suppliers at the national level;
- at least a reference to existing reference sources (e.g. web pages where information on the environmental impact in terms of CO<sub>2</sub> emissions and the quantity of radioactive waste resulting from the electricity generated by the overall structure of electricity production sources used by the supplier over the preceding year is publicly available);
- information concerning the rights of final customers as regards the means of dispute settlement available to them in the event of a dispute.

(2) As regards the obligations referred to in the first and second indents of the preceding paragraph with respect to electricity obtained via a power exchange or imported from an undertaking situated outside the European Union, aggregate figures provided by the exchange or the undertaking in question over the preceding year may be used.

(3) If an electricity supplier uses electricity from renewable sources in its energy mix, it shall demonstrate the share or quantity of electricity generated from renewable energy sources by means of guarantees of origin from its account kept in the register referred to in Article 368. The quantity of energy generated from renewable sources that corresponds to the guarantees of origin and that the supplier transfers to a third party shall be deduced from the share of energy generated from renewable sources in its energy mix.

(4) In a general legal act, the Agency shall detail the method for determining the shares of individual production sources and the method for presenting them.

(5) The Agency shall monitor the fulfilment of suppliers' obligations and especially verify the authenticity of data communicated by suppliers to their customers, and whether the data are communicated in a manner that enables a simple comparison at the national level.

## **Article 43**

(Provision of energy efficiency)

Electricity undertakings shall ensure maximum energy efficiency by optimising , in accordance with the Agency's recommendations, the use of electricity, especially by providing electricity use management services, developing innovative pricing formulas and introducing intelligent metering systems or networks when appropriate.

## Subsection 2: Sustaining supply

### **Article 44** (Sustaining supply)

(1) The electricity DSO shall automatically and without transfer windows ensure supply to final customers connected to its system if the contract for supply is terminated because of measures resulting from the insolvency or illiquidity of a supplier, in accordance with the regulation governing the operation of the electricity market. The electricity DSO shall immediately notify the customer of the termination of the contract for supply and of the commencement of the provision of sustaining supply.

(2) At the request of a customer, the electricity DSO shall provide a supply to each:

- household customer;
- small business customer.

(3) The price of supply referred to in the preceding two paragraphs shall be made public and be higher than the market price of the supply to a comparable customer, but it shall not exceed the price by more than 25 per cent. The electricity price for sustaining supply shall be set by the electricity DSO at a level that covers the long-term electricity purchase price and additional costs of supplying and providing sustaining supply. The conditions of sustaining supply shall be detailed by the Network Code.

(4) If the electricity DSO does not set the price of electricity for sustaining supply or sets it contrary to the preceding paragraph, the price shall be set by the Agency.

(5) The electricity DSO shall notify customers of the possibilities and conditions of sustaining supply and of obligations related to the supply of vulnerable customers referred to in Article 51 of this Act.

## 3. Subsection 3: Special provisions on the protection of household and small business customers and other system users

### **Article 45** (General)

(1) The provisions of Articles 45 to 51 of this Act shall apply to household customers, while the provisions of Articles 46 and 48 shall also apply to small business customers, except to the extent that they refer to the handling of complaints referred to in Article 50. The provision of Article 49 shall apply to all system users.

(2) The supplier or the electricity DSO may non-discriminatorily guarantee the rights determined in this subsection to household customers also to other final customers.

### **Article 46** (Single point of contact)

(1) The Agency shall provide for household customers a single point of access to information on their rights, valid regulations and general acts for the exercise of public authority and the methods for

handling complaints referred to in Article 50 that are available to customers in the event of a dispute with a supplier or electricity DSO (hereinafter: single point of contact).

- (2) The single point of contact of the Agency shall provide access to at least information on:
- methods for handling complaints referred to in the preceding paragraph;
  - valid network charge tariffs and general conditions related to the use of the network;
  - comparison of valid regular price lists of electricity suppliers for household and small business customers, without a comparison of promotional or package price lists;
  - method of acquiring data on their consumption;
  - rights to sustaining supply referred to in Article 44 or emergency supply referred to in Article 51 of this Act;
  - quality of voltage, security of supply and commercial quality that the electricity system operator is obliged to provide;
  - right to switch suppliers.

(3) For the performance of tasks referred to in the third indent of the preceding paragraph, suppliers shall communicate the data on changes in prices to the Agency by electronic means as laid down by the general act of the Agency by the date of application of the changed price at the latest.

(4) The Agency shall issue a general act determining the manner of electronic communication of data for the performance of the tasks referred to in the third indent of the second paragraph of this Article by which it shall determine the system for communicating data on prices and the manner of use of the system, or a form for the electronic communication of data.

#### **Article 47** (Energy checklist)

(1) Suppliers of electricity to final customers shall be obliged to make public and provide each of their household customers with a copy of the energy consumer checklist established by the European Commission on the basis of the sixteenth paragraph of Article 3 of the Directive 2009/72/EC, including its instructions for use.

(2) The manner and frequency of sending the energy checklist shall be regulated in detail by a general act of the Agency. The Agency shall publish the checklist on its website.

#### **Article 48** (Supply contract and general terms and conditions)

(1) The supply contract between a household customer and a supplier shall be concluded in writing or in electronic form in accordance with the regulations on electronic commerce.

- (2) The contract referred to in the preceding paragraph shall determine at least the following:
- the identity and address of the supplier,
  - price and terms of payment,
  - rights and obligations of the contracting parties with respect to non-compliance with the contract;
  - types of services provided by the supplier and the level of service quality offered;
  - the means by which up-to-date information on all applicable tariffs and charges for maintenance offered may be obtained;
  - the duration of the contract, the conditions for renewal and termination of services or of the contract, and whether withdrawal from the contract without charge is permitted,
  - any compensation and the refund arrangements which apply if contracted service quality levels are not met, including inaccurate and delayed billing of electricity and additional services,

- manner of initiating procedures for considering complaints under Article 50 of this Act, and
- information relating to household customer rights, including on the handling of complaints referred to in Article 50 of this Act, and all of the information that suppliers must clearly communicate through billing or their web sites.

(3) A household customer may withdraw from a supply contract without paying a penalty, damages, compensation or any other form of payment for reasons of withdrawal from the contract prior to the expiry of the set time limit, provided that such withdrawal takes effect at least one year following the conclusion of the contract.

(4) Due to switching suppliers, a household customer may withdraw from a contract without prior notice. If withdrawal from a contract as referred to in the preceding paragraph takes effect prior to one year following the conclusion of the contract, the customer shall be obliged to bear the consequences of early withdrawal laid down in the supply contract.

(5) The general terms and conditions, which form an integral part of the contract, should be fair and well-known in advance, and should be provided to the household customer prior to concluding a contract even where contracts are concluded through intermediaries. The general terms and conditions shall be stated in clear and comprehensible language and shall not include non-contractual barriers to the exercise of customers' rights, for example excessive contractual documentation. Customers shall be protected against unfair or misleading sales methods by electricity suppliers. Electricity suppliers shall provide household customers with transparent information on applicable prices and tariffs and on standard terms and conditions in respect of electricity supplies, at least by publishing these on their website.

(6) Electricity suppliers shall notify their household customers directly, in a transparent and comprehensible manner, of any change in standard contractual terms and conditions at least one month prior to their taking effect, in particular, where such changes apply to compliance with the contract concluded with a household customer.

(7) Due to a modification of the general contractual terms and conditions referred to in the preceding paragraph, household customers shall have the right to withdraw from a supply contract within one month following the entry into force of the modified general terms and conditions, without notice and without being subject to a penalty payment, which will be communicated by the supplier in the notification referred to in the preceding paragraph.

(8) The provisions of the sixth and seventh paragraphs shall also apply to the changed electricity prices that may imply an increase in the payment for electricity for household customers.

(9) The supplier shall offer household customers a wide choice of payment methods, including prepayment systems, which shall be fair and adequately reflect probable consumption. Payment methods shall not unduly discriminate between customers. Any difference in price and terms and conditions shall reflect the costs to the supplier of the different payment systems.

(10) Suppliers may charge household customers for operating costs on a flat-rate basis, regardless of how these costs are designated in the offered promotional and package price lists. Household customers shall not be charged for flat-rate operating costs on the basis of a regular price list. In the case of late payment, the costs of the reminder shall not be deemed as flat-rate operating costs.

**Article 49**  
(Intelligent metering systems)

(1) The electricity DSO shall provide household customers and other system users with intelligent metering systems that encourage the active participation of consumers in the electricity market, enable the charge of costs by actual consumption, the use of new methods of charging that are adapted to supply and demand in the market, and the implementation of services by providers in the market.

(2) The Agency shall make an economic assessment of all the long-term costs and benefits to the market and the individual customer, an economic assessment of which form of intelligent metering is economically reasonable and cost-effective and which timeframe is feasible for their distribution. Where the roll-out of smart meters is assessed positively, at least 80% of consumers shall be equipped with intelligent metering systems by 2020.

(3) The Government shall issue a decree prescribing measures and procedures for the introduction and interoperability of intelligent metering systems in the territory of the Republic of Slovenia, taking into account the economic assessment referred to in the second paragraph of this Article, best practices, as well as the importance of developing the internal electricity market.

### **Article 50**

(Handling the complaints of household customers relating to electricity supply)

(1) The electricity supplier shall provide household customers with transparent, simple and inexpensive procedures for handling their complaints.

(2) For the purpose referred to in the preceding paragraph, the supplier alone, or jointly with other suppliers within the Association, shall appoint an independent and impartial person or several persons (hereinafter: the person appointed) responsible for deciding on complaints to whom household customers shall address their complaints in relation to alleged violations of the supplier in implementing the electricity supply contract.

(3) The independence of the persons appointed shall be guaranteed by the following measures:

- the person appointed shall possess the abilities, experience and competence, particularly in the field of law, required to settle such disputes;
- the person shall be appointed for a period of office of six years and shall not be liable to be relieved of his duties except in justified cases of non-compliance with the conditions laid down in this paragraph;
- the person concerned cannot be appointed if, during the three years prior to the appointment, the person has worked for the same supplier or association concerned.

(4) A supplier shall provide the household customer with the following information, in writing or any other suitable form:

- a precise description of the types of complaint to be decided upon by the person appointed, as well as any existing restrictions and the value of the disputed claim;
- the rules governing the referral of the matter to the person appointed, including any requirements that the household customer may have to meet, as well as other procedural rules, notably those concerning the written or oral nature of the procedure, attendance in person and the languages of the procedure;
- the rules serving as the basis for decisions;
- the type of decision to be taken in the procedure referred to in the first paragraph of this Article.

(5) The person appointed shall decide on complaints within two months following their receipt. The decision shall be binding on the supplier if the customer confirms it by means of a written statement within eight days of its receipt. If the customer disagrees with the decision, he may bring an action before the court.



(6) The supplier or association referred to in the second paragraph may determine a system of reimbursement and compensation for customers which shall apply to individual breaches of their obligations relating to supply, provided this is justifiable given the amount of damage, gravity of the breach and level of responsibility.

(7) The procedure by which the person appointed handles complaints shall comply with the following principles:

- the two parties concerned shall be permitted to present their viewpoints and hear the arguments of the other party, and any expert statements;
- simplicity of procedure, which allows the customer to take part in the procedure without recourse to a legal representative;
- the procedure shall be free of charge;
- the person appointed shall be given an active role in the procedure, enabling him to take into consideration any facts conducive to decision making about the complaint;
- a decision on the complaint shall be communicated to the parties concerned, stating the grounds on which it is based.

(8) More detailed rules on the appointment of persons for handling complaints, information to household customers on complaint handling, the system of reimbursement and compensation and the procedure for complaint handling shall be laid down by the supplier or association of suppliers and shall be made public.

(9) The costs of the procedure incurred by the person or persons appointed shall be covered by the supplier or the association of suppliers.

(10) The supplier or the association of suppliers shall annually publish on its website a report on complaints that have been settled.

## **Article 51**

### **(Vulnerable customers and emergency supply)**

**(1) A vulnerable customer is a household customer who, due to his financial circumstances, income and other social circumstances and living conditions, is unable to obtain an alternative source of energy for household use that would incur the same or smaller costs for essential household use.**

**(2) The electricity DSO shall not cut off power or restrict supply to a vulnerable customer below the quantity or power that is absolutely necessary in view of the circumstances (season, temperatures, place of residence, health condition and other similar circumstances) in order not to jeopardise life and health of the customer and persons living in his household.**

(3) Prior to disconnection, an electricity DSO shall notify the customer of the possibilities of emergency supply and of the evidence to be provided by the customer in order to be approved for emergency supply by the operator, and of the time limits within which such evidence must be submitted. Detailed conditions and the price of emergency supply that covers the costs of the purchase of energy shall be prescribed by the operator in the Network Code referred to in Article 144 of this Act in accordance with the rules and criteria prescribed by the Energy Agency.

(4) The costs of emergency supply of vulnerable customers shall be eligible costs of DSO.

## Article 52

### (Energy permit for production capacities)

- (1) Prior to the construction of electricity production installations with a nominal power capacity exceeding 1 MW that are connected to public electricity networks, an investor shall obtain a final energy permit issued by the minister responsible for energy.
- (2) In the event of the construction of an installation referred to in the preceding paragraph that requires a building permit, an investor may require the issue of a building permit after obtaining a final energy permit; in the event of the construction of an installation constituting a spatial arrangement of national importance, the procedure for the elaboration of a spatial plan may be initiated after obtaining a final energy permit.
- (3) The energy permit shall determine the following:
- the location and area to which the energy permit shall apply;
  - the type of installation or fuel to which the energy permit shall apply;
  - the method and requirements for providing the energy sector activity in installations;
  - the conditions relating to installations after the termination of their operation;
  - the conditions relating to use of public goods or public infrastructure;
  - the obligations of energy permit holders in relation to the provision of data to the minister responsible for energy.
- (4) The minister responsible for energy shall prescribe the requirements and content of the application for issuing energy permits for individual types of installation from the first paragraph of this Article that refer to:
- definitions of criteria and conditions for determining compliance with the condition referred to in the first paragraph of this Article that concerns power exceeding 1 MW;
  - influence of the installation on the safety and security of the electricity system, installations and associated equipment;
  - required energy efficiency of technology or consideration of the latest developments in technology;
  - type of primary energy sources, with a stress on renewable sources and domestic energy sources;
  - technical, economic and financial competence of the applicant for an energy permit for the completion of the installation;
  - consistency of the installation with measures to perform the tasks referred to in the first paragraph of Article 35 of this Act in the sense of providing reliable, regular, quality and appropriately priced generation, including the use of renewable energy sources, efficient energy use and environmental protection;
  - types of location and area where the energy sector activity will be performed;
  - contribution of the generating capacity of the installation to attaining national goals concerning the share of renewable energy sources in the final gross energy consumption of the European Union in 2020;
  - the contribution of generating capacity to reducing emissions.
- (5) An energy permit shall be obtained for every reconstruction of facilities referred to in the first paragraph that changes energy regeneration facility parameters to such an extent that a building permit must be obtained for reconstruction activities.
- (6) If, prior to commencing construction or during construction, an investor that has received an energy permit transfers the right to build the generation facility to which the energy permit refers to another person, the energy permit shall remain valid and may be amended at the request of the new investor. The new investor shall produce proof of the right to build when requesting an amendment. The proof of the right to build shall include the evidence referred to in Article 56 of the Construction Act (Uradni list RS, Nos 102/04 – official consolidated text, 14/05 – amended., 92/05 – ZJC-B, 93/05

– ZVMS, 111/05 – Constitutional Court Decision, 126/07 and 108/09, 61/10 - ZRud-1A, 20/11 – odl. US and 57/12; hereinafter: ZGO-1) as well as documents referred to in Article 475 of this Act. In such a case, the building permit shall be amended in a fast-track procedure without the parties being heard.

(7) The ministry responsible for energy shall keep a register of energy permits. When an energy permit holder is a natural person, the following data shall be entered into a register: personal name and permanent or temporary address of the permit holder. The register data shall be public.

### Article 53

#### (Tender for requisite new capacities)

(1) If the extent of capacities for generating electricity for which the national spatial plan has been adopted or for which a building permit was issued if the national spatial plan is not compulsory, and the measures for energy efficiency adopted on the basis of this Act do not provide security of electricity supplies, the ministry responsible for energy or a market operator under its authority may carry out a public tender for new production capacities or for the implementation of measures for the efficient use of electricity.

(2) Prior to the beginning of the public tender procedure referred to in the preceding paragraph, the ministry responsible for energy shall establish whether the security of electricity supplies can be provided with the measures for efficient energy use.

(3) The invitation to the public tender shall be published in Uradni list Republike Slovenije and in the Official Journal of the European Union. The closing date for submitting applications (tenders) shall be no less than six months. The public tender procedure, terms of reference and selection criteria shall be transparent and non-discriminatory.

(4) The public tender for new capacities or for the implementation of efficient energy use measures shall contain a detailed description of the contract specifications and of the procedure for selecting applicants and an exhaustive list of criteria governing the selection of bidders, including a definition of foreseen incentives to be provided to successful bidders. The criteria shall include the requirement that any new production facility must increase competitiveness in the electricity market.

(5) Instead of offering new generation capacity, a bidder may offer electricity from existing generation capacities on condition that long-term provision, the same security of supplies and environmental acceptability of electricity generation are ensured.

(6) Among the terms of reference, the public tender shall also stipulate the siting conditions to be met by the building which is the subject of public tender, in compliance with Article 464 of this Act.

(7) The procedure for selecting a candidate for the new capacity shall be carried out according to the public-private partnership regulations if a public-private partnership is formed between the investor and the Republic of Slovenia with regard to the new capacity.

## Chapter III: TRANSMISSION

### Section 1: Service of general economic interest - electricity TSO

#### Article 54

##### (Functions of the electricity TSO)

(1) The electricity TSO functions shall be carried out as an obligatory national service of general economic interest.

(2) The electricity TSO service of general economic interest shall include:

1. secure, reliable and efficient operation and maintenance of the transmission system;
2. development of the system that takes into account the anticipated needs of system users, the requirements for safe and reliable system operation, and the guidelines from the development plan of the electricity TSO referred to in Article 30 of this Act;
3. long-term capacity of the transmission system to meet reasonable demands for connection to the system and energy transmission;
4. control of electricity flows in the transmission system and provision of ancillary services;
5. clearing of imbalances of consumption, delivery and cross-border transmissions in the system;
6. provision of information to any other operator that is necessary to ensure the secure and efficient operation, coordinated development and interoperability of the interconnected system
7. provision of data necessary to effectively conclude supply contracts and for the exercise of the right to connection to system users and suppliers;
8. non-discriminatory treatment of system users and suppliers;
9. electricity consumption and necessary energy sources forecasts through a comprehensive planning method, taking due account of savings measures taken by system users;
10. collection of payments for congestion and of payments resulting from the inter-transmission system operator compensation mechanism, in accordance with Article 13 of Regulation (EC) No 714/2009;
11. purchase of electricity to cover shortfalls in the transmission system and the purchase of ancillary services in the transmission system by means of transparent, non-discriminatory and market-based procedures;
12. quality of supply in accordance with the minimum standards.

(3) The electricity TSO shall perform its tasks in a manner that particularly promotes the integration of the electricity market.

#### **Article 55**

(Method of providing service of general economic interest)

(1) The concession to provide the service of general economic interest of an electricity TSO shall be granted by the Republic of Slovenia as concession grantor to a legal or natural person for the entire territory of the Republic of Slovenia for a period not exceeding 50 years.

(2) The concession referred to in the preceding paragraph shall not be subject to the payment of a concession fee.

(3) Electricity TSO activity may be performed by a concessionaire that fulfils the following conditions:

- owns a transmission system,
- holds an electricity TSO certificate, and
- is designated as electricity TSO.

#### **Article 56**

(Granting of concessions)

(1) The granting of a concession for the service of general economic interest of electricity TSO shall be subject to the regulations governing services of general economic interest and public-private partnership, unless particular issues are regulated otherwise by this Act.

(2) The concession is granted after a tendering procedure or other competitive procedure determined by the regulations on public-private partnership, unless the concession is granted to an undertaking fully owned by the Republic of Slovenia that is not performing market energy sector activities. In the latter case, the concession shall be granted with the direct conclusion of a concession contract.

(3) When a competitive procedure is foreseen for granting a concession, the concession act shall determine transparent, non-discriminatory and proportional conditions that a legal or natural person must fulfil in order to be granted a concession. The ownership of a transmission system or part of it, an electricity TSO certificate and an electricity TSO designation shall not be conditions for obtaining a concession.

(4) The procedure for granting a concession by means of public tender shall be managed by the ministry responsible for energy. The decision on the selection of the concessionaire shall be issued by the Government.

(5) When the decision on the selection of the concessionaire becomes final, the grantor shall sign a concession contract with the concessionaire.

#### **Article 57**

(Funding of service of general economic interest)

The electricity TSO activity shall be funded from network charges and other revenue for the provision of the service of general economic interest.

#### **Article 58**

(Cross-border exchanges in electricity)

(1) The electricity TSO shall ensure and regulate conditions for granting rights for the use of cross-border transmission and for concluding contracts on cross-border electricity transmissions in accordance with the rules of Regulation (EC) No 714/2009.

(2) The electricity TSO shall adopt and publish on its websites the rules on allocating and using interconnection capacities when these capacities are insufficient to meet all the demands for access to the network. These rules shall be objective, non-discriminatory and in accordance with the guidelines from Annex I to Regulation (EC) No 714/2009.

(3) The electricity TSO shall obtain approval from the Agency prior to the publication of the rules referred to in the preceding paragraph.

## **Article 59**

(Construction and operation of transmission system)

- (1) Only the electricity TSO may be an investor in the procedure for issuing a building permit for the construction or reconstruction of an installation or facility that forms part of a transmission system.
- (2) Notwithstanding the preceding paragraph, a producer, the electricity DSO or a customer may act as an investor in the event of the construction or reconstruction of an installation or facility that connects a producer, distribution system or customer with the transmission system when the installation or facility is not yet owned by the electricity TSO.
- (3) The provisions of the first and the preceding paragraphs shall also apply to the issue of a permit of use or other individual act that permits the operation of an installation or facility that forms part of the transmission system.
- (4) This Article shall not apply to new interconnectors that are entitled to exemption in accordance with Article 139 of this Act.

## Section 2: Unbundling of transmission systems and electricity TSOs

### Subsection 1: Ownership unbundling

## **Article 60**

(Transmission system ownership)

- (1) A legal or natural person that owns a transmission system must perform the activity of an electricity TSO. A person other than an electricity TSO may not, in whole or in part, own the transmission system on which the electricity TSO performs TSO activity, unless otherwise provided by this Act.
- (2) The requirement from the preceding paragraph shall be deemed fulfilled when two or more legal or natural persons that own a transmission system establish a joint undertaking that acts as an electricity TSO in two or more European Union Member States. No other undertaking may participate in the joint undertaking. The owners of the transmission system that established a joint undertaking shall meet the requirements referred to in Articles 51, 63 and 64 of this Act.

## **Article 61**

(Control-related prohibitions)

- (1) The same legal or natural person or the same legal or natural persons may not:
  - directly or indirectly exercise control as referred to point 14 of Article 36 of this Act of an undertaking that performs any function of production or supply, nor directly or indirectly exercise control as referred to point 14 of Article 36 of this Act of an electricity TSO or transmission system or exercise any right to them; nor
  - directly or indirectly exercise control as referred to point 14 of Article 36 of this Act of an electricity TSO or transmission system and simultaneously directly or indirectly exercise control as referred to point 14 of Article 36 of this Act of an undertaking performing any function of production or supply or exercise any rights in such undertaking.

(2) An undertaking performing any function of production or supply referred to in the preceding paragraph shall not include final customers who perform any function of production or supply of electricity, either directly or via undertakings which they control, either individually or jointly, provided that the final customers including their shares of the electricity produced in controlled undertakings are, on an annual average, net consumers of electricity, and provided that the economic value of the electricity they sell to third parties is insignificant in proportion to their other business operations.

(3) An undertaking performing an activity of production or supply as referred to in the first paragraph of this Article shall be an undertaking that performs any production and supply activity according to the meaning of Part III of this Act, which governs natural gas. An electricity TSO and transmission system referred to in the first paragraph of this Article shall refer also to a gas TSO and a transmission system according to the meaning of Part III of this Act, which governs natural gas.

(4) The same natural or legal person or persons are not entitled to appoint members of the supervisory board, the administrative board or bodies legally representing the undertaking, of an electricity TSO or a transmission system, or to directly or indirectly exercise control as referred to in point 14 of Article 36 of this Act or to exercise any right in an undertaking performing any function of production or supply.

#### **Article 62** (Definition of rights)

The rights referred to in the first and fourth paragraphs of the preceding Article shall encompass especially the following:

- a) the power to exercise voting rights;
- b) the power to appoint members of the supervisory board, the administrative board or bodies legally representing the undertaking; or
- c) the holding of a share that exceeds half of the share capital, or shares of, the undertaking.

#### **Article 63** (Prohibitions concerning membership of bodies)

The same legal or natural person shall not simultaneously be:

- a member of the administrative board, supervisory board or other body legally representing the undertaking, of an electricity TSO or a person owning a transmission system, or a representative related to the ownership management of an electricity transmission system or an electricity or natural gas transmission system, and
- a member of the administrative board, supervisory board or other body legally representing the undertaking performing the functions of production or supply of natural gas or electricity.

#### **Article 64** (Special provision in the event of state ownership)

When a person as referred to in Articles 61 or 63 is the Republic of Slovenia or another European Union Member State, a local community or an authority of these persons, the requirements referred to in Articles 61 and 63 shall be deemed fulfilled when two separate authorities of these persons exercise control as referred to point 15 of Article 36 of this Act of an electricity TSO or transmission system and of an undertaking performing activities in the field of production or supply.

## **Article 65**

(Obligation to take measures to eliminate reasons that constitute violations of prohibitions)

(1) A legal or natural person with regard to whom a reason arises that constitutes a violation in relation to the requirements referred to in Articles 60, 61, 63 or 64 of this Act shall be obliged to promptly take all necessary measures to eliminate the reason and notify the Agency of the occurrence of the reason and the aforesaid measures.

(2) As soon as an electricity TSO is aware of a reason that constitutes a violation in relation to the requirements referred to in Articles 60, 61, 63 or 64 of this Act, it shall notify the Agency in accordance with the preceding paragraph of this Article and take all measures within its power to eliminate the reason.

(3) An electricity TSO shall also notify the Agency of any planned transaction that might require a re-examination of the compliance with the requirements referred to in Articles 60, 61, 63 or 64 of this Act.

(4) The Agency shall monitor compliance with the requirements referred to in Articles 60, 61, 63 and 64 of this Act. If in the course of monitoring the Agency finds that a reason that constitutes a violation occurred in relation to a certain person, it shall indicate the reason and the obligation to take measures under the first and second paragraphs of this Article, respectively.

## **Article 66**

(Agency measures)

(1) If the reason concerning the requirements referred to in Articles 60, 61, 63 or 64 of this Act has not been eliminated in a reasonable period of not less than one month and no more than six months from the day of notification of the reason in accordance with the first, second or third paragraphs of the preceding Article, or in the period when the Agency indicated the reason in accordance with the fourth paragraph of the preceding Article, the Agency shall, by way of a decision:

- prohibit the execution of voting rights or execution of proprietary entitlements pertaining to the management of less than a half of the equity stake, contrary to Article 61 of this Act;
- impose the sale of the share in capital stock or an equity stake in the transmission system insofar as this exceeds half of the stock capital, or shares of, the undertaking;
- find that a member of the administrative board, supervisory board or other body representing the undertaking was appointed contrary to this Act or that the person who represents the transmission system owner was authorised contrary to this Act, and propose to the competent authority the commencement of a procedure for the dismissal or withdrawal of the authorisation;
- prohibit the exercise of indirect or direct control referred to in point 15 of Article 36 of this Act.

(2) The Agency may, by means of a decision, impose one or more measures referred to in the preceding paragraph of this Article insofar as this is necessary to eliminate the reason for the violation of requirements referred to in Articles 60, 61, 63 or 64 of this Act.

(3) If the decision referred to in the first paragraph of this Article is executed forcibly, individual financial penalties in the forcible execution procedure shall not exceed EUR 100,000, notwithstanding the rules of the act governing general administrative procedures.

(4) When the reason for the violation of the requirements referred to in Articles 60, 61, 63 and 64 cannot be eliminated by measures, as referred to in this Article, the Agency shall initiate a procedure to test the conditions for the certificate.



## Subsection 2: Certification and designation of electricity TSO

### **Article 67** (Certificate)

- (1) The electricity TSO shall be certified.
- (2) A certified electricity TSO is one that holds a certificate.
- (3) The Agency shall find in the certification procedure whether the entity requesting a certificate complies with the criteria set out in Articles 60, 61, 63 or 64 of this Act for an electricity TSO.

### **Article 68** (Application for certificate)

- (1) The certification procedure shall commence with the submission by the transmission system owner or operator of a complete application for certification. The application shall be considered complete when the evidence on compliance with the requirements referred to in Articles 60, 61, 63 and 64 of this Act is attached to the application.
- (2) After receiving a complete application for certification, the Agency shall issue an acknowledgment of receipt of a complete request for certification and information specifying the conditions for the application of a tacit decision on the certification.
- (3) The Agency shall decide on the request within four months of receiving a complete application. If, by the date of expiry of this period, the Agency fails to serve a relevant decision on the interested party, the certificate shall be deemed to have been granted.
- (4) The period for issuing the decision shall be suspended when either the certification procedure or the implementation of a regulation serving as a basis for the Agency's decision have been suspended.
- (5) It shall not be possible to claim reinstatement of the previous state of affairs during a certification procedure.
- (6) In the case of the assumption referred to in the third paragraph of this Article, the complete application and the acknowledgment of its receipt after expiry of the time-limit referred to in the second paragraph of Article 69 shall be regarded as meaning that a certificate has been granted, unless a negative decision is issued by the Agency.
- (7) The time limit for filing relevant legal remedies against the certificate having legal validity on the basis of the preceding paragraph shall commence on the day following the expiry of the time limit specified in the second paragraph of Article 69.
- (8) A tacit decision on certification as referred to in the sixth paragraph of this Article shall not be applicable in procedures based on extraordinary legal remedies.
- (9) The electricity TSO and undertakings performing the functions of production and supply shall communicate to the Agency and the European Commission any information that these bodies request for the purpose of performing their tasks in the certification procedure.

(10) In the certification procedure, the Agency shall protect the confidentiality of commercially sensitive information.

### **Article 69**

(Communication to the European Commission)

(1) A decision by the Agency or tacit decision on the certification referred to in the third paragraph of the preceding Article shall be communicated without delay to the European Commission, including all relevant information relating to the decision.

(2) A decision by the Agency or a tacit decision on certification as referred to in the third paragraph of the preceding Article shall take effect after the European Commission has delivered an opinion or after the expiry of the time limit referred to in the first paragraph of Article 3 of Regulation (EC) No 714/2009.

### **Article 70**

(Certification in relation to third countries)

(1) Where certification is requested by a transmission system owner or an electricity TSO which is controlled by a person or persons from a country or from countries that are not European Union members (hereinafter: third country) or who comes from a third country or countries, the certification procedure and testing of conditions for the certificate shall be subject to the provisions of Articles 67, 68, 69 and 71, unless provided otherwise. A third country shall also be deemed a European Union Member State which is subject to the derogation referred to in Article 44 of Directive 2009/72/EC.

(2) The Agency shall immediately notify the Commission of receiving a request and of any circumstances that would result in a person or persons from a third country or third countries acquiring control referred to in point 15 of Article 36 of a transmission system or an electricity TSO.

(3) The electricity TSO shall immediately notify the Agency of any circumstances that would result in a person or persons from a third country or third countries acquiring control of a transmission system or an electricity TSO as referred to in point 15 of Article 36 of this Act.

(4) The certification procedure under this Article does not include the application of a tacit decision on the certification referred to in Article 68 of this Act.

(5) In the certification procedure, the entity requesting a certificate referred to in the first paragraph of this Article shall prove that it complies with the criteria in Articles 60, 61, 63 or 64 of this Act, and that granting certification will not put at risk the security of the energy supply of the Republic of Slovenia, some other European Union Member State or the European Union. In considering this, the Agency shall take into account:

- the rights and obligations of the European Union with respect to that third country arising under international law, including any agreement concluded with one or more third countries to which the European Union is a party and which addresses the issues of security of energy supply;
- the rights and obligations of the Member State with respect to that third country arising under agreements concluded with it, insofar as they are in compliance with the European Union law; and
- other specific facts and circumstances of the case and the third country concerned.

(6) The Agency shall adopt a draft decision within four months from the date of receiving the request and shall immediately notify the European Commission of the request and of all relevant information with respect to it.

(7) Prior to adopting the decision on certification, the Agency shall seek an opinion from the European Commission on whether the interested party complies with the prohibitions from Articles 60, 61, 63 and 64 of this Act and whether granting certification can put at risk the security of the European Union's energy supply.

(8) In the certification procedure under this Article, the Agency shall adopt a decision within two months of the expiry of the period for the delivery of the European Commission's opinion in compliance with the sixth paragraph of Article 11 of Directive 2009/72/EC and shall take the fullest account of the Commission's opinion. The Agency shall immediately notify the Commission of the decision, and provide all the relevant information regarding the decision.

(9) The Agency may refuse to grant certification if this would put at risk the security of the energy supply of the Republic of Slovenia or another European Union Member State.

(10) The Agency's final decision and the Commission's opinion shall be published together in Uradni list Republike Slovenije. Where the final decision diverges from the Commission's opinion, the reasoning of the Agency underlying its decision shall be published with that decision.

### **Article 71**

(Procedure for testing conditions for the certificate)

(1) The Agency shall monitor the compliance of the electricity TSO with the requirements referred to in Articles 60, 61, 63 and 64 of this Act. The Agency shall initiate the procedure for testing the conditions for the certificate *ex officio*, if:

- it receives a notification from the electricity TSO referred to in the second paragraph of Article 65 of this Act;
- it is acquainted with the planned transaction referred to in the third paragraph of Article 65;
- it finds that reasonable grounds exist for believing that a planned change in rights or influence over transmission system owners or electricity TSO may lead to a violation of the requirements referred to in Articles 60, 61, 63 or 64 of this Act, in accordance with the fourth paragraph of Article 66 of this Act;
- such is a reasoned request from the European Commission.

(2) The procedure for testing the conditions for the certificate shall be subject to the provisions of this Act concerning the regular certification procedure, unless provided otherwise by this Article.

(3) The assumption referred to in the second paragraph of Article 68 shall apply in the procedure for testing conditions for the certificate only in the case referred to in the first and fourth indents of the first paragraph of this Article. The four-month period for enforcing a tacit decision on certification shall commence on the day that the Agency receives notification from an electricity TSO or a request of the European Commission.

(4) The Agency shall, by way of a decision:

- decide on the compliance of the planned transaction with the requirements referred to in Articles 62, 63, 65 and 66 of this Act;
- confirm a certificate;
- withdraw a certificate.

(5) The withdrawal of a certificate shall take effect on the day the decision becomes final.

### **Article 72**

(Designation of electricity TSO)

(1) If, after the decision on the certification becomes final or after the tacit decision on certification referred to in the third paragraph of Article 68 of this Act, a legal or natural person meets the requirements referred to in the first and second indents of the third paragraph of Article 55 of this Act, such person shall, on a proposal from the Agency, be designated as an electricity TSO by way of Government decision.

(2) The Government, on a proposal from the Agency, and based on a final decision establishing non-compliance with meeting the requirements, shall annul the decision on the designation of an electricity TSO when it finds that the electricity TSO fails to meet any of the requirements for the performance of electricity TSO functions as referred to in the third paragraph of Article 55 of this Act, and when any such requirement cannot be expected to be met within a reasonable time.

(3) The decision on the designation or annulment of a designation shall be published in the Official Journal of the European Union and in Uradni list Republike Slovenije, and communicated to the European Commission.

### **Article 73**

(Measures if the electricity TSO ceases to implement its functions)

(1) If any requirement for carrying out the functions of electricity TSO referred to in the third paragraph of Article 55 of this Act is not met and cannot be expected to be met within a reasonable time, or if the electricity TSO ceases to carry out the functions of electricity TSO and cannot be expected to resume these functions within a reasonable time, the Agency shall issue a decision that:

- designates an electricity TSO in the Republic of Slovenia or any other European Union Member State to temporarily undertake the functions of the electricity TSO in the transmission system that failed to meet the requirements or ceased to carry out the functions of the electricity TSO;
- lays down the conditions under which the owner or co-owners shall be obliged to lease the transmission system for use to the electricity TSO envisaged to undertake the activities under the previous indent of this paragraph and the time limit for the owner or co-owners to comply with this obligation;
- decides on other issues of the relationship between the owner or co-owners of the transmission system and the operator referred to in the first indent of this paragraph in connection with temporarily carrying out the functions of the electricity TSO.

(2) The operator referred to in the first indent of the preceding paragraph shall perform the functions of an electricity TSO until these are undertaken by another electricity TSO that meets the requirements referred to in the third paragraph of Article 55 of this Act.

(3) If the owner or co-owners of the transmission system fail to ensure, within one year of the final decision referred to in the first paragraph of this Article, that the functions of electricity TSO are resumed in their transmission system by an electricity TSO that meets the requirements referred to in the third paragraph of Article 55 of this Act, while the operation of this transmission system is necessary for a secure and reliable electricity supply in the Republic of Slovenia or a part of its territory, or in the case of an interconnector, the Agency shall propose to the Republic of Slovenia as the beneficiary of the expropriation that it initiate the expropriation procedure or procedure to restrict ownership rights.

(4) The expropriation or restriction of ownership rights referred to in the preceding paragraph shall be for the public benefit.

### Section 3: Provision of ancillary services

#### **Article 74**

(Imposing the obligation to conclude a contract for the provision of ancillary services)

- (1) When the electricity TSO fails to provide sufficient ancillary services in the market (secondary regulations with secondary reserve, reserve to the amount of the largest production unit, black start and voltage regulation when necessary) or when it fails to purchase them on competitive terms, the Agency following a request from the electricity TSO may, without prejudice to concluded supply contracts, issue a decision requiring one or several producers or customers of electricity that can, in view of technical and economic criteria, provide appropriate quantities of ancillary services on the most favourable terms (hereinafter referred to in this Article as person liable) to conclude a contract immediately for the provision of ancillary services with the electricity TSO.
- (2) The absence of competitive conditions as referred to in the preceding paragraph shall be established, especially in view of the structure of the relevant market, number of providers in the market, rigidity of prices offered, barriers to entry to the market, and in view of other criteria on which effective competition depends.
- (3) With the decision referred to in the first paragraph of this Article, the Agency, based on the methodology referred to in the fourth paragraph of this Article, shall determine the type, price and quantity of ancillary services, the duration of the contract and the time limit for concluding the contract.
- (4) The Agency shall issue a general act determining the methodology for pricing ancillary services. In determining the methodology, the Agency shall take into account the prices of ancillary service provision, including a reasonable rate of return on all investments with consideration of the risks involved. In so doing, the Agency may also consider the prices offered for comparable ancillary services provided by other electricity TSOs in the region.
- (5) In the procedure for issuing the decision, the Agency may request from the person liable any data necessary for the decision on the electricity TSO request referred to in the first paragraph of this Article.
- (6) If it is absolutely necessary for the security of electricity supplies that ancillary services be provided to the electricity TSO before the procedure is concluded, the Agency shall issue a temporary decision temporarily regulating the relations in accordance with this Article. The procedure for issuing the temporary decision in accordance with this Article shall be subject to the provisions of the General Administrative Procedure Act (Uradni list RS, no.°24/06 – official consolidated text, 126/07, 65/08 and 8/10; hereinafter: ZUP), except provision of the second paragraph of Article 221 of ZUP.
- (7) If the contract is not concluded for reasons caused by the person liable, a fine in accordance with the rules of the ZUP on the forcible execution of administrative decisions shall be imposed on the person liable. Notwithstanding the provision of the third paragraph of Article 298 of the General Administrative Procedure Act, the first fine concerning forcible execution shall not exceed EUR 100,000.
- (8) A person liable acting contrary to a decision imposing a measure under this Article shall have to compensate the electricity market participants and the electricity TSO for any damage suffered as a consequence thereof.

(9) If the Agency imposes an obligation on the person liable pursuant to this Article, the person liable shall have the right to demand reasonable compensation from the Republic of Slovenia if they suffer damage arising from the implementation of the measure.

#### **Article 75**

(Purchase of reserve power)

(1) To the extent required in the interest of providing reliable ancillary services and conditioned by objective technical reasons, such as the technical limits of the transmission system or limits of cross-border lines, the electricity TSO shall provide reserve power from the reserve capacities available that are located within the control area for the secondary regulation of the transmission system of the Republic of Slovenia.

(2) When providers of production units located outside the control area managed by the electricity TSO participate in a tender for the purchase of reserve capacity, they shall demonstrate the following in the contract award procedure:

- that the scope of quantities of ancillary services they offer includes cross-border transmission capacities on the borders between different control areas,
- that the scope of reserve capacity offered is intended solely for the provision of tendered needs for reserve power (prohibition of multiple sales of the same capacities to different customers), and
- that they meet the minimum requirements concerning the technical competence for providing reserve power as defined by the Network Code.

(3) Prior to selecting the candidate referred to in the preceding paragraph, the electricity TSO shall verify the technical competence and other indicators listed in the tender. If the accuracy of the data on the technical competence from the selected tender cannot be verified by other methods, such as certificates on the conformity of technical equipment of the candidate issued by official authorised institutions, an inspection and testing of production capacities shall be carried out by authorised representatives of the electricity TSO. In the case of reasonable doubts about the fairness of the contract of the selected bidder, the electricity TSO shall request information on the leased reserve capacities of other customers from competent system operators in other countries or from the electricity TSO from which the reserve power is provided.

(4) If the scope of appropriate reserve capacities from existing production units does not suffice to provide sufficient reserve power for the production of balancing energy necessary for the secure operation of the system, the electricity TSO may stimulate investments in the reserve capacities required by means of a long-term agreement on the lease of reserve power from the new production unit.

### Section 4: Confidentiality obligations of electricity TSO and transmission system owners

#### **Article 76**

(Confidentiality obligations)

(1) An electricity TSO shall be obliged to preserve the confidentiality of commercially sensitive information obtained in the course of carrying out its business, regardless of whether this is defined as a business secret or not.

(2) An electricity TSO shall be obliged to prevent the discriminatory disclosure of commercially advantageous information about its own activities; in particular, it shall not disclose commercially

sensitive information to other parts of the undertaking that are not engaged in electricity TSO activities, except where and to the extent that this is strictly necessary to carry out a legal transaction.

(3) The transmission system owner and, in the case of a combined operator, the electricity DSO, and the other parts of the undertaking that are not involved in electricity TSO activities, shall not use joint services, such as joint legal services, except for purely administrative or IT functions.

(4) The provisions of this Article shall not prejudice the obligation to disclose information to the Agency and competent bodies.

#### **Article 77**

(Prohibition of misuse of information and duty of publication)

(1) An electricity TSO shall not, in the context of sales or purchases of electricity by related undertakings, misuse commercially sensitive information obtained from third parties in the context of providing or negotiating access to the system.

(2) An electricity TSO shall make public any data necessary for effective competition and the efficient functioning of the market. This obligation shall be without prejudice to the obligation to protect commercially sensitive information as referred to in the preceding Article.

### Chapter IV: DISTRIBUTION

#### Section 1: Service of general economic interest – electricity DSO

#### **Article 78**

**(Tasks of service of general economic interest)**

**(1) Electricity DSO activity shall be an obligatory state service of general economic interest.**

**(2) The electricity DSO service of general economic interest shall include:**

- 1. secure, reliable and efficient operation and maintenance of the distribution system;**
- 2. development of the distribution system, taking into consideration:**
  - anticipated needs of system users;**
  - requirements concerning safe and reliable system operation; and**
  - guidelines from the development plan of the electricity DSO referred to in Article 30 of this Act;**
- 3. long-term ability of the distribution system to meet reasonable demands for connection to the system and energy distribution;**
- 4. security of energy supply through adequate capacity and network reliability;**
- 5. the management of electricity flows in the system and ancillary services;**
- 6. data that must be provided to system users and suppliers to enable them to effectively conclude supply contracts and exercise the right to connection;**

- 7. forecasts of electricity consumption and necessary energy sources by means of a comprehensive planning method, taking due account of saving measures taken by consumers;**
- 8. provision of information to any other operator necessary to ensure the secure and efficient operation, coordinated development and interoperability of the interconnected system;**
- 9. quality of supply in accordance with minimum standards;**
- 10. purchase of electricity to cover losses, and ancillary services in the distribution system in transparent, non-discriminatory and market-based procedures.**

**(3) When planning the development of the distribution system, energy efficiency and/or consumption-side management measures or distributed generation that might supplant the need to upgrade or replace electricity capacity shall be considered by the electricity DSO.**

**(4) Upon prior approval by the Government, the electricity DSO may temporarily transfer the tasks referred to in the second paragraph of this Article to a natural or legal person that has appropriate staff and technical equipment to carry out the transferred tasks, provided that this entity does not carry out the activities of electricity supply or generation. This entity shall ensure the electricity DSO direct and permanent access to all data used and obtained for the purpose of carrying out electricity DSO tasks.**

**(5) Where the tasks are transferred to the entity referred to in the preceding paragraph, the persons employed by this entity may conduct the procedures referred to in Articles 147 and 465 of this Act and take decisions within the framework of their expert tasks for the exercise of public authority of the electricity DSO provided they fulfil the requirements to conduct administrative procedures and take decisions.**

**(6) The electricity DSO shall inspect the implementation of the transferred tasks on a quarterly basis, and the natural or legal person referred to in the fourth paragraph of this Article shall allow the electricity DSO comprehensive access for the purpose of inspection.**

**(7) The electricity DSO shall procure the electricity needed to carry out its activities according to transparent, non-discriminatory and market based procedures.**

**(8) The electricity DSO shall refrain from discriminating between individual system users or suppliers, particularly in favour of its related undertakings.**

**(9) The electricity DSO shall be responsible for developing the public infrastructure of fast-charging stations for electric vehicles.**

**Article 79**  
**(Funding of service of general economic interest)**

Electricity DSO activity shall be funded from network charges and other revenue for the provision of the service of general economic interest.



## **Article 80**

### **(Territory covered by service of general economic interest)**

**(1) The state shall ensure the electricity DSO service of general economic interest in a part or throughout the territory of the state in a manner stipulated by the act governing the services of general economic interest.**

**(2) No concession fee or other payment of equal effect shall be charged for the concession referred to in the preceding paragraph.**

## **Article 81**

### **(Requirements for performing electricity DSO activity)**

**Electricity DSO activity shall be performed by a person owning or leasing a distribution system and holding a concession granted by the Government for the provision of the service of general economic interest concerned.**

## **Article 82**

### **(Distribution system leasing and payment for implementing tasks)**

(1) An electricity DSO not owning a distribution system, or a part thereof, of a public character shall conclude a contract with its owner or the person managing or holding the property with a view to regulating all the issues related to using the system to carry out the tasks of electricity DSO under this Act. The contract shall regulate in particular the scope and purpose of using the system, the lease payment and/or other payments made by the electricity DSO, the conditions and methods of both routine and major network maintenance work and other issues enabling the electricity DSO to perform its tasks effectively under this Act. The Agency shall supervise the content of the contract and its implementation in terms of its compliance with the general acts issued by the Agency. The system or a part thereof shall be deemed to have a public character if required to supply more than one system user. Common parts intended to supply individual system users in residential and other buildings with several individual parts and the connection line in the common ownership of the owners of the building concerned shall not be deemed to be of a public character.

(2) The contracts concluded by the contracting parties may not provide for the payment of lease and/or payment for carrying out tasks transferred by the electricity DSO to the lessor pursuant to the fourth paragraph of Article 78 in the amount exceeding that specified by the Agency by way of a decision on a regulatory framework, in accordance with Article 123 of this Act. Any contractual provisions contrary to this decision shall be null and void, and in lieu thereof, the decision of the Agency on the regulatory framework shall apply to the obligations of the parties regarding the payment of lease and/or services.

(3) If the electricity DSO and the owner or other person managing or holding the system or a part thereof fail to reach an agreement to conclude a lease contract within three months after the operator established that such system or its part existed and informed the Agency and the owner thereof, the Agency shall, upon the request of the electricity DSO, impose on the owner or other person managing or holding property (hereinafter: the person liable) the

obligation to lease the system or part of it for use to the electricity DSO. The decision shall include a list of facilities, installations and other devices subject to this measure.

(4) In its request to impose the obligation referred to in the preceding paragraph, the electricity DSO shall specify the facilities, installation and other devices subject to the obligation and list the unique identification marks used in dealings with them. If it is not possible to identify the aforementioned in an on-the-spot examination or in any other way not interfering with the rights of the person liable, the Agency shall obtain a court decision allowing it access to the premise, facilities, land, equipment and installation of the person liable without his approval. The costs and any damage arising from the access shall be borne by the person liable.

(5) If the aforementioned devices are located on the premises and/or land not pertaining to the person liable, the owner or the holder of these premises or land shall allow the electricity DSO to enter them, provided that the devices of the person liable which are subject to the procedure referred to in the third paragraph of this Article are located there. Should the person liable deny entry, a court decision against, and at the expense of, this person shall be obtained and the visit carried out without his approval.

(6) If the electricity DSO does not have the appropriate number of staff to allow it to take over for its use the system or part thereof at the time when the request referred to in the third paragraph of this Article is submitted, or if taking it over for use is not feasible for substantive reasons, the Agency shall, upon request of the electricity DSO, impose upon the owner – or other person managing or holding the property and providing, at the time the request was submitted, the distribution system maintenance and operation services necessary for the provision of the service of general economic interest – the obligation to continue to provide these services under the conditions and in the manner laid down by the Agency in the decision if necessary for the smooth and safe operation of the system. In such cases, the types of services and conditions for their provision shall be specified by the Agency in its decision.

(7) If the person liable fails to act in compliance with an enforceable decision imposing the measures under this Article, a fine in accordance with the rules of the General Administrative Procedure Act on the forcible execution of administrative decisions shall be imposed on him. Notwithstanding the provision of paragraph three of Article 298 of the General Administrative Procedure Act, the first fine concerning forcible execution shall not exceed EUR 50,000.

(8) A person liable that acts contrary to a decision imposing measures under this Article shall have to compensate the users of the system, the suppliers and the electricity DSO for any damage suffered as a consequence thereof.

(9) The person liable encumbered with obligations under this Article shall have the right to receive payment for the use of its system in the amount of the lease payment specified by the Agency by way of a decision on the regulatory framework or the decision referred to in the third paragraph of this Article. The same applies to the payment for provided maintenance and operation services related to the performance of the tasks of the electricity DSO; the payment may be fixed by the Agency in the decision referred to in the sixth paragraph of this Article.

(10) The measure taken by the Agency referred to in the third paragraph of this Article shall remain in force until the leasing or other required contract is concluded, or the expropriation

procedure referred to in the fourth paragraph of Article 83 of this Act is finally concluded, or the electricity DSOs own system is built and all system users in the area concerned are connected to it.

### Article 83

#### (Measures in case of cessation of electricity DSO activity)

- (1) If any requirement for performing electricity DSO activity as referred to in Article 81 of this Act is not met and cannot be expected to be met within a reasonable time, or if the electricity DSO ceases to perform electricity DSO activity and cannot be expected to resume the activity within a reasonable time, the Agency shall issue a decision:
- designating an electricity DSO in the Republic of Slovenia or any other European Union Member State to temporarily undertake electricity DSO activity in the distribution system of the operator that failed to meet the requirements or ceased to perform electricity TSO activity;
  - setting out the conditions under which the owner or co-owners shall be obliged to lease the distribution system for use to the electricity DSO envisaged to undertake the activity under the previous indent of this paragraph and the time limit for complying with this obligation;
  - decide other matters in the relationship between the owner or co-owners of the distribution system and the operator referred to in the first indent of this paragraph in connection with the temporary performance of electricity DSO activity.
- (2) The operator referred to in the first indent of the preceding paragraph shall perform electricity DSO activity until it is undertaken by an electricity DSO that meets the requirements referred to in the first paragraph of Article 81 of this Act.
- (3) If the owner or co-owners of the distribution system fail to ensure, within one year of the final decision referred to in the first paragraph of this Article, that electricity DSO activity will be resumed on their distribution system by an electricity DSO fulfilling the requirements referred to in Article 81 of this Act, the State as beneficiary of the expropriation shall initiate the expropriation procedure or procedure to restrict ownership rights.
- (4) The expropriation or restriction of ownership rights referred to in the preceding paragraph shall be for the public benefit.

## Section 2: Unbundling of electricity DSOs

### Article 84

#### (Functional unbundling)

- (1) An electricity DSO that is part of a vertically integrated undertaking shall be independent in terms of its legal form, organisation, decision making and information system from other activities not relating to distribution.
- (2) The aforementioned requirement shall not create an obligation to separate the ownership of assets of the distribution system from the vertically integrated undertaking.
- (3) The provisions of this Article and Article 85 shall not apply to an electricity DSO having fewer than 1,000 customers connected.

## Article 85

### (Requirements regarding functional unbundling)

- (1) The electricity DSO shall perform electricity DSO activity as a separate legal entity not engaged in other activities.
- (2) In addition to the requirements referred to in the preceding paragraph, an electricity DSO that is part of a vertically integrated undertaking shall also be independent in terms of its organisation and decision making from other activities not related to distribution. For this purpose, it shall ensure the implementation of the following measures:
  - (a) the persons responsible for the management of the electricity DSO shall not participate in the company structures of the integrated electricity undertaking responsible, directly or indirectly, for the day-to-day operation of the production, transmission or supply of electricity;
  - (b) the professional interests of the persons responsible for managing the electricity DSO shall be taken into account in a manner that ensures their ability to act independently; the electricity DSO shall have effective decision-making rights, independently of the integrated electricity undertaking, with respect to the assets necessary to operate, maintain and develop the network.
- (3) In order to fulfil the tasks referred to in point c) of the preceding paragraph, the electricity DSO shall have at its disposal the necessary resources, including human, technical, financial and physical resources. The parent company shall approve the annual financial plan or any equivalent instrument and set limits on the levels of indebtedness of the electricity DSO as its subsidiary; the economic and management supervisory rights of the parent company in respect of returns on assets shall also be maintained. The parent company shall not be permitted to issue instructions on the day-to-day operations or individual decisions concerning the construction or upgrading of distribution lines that do not exceed the terms of the approved financial plan, or any equivalent instrument.
- (4) The electricity DSO shall prepare a compliance programme that specifies measures to prevent discriminatory conduct, and shall ensure appropriate supervision of its implementation. The compliance programme shall lay down the specific obligations of employees to meet this objective. The electricity DSO shall submit the compliance programme to the Agency for approval before the programme enters into force.
- (5) The electricity DSO shall have a fully independent compliance officer who shall have access to all the information of the electricity DSO and any affiliated undertaking that is necessary to perform his task. Measures to ensure the independence of the compliance officer and the effectiveness of his supervision shall be set out in the compliance programme.
- (6) The person or body responsible for supervising the compliance programme shall send the annual report on the measures taken to the Agency; the report shall be published.

## Article 86

### (Avoiding distortion of competition)

(1) If the electricity DSO is part of a vertically integrated undertaking, the Agency shall monitor its activities so that the DSO cannot take advantage of its vertical integration to distort competition.

(2) In their communications and branding, vertically integrated electricity DSOs shall not create confusion with respect of the separate identity of the supply branch of the vertically integrated undertaking.

### Section 3: Confidentiality obligations of the electricity DSO

#### Article 87

##### (Confidentiality obligations regarding information)

(1) The electricity DSO shall preserve the confidentiality of commercially sensitive information obtained in the course of carrying out its business, and prevent commercially advantageous information on its own activities from being disclosed in a manner that would discriminate between distribution system users.

(2) The electricity DSO shall not misuse any commercially sensitive information obtained from third parties that relates to the sale or purchase of electricity through related undertakings in the context of performing electricity DSO activity.

(3) The provisions of this Article shall not prejudice the obligation to disclose information to the Agency and competent bodies.

### Section 4: Combined operator

#### Article 88

##### (Combined operator)

Notwithstanding Article 84 of this Act, electricity TSO activity and electricity DSO activity may be performed by the same legal or natural person, provided it complies with Articles 60, 61, 63 and 64 of this Act.

### Section 5: Closed distribution systems

#### Article 89

##### (General provision)

The distribution of electricity within small and closed electricity distribution systems which obtain the status of a closed distribution system in accordance with this Act shall not be deemed an electricity DSO service of general economic interest as referred to in Article 78 of this Act.

#### Article 90

(Conditions for acquiring the status of a closed distribution system)

(1) An electricity distribution system with a single network supply point directly connected to the transmission system distributing electricity within a geographically confined industrial, commercial or shared services site, and as a rule not supplying household customers, shall obtain the status of a closed distribution system if:

- for specific technical or safety reasons, the operations or the production process of the final customer of that system are integrated; or
- that system distributes electricity primarily to the owner or operator of the system or their related undertakings. This requirement shall be considered as satisfied when the owner and its related undertakings make at least 80% of the total yearly electricity consumption and production.

(2) Incidental use by a small number of households having an employment or other relationship with the owner of the system shall not preclude the electricity distribution system referred to in the preceding paragraph from obtaining the status of a closed distribution system.

Article 91

(Authorisation of closed distribution system status)

(1) The Agency shall issue the authorisation for closed distribution system status on the basis of a request from the owner or other person managing the closed distribution system (hereinafter: the closed distribution system operator).

(2) The authorisation referred to in the preceding paragraph shall be issued for a period of ten years.

(3) The operative part of the authorisation of the closed distribution system status shall also include, in addition to the elements prescribed for written decisions by the General Administrative Procedure Act, the description of geographically confined site, clearly delineated from the remaining area.

(4) An electricity DSO performing DSO activity in a geographical area where a closed distribution system is located shall participate in the procedure for issuing the authorisation as a secondary participant.

(5) Upon a request from the closed distribution system operator, the Agency may extend the authorisation by ten years at a time, subject to satisfying all the requirements for obtaining the status of a closed distribution system applicable upon the expiry of authorisation validity.

Article 92

(Consequences of having closed distribution system status)

(1) Subject to the conditions of this Act, the electricity TSO shall provide to the closed distribution system operator access to the transmission system in accordance with this Act.

(2) A closed distribution system operator shall enjoy the same rights, duties and responsibilities as stipulated for the electricity DSO by this Act and its implementing regulations, except as approved by a decision of the Agency in accordance with Article 93 of this Act.

(3) The status of closed distribution system shall not preclude a final customer located within the geographically confined site from requesting and being granted access to the distribution or transmission system in accordance with this Act.

#### Article 93

(Exemptions referring to a closed distribution system operator)

(1) Upon a request from the closed distribution system operator, the Agency may decide:

- that the closed distribution system operator shall not be obliged to follow non-discriminatory and market-based procedures when purchasing the electricity it uses to cover energy losses and reserve capacity in its system;
- that the network charges within the closed distribution system shall not be set by the Agency.

(2) Notwithstanding the decision referred to in the preceding paragraph, the Agency shall set the network charges upon the request of the closed distribution system user.

(3) The Agency shall specify criteria for setting network charges for closed distribution systems by way of a general act and by means of the methodology contained in the document on methodology referred to in Article 116 of this Act.

#### Article 94

(Transfer of authorisation to third parties)

(1) The closed distribution system operator may transfer the authorisation of the closed distribution system status to a new closed distribution system operator subject to the approval by the Agency.

(2) The authorisation referred to in the preceding paragraph shall be issued upon a request from the transferor or transferee of the authorisation, which shall indicate:

- that the transferee fulfils the conditions for carrying out the functions of the closed distribution system operator;
- that the transferor and the transferee have regulated relations with customers regarding the transfer of authorisation.

#### Article 95

(Reasons for withdrawing closed distribution system status)

(1) The Agency shall withdraw the status of a closed distribution system by way of a decision issued upon the request of the closed distribution system operator or the electricity DSO or *ex officio* if requirements for closed distribution system status under this Act are no longer satisfied.

(2) The closed distribution system operator shall forthwith report to the Agency any change related to the fulfilment of the requirements referred to in Article 90 of this Act.

#### Article 96

(Consequences of terminating closed distribution system status)

Upon the termination of the authorisation of the status of the closed distribution system, or in cases where the request for renewal is refused by a final decision, or after the decision to withdraw the closed distribution system status becomes final, the relations between the owner of the closed distribution system and the electricity DSO where the closed distribution system is located shall be regulated in accordance with the provisions of Article 82 of this Act.

### Chapter V: ELECTRICITY MARKET OPERATOR ACTIVITY

#### Article 97

(Service of general economic interest)

(1) Electricity market operator activity shall be an obligatory state service of general economic interest.

(2) The electricity market operator service of general economic interest shall include:

- management of the electricity market balance scheme;
- registration of agreements on balance scheme membership, operation forecasts and closed contracts;
- balancing of the electricity market;
- carrying out the activities of the centre for support referred to in Article 376 of this Act;
- imbalance clearing;
- clearing and settlement of transactions in connection with the tasks referred to in the preceding indents;
- collecting, analysing and publishing data in order to ensure transparency in the electricity market.

(3) The market operator shall perform its activity in a manner that enables fair, non-discriminatory and transparent market operations.

(4) Acting under public authority, and in order to ensure the provision of the service of general economic interest, the market operator shall issue the following regulations:

- rules on electricity market operations to be published in Uradni list Republike Slovenije, subject to the prior approval of the Agency.
- rules on implementing market balancing to be published in Uradni list Republike Slovenije when they have been harmonised with the electricity TSO and subject to the prior approval of the Agency;
- rules on the operations of the centre for support, to be published in Uradni list Republike Slovenije, subject to the prior approval of the Government.



(5) If persons' claims are passed onto the market operator in the course of performing activities referred to in the second paragraph of this Article and the market operator assumes the financial liabilities of the aforesaid persons to offset mutual receivables and payables, the provisions of the regulation governing bankruptcy proceedings – i.e. unauthorised offsetting of claims on the initiation of bankruptcy proceedings and prohibition on offsetting a bankruptcy debtor's claims having arisen after the commencement of bankruptcy proceedings – shall not apply to bankruptcy proceedings against those persons.

(6) The preceding paragraph of this Article shall also apply if persons' claims are passed onto the exchange operator in the course of its energy exchange activity and exchange clearing transactions, and the financial obligations of the aforesaid persons are assumed by the exchange operator to offset mutual receivables and payables.

(7) Performers of energy sector activities shall ensure that the market operator has prompt and unlimited access to data relevant for implementing its tasks within the framework of the market operator service of general economic interest. Types of data and the method of access shall be regulated by the regulations referred to in the fourth paragraph of this Article.

#### Article 98

(Funding of service of general economic interest)

(1) Electricity market operator activity shall be funded from:

- contributions for the functioning of the market operator;
- payments made by members of the balance scheme for the registration of closed contracts;
- part of the contribution for ensuring support for the production of electricity from high-efficiency cogeneration and from renewable energy sources determined on the basis of the seventh paragraph of Article 379 of this Act;
- other payments made by users for the use of the service of general economic interest.

(2) The contribution for the functioning of the market operator shall be earmarked to cover the operator's expenditure for providing the service of general economic interest. The contribution shall be paid by final consumers according to individual consumption points and per consumed kilowatt hour (kWh). The final customers shall pay the contribution specified separately in the monthly network charges invoice. The person receiving the contribution through the invoice payment shall immediately and free of charge transfer it in favour of the market operator.

(3) The payments for registration of closed contracts referred to in the second indent of the first paragraph of this Article shall be due from members of the balance scheme included in closed contracts on the supply side, except in the case of providers of services of general economic interest referred to in Articles 54, 78 and 97 of this Act and the energy stock exchange. The payments by balance scheme members shall depend on the scope of registered closed contracts, excluding closed contracts for electricity imports.

(4) The level of the sources of funding referred to in the first and second indent of the first paragraph of this Article shall be decided by the Government, taking into account the scope of individual types of tasks of the market operator and the eligible operating costs in accordance with the principles of rationality and efficiency of operations. The Government shall take account of the envisaged expenditure apportioned to individual contributions. If funding

resources exceed expenditure in a particular period, account shall be taken thereof in the next change in resource amounts.

Article 99  
(Exclusive right)

(1) As concession grantor, the Republic of Slovenia shall grant the concession for providing the electricity market operator service of general economic interest to one market operator and for the entire territory of the Republic of Slovenia.

(2) No concession fee or other payment of identical effect shall be charged for the concession referred to in the preceding paragraph.

Article 100  
(Manner of granting a concession)

The concession for the provision of electricity market operator service of general economic interest shall be granted in accordance with the regulations governing services of general economic interest and public-private partnerships, unless particular issues are regulated otherwise by this Act.

Article 101  
(Roles in the electricity market)

(1) Market participants shall conduct electricity business activities in the following manner:

- the producer: shall sell in its own name under open contract;
- the final customer: shall purchase in its own name under open contract;
- the supplier to system users: shall sell to final customers or purchase from producers under open contract;
- the dealer: shall purchase and sell electricity under closed contract.

(2) An individual legal or natural person may simultaneously conduct activities related to electricity in several different roles as referred to in the preceding paragraph.

(3) All concluded closed contracts necessary for electricity supply throughout the territory of the Republic of Slovenia, including closed cross-border contracts, shall be registered with the market operator in terms of their quantity and time frame at least once a day for the following day.

Article 102  
(Balance scheme)

(1) The electricity market shall be hierarchically structured in a balance scheme in which the relations between the balance scheme members and their respective inflow and outflow balance keeping are specified in a uniform manner by the balance scheme membership

agreements. The membership and structure of the balance scheme shall be established in the balancing contracts and compensation agreements, which are regulated in detail by the regulation referred to in the fourth paragraph of Article 97 of this Act.

(2) An individual natural or legal person may join the balance scheme as a member only through a single balancing contract or a single compensation agreement, with the exception of the providers of services of general economic interest referred to in Articles 54, 78 and 97 of this Act, which may, in order to carry out individual tasks of the services of general economic interest in a transparent and economically effective manner, in addition to the mandatory establishment of their own balancing group also establish separate balancing groups or subgroups. The rules for electricity market operation referred to in the first indent of the fourth paragraph of Article 97 of this Act may envisage special statuses for balance scheme members providing services of general economic interest under this Act.

(3) The market operator shall manage imbalance clearing in a manner and within time limits that do not hinder the right of a final customer to switch supplier within the time limits referred to in the second paragraph of Article 40 of this Act.

(4) Market participants who wish to actively conduct activities in the market and accordingly assume the responsibilities to settle imbalances and imbalance clearing shall be included in the balance scheme.

(5) The market organiser shall conclude a balancing contract with the market participant and thereupon, or on the basis of a compensation agreement, include the market participant that fulfils the statutory requirements in the balance scheme.

(6) Balance scheme membership shall cease upon the cessation of validity of the balancing contract or compensation agreement.

(7) For the purpose of managing the balance scheme and entering data on legal transactions and other relations affecting the inflow and outflow balances of balance scheme members, the market operator shall, pursuant to the second paragraph of Article 97 of this Act, establish and keep records which include at least data concerning:

- contracts on balance scheme membership;
- operation forecasts;
- closed contracts; and
- the existence and use of cross-border transmission capacities.

(8) A closed contract may be concluded only between two members of the balance scheme, with the exception of closed cross-border contracts concluded between a balance scheme member and a foreign market participant.

(9) An open contract may be concluded only between a balance scheme member and a legal or natural person entitled to conclude an open contract for a delivery point in the Republic of Slovenia that is the subject of the contract concerned. In open contracts and closed cross-border contracts, the same legal or natural person may act as a party to the contract on both sides.

(10) The actual consumption of a delivery point shall be taken into account in the balance of the member of the balance scheme to which the delivery point is affiliated.

Article 103  
(Reciprocity)

The market operator may refuse or limit inclusion in the balance scheme on the grounds of reciprocity. The market operator may decide not to grant this right to a legal person established in a country where the right to choose a supplier freely is not available to all consumers. The market operator may prohibit such a supplier from supplying customers in the Republic of Slovenia that would be unable to purchase electricity from a supplier of their choice in the country where the supplier is established.

Article 104  
(Market plan and schedule)

(1) All closed contracts shall be registered with the market operator in the manner stipulated by the rules on the operation of the electricity market referred to in the first indent of the fourth paragraph of Article 97 of this Act. Using the amounts of electricity sold and purchased under closed contracts that are registered, the market operator shall calculate the market plan of balance scheme members, which shall provide the basis for imbalance clearing.

(2) A daily operational delivery or consumption forecast for each delivery point shall be submitted to the market operator in the manner stipulated in the rules for electricity market operation referred to in the fourth paragraph of Article 97 of this Act by the balance responsible party of a balancing group or balancing subgroup and/or a hierarchically lower-ranking balancing subgroup to which the delivery point is affiliated.

(3) The number of delivery points of a balance scheme member shall not be limited.

(4) The market operator shall draw up a framework transmission and distribution network schedule based on the registered closed contracts and operational forecasts. The electricity TSO shall prepare a final schedule by including the solutions to potential technical barriers and the system services in the framework schedule and shall forthwith submit it to the market operator for its information. The final schedule shall be the basis for the operation of the transmission system and for the implementation of the balancing market.

Article 105  
(Compulsory balancing market)

In order to ensure the efficient and transparent operation of the balancing market, producers of electricity and customers shall co-operate in the balancing market with regard to the technical parameters of their installations and relevant characteristics and circumstances. The manner of cooperation between production and customer units in the balancing market shall be regulated in detail by the rules on the implementation of the balancing market referred to in the fourth paragraph of Article 97 of this Act.

Article 106  
(Settlement and imbalance clearing surplus)

- (1) The calculation and financial settlement of the imbalance clearing of the Balance Responsible Parties shall be performed by the market operator.
- (2) Any excess revenue over expenditure from the imbalance clearing shall be earmarked to insure and cover the market operator's risks and shall be kept on its special account. The amount of funds earmarked to insure and cover the risks of the market operator shall be regulated in detail by the rules for electricity market operations referred to in the fourth paragraph of Article 97 of this Act.
- (3) The Agency shall allocate the funds in excess of those referred to in the preceding paragraph among persons participating in the imbalance clearing relative to the actual costs of balancing incurred by the electricity TSO in the relevant year.
- (4) The electricity TSO shall submit to the market operator the data on the balancing of the electricity system of the Republic of Slovenia which gave rise to imbalance settlement expenses; the data shall indicate the purpose of the purchase and/or sale of electricity and the source and/or sink of electricity.

Article 107  
(Monitoring restrictive contractual practices)

- (1) The market operator shall monitor the occurrence of restrictive contractual practices which may prevent large non-household customers from contracting simultaneously with more than one supplier or restrict their freedom to do so, and inform the Agency and the authority responsible for the protection of competition of such practices.
- (2) The market operator shall submit the data collected to the Agency.
- (3) The market operator shall ensure the protection of commercially sensitive information obtained in the course of performing its activities.

Chapter VI: UNBUNDLING AND TRANSPARENCY OF ACCOUNTS

Article 108  
(Auditing and publication of annual accounts)

- (1) Electricity undertakings, whatever their system of ownership or legal form, shall draw up, submit to audit and publish their audited annual accounts in accordance with the provisions of the act governing companies, unless otherwise provided by this Act.
- (2) The electricity system operator and the lessors and maintenance entities referred to in the first and third paragraphs of Article 121 of this Act, regardless of their size, shall draw up,

audit and publish their annual accounts and annual reports in a manner stipulated for large companies by the act governing companies.

(3) The electricity system operator and the lessors and maintenance entities referred to in the first and third paragraphs of Article 121 of this Act shall submit to the Agency their unaudited annual reports within three months of the end of the calendar year; they shall submit their audited annual reports and auditors' reports within eight days of their receipt and/or not later than six months after the end of the calendar year.

(4) The audit of the annual accounts shall, in particular, verify that the requirements referred to in Article 86 of this Act concerning the avoidance of discrimination and cross-subsidies are respected and that the requirements concerning the disclosure of established deviations from the regulatory framework, referred to in the fourth and fifth paragraphs of Article 120, are satisfied.

(5) Electricity undertakings not legally obliged to publish their annual accounts under the act governing companies shall keep a copy thereof at their head office that must be at the disposal of the public.

#### Article 109 (Separated activities)

(1) Electricity undertakings shall keep separate accounting records in accordance with accounting standards; their notes to the accounts shall show separate accounts for transmission and distribution activities, as required for the activities in question carried out by separate undertakings.

(2) Electricity undertaking that is also engaged in activities other than transmission or distribution shall keep separate accounting records for activities not related to transmission or distribution; the notes to the accounts shall accordingly show separate accounts in accordance with the first paragraph of this Article.

(3) Electricity undertakings shall show revenue and expenditure related to leasing the transmission or distribution system in their notes to the accounts.

(4) Electricity undertaking also engaged in other activities not related to transmission or distribution may keep consolidated accounting records and shall show the accounts for these activities in the notes to the accounts in accordance with the first paragraph of this Article.

(5) The separate accounts referred to in the first and second paragraphs of this Article shall include: the balance sheet, the income statement and cash flow statement.

(6) Electricity undertakings subject to the act governing the transparency of financial relations and separate accounts for different activities shall also keep accounting records and statements in accordance with the aforementioned Act, unless this is contrary to this Act.

#### Article 110

(Criteria for classification by activities and disclosure of transactions with related undertakings)

(1) The internal acts of electricity undertaking shall lay down the criteria to allocate assets and liabilities, costs and revenue and expenditure to be observed in keeping separate accounting records and in drawing up separate accounts for energy sector activities.

(2) The provisions of the act governing the transparency of financial relations and separate accounts for different activities shall be applied to establish the criteria referred to in the preceding paragraph.

(3) The criteria referred to in the preceding paragraph shall be changed only in exceptional circumstances; the changes shall be justified and explained in the annual report.

(4) The notes to the accounts of an electricity undertaking shall disclose all individual transactions with related undertakings exceeding EUR 100,000.

(5) In addition to the separate accounts for energy sector activities subject to separate disclosure requirements, the notes to the accounts of electricity undertakings shall fully disclose the criteria referred to in the first paragraph of this Article. The suitability of criteria and their proper use shall be audited annually by an auditor, who shall draw up a special report.

(6) The Agency shall monitor the suitability and correct application of the criteria in accordance with the provisions of the act governing supervision.

Article 111

(Right of access to accounts)

(1) The Agency shall have the right to access the accounts of electricity undertakings kept in accordance with Articles 108, 109 and 110 of this Act, to the extent necessary to carry out its tasks.

(2) Should the electricity undertaking refuse access to its accounts, the Agency shall inspect them pursuant to the provisions of this Act concerning supervision by the Agency.

(3) The Agency shall protect the confidentiality of commercially sensitive information obtained by accessing the accounts. This provision shall not prevent the Agency from transmitting relevant information to a competent state authority, local community authority or bearer of public authority if required to exercise their powers in accordance with the law.

Chapter VII: ACCESS TO THE SYSTEM

Section 1: Organising access to the system

Subsection 1: General provisions regulating access to the system

Article 112  
(Principle of regulated access to the system)

- (1) An electricity supply shall be provided in accordance with the principle of regulated third-party access to the system. The system costs shall be paid by the system users on the basis of the previously published tariff rates and in accordance with Article 138 of this Act.
- (2) Persons who wish to become system users and electricity system operators shall have the right to be connected to the system in accordance with the criteria set out by the Network Code.
- (3) The connection approval referred to in Article 147 of this Act issued by the electricity system operator shall determine the scope of the right to use the system by the system user or electricity system operator concerned by identifying their highest connected load or other operational constraint.
- (4) A system use contract within the limits referred to in the preceding paragraph shall be concluded by the electricity system operator and the system user prior to the commencement of electricity delivery to the system or electricity consumption from the system or prior to connection to the system. The electricity system operator shall inform the system user of the rights and obligations regarding choice of supplier and provide final customers with the list of suppliers to final customers prior to concluding the system use contract.
- (5) A system user shall also conclude an electricity supply contract prior to connection to the system.

Article 113  
(Refusal to connect)

- (1) The electricity system operator may refuse the system user a connection or operational constraint reduction on account of lack of capacity or because the increased consumption and/or power delivery would prevent the operator from providing services of general interest referred to in Articles 54 and 78 of this Act.
- (2) The electricity system operator shall provide substantiated reasons for refusing the connection or operational constraint reduction, based on objective and technically and economically justified criteria, and shall forthwith inform the person requesting a connection or reduction of operational constraint thereof in writing. The operator shall provide the person in question with access to all documents connected with the refusal.
- (3) Any disputes concerning the connection or reduction of operational constraint refusal shall be settled by the Agency, having regard to the procedure set out in Articles 414 to 419 of this Act.
- (4) An electricity system operator refusing a connection or reduction of operational constraint due to a lack of capacity or lack of connections shall be obliged to make necessary enhancements to the system upon the request of the person in question, and as far as it is



economic to do so, or when this person is, alone or with other persons, willing to pay for such enhancements.

(5) If the negotiations between the electricity system operator and the person referred to in the preceding paragraph fail to result in an agreement to make enhancements, the matter shall be settled, upon request of the person concerned, by the Agency, which shall follow the procedure set out in Articles 414 to 419 of this Act and shall lay down the conditions for enhancing the system capacities or refuse the request.

Subsection 2: The system use contract and contract of electricity supply to final customers

#### Article 114 (System use contract)

(1) If the electricity system operator does not refuse the request for a connection or reduction of operational constraint in accordance with the preceding Article of this Act, it shall ensure the user the use of the transmission or distribution system by concluding a system use contract which shall bind the user to pay the network charges and the electricity system operator to enable the user to deliver electricity to the system and/or to consume electricity from the system within the established operational constraint. A change in the delivery point operational constraint in accordance with Article 147 of this Act shall give rise to a change in the system use contract.

(2) The system use contract with the electricity DSO shall be concluded either by the system user or, on its behalf, by the supplier.

(3) If the system user is not a holder of the connection approval referred to in Article 147 of this Act, the system use contract shall be subject to the consent of the person holding the aforementioned approval; the consent shall indicate that the approving entity allows the system user to use its delivery point.

(4) The obligation to pay the network charges for a particular delivery point may be assumed by the supplier instead of, and in agreement with, the system user; in this case, a single bill shall be issued to the user by the supplier. The electricity system operator shall have the right to refuse to conclude the contract on the payment of the network charges with the supplier if the latter fails to provide, upon the request of the electricity system operator, appropriate insurance to cover the assumed liability.

(5) Detailed rules on concluding and implementing system use contracts and the method of network charge payments shall be laid down by the electricity system operator in the Network Code.

#### Article 115 (Supply contract)

(1) The supplier and the system user shall conclude an electricity supply contract specifying the balancing affiliation of any individual delivery point of the user (hereinafter: the open contract).

(2) If the system user is not a holder of the connection approval referred to in Article 147 of this Act, the supply contract shall be subject to the consent of the person holding the aforementioned approval; the consent shall indicate that the approving entity allows the system user to consume electricity through its delivery point.

(3) Only a supplier that is a member of the balance scheme may conclude an open contract with the system user.

(4) The system user shall have an open supply contract concluded for any one delivery point.

(5) Only one open contract shall be concluded with one supplier at any one time for any one distribution system delivery point. The system user may simultaneously conclude open contracts with several suppliers for a delivery point with a connected load exceeding 40MW. In this case, the balancing affiliation shall be distributed in advance among the suppliers.

(6) Electricity system operators shall keep records of delivery points and their balancing affiliation and shall provide access to the data from the records to the market operator and the Agency.

(7) The detailed rules for open contract registration shall be laid down by the electricity system operator in the Network Code referred to in Article 144 of this Act.

## Section 2: Network charges for the transmission and distribution system

### Subsection 1: Regulatory framework

#### Article 116

##### (Methodology for setting out the regulatory framework)

(1) The network charges paid by the system user for the use of the electricity system shall be one of the sources to cover the eligible costs incurred by the electricity system operators. The eligible costs of the electricity system operators, the network charges and other sources to cover these costs shall be set by the Agency in the regularity framework.

(2) The Agency shall prescribe the methodology to set out the regulatory framework by means of a general act and in a manner promoting electricity system operators and efficiency of system use. The methodology established by the Agency shall be based on the method of regulated annual revenue of the electricity system operator and its regulated network charges, which shall ensure that all eligible annual costs of the electricity system operator, including the regulated return, are covered.

(3) The general act of the Agency referred to in the second paragraph of this Article shall specify:

– the duration of the regulatory period;

- the types of elements of the regulatory framework;
- the criteria for setting out individual regulatory framework elements;
- the method of calculating individual regulatory framework elements;
- the types of eligible costs, including the regulated return, the criteria for identifying costs and the method of determining costs;
- the rules and method to establish deviations from the regulatory framework and the method of taking established deviations into consideration;
- the parameters of individual quality dimensions, their reference values and the method and standards of their calculation;
- the rules for calculating the influence of quality on eligible costs;
- minimum quality standards for various services of the electricity system operators; and
- the amount of compensation and time limits for the payment of compensation referred to in the third paragraph of Article 130 of this Act.

#### Article 117

#### (Setting out the regulatory framework)

(1) The Agency shall set out the regulatory framework by way of a decision specifying the amount of the planned eligible costs of the electricity system operator by individual years of the regulatory period, planned network charges, other planned revenue from performing electricity system operator activity and network charges surplus or deficit from previous years. If the regulatory period is more than one year, the regulatory framework may provide for tariff rate equalisation in order to prevent the occurrence of any rapid tariff rate changes in individual years of the regulatory period.

(2) The Agency shall establish the value of the regulatory framework by calculating the network charges and other revenue from performing electricity system operator activity, including the cumulative network charge surplus or deficit of the electricity system operator from previous years, so as to cover the planned eligible costs of the electricity system operator set by the Agency and take into account all envisaged circumstances related to the cost-effective operations of the electricity system operator.

(3) Upon a prior declaration by the electricity TSO, other revenue from congestion management shall be taken into account in the year of the regulatory period in which eligible costs for the purposes set out in the sixth paragraph of Article 16 of Regulation (EC) No 714/2009 are planned and in accordance with the Guidelines in Annex I to the Regulation (EC) No 714/2009 and shall be disclosed separately in the regulatory framework.

(4) The electricity TSO shall separately keep cross-border congestion revenue that has not hitherto given rise to eligible costs and is temporarily not used for any of the purposes set out in the sixth paragraph of Article 16 of Regulation (EC) No 714/2009, including the amounts placed on a separate account line in accordance with the third subparagraph of the sixth paragraph of Article 16 of Regulation (EC) No 714/2009, which shall be kept outside the regulatory framework until the occurrence of the eligible costs.

(5) Before the beginning of a new regulatory period, the electricity TSO shall ensure and declare to the Agency the following:

- separate data on revenue planned from the congestion management of cross-border lines by individual years of the regulatory period;

- the amounts of revenue from congestion management not included in the previous regulatory frameworks in accordance with the preceding paragraph, including the amount of temporarily unused revenue from previous years placed on a separate account line referred to in the third subparagraph of the sixth paragraph of Article 16 of Regulation (EC) No 714/2009;
- the amounts of deviations from the regulatory framework referred to in Article 120 of this Act relating to the congestion management of cross-border lines;
- separate data on the intended use of revenue under indents one to three of this paragraph for the purposes referred to in the sixth paragraph of Article 16 of Regulation (EC) No 714/2009 and on the amounts of planned eligible costs for these purposes by individual years of the regulatory period.

(6) In setting out the regulatory framework and under the conditions of Regulation (EC) No 714/2009, the Agency shall approve the intended use of revenue from the congestion management of cross-border lines to cover the network charges under the second subparagraph of the sixth paragraph of Article 16 of Regulation (EC) No 714/2009, provided that the electricity TSO shows that the revenue from the congestion management of cross-border lines cannot be used efficiently for the purposes set out in points a) and b) of the sixth paragraph of Article 16 of Regulation (EC) No 714/2009.

(7) In setting out the regulatory framework, the Agency shall separately disclose the revenue from the congestion management of cross-border lines – including any unused revenue from congestion management arising from deviations from the regulatory framework and temporarily unused revenue from previous years placed on a separate account line, as referred to in the third subparagraph of the sixth paragraph of Article 16 of Regulation (EC) No 714/2009, and the eligible costs by purposes referred to in paragraph 6 of Article 16 of Regulation (EC) No 714/2009.

(8) The Agency shall set out the regulatory framework for an individual electricity system operator by means of a decision issued to the electricity system operator not later than by 15 November of the year preceding the first year of the relevant regulatory framework (hereinafter: the decision on a regulatory framework). The regulatory framework for an electricity DSO may be divided into individual areas of the distribution system.

(9) The decision on the regulatory framework shall be issued by the Agency *ex officio*. The Agency shall initiate the decision-making procedure concerning the regulatory framework and specify the data required for decision making, including the investment plan referred to in Article 118 of this Act, and the time limit for their submission by the electricity system operator, not later than by 15 September of the year preceding the first year of the subsequent regulatory framework.

#### Article 118

##### (Investment plan of the electricity system operator)

(1) The electricity system operator shall prepare an investment plan and submit it to the Agency for the purpose of setting out the regulatory framework, by 31 January of the year in which the Agency decides on the regulatory framework. The electricity system operator's investment plan shall include a financial evaluation of the investments under the applicable ten-year development plan to be carried out in the subsequent regulatory period. The

electricity TSOs investment plan shall separately disclose the investments to be funded by the dedicated revenue derived from the congestion management of cross-border lines under Regulation (EC) No 714/2009.

(2) The Agency shall examine and evaluate the investment plan in the procedure for setting out the regulatory framework. The aforementioned evaluation shall provide the basis for specifying the planned eligible costs of the electricity system operator in the subsequent regulatory period. In evaluating investment plans and setting the eligible costs of the electricity system operator, the Agency shall not be bound by the value of the investments and their time schedule under the ECS, other development plans in the energy sector or the development plans of electricity system operators.

(3) If the Agency's evaluation of the investment plans establishes an excessive impact on network charges if all investments from the investment plan are included in the eligible costs of the electricity system operator, it may take into account only some investments in accordance with the order of priority specified in the investment plan.

(4) The investment plan of the electricity DSO shall show the investments needed to maintain the operational capacity of the existing infrastructure (reconstruction) and investments in new infrastructure separately.

(5) If the electricity TSO fails to carry out the planned investments to increase the interconnector capacities envisaged in the investment plan to be funded from the dedicated cross-border congestion revenue under Regulation (EC) No 714/2009, the TSO shall treat the aforementioned investments as unused congestion revenue that may be used only for the purposes set out in the sixth paragraph of Article 16 of Regulation No 714/2009 and its Annex I, and/or may be used by the Agency to reduce network charges when setting out the regulatory framework.

(6) The Agency shall establish the methodology for preparing and evaluating the investment plans in a general act, specifying at least:

- the methodological approaches to investment assessment and evaluation;
- the types and mandatory content of investment plans;
- the procedures for preparing and evaluating investment documents and deciding on investments;
- minimum criteria for determining the efficiency of projects.

#### Article 119

##### (Eligible costs of the electricity system operator)

(1) The eligible costs of the electricity system operator incurred in the performance of electricity system operator activity shall be established and specified by individual years of the regulatory period. An electricity system operator engaged in the activities other than electricity system operator activity shall attribute the proportionate part of the costs to those other activities.

(2) The eligible costs shall also include the regulated return of the electricity system operator.

(3) The method of establishing and specifying eligible costs shall encourage the cost-effective operations of the electricity system operator and enable it to attain a return higher than that set out in the regulatory framework if the eligible costs savings result from the operator's endeavours to increase its cost-effectiveness. If the electricity system operator incurs costs exceeding the eligible costs, the difference shall be offset against the regulated return on assets.

(4) In setting out the eligible costs, the Agency shall bear in mind the electricity system operator's obligation to improve its performance by a factor set by the Agency in a general act, taking account the planned general economic productivity and the efficiency of the electricity system operator based on comparative efficiency analyses.

(5) The regulated return of the electricity system operator and the eligible depreciation costs shall provide for the economic viability of investments in the development of the system and shall depend on the regulated amounts of tangible fixed assets in use and intangible fixed assets in use corresponding to the use of the system, the nature of the electricity system operator's activity, the regulated structure of funding resources and the efficient use of the system. There shall be no regulated return on assets recognised with respect to the part of the value of assets taken over free of charge, acquired through the payment of disproportionate costs for connection and on assets under construction and manufacture, built with funds from congestion and co-funding, on European funds granted free of charge or on other grants and funds not prerequisite to carrying out the activities of the electricity TSO. The electricity TSO shall be granted a special incentive for having acquired European funds free of charge proportional to the amount thereof. This incentive shall be included in the regulatory framework in the year in which the assets constructed with these funds are handed over for use.

#### Article 120

##### (Deviations from the regulatory framework)

(1) The electricity system operator shall identify deviations from the regulatory framework for particular years shown as a surplus or deficit from network charges and shall disclose the established deviations in the notes to the accounts.

(2) A surplus of regulated annual revenue over the actual annual eligible costs of the electricity system operator shall be deemed the surplus from network charges. It shall be disclosed as the surplus of the total annual amount of the charged network charges (minus the deficit from the network charges from the previous years, or plus the surplus from network charges from the previous years) plus the amount of other annual revenue from electricity system operator activity over the amount of actual annual eligible costs.

(3) A surplus of the actual annual eligible costs over the regulated annual revenue of the electricity system operator shall be deemed the deficit from network charges. It shall be disclosed as the surplus of the actual annual eligible costs over the total annual amount of the network charges (plus the deficit from the network charges from previous years or minus the surplus from network charges from previous years) plus other annual revenue from electricity system operator activity.

(4) The electricity system operator shall use the network charges surplus as the payment for the electricity system operator service of general economic interest for the following year or years; therefore, the surplus of the network charges shall be disclosed as overpaid amounts in the year of the regulatory period in which the surplus is established. In setting the network charges for the subsequent regulatory period, the Agency shall take the surplus from network charges into account as network charges already charged in previous periods.

(5) The electricity system operator shall receive the settlement of the deficit from network charges in the following year or, in order to prevent any rapid tariff rate changes, in the following years as the payment for the electricity system operator service of general economic interest for the year in which the deficit was established. The electricity system operator shall disclose the deficit from network charges as receivables for the year of the regulatory period in which the deficit from network charges was established if it reasonably expects the deficit from network charges to be charged and paid in the subsequent periods. The Agency shall take the deficit from network charges into account when setting the network charges for the subsequent regulatory period or subsequent regulatory periods.

(6) The electricity system operator shall submit to the Agency the calculation of the surplus or deficit from network charges for an individual year of the regulatory period within 15 days of receiving the auditor's report or not later than in six months after the end of the calendar year. Should the Agency, in the procedure to establish the deviation, find a surplus or deficit from network charges not equal to that established by the electricity system operator, it shall issue a separate decision establishing the amount of surplus or deficit in accordance with the provisions of the second and third paragraphs of this Article.

(7) Notwithstanding the provision of the eighth paragraph of Article 117 a decision may be issued by the Agency during the regulatory period which sets out a new regulatory framework for the remaining years of the regulatory period if unexpected changes in the use of the system or other unexpected circumstances give rise to a surplus or deficit from network charges that cannot be offset when setting out of the regulatory framework for the subsequent regulatory period.

(8) The calculation of deviations from the regulatory framework made by the electricity TSO shall disclose cross-border congestion revenue and eligible costs separately by individual years.

(9) The annual report of the electricity TSO shall also disclose amounts of annual revenue and expenditure incurred in acquiring the right to use interconnection capacity, in accordance with the purposes set out in the sixth paragraph of Article 16 of Regulation (EC) No 714/2009.

(10) The Agency shall examine the intended use of cross-border congestion revenue, whereby it shall examine and confirm whether the total actual amount of revenue from congestion related to the allocation of cross-border lines was used for the purposes set out in the sixth paragraph of Article 16 of Regulation (EC) No 714/2009.

(11) The provisions relating to the calculation of surplus or deficit from network charges shall also apply if another provider begins to carry out operator activity on the system concerned. The previous provider shall pay any surplus to the new provider and may request that the new provider recompense it for any deficit not later than by the end of the regulatory period in which the surplus or deficit is taken into account in setting network charges.

**Subsection 2: Special provisions concerning the setting of the regulatory framework if the electricity DSO is not the owner of a significant part of the distribution system or the main tasks of the electricity DSO are carried out by another person**

**Article 121**

(Setting out the regulatory framework for a distribution system not owned by the operator)

- (1) If the electricity DSO is not the owner of the whole or a significant part of the distribution system in which it carries out its activity and leases a significant part or the whole of the distribution system from the owner or other legal or natural person managing or holding it (hereinafter: the lessor) and/or uses it on a legal basis other than the property right, the provisions of Articles 121 to 126 shall apply in addition to Articles 116 to 120 and 127 to 130 in setting out the regulatory framework for such a distribution system, in establishing deviations from the regulatory framework and in calculating network charges.
- (2) A significant part of the distribution system as referred to in the preceding paragraph shall mean a part of the system that meets the following conditions:
- it had at least 1,000 final customers connected on any one given day in the calendar year preceding the year in which the network charges for the subsequent regulatory period were set; and
  - the electricity transmitted across this network in the calendar year preceding the year in which the network charges for the subsequent regulatory period were set represented at least five per cent of the total electricity transmitted through the distribution system in the Republic of Slovenia.
- (3) The provisions of the first paragraph of this Article shall apply in cases where the tasks of the electricity DSO, including the professional obligations for the exercise of public authority, are carried out by another legal or natural person to which the electricity DSO has transferred the tasks, or which carries out these tasks on some other legal basis (hereinafter: the maintenance entity).
- (4) The electricity DSO shall make arrangements regarding its relationships with the lessor and the maintenance entity referred to in the first and third paragraphs of this Article for the entire subsequent regulatory period not later than by the commencement of the procedure to set out the regulatory framework. The Agency shall also serve the decision referred to in the ninth paragraph of Article 117 on the lessors and maintaining entities referred to in the first and third paragraphs of this Article if data required to set out the regulatory framework are at its disposal when issuing the decision; otherwise, it shall obtain these data from the electricity DSO and shall invite these parties to participate in the procedure after obtaining the data.
- (5) The electricity DSO shall not amend the relationships with the lessor and the maintaining entity referred to in the first and third paragraphs of this Article during the regulatory period. The Agency shall issue a new decision on the regulatory framework applying, *mutatis mutandis*, the provisions of the seventh paragraph of Article 118 of this Act if the relationships with the lessor and the maintaining entity referred to in the first and third paragraphs of this Article are to be amended during the regulatory period for reasons which emerged after the commencement of the regulatory period and were beyond the electricity DSOs control and have a significant impact on the applicable regulatory framework.

**Article 122**

**(Keeping of separate accounts)**

- (1) The lessor and the maintaining entity referred to in the first and third paragraphs of the previous Article shall keep in their respective books of account separate accounting records and separate



accounts, in accordance with Articles 109 to 111 of this Act, even if they do not pursue energy sector activities related to electricity.

(2) The lessor and the maintaining entity referred to in the first and third paragraphs of the previous Article shall keep in their respective books of account separate accounting records and separate accounts for the distribution system and its development separate from other activities and separate for carrying out the tasks.

(3) If the lessor and the maintaining entity referred to in the eighth paragraph of the preceding Article do not use criteria compliant with the provisions of Articles 109 to 111 of this Act regarding the separate accounts of electricity undertakings, the Agency may use other criteria to assign costs, expenditure and revenue to various activities when issuing the decision referred to in the eighth paragraph of Article 117 of this Act.

### **Article 123**

#### **(Rules for determining the lease payment and/or payment for performance of tasks)**

(1) The provisions of Articles 116 to 120 of this Act regarding the setting out of the regulatory framework shall apply to determining the lease paid by the electricity DSO for the use of the distribution system (hereinafter: the payment for leasing the system) and the payment for performing tasks carried out by another person.

(2) The payment for leasing the system and the payment for the performance of tasks shall be set for individual important parts of the distribution system in the decision on the regulatory framework and shall cover the planned eligible costs for the distribution system and for the performance of tasks of the electricity DSO, including the regulated return, in the regulatory period.

(3) The provisions of contracts concluded between the lessors and the maintenance entities referred to in the first and third paragraphs of Article 119 of this Act and the electricity DSO which set higher payments for leasing the system and for the performance of tasks shall be null and void.

### **Article 124**

#### **(Setting the payment for leasing and the performance of tasks in the decision on the regulatory framework)**

In the case referred to in the first and second paragraphs of Article 121 of this Act and by way of the decision referred to in the eighth paragraph of Article 117 of this Act, the Agency shall also set the amount of the payment for leasing the system or the performance of tasks for the lessor and the maintenance entity referred to in the first and third paragraphs of Article 121 of this Act. The payment shall be deemed an eligible cost of the electricity DSO.

### **Article 125**

#### **(Communication of data and supervision)**

The provisions of this Act concerning the obligation to communicate to the Agency the data referred to in Article 407 of this Act and concerning the supervision by the Agency referred to in Articles 421 to 433 of this Act shall also apply to the lessors and the maintenance entities referred to in the first and third paragraphs of Article 121 of this Act.

### **Article 126**

#### **(Leasing other parts of the distribution network or performance of services)**

(1) If the electricity DSO leases or uses a part of the distribution system not deemed an important part of the distribution system within the meaning of the first paragraph of Article 121 of this Act, or if another legal or natural person performs certain tasks for the electricity DSO on such part of the distribution system, the DSO shall submit to the Agency, in the procedure to set out the regulatory framework, all data required to set the level of eligible costs for leasing such part of the system or for such services.

(2) If the electricity DSO fails to submit the data referred to in the preceding paragraph, the regulatory framework shall be set out taking into account the minimum eligible system leasing or service costs established for a comparable part of the distribution system or comparable services.

### Subsection 3: Provisions regarding regulation through quality

#### **Article 127**

##### (Regulation through quality)

(1) In setting the eligible costs for the purpose of setting out the regulatory framework for an electricity distribution system, the Agency shall also take into account the regulation of electricity supply quality within the framework of electricity DSO activity.

(2) Within the framework of performing electricity DSO activity, quality of supply shall be determined according to the following quality dimensions:

- voltage quality;
- commercial quality; and
- continuity of supply.

(3) The Agency shall specify the reference value of the parameters of the quality dimensions for the electricity DSO and/or for individual areas of the distribution system so that these values provide a realistic target for quality of supply, taking into account the condition of the system, the performance of the activity to date and the operation of the system.

(4) An electricity DSO not providing all services shall nevertheless be responsible for the quality of supply of the services which are subject to the assessment of achieved values of quality dimension parameters, except as regards the lessors and maintenance entities referred to in the first and third paragraphs of Article 121 of this Act, which shall share the responsibility for quality with the electricity DSO.

#### **Article 128**

##### (Monitoring the quality of supply and auditing)

(1) The electricity DSO and/or the lessors and maintenance entities referred to in the first and third paragraphs of Article 119 of this Act shall monitor the quality of supply of the distribution system and/or particular areas of the distribution system by:

- measuring voltage quality;
- calculating the parameters of the quality dimensions referred to in the second paragraph of the preceding Article; and
- communicating the measurement results and parameters of the quality dimensions to the Agency.

(2) The Agency shall conduct auditing at the electricity DSO and/or the lessor and maintaining entity, as referred to in the first and third paragraphs of Article 119.

(3) The auditing shall be conducted in a manner that does not disturb the operations or performance of the electricity DSO activity and shall not impose a disproportionate burden related to the assessment of monitoring.

(4) Following the audit, an authorised Agency employee shall prepare a report assessing the appropriateness of the monitoring.

(5) If the Agency establishes irregularities, the greatest negative impact laid down in the general act of the Agency shall be considered with regard to the influence on eligible costs.

(6) The Agency shall lay down, by means of a general act, the rules for monitoring the quality of supply and shall specify:

- the procedures and methods for monitoring the quality of supply and calculating different quality parameters;
- the method and time limits for submitting these data to the Agency; and
- the auditing procedure and methodology and the measures to improve them.

### **Article 129**

(Quality of supply impact on the regulatory framework)

(1) The impact of achieved values of the particular quality dimension parameters – relative to the reference values of these parameters, fixed by the minimum standards of quality – on eligible costs shall be taken into account by the Agency when setting network charges for the following regulatory period, except in cases referred to in the fifth paragraph of the preceding Article.

(2) The incentives for better quality and/or sanctions for poorer quality shall be fixed according to the discrepancy between the achieved and the reference quality level and shall be reflected in the share of eligible costs of the electricity system operator.

### **Article 130**

(Guaranteed supply quality standards)

(1) The minimum supply quality standards of the electricity DSO shall take the form of the guaranteed standards to be met by the operator and shall be defined by minimum values of the service quality parameters, which shall be ensured for each delivery point of the electricity DSO.

(2) If, for reasons on its part, the electricity DSO breaches the standards of quality guaranteed to a system user, it shall pay compensation to the system user upon its written request.

(3) The amount of compensation and method and time limit for compensation payment for individual types of breach shall be determined by the Agency by means of a general act, as referred to in Article 116 of this Act with a view to discouraging system operators from repeating these breaches.

(4) If the operator fails to pay compensation to the system user following its written request within the prescribed time limit, the Agency shall decide on the right to compensation upon the request of the system user. The Agency may not initiate the procedure to decide on compensation *ex officio*.

(5) Notwithstanding the compensation paid, the system user may claim compensation from the electricity system operator under the general rules on liability for damages for any damage caused by a breach of the guaranteed standard of quality if the damage exceeds the amount of compensation paid.

### **Article 131**

(Provisions applicable to the electricity TSO)

The provisions of the first and third indents of the second paragraph of Article 127, the fourth paragraph of Article 127, and the first, second, third, fourth, fifth and seventh paragraphs of Article 128 shall also apply to the electricity TSO.

Subsection 4: Calculating network charges and other electricity system operator services

### **Article 132**

(Principle for establishing the methodology)

(1) System users shall pay network charges which comprise the payment for services performed by the electricity system operator in accordance with this Act.

(2) Types of system users and the pertinent tariff rate ratios shall be laid down by the Agency to reflect the costs incurred by the use of the electricity system.

(3) Tariff rates for producers using renewable energy sources shall take account of the tangible cost-based benefits derived from the integration of the power plant into the network.

(4) The Agency, by means of a general act and in a manner promoting electricity system operators and system use efficiency, shall specify the methodology for calculating network charges for the transmission and distribution system, excessive reactive power consumption and other services, and the connected load.

### **Article 133**

(Network charges for transmission system)

(1) Network charges for transmission system shall be earmarked to cover the electricity TSOs expenditure on maintenance, operation and develop the system. Transmission system network charges shall also be earmarked to cover the electricity TSOs expenditure on ancillary services of power oscillation damping in the system, voltage and reactive power regulation, and the procurement of black-start services.

(2) Network charges for transmission system shall be charged periodically and paid by final customers according to individual delivery points.

(3) Tariff rates of network charges for transmission system shall be set according to chargeable demand (kW) and consumed electrical active power (kWh).

### **Article 134**

(Network charges for the distribution system)

(1) Network charges for distribution system shall be earmarked to cover the electricity DSOs expenditure on maintenance, operation and developing the system.

(2) Network charges for distribution system shall be charged periodically and paid by final customers according to individual delivery points.

(3) Tariff rates of network charges for distribution system shall be set according to the chargeable demand (kW) and consumed electrical active power (kWh).

Article 135  
(Network charges for connected load)

(1) Network charges for connected load shall be earmarked to cover the electricity system operator's expenditure on maintenance, operation and development of the system.

(2) Network charges for connected load shall be paid by all final customers as a single lump-sum payment relative to the connected load (kW) at the initial connection to the network and at any increase in the connected load of the existing connector, except for temporary connections as laid down in the Network Code referred to in Article 144.

(3) The amount of network charges for connected load shall be set by the Agency according to the level of influence of the connection capacity of the system user on the required expansions, reinforcements and development of the system.

Article 136  
(Network charges for excessive reactive power consumption)

(1) Network charges for excessive reactive power consumption shall be earmarked to cover the electricity system operator's expenditure on providing network voltage conditions and shall simultaneously encourage users to take measures to reduce reactive power consumption.

(2) Network charges for excessive reactive power consumption shall be charged periodically and paid by final customers according to excessive reactive power consumption or delivery (kVArh) by individual delivery points.

Article 137  
(Payment for other services)

The prices of other services not covered by network charges and charged to system users by the electricity system operator shall be set by the Agency, taking account of the actual costs thereof.

Article 138  
(Setting tariff rates)

(1) The Agency shall set tariff rates for network charges, as referred to in Articles 133, 134, 135 and 136 of this Act, by a decision on the regulatory framework referred to in Article 117 of this Act. The payment for other services referred to in Article 137 of this Act shall be set by the Agency *ex officio* or upon the request of the electricity system operator.

(2) When necessary, due to unforeseen deviations in the actual use of the system from its planned use, and if no new decision on the regulatory framework is issued, the Agency shall also set the tariff rates for the network charges referred to in the preceding paragraph *ex officio* or upon the request of the electricity system operator.

(3) The Agency shall publish the tariff rates referred to in the first paragraph of this Article in Uradni list Republike Slovenije not later than five days before their entry into force.

## Chapter VIII: OTHER PROVISIONS

### Section 1: Exemption of new infrastructure – new interconnectors

#### Article 139

(Exemption scope and conditions)

(1) The Agency, upon request of the party and in accordance with Article 17 of Regulation (EC) No 714/2009, may grant exemption from the provisions of the sixth paragraph of Article 16 of Regulation (EC) No 714/2009 and Articles 60 to 64, 112 and 116 to 138 of this Act for a limited period to new major infrastructure, i.e. new direct current interconnections or significant increases in capacity in existing interconnectors.

(2) The Agency shall publish decisions on exemption on its website and in Uradni list Republike Slovenije not later than one month after they become final.

#### Article 140

(Procedure of the Agency following a European Commission decision)

(1) Notwithstanding the provisions of the act governing general administrative procedure, the Agency shall *ex officio* repeat the procedure for issuing a decision granting exemption within one month of receiving a decision by the European Commission requesting the Agency to amend or annul *ab initio* the decision granting exemption.

(2) In a repeated procedure, the Agency shall issue the decision without a special fact-finding procedure, but shall provide the party the opportunity to make a statement on the facts and circumstances relevant to making a decision.

#### Article 141

(Cross-border distribution lines)

(1) If a cross-border distribution line supplies electricity to customers outside the Republic of Slovenia, the supplier delivering electricity via the cross-border distribution line shall be the person liable for the payment of the network charge.

(2) With regard to the payment of the network charge, the supplier referred to in the preceding paragraph shall be regarded as the final customer or producer having a delivery point on the border with the electricity take-up or production in the amount of the flow of electricity on the cross-border distribution line. The supplier on the cross-border distribution line shall be exempt from paying the fees referred to in Article 377 of this Act.

(3) The connection and manner of operation of the cross-border distribution line shall be subject to the approval of the electricity TSO.

### Section 3: Direct lines

#### Article 142

(Admissibility of direct lines)

- (1) Electricity supply through a direct line shall be permissible for:
- legal and natural entities performing the function of production and supply of electricity to final customers established within the Republic of Slovenia, to supply their own premises, subsidiaries and customers;
  - final customers in the territory of the Republic of Slovenia to be supplied electricity through a direct line by legal or natural entities performing the functions of the production and supply of electricity to final customers.
- (2) The possibility of supplying electricity through a direct line as referred to in the preceding paragraph shall not affect the possibility of contracting electricity in accordance with Article 39 of this Act.

Article 143  
(Authorisation for direct lines)

- (1) Direct line may be constructed by an electricity undertaking or a customer, provided they obtain the relevant authorisation by the Agency.
- (2) The Agency may issue an authorisation to construct a direct line only if the legal or natural entities or final customers referred to in the first sentence of the preceding Article are finally denied system access pursuant to Article 113 of this Act, or if the necessary system does not exist and the Agency decides against increasing the capacities of the system under the fifth paragraph of Article 113.
- (3) Notwithstanding the preceding paragraph, the Agency may refuse to issue an authorisation for a direct line subject to a significant deterioration in the conditions for performing the function of an electricity TSO.
- (4) The Agency shall specify the criteria for issuing an authorisation to construct a direct line, which shall be objective and non-discriminatory.

Section 4: Network Code and technical safety of operation

Article 144  
(Network Code)

- (1) A Network Code shall regulate the operation and manner of managing transmission and distribution systems. The Network Code shall ensure the interoperability of systems and shall be transparent, objective and non-discriminatory.
- (2) The Network Code shall regulate, in particular:
- the technical and other conditions for the safe operation of the systems to ensure a secure and high-quality energy supply;
  - the manner of providing ancillary services;
  - system operation procedures in a crisis situation;
  - the requirements for connection to the system and the method of connection;
  - the technical conditions for the interconnection and operation of systems of various electricity system operators;
  - the monitoring of the quality of electricity supply;
  - the type, structure, frequency and method of exchanging data between electricity system operators which are required for the safe operation and efficient management of the systems.

(3) The Network Code shall include provisions on the costs of technical measures necessary for the connection of new electricity producers.

(4) The Network Code shall define the roles and responsibilities of electricity TSOs, DSOs, suppliers and final customers, producers and market operator with respect to contractual arrangements, commitments to customers, data exchange, data ownership, metering responsibility, including procedures when a supplier or final customer withdraws from a supply contract.

(5) The Network Code for an individual transmission or distribution system shall, under the public authority, be issued by an electricity system operator performing the function of a system operator in this system, and published in Uradni list Republike Slovenije.

(6) Prior to publishing the Network Code, the electricity system operator must obtain approval from the Agency and the Government.

Article 145  
(Technical safety of operation)

(1) An electricity system operator or another entity that operates power plants, installations, and networks shall be obliged to ensure the safety of their operation.

(2) The technical rules referred to in Article 32 of this Act that relate to the electricity supply shall ensure the interoperability of systems and shall be objective and non-discriminatory.

Section 5: Safety measures in the event of a crisis in the electric power system

Article 146  
(Exceptional circumstances in the system)

(1) In the event of a sudden crisis in the energy market, and when the physical safety or security of persons, apparatus or installations or electric power system integrity is threatened, a electricity TSO may impose measures to reduce the energy supply to certain categories of customers, determine the order of reductions, lay down the method for using energy and determine obligatory energy production. The electricity TSO shall implement measures in cooperation with the electricity DSO .

(2) Without prejudice to the preceding paragraph, measures shall be imposed by the electricity DSO if the conditions for the introduction of the measures referred to in the preceding paragraph of this Article are limited to the distribution system.

(3) The measures referred to in the first paragraph of this Article shall be carried out in a manner that causes the least possible disturbance in the functioning of the internal electricity market and must not be wider in scope and longer in duration than is strictly necessary to remedy the consequences of the shortage and to restore the normal operation of the system.

(4) The method of implementation and the reasons for imposing the measures referred to in the first and second paragraphs of this Article shall be laid down by the Government by means of a decree, whereas a more detailed specification shall be made by electricity system operators within the framework of the Network Code. In determining the scope and order of reduction, the electricity system operator shall take into account safety, health, technical and economic criteria, while equally observing consumption in the country and cross-border exchanges.



(5) In the event that loads are limited, in accordance with the first and second paragraphs of this Article, the operator limiting the loads shall be exempt from any damage liability or compensation claims made by customers, producers, traders, intermediaries, suppliers or operators of interconnected systems.

(6) The electricity system operator shall immediately notify the ministry responsible for energy of the introduction of the measures referred to in the first and second paragraphs of this Article, while the ministry shall immediately submit the notification concerning the adopted measures to other EU Members States and the European Commission.

(7) The electricity system operator shall, without delay, amend or terminate the measures referred to in the first and second paragraphs of this Article if it is established by the European Commission that they contravene competition rules in the internal market.

## Section 6: Connection to the system and option to disconnect a system user

### Article 147 (Connection to the system)

(1) For each connection to the transmission or distribution system or its modification, a potential system user shall obtain a connection approval, in accordance with this Act or the law governing construction. Under this Act, a connection approval shall mean approval for the connection to the electricity network under the law governing construction. To obtain approval in the case of a new construction, the electricity system operator must be submitted a preliminary or conceptual design in accordance with the law on construction. In the connection approval, the electricity system operator shall determine the connection point and conditions for making the connection. Detailed conditions for connection approval shall be laid down in the Network Code.

(2) The final approval for connection shall be valid for two years. Within this time limit, the holder of the approval for the connection of an existing facility shall fulfil all the requirements stated in the connection approval and implement the connection.

(3) If a new facility is being built, the holder of the connection approval shall, within the period referred to in the preceding paragraph, submit a final building permit, on the basis of which the issued connection approval shall be extended for the period of validity of the submitted building permit.

(4) At the request of the holder of the approval, the electricity system operator may extend the validity of the connection approval, but not more than twice, and each time for no more than one year. The request for the extension of connection approval shall be submitted within thirty days before the expiry of the connection approval.

(5) If, prior to the expiry of the connection approval, its holder concludes a connection contract and pays the network charge for the connected load, no charge shall be levied for the same metering point.

(6) When the connection has been made, the conditions of connection approval shall be applicable until the discontinuance or change at the metering point.

(7) Acting under public authority, the electricity system operator shall decide on issuing or refusing connection approvals by means of an administrative decision.

(8) A prospective user of the system shall not have the right to connection in the following cases

- where the prospective user fails to meet the required conditions for connection
- where the connection would cause severe disruptions to the power supply, or

- where the electricity system operator would incur disproportionate costs due to the connection.

(9) The disproportionate costs referred to in the preceding paragraph shall mean construction costs for the service connecting line to the point in the system where the connection is possible, or costs that are necessary because of the reinforcement of the existing network, or the combination thereof, whereas within a reasonable time an increase in the use of the system is not expected to occur on the new service connecting line or on an existing line to the extent that allows normal investment amortisation.

(10) In the event referred to in the third indent of the eighth paragraph of this Article, the system user shall have the right to connection in accordance with the Network Code, provided that he covers the costs that exceed the proportionate costs.

(11) The Agency shall decide on appeals against decisions on issuing or refusing a connection approval. A system user that is refused a connection shall have the right to inspect the full technical documentation that the electricity system operator has at its disposal concerning the connection approval.

(12) When the connection approval is final, the electricity system operator and the user of the system as the beneficiary of the connection approval (hereinafter: the holder of connection approval) shall enter into a connection contract which regulates all mutual relations regarding the connection and the connection procedure, and mutual relations regarding the maintenance of the connection.

(13) If the operational constraints contained in the connection approval are changed, the system user shall apply for a new connection approval.

(14) If the electricity system operator refuses the connection or operational constraint reduction to the customer because the system lacks the necessary capacity or this would prevent the user from performing the service of general economic interest referred to in Article 37 of this Act, the provisions of Article 113 of this Act shall apply to the refusal. Regarding the amount of funds necessary to reinforce the system, the provisions of the ninth paragraph of this Article regarding disproportionate costs shall apply.

#### Article 148

##### (Transfer of connection approval)

(1) A connection approval may be transferred to a legal or natural entity that has acquired facilities, devices or installations if:

- the holder of an approval, in the case of a natural person, dies;
- the holder of an approval, in the case of a legal entity, ceases to exist;
- a change in a building permit occurs due to a change of investor;
- a legal transaction of the facility, device or installation is carried out.

(2) The new user shall, within thirty days of receiving a court or administrative decision, or the signing of a contract, notify the electricity system operator of that the change has occurred and submit respective evidence thereof; failing this, the new user shall be obliged to apply for a new connection approval.

(3) The transfer of connection approval which does not arise from a legal succession shall be admissible only if all the obligations arising from the system use contract and connection contract concerning the connection to be transferred are fulfilled within a period which may not be less than ten days, and is laid down by the electricity system operator in the procedure for transferring approval, unless an agreement on the acceptance of debt or accession to debt is agreed upon between the connection transferee and the electricity system operator.

#### Article 149

##### (Technical requirements for installations of the system user)

- (1) The power plants, installations and lines of the system user shall meet the prescribed technical requirements, ensuring their smooth operation and the safety of people and property. Compliance with technical requirements prescribed for a facility, installation or line shall be the responsibility of the owner.
- (2) The electricity system operator may temporarily refuse to connect new facilities, installations or lines to its system, or it may temporarily interrupt the power supply if it establishes that the facilities, installations or networks of the system user fail to meet the prescribed technical requirements or that an illegal construction has been built under the regulations governing construction.
- (3) Connection or reconnection to the system shall be carried out by the electricity system operator after the deficiencies have been corrected.
- (4) The energy inspector (hereinafter: the inspector) shall supervise the compliance of the power plants, installations and lines of the user.

#### Article 150

##### (Temporary disconnection)

- (1) The electricity system operator may temporarily disconnect the system user for the purposes of:
  - ordinary or extraordinary maintenance;
  - inspection or repair;
  - checks or check meterings;
  - network expansion.
- (2) The electricity system operator shall carry out such disconnection at a time when system users are least affected.
- (3) The electricity system operator shall timely notify system users of the scheduled disconnection in writing or in another direct way. If a large number of customers is concerned and if personal communication is not cost-effective, such information shall be published in the public media or on the Internet at least 48 hours prior to disconnection.

#### Article 151

##### (Disconnection upon prior notice)

- (1) The electricity system operator shall disconnect a system user at individual delivery points upon prior notice if the system user fails to comply with its obligations within the time limit specified in the notice in the following cases in which the system user:
  - a) disrupts the supply of electricity to other system users;
  - b) denies access to, or prevents persons authorised by the system operator, access to any part of the connection, protection or metering devices and energy facilities, installations or lines where there is a belief that such installations could be causing disturbances;
  - c) without the approval of the electricity system operator, connects its energy installations or lines to the network or enables other users to connect their energy installations through its own energy installations;
  - č) upon the electricity system operator's reminder fails to reduce the consumption or delivery of electric power or volume to the agreed value within the specified time limit;

- d) prevents the proper registration of consumed quantities of power, or when the user uses power without the metering devices required or agreed upon, or when the user evades them;
- e) fails to pay the network charge within the specified time limit;
- f) fails to eliminate or reduce disturbances caused by the user's facilities, installations or lines or customers to the permissible limit of disturbances within the time limit stipulated by the electricity system operator or the competent inspection authority;
- g) has no valid contract for electricity supply at the specified delivery point, or the supplier informs the operator in writing that the supplier or final customer has withdrawn from the contract for electricity supply at the specified delivery point of the system user, except in the cases referred in Article 44 of this Act.

(2) The electricity DSO shall not disconnect a vulnerable customer for the reasons referred to in points e) and g) of the preceding paragraph if the conditions referred to in Article 51 of this Act have been met.

(3) A supplier that has withdrawn from the contract for electricity supply, or a supplier that has been notified by the final customer of the withdrawal of the supply contract, shall be obliged to notify the electricity DSO of the withdrawal no later than the last working day of the notice period.

(4) If the supplier withdraws from the supply contract for reasons on the part of the final customer, the final customer shall be obliged to cover all the costs under this title that have been incurred by the electricity DSO.

(5) In the event of withdrawal from the supply contract by the supplier or final customer, the electricity DSO shall exclude the delivery point which is the object of the supply contract from the balancing group of the current supplier on the day of the final reading of the metering device, regardless of whether the electricity DSO actually carried out the disconnection in accordance with this Article. The electricity DSO shall be obliged to take the final reading of the metering device not later than within five working days before or after the last day of the month following the month in which the electricity DSO is notified of the withdrawal, or the last day of supply if a change of supplier has been arranged beforehand or a new supply contract has been concluded with the existing supplier.

(6) A supplier that has withdrawn from the supply contract on the grounds of non-payment of costs for electricity supplied may cancel the withdrawal by means of a unilateral statement until the final meter reading of the metering device has been carried out by the electricity DSO.

(7) The electricity DSO referred to in the Network Code under Article 144 shall specify the obligations and procedure of conduct of the electricity DSO and supplier in the event of a withdrawal from the supply contract by a supplier or final customer, and the type of costs referred to in the fourth paragraph of this Article.

(8) If the disconnection referred to in the first paragraph of this Article exceeds a period of three years, the system user, prior to the reconnection, shall obtain a new approval for connection to the system, as referred to in Article 147 of this Act, and conclude a new contract for connection without paying the charge for the connected load.

(9) The electricity system operator shall notify the household customer of a disconnection at least 15 days in advance, and a business customer at least 8 days in advance.

#### Article 152 (Disconnection without prior notice)

(1) The electricity system operator shall disconnect a system user without prior notice if:

- by operation of its energy facilities, installations or lines, the system user endangers the life, health or property of people;
- in the event of an electricity shortage, the system user fails to comply with special safeguard measures restricting the consumption of electricity from the system referred to in Article 146 of this Act.

(2) The electricity system operator shall be obliged to re-connect the system user at the user's expense. Should the disconnection referred to in the preceding paragraph exceed a period of three years, the system user shall, prior to the reconnection, obtain a new approval for connection to the system, as referred to in Article 147 of this Act, and conclude a new contract for the connection without paying a charge for the connected load.

(3) If the system user does not allow the electricity system operator or its authorised representative to carry out the disconnection in accordance with the provisions of this Article and Articles 150 and 151, or threatens the operator, the authorised representative of the operator may carry out the disconnection with assistance from the police.

#### Article 153

(Disconnection at the request of the system user)

(1) A system user holding a connection approval may require the electricity system operator to disconnect its delivery point from the network.

(2) The electricity system operator shall be obliged to re-connect the user to the system at the user's expense. If the disconnection referred to in the preceding paragraph exceeds a period of three years, the system user shall, prior to the reconnection, obtain a new approval for connection to the system, as referred to in Article 147 of this Act, and conclude a new contract for connection without paying a charge for the connected load.

(3) The electricity system operator may refuse to reconnect to the system a system user that required a disconnection, or to issue a new connection approval, until all obligations arising from the contract for use of the system and the contract for connection to the system are met by the system user.

(4) The electricity system operator shall specify in the Network Code mutual relations and the payment of costs in the event of reconnection if a disconnection is carried out at the request of the system user.

#### Article 154

(Reconnection, disconnection and connection on the basis of a decision issued by the competent authority)

(1) The electricity system operator shall be obliged to reconnect a system user that has been disconnected at the user's own expense when it is established that the deficiencies that formed the grounds for disconnection have been eliminated; this shall be carried out no later than three days after the payment of costs for disconnection and reconnection.

(2) An electricity system operator that unjustifiably disconnects a system user must reconnect the facilities, installations or lines of the system user to its system at its own expense and within 24 hours from when the unjustified disconnection is established.

(3) The electricity system operator shall disconnect or connect the system user also on the basis of a decision issued by the competent authority.

Article 155  
(Compensation for damage due to disconnection)

- (1) An electricity system operator shall have the right to compensation for damage caused by acts of a system user for which reasons the electricity system operator disconnected the system user with or without prior notice.
- (2) The system user shall have the right to compensation for damage caused by an unjustified disconnection by the electricity system operator.

Section 7: Records

Article 156  
(Retention and transmission of data)

- (1) Suppliers shall be obliged to keep data on all transactions relating to electricity supplies and electricity derivatives with other suppliers and electricity TSOs for at least five years, and ensure that these data are available to the Agency, national authorities, competition authorities, and the European Commission, for the exercise of their powers.
- (2) The data referred to in the preceding paragraph shall include details on relevant transactions, such as duration, delivery and settlement rules, quantities, dates and times of execution, and transaction prices and means of identifying the wholesale customer concerned, as well as specified details of all unsettled electricity supply contracts and electricity derivatives.
- (3) By way of its general act for the exercise of public authority, the Agency shall specify the type of information that is available to market participants, provided that commercially sensitive information on individual market players or individual transactions is not released. This paragraph shall not apply to information on financial instruments which are within the scope of the act governing the market in financial instruments.

Article 157  
(Derivative financial instruments)

- (1) The retention of and access to data relating to transactions in electricity derivatives referred to in the preceding Article shall be ensured after the adoption of the Guidelines referred to in the fourth paragraph of Article 40 of Directive 2009/72/EC.
- (2) For entities regulated by the act governing the market in financial instruments, the provisions of this and the preceding Articles shall not create additional obligations for the authorities referred to in the first paragraph of the preceding Article.
- (3) If the authorities referred to in the first paragraph of the preceding Article require access to data kept by entities regulated by the act governing the market of financial instruments, the authority regulated by the act governing the market in financial instruments shall provide the authorities referred to in the first paragraph of the preceding Article with the required data.

Part Three  
NATURAL GAS

Chapter I: GENERAL PROVISIONS

Section 1: Introductory provisions

Article 158

(Application of the provisions of this Part)

(1) The provisions of this Part of the Act shall apply to natural gas undertakings and natural gas customers.

(2) The energy sector activities performed by the gas undertakings referred to in the preceding paragraph include the following:

- natural gas production;
- the function of a natural gas TSO;
- the function of a natural gas DSO;
- natural gas supply;
- the function of a natural gas storage system operator;
- the function of a liquefied natural gas (hereinafter: LNG) terminal operator.

(3) The provisions of this Part of the Act shall also apply to biogas or other types of gas, provided that such gases may technically and safely be injected into, and transported through, the natural gas system.

Article 159

(Definitions)

In this Part of the Act, the following definitions shall apply:

1. 'biogas' means energy gas produced from biomass or from biodegradable waste, or wood gas that can be refined to a degree of quality which is interchangeable with natural gas;
2. 'balancing contract' means an agreement on the settlement and calculation of imbalances between the system user and the gas TSO.
3. 'natural gas balance scheme' means a list of market participants that have concluded a balancing contract with a gas TSO or a compensation agreement with the balancing group leader;
4. 'balancing group' means a group of system users with respect to which the volume imbalances of the injection and off-take of natural gas are offset and calculated within a billing period;
5. 'a certificate' means a decision by means of which the Agency certifies a gas TSO;
6. 'distribution' means the transport of natural gas through local or regional pipeline networks with a view to its delivery to customers, but not including supply;
7. 'supply' means the sale, including resale, of natural gas and LNG to customers;
8. 'supplier' means any natural or legal person who performs the function of supply;
9. 'long-term planning' means the planning of supply and transport capacity of natural gas undertakings on a long-term basis with a view to meeting the demand for natural gas of the system, diversification of sources and securing supplies to customers;
10. 'horizontally integrated undertaking' means an undertaking performing at least one of the functions of production, transmission, distribution, supply or storage of natural gas, and a non-gas activity;
11. 'integrated natural gas undertaking' means a vertically or horizontally integrated undertaking;

12. 'exit points' means all consumption points at the transmission system and all points at which the transmission system of the Republic of Slovenia is linked with the transmission systems of neighbouring countries, other transmission systems in the Republic of Slovenia or storage of natural gas;
13. 'gas derivative' means a financial instrument as specified in points 5, 6 or 7 of the second paragraph of Article 7 of the Financial Instruments Market Act (Uradni list RS, nos 108/10 – official consolidated text, 78/11, 55/12 and 105/12 – ZBan-1J), where that instrument relates to natural gas;
14. 'balancing market' means trading in volumes of natural gas necessary to offset the imbalances concerning the supply and consumption of natural gas at the TSO level;
15. 'final customer' means a customer purchasing natural gas for his own use with a concluded gas supply contract ;
16. 'small business customer' is a non-household natural gas customer whose estimated average annual consumption does not exceed 10,000 Sm<sup>3</sup>;
17. 'control' means any rights, contracts or any other means which, either separately or in combination and having regard to the considerations of fact or law involved, confer the possibility of exercising a decisive influence on an undertaking, in particular by:
  - a) ownership or the right to use all or part of the assets of an undertaking;
  - b) rights or contracts which confer a decisive influence on the composition, voting or decisions of the bodies of an undertaking;
18. 'emergent market' means a Member State in which the first commercial supply of its first long-term natural gas supply contract was made not more than ten years ago;
19. 'non-household customer' means a customer purchasing natural gas which is not for his own household use;
20. 'direct line' means a natural gas pipeline complementary to the interconnected system;
21. 'balancing group leader' means a system user with a concluded balancing contract;
22. 'new infrastructure' means gas infrastructure not completed by 4 August 2003;
23. 'billing period' means the period within which the imbalances between injected and withdrawn natural gas volumes are determined; billing period means a balancing period within the meaning of Regulation (EC) No 715/2009;
24. 'LNG facility' means a terminal which is used for the liquefaction of natural gas or the importation, offloading, and re-gasification of LNG, and includes ancillary services and temporary storage necessary for the re-gasification process and subsequent delivery to the transmission system, but does not include any part of LNG terminals used for storage; the term shall not apply to plants intended for the liquefaction of natural gas and distribution of LNG in containers to final customers or final customers in a non-integrated network;
25. 'natural gas injection' means a flow of natural gas into the system at an entry point;
26. 'natural gas off-take' means a flow of natural gas out of the system at an exit point;
27. 'consumption point' means a point in the transmission or distribution system where the natural gas off-take from the network is made by final customers, or a point where the volumes of natural gas for a final customer are established by means of meter readings or otherwise;
28. 'customer' means a wholesale or final customer of natural gas or a natural gas undertaking which purchases natural gas;
29. 'open contract' means a natural gas supply contract determining the balancing affiliation of consumption points;
30. 'network charge' means a fee that a system user must pay for the use of the natural gas system and which is calculated on the basis of network charge tariffs and the scope of system use;
31. 'LNG system operator' means a natural or legal person that carries out the function of liquefaction of natural gas, or the importation, offloading, and re-gasification of LNG and is responsible for operating an LNG facility;
32. 'storage system operator' means a natural or legal person that carries out the function of storage and is responsible for operating a storage facility;
33. 'natural gas undertaking' means a natural or legal person carrying out at least one of the following functions: production, transmission, distribution, supply, purchase or storage of natural gas,



including an LNG, which is responsible for the commercial, technical or maintenance tasks related to those functions, but shall not include final customers;

34. 'gas supply contract' means a contract for the supply of natural gas, but does not include a gas derivative;
35. 'transmission agreement' means an agreement concluded between the gas TSO and the system user with the aim of natural gas transmission;
36. 'interconnected system' means a number of systems which are linked with each other;
37. 'related undertaking' means an affiliated undertaking or an associated undertaking within the meaning of Article 56 or 69 of the Companies Act (Uradni list RS, nos 65/09 – official consolidated text, 83/09-Constitutional Court Decision, 33/11, 91/11, 100/11-Constitutional Court Order, 32/12, 57/12 and 44/13-Constitutional Court Decision), or an undertaking is owned by the same shareholders;
38. 'interconnector' means a transmission line which crosses or spans the Republic of Slovenia's borders with other countries for the sole purpose of connecting the national transmission system of these countries;
39. 'transmission' means the transport of natural gas through a network which mainly contains high-pressure pipelines with a view to its delivery to customers, but not including supply. Transmission does not mean transport through an upstream pipeline network, including high-pressure pipelines primarily used in the context of the local distribution of natural gas;
40. 'upstream pipeline network' means any pipeline or network of pipelines operated or constructed as part of an oil or gas production project, or used to convey natural gas from one or more such projects to a processing plant or terminal or final coastal landing terminal;
41. 'connection' means a gas pipeline intended to interconnect a distribution or transmission pipeline and a consumption point;
42. 'free market' means a market in which participants may directly conclude agreements on natural gas supply. A supplier and customer shall freely agree on the price and quantity of natural gas to be supplied;
43. 'vulnerable customer' means a household customer that, due to financial circumstances, income and other social circumstances and living conditions, is unable to provide itself with an alternative source of energy for heating that would incur the same or lower costs for heating residential space;
44. 'regulated annual income' means the regulated annual revenue of the natural gas system operator for an individual year of the regulatory period which is received from network charges and other revenues and intended to cover the operator's eligible costs;
45. 'regular price list' means a price list for a particular type of customer (a household, business or sub-business group customer), which applies to all customers that conclude a supply contract with the supplier for a particular type of customer, with the exception of promotional or package price lists, and includes at least 50 per cent of customers and at least 250 customers with each supplier;
46. 'regulatory framework' means a specification of the amount of planned eligible costs of the natural gas system operator by individual year of the regulatory period, planned network charges, planned other revenue from performing the function of natural gas system operator, and network surplus or deficit from previous years.
47. 'regulatory period' means a period of one or several consecutive calendar years for which a regulatory framework is determined;
48. 'system' means transmission networks, distribution networks, LNG facilities and/or storage facilities owned or operated by a natural gas undertaking, including linepack and its facilities supplying ancillary services and those of related undertakings needed to provide access to transmission, distribution and LNG;
49. 'ancillary services' means all services needed for access to, and the operation of, transmission networks, distribution networks, LNG facilities or storage facilities, including load balancing, blending and the injection of inert gases, but not including facilities reserved exclusively for gas TSOs carrying out their functions;
50. 'storage facility' means a facility used for stocking natural gas which is owned or operated by a natural gas undertaking,, including the part of LNG facilities used for storage, but excluding the

portion used for production operations, and excluding facilities reserved exclusively for gas TSOs in carrying out their functions;

51. 'linepack' means the storage of gas by compression in gas transmission and distribution systems, but not including facilities reserved for gas TSOs carrying out their functions;
52. 'tariff' means a list of structured tariff elements which, on the basis of tariff rates, enable the calculation of the network charge for the use of the natural gas system;
53. 'network charge tariff' means the amount of the fee for the use of the system per billing unit;
54. 'transaction' means any legal transaction undertaken by the natural gas market participant on the basis of which the right to dispose of a certain natural gas volume in the transmission system has changed in one or several billing periods, including legal transactions that could lead to such a change, even if the entire sequence of legal transactions from off-take to injection has not resulted in a change of the final customer;
55. 'wholesale customer' means a natural or legal person, other than a gas TSO or a gas DSO, that purchases natural gas for the purpose of resale inside or outside the system in which he is established;
56. 'system user' means a natural or legal person supplying to, or being supplied by, the system;
57. 'eligible customer' means a customer who is free to purchase gas from a supplier of his own choice;
58. 'vertically integrated undertaking' means a natural gas undertaking or a group of natural gas undertakings in which the same person or the same persons are entitled, directly or indirectly, to exercise control, as referred to in point 17 of this Article, and where the undertaking or group of undertakings perform at least one of the functions of transmission, distribution, LNG or storage, and at least one of the functions of production or supply of natural gas;
59. 'virtual point' means a notional point located between the entry and exit points in a transmission system, at which it is considered that natural gas undertakings and final customers in the Republic of Slovenia have conducted all trading in volumes of natural gas;
60. 'entry points' mean points in the transmission system at which the transmission system of the Republic of Slovenia is linked with the transmission systems of neighbouring countries, other transmission systems in the Republic of Slovenia or delivery sources, storage facilities and LNG terminals in the Republic of Slovenia;
61. 'closed contract' means a natural gas supply contract in which the volume of natural gas supplied within a relevant period shall be fixed for every billing period and which is deemed to have been fully implemented;
62. 'security' means both security of supply of natural gas and technical safety;
63. 'closed distribution system' means a distribution system in the local community that is separated from the distribution system intended for the distribution of natural gas within a geographically confined industrial, commercial or shared services site and, as a rule, does not supply household customers in this area and is directly connected to the transmission system through an exit point.

## Section 2: Tasks in the public interest and provision of service of general economic interest

### Article 160

#### (Tasks of natural-gas undertakings)

- (1) Natural-gas undertakings shall, in the public interest, perform tasks relating to the security, regularity, quality and price of supply, and environmental protection, including energy efficiency, energy from renewable sources and climate protection.
- (2) Natural-gas undertakings performing a service of general economic interest under this Act shall provide the following:
  - permanent and uninterrupted operation of the system within the limitations set by the state of the art and supply quality standards;

- safe and reliable operation and maintenance of the system;
- connection of system users on general and non-discriminatory terms;
- access to the system on general and non-discriminatory terms;
- charging for access to the system at the regulated access tariff;
- long-term planning of system development;
- other obligations under this Act or other regulations;
- system enabling customers to freely choose their supplier, and producers and suppliers to freely sell and purchase natural gas.

(3) The ministry responsible for energy shall notify the European Commission once every two years of new measures adopted for public service obligations, including consumer and environmental protection, and of their possible effect on national and international competition.

### Section 3: Protection of customers and consumers

#### Subsection 1: General provisions on customer protection

#### Article 161

(Right to conclude a contract with a supplier)

(1) Natural gas customers connected to the transmission or distribution system shall be entitled to have their gas provided by a supplier, subject to the supplier's agreement, regardless of the European Union Member State in which the supplier is registered.

(2) Prior to the conclusion of the contract referred to in the preceding paragraph, the supplier shall follow the balancing and other requirements determined by this Act and other regulations relating to the function of natural gas supply in the Republic of Slovenia.

(3) The natural gas supply to customers connected to the transmission or distribution system in the Republic of Slovenia shall be subject to the provisions of this Act and the regulations issued pursuant to it and to the general acts on the exercise of public authority, regardless of where the supply contract is concluded.

(4) Prior to the connection to the system, the gas DSO shall notify the customer of his rights and obligations in connection with the choice of supplier and in connection with the emergency supply, in accordance with this Act.

#### Article 162

(Switching suppliers)

(1) A final customer who wishes to switch suppliers shall communicate a request for the change to the gas system operator to which the customer is connected.

(2) The new supplier may communicate the request on behalf of, and for the account of, the final customer on the basis of an authorisation.

(3) An operator that receives a request to switch supplier shall do everything necessary to enable the final customer to begin implementing the natural gas supply contract with the new supplier within 21 days of a completed request being lodged. Final customers shall not be charged for changing supplier.

(4) The gas system operator shall ensure a reading of the metering device when the change takes place. The costs of the gas system operator for the meter reading shall be covered from the amount allocated for meter readings. If a supplier, in connection with a change of supplier, requires additional metering, the gas system operator may charge the costs of such metering to the supplier in accordance with the price list approved by the Agency.

(5) An operator shall refuse the change of supplier if the new supplier fails to fulfil the obligations set out by this Act, regulations issued pursuant to this Act, and general acts for the exercise of public authority.

(6) The final customer shall receive a final closure account following any change of natural gas supplier no later than six weeks from when the natural gas supply from a new supplier begins.

(7) The manner of changing a supplier shall be specified by means of the decree referred to in Article 240 of this Act.

### Article 163

(Report on consumption)

(1) The gas system operator shall provide periodic information free of charge to final customers who are users of the system where it carries out the function of gas system operator of actual natural gas consumption and the characteristics of such consumption frequently enough to enable them to regulate their own gas consumption.

(2) At the request of a final customer or on the basis of the consent of a final customer given to another legal or natural entity, the gas system operator shall inform the final customer and/or another legal or natural entity of its consumption and of the characteristics of such consumption. This information shall be given within a sufficient time frame, which takes account of the capacity of the final customer's metering equipment to measure consumption and the cost-efficiency of such measures.

(3) The costs of information referred to in the preceding paragraph shall comply with the direct costs of the operator's service. No costs shall be charged to final customers for this information.

(4) The detailed manner of providing information on the consumption to final customers shall be specified by the gas system operator in the Network Code.

### Article 164

(Provision of energy efficiency)

Natural gas undertakings shall strive to ensure energy efficiency by optimising, in accordance with the Agency recommendations, the use of gas, especially by providing energy management services, developing innovative pricing formulas or introducing advanced metering systems or smart grids where appropriate.

### Article 165

(Energy checklist)

(1) Natural gas suppliers shall be obliged to send to all of their final customers an energy checklist established by the European Commission on the basis of the twelfth paragraph of Article 3 of Directive 2009/73/EC, including the instructions for its use.

(2) The manner and frequency of sending the energy checklist shall be specified in a general act by the Agency. The Agency shall publish the checklist on its website.

## Subsection 2: Ensuring the security of natural gas supply

### Article 166

#### (General provision on ensuring security of natural gas supply)

(1) The security of natural gas supply shall be ensured in accordance with Regulation (EU) No 994/2010.

(2) In order to ensure a secure supply in the internal market in natural gas, the Republic of Slovenia shall cooperate with other European Union Member States with the aim of promoting regional and bilateral solidarity.

(3) Such cooperation shall include situations resulting or likely to result in the short term in a severe disruption to supply that affects the Republic of Slovenia, and in particular include:

- a) coordination of measures to safeguard the security of the natural gas supply;
- b) identification and, where necessary, development or upgrading of electricity and natural gas interconnections; and
- c) conditions and practical modalities for mutual assistance.

(4) The ministry responsible for energy shall inform the European Commission and other Member States of the European Union of the cooperation referred to in the previous paragraph.

(5) If, in the previous calendar year, one natural gas provider supplied natural gas to final customers in the Republic of Slovenia, the same provider shall ensure that the supply of natural gas in the current calendar year is provided from at least two different sources of supply, on the condition that the largest supply source does not exceed 70 per cent of the volumes supplied by the same provider for final customers in the Republic of Slovenia.

### Article 167

#### (Designation of the Competent Authority under Regulation (EU) No 994/2010)

(1) The Agency shall be the Competent Authority under the second paragraph of Article 3 of Regulation (EU) No 994/2010.

(2) The Agency may delegate specific tasks as set out in point 2 of second paragraph of Article 2 of Regulation (EU) No 994/2010 to other bodies.

(3) The Agency shall be the Competent Authority under the second paragraph of Article 7 of Regulation (EU) No 994/2010, which may, in an administrative procedure, adopt decisions relating to the content under this Article. Regarding the procedure for dealing with exceptions, the provisions of this Act governing the exceptions applying to new infrastructure shall apply.

**Article 168**  
(Definition of protected customers)

(1) The protected customers referred to in subpoint a) of point 1) of the first paragraph of Article 2 of Regulation (EU) No 994/2010 shall be household customers connected to a gas distribution system and essential social services connected to a gas distribution or transmission system.

(2) The essential social services referred to in the preceding paragraph shall be providers of:

- health care services, including the rehabilitation and care;
- educational and care activities;
- educational activity, including student residence halls and university libraries;
- social welfare services.

(3) Any disputes as to whether a particular person falls within the definition of a protected customer shall be settled by the Agency, with regard to the procedure set out in Articles 414 to 419 of this Act.

(4) A natural gas supply contract shall indicate whether the customer is a protected customer, of which fact the gas system operator to which the customer is connected shall be notified.

**Article 169**  
(Emergency measures to safeguard the security of supply)

(1) If due to the scope and duration of exceptional circumstances or other circumstances that endanger the security of natural gas supply and/or for a longer period cause a serious supply disruption in the Republic of Slovenia, and suppliers are unable to ensure a supply of natural gas to protected customers in sufficient volumes by means of the measures set out in the Emergency Plan referred to in the second paragraph of Article 3 of Regulation (EU) No 994/2010, gas system operators shall take all steps to enable customers transmission and distribution for the supply of natural gas within the framework of safe operation of natural gas network.

(2) In order to meet the objective referred to in the preceding paragraph, gas system operators shall prepare a plan of emergency measures which shall include the circumstances for the application of such measures and the method, time and scope of their implementation; this plan shall be in compliance with the Emergency Plan adopted by the Agency in accordance with Regulation (EU) No 994/2010. The measures shall be carried out in a non-discriminatory and transparent manner and may affect customers only to the extent necessary to ensure a secure supply of sufficient quantities of natural gas to protected customers. The emergency plan shall be published by the gas system operator on its website and sent to the Agency.

(3) If, due to the scope and duration of exceptional circumstances, the planned emergency measures referred to in the preceding paragraph cannot ensure a secure supply of natural gas to protected customers, gas system operators shall - regardless of their contractual obligations to their suppliers, users and customers under the emergency plan - reduce or interrupt the consumption of natural gas at consumption points of individual types of customers or their appliances.

(4) Customers other than household consumers shall communicate the data on their appliances to gas system operators to whose networks they are connected with a view to implementing the measure to reduce and interrupt consumption, as referred to in the preceding paragraph. If these data are not communicated, gas system operators may take a decision on the basis of the data available or general capacities of appliances of individual type of customers. The data reporting forms for appliances shall be prepared by gas system operators and published on their websites.

(5) The sequence of reducing or interrupting the consumption of natural gas to types of customers and their appliances shall be laid down by the Agency in the Emergency Plan, taking into consideration the manner of use of natural gas by individual types of customers, the need to consume natural gas with the aim of ensuring the life and health of people, and the type and scope of damage which may be caused to individual types of customers by a reduction or interruption in the consumption of natural gas.

(6) Gas system operators shall immediately notify the Agency, in electronic form and in writing, of every implemented emergency measure.

(7) Gas system operators, natural gas suppliers or customers shall cover their own costs for the implementation of emergency measures and/or measures to reduce or interrupt consumption referred to in the third paragraph of this Article, and shall cover the damage sustained for this reason. In the event of force majeure, they shall not be liable for damage caused to third persons due to a violation of, or failure to comply with, a contract.

### Subsection 3: Special provisions on the protection of household and small business customers and other system users

#### Article 170 (General)

(1) The provisions of Articles 171, 172, 173, 174, 175 and 176 of this Act shall apply to household customers, while the provisions of Articles 171 and 172 shall also apply to small business customers, except to the extent that they refer to the handling of complaints referred to in Article 175. The provision of Article 174 shall apply to all system users.

(2) The supplier or the gas DSO may non-discriminatorily guarantee the rights determined in this subsection for household customers also to other final customers.

#### Article 171 (Single point of contact)

(1) The Agency shall provide for household customers a single point of access to information on their rights, valid regulations and general acts for the exercise of public authority and the methods for handling complaints referred to in Article 175 that are available to customers in the event of a dispute with a supplier or gas DSO (hereinafter: single point of contact).

(2) The single point of contact shall provide the Agency access to at least information on:

- methods for handling complaints referred to in the preceding paragraph;
- a comparison of applicable regular price lists of natural gas suppliers for household and small business customers, without a comparison of promotional or package price lists; and network charge tariffs and standard terms and conditions on access to, and use of, these services;
- method of acquiring data on their consumption;
- right to switch suppliers;
- their rights to be supplied, in accordance with the regulations and general legal acts in force, with natural gas of a specified quality at reasonable prices;
- rights to the emergency supply referred to in Article 176 of this Act.

(3) For the performance of the tasks referred to in the second indent of the preceding paragraph, suppliers shall communicate the data on changes in prices to the Agency in an electronic manner, as

laid down by the general act of the Agency, by the date of application of the changed price at the latest.

(4) The Agency shall issue a general act determining the manner of electronic communication of data for the performance of the tasks referred to in the second indent of the second paragraph of this Article by which it shall determine the system for communicating data on prices and the manner of use of the system, or a form for the electronic communication of data.

## Article 172

### (Supply contract and general terms and conditions)

(1) The natural gas supply contract between a household customer and a natural gas supplier shall be concluded in writing, or in electronic form in accordance with the regulations on electronic commerce.

(2) The contract referred to in the preceding paragraph shall determine at least the following:

- the identity and address of the supplier;
- price and terms of payment;
- rights and obligations of the contracting parties with respect to non-compliance with the contract;
- types of services provided by the supplier and the level of service quality offered;
- the means by which up-to-date information on applicable tariffs and maintenance charges may be obtained;
- the duration of the contract, the conditions for the renewal and termination of services or of the contract, and whether withdrawal from the contract without charge is permitted;
- any compensation and the refund arrangements which apply if the contracted service quality levels are not met, including inaccurate and delayed billing of supplied natural gas or maintenance services;
- the method of initiating procedures for handling complaints under Article 175 of this Act, and
- information relating to household customer rights, including on the complaint handling referred to in Article 175 of this Act, and all of the information that suppliers must clearly communicate through billing or their web sites.

(3) A household customer may withdraw from a supply contract without paying a penalty, damages, compensation or any other form of payment for reasons of withdrawal from the contract prior to the expiry of the set time limit, provided that such withdrawal takes effect at least one year following the conclusion of the contract.

(4) Due to switching suppliers, a household customer may withdraw from a contract without prior notice. If withdrawal from a contract as referred to in the preceding paragraph takes effect prior to one year following the conclusion of the contract, the customer shall be obliged to bear the consequences of early withdrawal laid down in the supply contract.

(5) The general terms and conditions, which form an integral part of the supply contract, should be fair and well-known in advance, and should be provided to the household customer prior to concluding a contract even where contracts are concluded through intermediaries. The general terms and conditions shall be stated in clear and comprehensible language and shall not include non-contractual barriers to the exercise of customers' rights, such as excessive contractual documentation. Customers shall be protected against unfair or misleading sales methods of gas suppliers. Gas suppliers shall provide household customers with transparent information on applicable prices and tariffs and on standard terms and conditions in respect of natural gas supplies, at least by publishing these on their website.

(6) Gas suppliers shall notify their household customers directly, in a transparent and comprehensible manner, of any change in standard contractual terms and conditions at least one month prior to their



taking effect, in particular, where such changes apply to compliance with the contract concluded with a household customer.

(7) Due to a modification of the standard terms and conditions referred to in the preceding paragraph, household consumers shall have the right to withdraw from a gas supply contract within one month following the entry into force of the modified general terms and conditions without notice and without being subject to a penalty payment, which will be communicated by the gas supplier in the notification referred to in the preceding paragraph.

(8) Gas suppliers shall notify their household customers, directly and in a transparent and comprehensible manner, of any increase in the natural gas price before the expiry of the billing period after the increase comes into effect. The provisions referred to in the preceding paragraph shall also apply to any increase in the natural gas price that may imply an increase in the payment for natural gas for the household customers.

(9) The supplier shall offer household customers a wide choice of payment methods, including prepayment systems, which shall be fair and adequately reflect probable consumption. Payment methods shall not unduly discriminate between customers. Any difference in price and terms and conditions shall reflect the costs to the supplier of the different payment systems.

(10) Suppliers may charge household customers for operating costs on a flat-rate basis, regardless of how these costs are designated in the offered promotional and package price lists. Household customers shall not be charged for flat-rate operating costs on the basis of a regular price list. In the case of late payment, the costs of the reminder shall not be deemed as flat-rate operating costs.

### Article 173

#### (Information and access to consumption data)

(1) When connected to the natural gas system, household customers shall be informed by the gas DSO about their right to be supplied, in accordance with the regulations and general legal acts in force, with natural gas of a specified quality at reasonable prices.

(2) A gas DSO, at the request of a household customer or on the basis of its authorisation for each case separately or for all future cases until its revocation, shall enable a natural gas undertaking free access to its consumption data. The gas DSO as a party responsible for data management shall be obliged to provide these data to the undertaking within a period of five working days.

(3) The minister responsible for energy shall define a format for the data and a procedure enabling suppliers and customers access to the data referred to in the preceding paragraph. No additional costs shall be charged by the gas DSO for this service.

(4) The gas DSO shall ensure that household customers connected to the system where it carries out the function of a system operator are informed at least once a year of their actual gas consumption and costs. The information shall be provided within a sufficient time frame which takes account of the capacity of the customer's metering equipment and the cost-efficiency of such measures. No additional costs shall be charged by the gas DSO to the customers for this service.

### Article 174

#### (Intelligent metering systems)

(1) The gas DSO shall provide household customers with intelligent metering systems that encourage the active participation of customers in the gas supply market.

(2) The Government shall prescribe the measures and determine the time-frame for the introduction of intelligent metering systems by taking into account an economic assessment of the suitability of the form of intelligent metering, the relevant time-frame and the interoperability of intelligent metering systems for the development of the internal gas supply market; such assessment shall be undertaken by the Agency.

### Article 175

(Handling the complaints of household customers relating to gas supply)

(1) The natural gas supplier shall provide household customers with transparent, simple and inexpensive procedures for dealing with their complaints.

(2) For the purpose referred to in the preceding paragraph, the supplier alone or with other suppliers within the Association shall appoint an independent and impartial person or several persons responsible for the treatment of complaints and to whom household customers shall address their complaints in relation to alleged violations of the supplier in implementing a natural gas supply contract.

(3) The independence of the persons appointed shall be guaranteed by the following measures:

- the person appointed shall possess the abilities, experience and competence, particularly in the field of law, required to settle such disputes;
- the person shall be appointed for a period of office of six years and shall not be liable to be relieved of his duties except in justified cases of non-compliance with the conditions laid down in this paragraph;
- the person concerned cannot be appointed if, during the three-year period prior to the appointment, the person has worked for the same supplier or association concerned.

(4) A supplier shall provide the household customer with the following information, in writing or any other suitable form:

- a precise description of the types of complaint to be decided upon by the person appointed, as well as any existing restrictions and the value of the disputed claim;
- the rules governing the referral of the matter to the person appointed, including any requirements that the household customer may have to meet, as well as other procedural rules, notably those concerning the written or oral nature of the procedure, attendance in person and the languages of the procedure;
- the rules serving as the basis for decisions;
- the types of decision to be taken in the procedure referred to in the first paragraph of this Article.

(5) The person appointed shall decide on complaints within two months following their receipt. The decision shall be binding on the supplier if the customer confirms it by means of a written statement within eight days of its receipt. If the customer disagrees with the decision, he may bring an action before the court.

(6) The supplier or association referred to in the second paragraph may determine a system of reimbursement and compensation for customers which shall apply to individual breaches of their obligations relating to supply, provided this is justifiable given the amount of damage, gravity of the breach and level of responsibility.

(7) The procedure by which the person appointed handles complaints shall comply with the following principles:

- the two parties concerned shall be permitted to present their viewpoints and to hear the arguments of the other party, and any expert statements;

- simplicity of procedure, which allows the customer to take part in the procedure without recourse to a legal representative;
- the procedure shall be free of charge;
- the person appointed shall be given an active role in the procedure, enabling him to take into consideration any facts conducive to decision making about the complaint;
- a decision on the complaint shall be communicated to the parties concerned, stating the grounds on which it is based.

(8) More detailed rules on the appointment of persons for handling complaints, information to household customers on complaint handling, the system of reimbursement and compensation and the procedure for complaint handling shall be laid down by the supplier or association of suppliers and shall be made public.

(9) The costs of the procedure incurred by the person or persons appointed shall be covered by the supplier or the association representing the suppliers.

(10) The supplier or the association representing suppliers shall annually publish on its website a report on complaints that have been settled.

#### Article 176

(Vulnerable customers and emergency supply)

(1) A gas DSO shall not disconnect a vulnerable customer from the gas supply or restrict his consumption of natural gas before it reaches a quantity that is absolutely necessary in view of the circumstances (season, temperatures, place of residence, health condition and other similar circumstances) in order not to jeopardise life and health of the customer and persons living in his household.

(2) The costs of vulnerable customers for natural gas consumption shall be covered by the gas DSO until they are settled by the vulnerable customer.

(3) The costs referred to in the preceding paragraph which the gas DSO is unable to recover from vulnerable customers shall be the eligible costs of the operator concerned.

(4) Prior to disconnection, the gas DSO shall notify the customer of the possibilities of emergency supply and of the evidence to be provided by the customer in order to be approved for emergency supply by the operator, and of the time limits within which such evidence must be submitted. The gas DSO shall lay down detailed rules on the protection of vulnerable customers in connection with a continued natural gas supply in the Network Code.

### Chapter II: TRANSMISSION, STORAGE AND LNG

#### Section 1: Service of general economic interest – gas TSO

#### Article 177

(Service of general economic interest)

(1) Gas TSO activity shall be an obligatory state service of general economic interest.

(2) The gas TSO service of general economic interest shall include:

- transmission;

- secure, reliable and efficient operation and maintenance of the transmission system;
- development of the system that takes into account the anticipated needs of system users, the requirements concerning safe and reliable system operation, and the guidelines from the development plan of the gas TSO referred to in Article 30 and/ or Article 200 of this Act;
- provision of the long-term ability of the transmission system to meet reasonable demand for connection and access to the system;
- provision of security of a natural gas supply through adequate capacity and system reliability;
- provision of ancillary services;
- determining and charging for natural gas supply and consumption imbalances against the forecast;
- providing to any other gas TSO, any other storage system operator, any other LNG system operator and/or any gas DSO, sufficient information to ensure that the transport and storage of natural gas may take place in a manner compatible with the secure and efficient operation of the interconnected system;
- provision of information to system users of data they need for efficient access to the system;
- establishment and supervision of mechanisms for flow control and imbalance settlement in the network defined in the natural gas transmission Network Code;
- forecast of natural gas consumption and necessary energy sources by means of a comprehensive planning method, taking due account of saving measures imposed on the system users;
- non-discriminatory treatment of individual system users or types of system users, particularly not in favour of its related undertakings;
- other duties prescribed by law, regulations or the general act on the exercise of public authority;
- organisation of the balancing market for natural gas.

(3) Gas TSO service of general economic interest shall be provided by a gas TSO that has been granted a concession and meets the requirements referred to in the third paragraph of Article 178 of this Act.

(4) All gas TSOs shall be obliged to build sufficient cross-border capacity to integrate European transmission infrastructure, accommodating all economically reasonable and technically feasible demands for capacity and taking into account the security of gas supply.

(5) Gas TSOs shall procure the energy they use to perform their functions according to transparent, non-discriminatory and market-based procedures.

## Article 178

(Method of providing a gas TSO service of general economic interest)

(1) The Republic of Slovenia as concession grantor shall grant the concession to provide the gas TSO services of general economic interest throughout the territory of the Republic of Slovenia for a period not exceeding 35 years.

(2) The concession referred to in the preceding paragraph shall not include the granting of special exclusive rights.

(3) Gas TSO activity may be performed by a concessionaire that fulfils the following requirements:

- owns a transmission system,
- holds a gas TSO certificate, and
- has been designated as a gas TSO.

(4) If it fails to meet the operational requirements for gas TSO activity referred to in the preceding paragraph, the transmission system owner shall fulfil these requirements not later than within one year from the validity of the operating permit for the transmission system; otherwise, the provisions

concerning measures in the case of a cessation of gas TSO activity set out in Article 210 of this Act shall apply.

(5) The Government shall lay down by a decree the detailed rules for the provision of the gas TSO service of general economic interest.

#### Article 179 (Granting of concessions)

(1) For the granting of a concession for the provision of gas TSO service of general economic interest, the regulations governing services of general economic interest and public-private partnership shall apply, unless particular issues are regulated otherwise by this Act.

(2) The concession act, to be published in Uradni list Republike Slovenije, shall determine general, transparent, non-discriminatory and proportional conditions that a legal or natural person must fulfil in order to be granted a concession. The ownership of a transmission system or part of it, a gas TSO certificate and a gas TSO designation shall not be conditions for obtaining a concession. If the concession grantor enables the concessionaire to obtain real rights in real estate owned by the state or other benefits concerning the operation of the concession, such benefits shall be offered to all concessionaires on equal terms.

(3) The concession may be granted by any legal or natural person established in an EU Member State.

(4) The Government shall issue a decision granting a concession on the request of the party concerned. The granting of a concession shall not be subject to a public tender procedure or to any other competitive procedure laid down by the regulations governing public-private partnerships. For the procedure for granting the decision referred to in this paragraph, the provisions of the law governing services in the internal market shall apply.

(5) The ministry responsible for energy, within 30 days from the finality of the decision, shall inform the European Commission of the reasons for refusing to grant the concession.

(6) When the decision on the granting of the concession is final, the grantor shall sign a concession contract with the concessionaire.

#### Article 180 (Funding of service of general economic interest)

(1) The gas TSO activity shall be funded from network charges and other revenue for the provision of the service of general economic interest.

(2) The other revenue referred to in the preceding paragraph shall also include the revenue from cross-border congestion auctions.

#### Article 181 (Construction and operation of transmission system)

(1) In the procedure for granting a construction permit for the construction or reconstruction of a facility or installation that is part of the transmission system, the investor may act as a concessionaire of the service of general economic interest, performing the gas TSO activity or a third person under point b) of the fifth paragraph of Article 201 of this Act.

(2) The provision of the preceding paragraph shall also apply to the issuing of an operating permit or another individual act that permits the operation of an installation or facility that is part of the transmission system.

(3) The ministry responsible for energy, within 30 days from the finality of the decision issued by the state authority, local community authority or a bearer of public authority, by which the concessionaire of gas TSO service of general economic interest was prevented from implementing the investment and/or operating the facility or installation that is part of the transmission system, shall inform the European Commission thereof.

## Section 2: Unbundling of transmission systems and gas TSOs

### Subsection 1: Ownership unbundling

#### Article 182

(Transmission system ownership)

(1) A legal or natural person that owns a transmission system shall perform the function of a gas TSO in accordance with this Act. A person other than the gas TSO may not, in whole or in part, own the transmission system on which the gas TSO performs the TSO activity, unless otherwise provided by this Part of the Act.

(2) The obligation set out in the preceding paragraph shall be deemed to be fulfilled in a situation where two or more legal or natural persons that own transmission systems have created a joint venture which acts as a gas TSO in two or more European Union Member States. No other undertaking may be part of the joint venture, unless it has been approved as an independent transmission operator. The owners of the transmission system that have created a joint venture shall meet the requirements referred to in Articles 183, 185 and 186 of this Act or the requirements for an independent transmission operator under Article 189 of this Act.

#### Article 183

(Restrictions applying to producers, suppliers, gas system operators and persons exercising control over them)

(1) The same legal or natural person or the same legal or natural persons may not:

- directly or indirectly exercise control, as referred to in point 17 of Article 159 of this Act, of an undertaking performing any of the functions of production or supply, and at the same time directly or indirectly exercise control as referred to in point 17 of Article 159 of this Act of a gas TSO or of transmission system, or exercise any right over them; or
- directly or indirectly exercise the control referred to in point 17 of Article 159 of this Act of a gas TSO or of a transmission system, and at the same time directly or indirectly exercise control as referred to in point 17 of Article 159 of this Act of an undertaking performing any of the functions of production or supply, or exercise any right over them.

(2) An undertaking performing any of the function of production or supply referred to in the first paragraph of this Article shall also be deemed to be an undertaking that performs any of the functions of production and supply in the meaning of Part II of this Act, which governs electricity. A gas TSO and transmission system as per the first paragraph of this Article shall also be deemed to be the electricity TSO and transmission system in the meaning of Part II of this Act, which governs electricity.

(3) The same natural or legal person or persons shall not be entitled to appoint a member or members (hereinafter: member) of the supervisory board, the administrative board or bodies legally representing the undertaking, of a gas TSO or transmission system, and at the same time be entitled directly or indirectly to exercise the control referred to in point 17 of Article 159 of this Act or exercise any right over an undertaking performing any of the functions of production or supply.

(4) The provisions of this Article shall not constitute a derogation from the requirement referred to in the first paragraph of Article 182 of this Act.

#### Article 184 (Definition of rights)

The rights referred to in the first and third paragraphs of the preceding Article shall include, in particular:

- (a) the power to exercise voting rights;
- (b) the power to appoint members of the supervisory board, the administrative board or bodies legally representing the undertaking; or
- (c) the holding of a share that exceeds half of the share capital or shares of the undertaking.

#### Article 185 (Prohibitions concerning membership of bodies)

The same legal or natural person shall not simultaneously be:

- a member of the administrative board, supervisory board or other body legally representing the undertaking at a transmission system operator or person which owns a transmission system, or a representative related to the corporate governance of an electricity transmission system or natural gas transmission system, and
- a member of the administrative board, supervisory board or other body legally representing the undertaking performing the functions of production or supply of natural gas or electricity.

#### Article 186 (Special provision in the event of state ownership)

When the person referred to in Articles 183 or 185 of this Act is the Republic of Slovenia or another European Union Member State, a local community or an authority of these persons, the requirements referred to in Articles 183 and 185 of this Act shall be deemed to be fulfilled when two separate authorities of these persons exercise the control referred to point 17 of Article 159 of this Act of a gas TSO or transmission system and of an undertaking performing the activities in the field of production or supply.

#### Article 187 (Obligation to take measures to eliminate reasons that constitute violations of prohibitions)

(1) A person in relation to whom a reason arises that constitutes a violation of the requirements referred to in Articles 182, 183, 185 or 186 of this Act shall be obliged to promptly take all necessary measures to eliminate the reason and notify the Agency of the occurrence of such reason and the measures.

(2) As soon as the gas TSO is aware of a reason that constitutes a violation in relation to the requirements referred to in Articles 182, 183, 185 or 186 of this Act, the gas TSO shall notify the Agency under the preceding paragraph of this Article and take all measures in its power to eliminate the reason.

(3) The gas TSO shall also notify the Agency of any planned transaction that might require a re-examination of compliance with the requirements referred to in Articles 182, 183, 185 or 186 of this Act.

(4) The Agency shall exercise control of compliance with the requirements referred to in Articles 182, 183, 185 and 186 of this Act. Where the Agency, during the exercise of control, finds a reason that constitutes a violation has occurred in relation to a certain person, it shall draw the attention of that person to the reason and the obligation to take measures under the first or second paragraph of this Article.

### Article 188 (Agency measures)

(1) If the reason concerning the requirements referred to in Articles 182, 183, 185 or 186 of this Act has not been eliminated in a reasonable period not shorter than one month and not longer than six months from the day of notification of the reason under the first, second or third paragraph of the preceding Article, or in the period when the Agency drew attention to the reason in accordance with the fourth paragraph of the preceding Article, the Agency shall, by way of a decision:

- prohibit the exercise of voting rights or exercise of ownership entitlements pertaining to the management of less than a half of the equity stake contrary to Article 183 of this Act;
- impose the sale of the share in capital stock or an equity stake in a transmission system insofar as this exceeds a share not constituting a violation of Article 183 of this Act;
- find that a member of the administrative board, supervisory board or other body representing the undertaking was appointed contrary to this Act or that the person who represents the transmission system owner has been authorised contrary to this Act, and propose to the competent authority the commencement of a procedure for the dismissal or withdrawal of the authorisation;
- prohibit the exercise of indirect or direct control referred to in point 17 of Article 159 of this Act.

(2) The Agency may, by means of a decision, impose one or more of the measures referred to in the preceding paragraph of this Article to the extent necessary to eliminate the reason for the violation of the requirements referred to in Articles 182, 183, 185 or 186 of this Act.

(3) If the decision referred to in the first paragraph of this Article must be executed forcibly, individual financial penalties in the forcible execution procedure shall not exceed EUR 100,000, notwithstanding the rules of the act governing the general administrative procedure.

(4) When the reason for the violation of the requirements referred to in Articles 182, 183, 185 or 186 cannot be eliminated by the measures referred to in this Article, the Agency shall initiate a procedure to testing the conditions for the certificate.

### Subsection 2: Independent transmission operator



Article 189  
(Exemption from ownership unbundling)

(1) Notwithstanding the provisions of Articles 182, 183 and 185 of this Act, the gas TSO functioning as a vertically integrated undertaking, which on the date of 3 September 2009 was the transmission system owner, shall comply with the requirements in Articles 189 to 202 of this Act.

(2) Undertakings performing the functions of production or supply shall not assume direct or indirect supervision as referred to in Article 159, point 17 of this Act or exercise the rights under Article 184 of this Act over gas TSOs functioning under provisions of Articles 182 to 188 of this Act.

Article 190  
(Legal status, identity and activities of independent transmission operator)

(1) The legal form of the gas TSO shall be that of a public limited company, limited liability company or limited partnership.

(2) The functions of the gas TSO shall include at least the following tasks:

- a) the representation of the gas TSO in legal transactions and in any communication with the Agency, other regulatory bodies or third persons;
- b) the representation of the gas TSO within the European Network of Transmission System Operators for Gas (ENTSO for Gas);
- c) decisions on granting access to the system and performance of activities necessary for its operation without discriminating between system users or types of system users, particularly in favour of its related undertakings;
- č) the collection of all charges related to the transmission system;
- d) the operation, maintenance and development of a secure, efficient and economic transmission system;
- e) investment planning that ensures the long-term capacity of the system to meet reasonable demand and to guarantee the security of supply;
- f) establishing appropriate joint ventures, including with one or more gas TSOs, gas exchanges, and other relevant actors pursuing the objective of developing the creation of regional markets or to facilitate the liberalisation process; and
- g) all corporate services, including legal services, accountancy and IT services, and
- h) other tasks relating to the gas TSO as laid down by this Act.

(3) The gas TSO shall not, in its corporate identity, communication, branding and premises, create confusion in respect of the separate identity of the vertically integrated undertaking or any part thereof.

(4) Regardless of its legal form, an undertaking constituting the gas TSO shall have bodies that the act governing companies defines with respect to a public limited company. Unless determined otherwise by this Act, the tasks and responsibilities of the gas TSOs bodies shall *mutatis mutandis* be subject to the provisions of the act governing companies with respect to public limited company bodies.

(5) The gas TSO shall not have a single-tier management system within the meaning of the act governing companies.

(6) The gas TSO partners shall not manage the undertaking directly or conduct its business.

Article 191  
(Assets, equipment and staff)

(1) Gas TSOs shall dispose of all the human, technical, physical and financial resources needed to fulfil their obligations and carry out the activity of natural gas transmission.

(2) Assets that are necessary for the activity of natural gas transmission, including the transmission system, shall be fully owned by the gas TSO. The transmission system by means of which the gas TSO performs the activity of natural gas transmission shall not be owned, fully or in part, by any other person.

(3) The personnel necessary for the activity of natural gas transmission, including the performance of all corporate tasks, shall be employed by the gas TSO.

(4) Leasing of personnel and rendering of services, to and from any other parts of the vertically integrated undertaking is prohibited.

(5) However, TSOs may render services to the vertically integrated undertaking provided that:

- a) the provision of those services does not discriminate between system users, is available to all system users on the same terms and conditions, and does not restrict, distort or prevent competition in production or supply; and
- b) the terms and conditions of the provision of the aforesaid services are approved by the Agency prior to commencing the provision of such services.

(6) The TSO shall not share IT systems or equipment, physical premises or security access systems with any part of the vertically integrated undertaking, or use the same consultants or external contractors for IT systems or equipment, or security access systems.

Article 192  
(Resources and financial independence of gas TSO)

(1) The gas TSO shall ensure it has the financial and other resources it needs to carry out the function of a gas TSO correctly and efficiently and to develop and maintain an efficient, secure and economic transmission system.

(2) Without prejudice to the decisions of the supervisory body referred to in Article 196 of this Act, appropriate financial resources for future investment projects and for the replacement of existing assets shall be made available to the gas TSO in due time by the vertically integrated undertaking, following an appropriate request from the gas TSO.

(3) The TSO shall inform the Agency of the financial resources referred to in the preceding paragraph.

(4) Without prejudice to the decisions of the supervisory body under Article 196 of this Act, the gas TSO shall have the power to raise funds on the capital market, in particular through borrowing and capital increase. Notwithstanding the act governing companies, the decision on raising a loan or issuing debt securities shall be taken by the gas TSO management, and the decision on the TSOs capital increase by the supervisory body referred to in Article 196 of this Act.

(5) The TSO, independently of the vertically integrated undertaking, shall have effective decision-making rights with respect to the assets required to operate, maintain or develop the transmission system. Without prejudice to the decisions of the supervisory body under Article 196 of this Act, the gas TSO management, within the limits of its competence and responsibilities, shall take the necessary decisions independently with respect to the assets required to operate, maintain or develop the transmission system.

(6) The accounts of gas TSOs shall be audited by an auditor other than one that audits the vertically integrated undertaking or any part thereof.

#### Article 193

(Commercial, financial and capital relations in vertically integrated undertakings)

(1) Any commercial and financial relations between the vertically integrated undertaking and the gas TSO shall comply with market conditions. The gas TSO shall not provide loans to the vertically integrated undertaking.

(2) The gas TSO shall keep detailed records of the commercial and financial relations referred to in the preceding paragraph and make them available to the Agency upon request.

(3) The TSO shall submit for approval by the Agency all commercial and financial contracts and agreements with the vertically integrated undertaking.

(4) Any agreements as referred to in the preceding paragraph which fail to obtain the approval of the Agency shall be deemed null and void.

(5) Subsidiaries of the vertically integrated undertaking that perform functions of production or supply shall have no direct or indirect shareholding in the gas TSO.

(6) The gas TSO shall have neither any direct or indirect shareholding in any subsidiary of the vertically integrated undertaking performing functions of production or supply, nor receive dividends or any other financial benefit from that subsidiary.

#### Article 194

(Independence of the gas TSO)

(1) The overall management structure, including memoranda and/or articles of association of the gas TSO, shall ensure the effective independence of the gas TSO in compliance with Articles 189 to Article 202 of this Act.

(2) The vertically integrated undertaking shall not determine through its representatives in the gas TSO bodies, directly or indirectly, the competitive behaviour of the gas TSO in relation to its activities and management of the network, or in relation to activities necessary for preparing a ten-year network development plan developed pursuant to Article 200 of this Act.

(3) In fulfilling its tasks under this Act, and in complying with first paragraph of Article 13, point a) of the first paragraph of Article 14, second, third and fifth paragraph of Article 16, sixth paragraph of Article 18 and first paragraph of Article 21 of Regulation (EC) No 715/2009, the TSO shall not discriminate against different persons or entities and shall not restrict, distort or prevent competition in production or supply.

(4) The vertically integrated undertaking shall refrain from any action preventing the gas TSO from complying with its obligations under this Act or exerting influence on it, and shall not require the gas TSO to seek permission from the vertically integrated undertaking to fulfil those obligations.

(5) The gas TSO management, within the framework of its competences and responsibilities, shall independently take the necessary decisions and perform the necessary activities to ensure the independent behaviour on the part of the gas TSO.

#### Article 195 (Independence of staff)

(1) Decisions regarding appointment, remuneration, and termination of the term of office of the gas TSO administrative board members shall be taken by the supervisory body of the gas TSO referred to in Article 196 of this Act.

(2) The supervisory body shall notify in writing the Agency of any appointment, termination of the term of office or other decisions on the conditions governing the term of office of the gas TSO administrative board members and of the persons responsible for the executive management, its duration and termination, and of the reasons for any proposed termination of the term of office of these persons.

(3) The decisions referred to in the first paragraph shall become binding only if the Agency raises no objections within three weeks of notification.

(4) The Agency may object to the decisions referred to in the first and second paragraphs of this Article when doubts arise as to:

- a) the professional independence of a person appointed as a member of the administrative board, or
- b) the justification of eventual premature termination of the person's term of office.

(5) As a person responsible for management of a particular area and/or as a member of the administrative board of the gas TSO, a person may be appointed who, in the period of three years prior to the appointment, had no professional position or responsibility, interest or business relationship, directly or indirectly, with the vertically integrated undertaking or any part of it or its controlling shareholders and/or partners other than the gas TSO..

(6) The preceding paragraph shall apply to the majority of persons responsible for management and members of the administrative board of the gas TSO. The remaining gas TSO management members shall be subject to a condition that they have exercised no management or other relevant function in the vertically integrated undertaking for a period of at least six months prior to their appointment.

(7) The persons responsible for management, members of the administrative bodies and employees of the gas TSO shall have no other professional position or responsibility, interest or business relationship, directly or indirectly, relating to any other part of the vertically integrated undertaking other than the gas TSO, nor shall they obtain any financial benefit from it and shall have no business relationship with its controlling shareholders and/or partners.

(8) The remuneration of persons responsible for management, members of the administrative board and employees of the gas TSO shall not depend on the activities or results of the vertically integrated undertaking other than those of the gas TSO.

(9) The president, a member of the administrative board or any other person responsible for the management of a particular area of the gas TSO with a limited term of office may exercise his/her right of appeal against a decision by the gas TSO or one of its bodies due to which his/her term of office is prematurely terminated. A request for legal protection against premature termination of office shall be subject to a decision by the Agency pursuant to the procedure laid down in Articles 414 to 419 of this Act.

(10) After the termination of their term of office in the gas TSO, persons responsible for the management of a particular area and members of the administrative board shall have no professional position or responsibility, interest or business relationship relating to any part of the vertically integrated undertaking other than the gas TSO, or relating to its controlling shareholders and/or partners, for a period of not less than four years.

(11) The controlling shareholders and/or partners within the meaning of the fifth, seventh and preceding paragraph shall be persons or a person whose share of voting rights, separately or jointly, attains the takeover threshold under the act governing takeovers.

(12) The fifth, sixth, seventh, eighth, ninth, tenth and the preceding paragraph of this Article shall be applicable to those persons responsible for the executive management of the gas TSO, and to those directly reporting to them on matters related to the operation, maintenance and development of the network.

(13) The decisions referred to in the seventh and eighth paragraph of Article 196 shall be taken independently by the gas TSO management within the framework of its competences and responsibilities.

#### Article 196 (Supervisory body)

(1) The gas TSO shall have a supervisory body established pursuant to the provisions of this Article.

(2) The supervisory body shall be the gas TSO supervisory board. The supervisory board may perform its functions and powers according to the act governing companies provided this is not contrary to the provisions of this Act or to European Union regulations.

(3) The supervisory body shall consist of the following members:

- representatives of the vertically integrated undertaking, or representatives of an undertaking which under the act governing company takeovers is deemed to be operating in concert with the vertically integrated undertaking;
- representatives of third party shareholders pursuant to the relevant gas TSOs rules;
- worker representatives under the act governing worker participation in management.

(4) A decision concerning the early termination of the term of office of the supervisory body's president or a member shall be subject to the application of point b) of the fourth paragraph of Article 195 of this Act.

(5) The president, deputy-presidents and a sufficient number of members, which taken together constitute more than a half of the total supervisory body's membership, shall be subject to the application of second, third, fifth, seventh, eighth, ninth, tenth and eleventh paragraph of Article 195 of this Act. All supervisory body members shall provide for the protection of commercially sensitive information obtained as a result of their membership of the supervisory body.

(6) The supervisory body shall take decisions which may have a significant impact on the value of the assets of the shareholders within the gas TSO, in particular decisions regarding:

- the approval of annual and longer-term financial plans;
- the level of indebtedness of the gas TSO, and
- the amount of dividends distributed to shareholders.

(7) Decisions falling under the remit of the supervisory body shall not include those that are related to the day-to-day activities of the gas TSO and management of the network, including the conclusion of related legal transactions and decision making related to their implementation.

(8) The supervisory body shall not take decisions which would have an impact on activities necessary for preparing the ten-year network development plan pursuant to Article 200 of this Act, or which would be related to them.

#### Article 197 (Compliance programme)

(1) The TSO shall establish a compliance programme which sets out the objectives and measures taken to ensure that discriminatory conduct is excluded, and the specific obligations of employees to meet those objectives.

(2) Prior to its implementation, the compliance programme shall be subject to approval by the Agency.

(3) The TSO shall provide for the compliance programme's implementation and its monitoring. The system and the measures taken for the programme's implementation and its monitoring shall be constituent parts of the programme.

(4) Without prejudice to the powers of the Agency, compliance with the programme shall be independently monitored by a compliance officer, pursuant to Articles 198 and 199 of this Act.

(5) When the gas TSO participates in a joint undertaking referred to in Article 182 of this Act, the compliance programme shall be developed and implemented by the joint undertaking. The compliance programme shall lay down the specific obligations of employees in the joint undertaking which they have to meet in order to exclude discriminatory and anti-competitive conduct. The programme mentioned in the preceding sentence shall be approved by ACER and shall not be subject to the application of the second paragraph of this Article. Compliance with the programme's objectives shall be independently monitored by the compliance officers of the gas TSOs integrated in the joint undertaking.

#### Article 198 (Compliance officer)

(1) The gas TSO supervisory body shall appoint a compliance officer who may be a natural or physical person.

(2) The appointment of the compliance officer shall be subject to approval by the Agency.

(3) The Agency may refuse to give consent to the appointment of compliance officer due to his lack of independence or professional ability.

(4) The supervisory body may, following prior consent from the Agency, relieve the compliance officer of duty. At the proposal of the Agency, the supervisory body shall relieve the compliance officer of duty if the reasons for such a proposal are justified on the grounds of a lack of independence or of professional ability.

(5) The conditions governing the compliance officer's mandate, the duration and termination of office shall be adopted by the supervisory body following the prior approval of the Agency.

(6) The conditions referred to in the preceding paragraph shall ensure the independence of the compliance officer, including by providing him/her with all the resources required to fulfil his/her duties.

(7) During his mandate, the compliance officer shall have no other professional position, responsibility or interest, directly or indirectly, in or with any part of the vertically integrated undertaking or with its controlling shareholders and/or partners.

(8) The compliance officer shall be subject to the provisions of the second, fourth, fifth, sixth, seventh, eighth, ninth, tenth and eleventh paragraph of Article 195 of this Act.

Article 199  
(Tasks and powers of the compliance officer)

- (1) The compliance officer shall be responsible for:
  - (a) monitoring the implementation of the compliance programme;
  - (b) elaborating an annual report that sets out the measures taken in order to implement the compliance programme and submitting it to the Agency;
  - (c) reporting to the supervisory body and issuing recommendations on the compliance programme and its implementation;
  - (d) notifying the Agency in writing of any substantial breaches with regard to the implementation of the compliance programme; and
  - (e) reporting to the Agency on any commercial and financial relations between the vertically integrated undertaking and the gas TSO.
  
- (2) The compliance officer shall submit the proposed decisions on the investment plan or on individual investments in the network to the Agency; this shall occur at the latest when the management body of the gas TSO submits them to the supervisory body.
  
- (3) Where the vertically integrated undertaking in the gas TSOs general assembly, or through the vote of members of the supervisory body it has appointed, prevents the adoption of a decision which has the effect of preventing or delaying investments which under the ten-year network development plan were to be executed in the ensuing three years, the compliance officer shall report this to the Agency, which then shall act in accordance with Article 201 of this Act.
  
- (4) The compliance officer shall report regularly to the Agency, either orally or in writing, and shall have the right to report regularly, either orally or in writing, to the supervisory body of the gas TSO.
  
- (5) The compliance officer may attend the meetings of the gas TSO management body, and those of the supervisory body and the general assembly.
  
- (6) The compliance officer shall attend all meetings that address the following matters:
  - a) conditions for access to the network, as defined in Regulation (EC) No 715/2009, in particular regarding tariffs, third party access services, capacity allocation and congestion management, transparency, balancing and secondary markets;
  - (b) projects undertaken in order to operate, maintain and develop the transmission system, including investments in new transmission connections, in expansion of capacity and in optimising existing capacity;
  - (c) energy purchases or sales necessary for the operation of the transmission system.
  
- (7) The compliance officer shall monitor the compliance of the gas TSO with Articles 214 and 215 of this Act.
  
- (8) The compliance officer shall have access to all relevant data and to the offices of the gas TSO and to all the information necessary to perform his task. The compliance officer shall have access to the offices of the gas TSO without prior notice.



Article 200  
(Network development)

- (1) Notwithstanding the provisions of Article 30 of this Act, the gas TSO shall elaborate a ten-year development plan pursuant to the provisions of this Article.
- (2) Annually, by 1 June at the latest, the gas TSO shall submit to the Agency a ten-year network development plan after consulting all the relevant stakeholders. For the next three years of this plan, the gas TSO shall submit the plan of investments in compliance with the ten-year development plan and with the methodology referred to in the fourth paragraph of Article 252 of this Act.
- (3) The ten-year network development plan shall be based on existing and forecast supply and demand, and shall contain efficient measures to ensure the adequacy of the system and the security of supply.
- (4) The ten-year network development plan shall, in particular:
  - (a) indicate to market participants the main transmission infrastructure that needs to be built or upgraded over the next ten years;
  - (b) contain all the investments already decided and identify new investments which have to be executed in the next three years; and
  - (c) provide for a time frame for all investment projects.
- (5) When elaborating the ten-year network development plan, the gas TSO shall make reasonable assumptions about the evolution of the production, supply, consumption and exchanges with other countries, taking into account investment plans for the networks in the Republic of Slovenia, regional and European Union-wide networks, as well as investment plans for storage and LNG facilities.
- (6) The Agency shall consult all actual or potential system users on the ten-year network development plan in an open and transparent manner. Persons or undertakings claiming to be potential system users may be required to substantiate such claims.
- (7) The Agency shall publish on its web page the results of the consultation process, in particular possible needs for investments, and shall inform the gas TSO thereof.
- (8) The Agency shall examine whether the ten-year network development plan includes all the investment needs identified during the consultation process, and whether it is consistent with the non-binding European Union ten-year network development plan referred to in point b) of the third paragraph of Article 8 of Regulation (EC) No 715/2009. If any doubt arises as to consistency with the European Union network development plan, the Agency shall consult the ACER.
- (9) The Agency may require the gas TSO to amend its ten-year development plan and to submit the investment plan for the first three years. The gas TSO shall submit to the Agency the ten-year network development plan consistent with the relevant requirements and the investment plan within two months, at the latest, of receiving the requirements of the Agency.
- (10) The ten-year network development plan shall be subject to the approval of the Agency.

Article 201  
(Powers to make investment decisions)

- (1) The Agency shall monitor and evaluate the implementation of the ten-year network development plan.
- (2) In circumstances where the gas TSO, other than for overriding reasons beyond its control, does not execute an investment, which, under the ten-year network development plan, was to be executed in the following three years and is still relevant on the basis of the most recent ten-year network development plan, the Agency shall require the transmission operator:
  - a) to execute the investment in question, or
  - b) to accept a capital increase to finance the necessary investments and allow independent investors to participate in the capital.
- (3) The measures referred to in the previous paragraph shall be subject to a decision by the Agency.
- (4) Where the operator fails to act in compliance with the time-limit set in the decision referred to in the preceding paragraph, the Agency shall implement a tender procedure open to any investors for the investment in question referred to in the second paragraph above.
- (5) In the case referred to in the preceding paragraph, the Agency may by a decision require the gas TSO to:
  - a) agree to financing by any third party through debt or equity capital in the gas TSO;
  - b) agree to financing construction by any third party and, in the event that this is not the gas TSO, transferring property and other real rights over facilities and devices constituting the network to the gas TSO, and to establishing the corresponding contractual obligations between the system operator and the investor;
  - (c) build the new assets concerned;
  - (d) operate the new asset concerned.
- (6) The provisions referred to in the preceding paragraph do not constitute a derogation from the requirement made in the second paragraph of Article 191 of this Act.
- (7) The TSO shall provide the investors with all the information needed to realise the investment, shall connect new assets to the transmission network and shall generally make every effort to facilitate the implementation of the investment project.
- (8) The conclusion of contracts on financing investments under this Article shall be subject to the approval of the Agency.
- (9) The costs of investments under this Article shall be covered from the network charges, regardless of the scope of use of the investment.

Article 202  
(Connection of storage facilities, LNG facilities and industrial customers)

(1) In the Network Code, the gas TSO shall specify transparent and efficient procedures and tariffs for the non-discriminatory connection of storage facilities, LNG regasification facilities and industrial customers to the transmission system.

(2) The TSO shall not be entitled to refuse the connection of a new storage facility, LNG facility or industrial customer on the grounds of possible future limitations with respect to available network capacities or additional costs linked to necessary capacity increases.

(3) The TSO shall ensure sufficient entry and exit capacity for the new connection.

### Article 203

#### (Monitoring and measures by the Agency)

(1) The Agency shall monitor compliance with the requirements referred to in Articles 189 to 202 of this Act.

(2) In addition to the powers under this Act and to the monitoring referred to in the preceding paragraph, the Agency shall have the following powers:

- a) to monitor communications between the gas TSO and the vertically integrated undertaking;
- b) to monitor commercial and financial relations, including loans, between the vertically integrated undertaking and the gas TSO;
- c) to request justification from the vertically integrated undertaking when notified by the compliance officer in accordance with Article 195 of this Act.

(3) In the exercise of its powers, the Agency shall monitor the gas TSO, the vertically integrated undertaking and its related undertakings or other entities subject to the requirements of Articles 189 to 202 of this Act.

(4) Disputes between the vertically integrated undertaking and the gas TSO in respect of meeting the requirements of Articles 189 to 202 of this Act shall be decided by the Agency in a dispute-settlement procedure.

(5) Commercial and financial agreements between the vertically integrated undertaking and the gas TSO shall be subject to approval by the Agency. The Agency shall give its approval on the condition that agreements comply with market conditions.

(6) The Agency may assign all or specific tasks of the gas TSO to another gas TSO, in accordance with the second and third paragraphs of Article 210 of this Act in the case of a persistent breach by the gas TSO of its obligations under this Act, in particular in the case of repeated discriminatory behaviour to the benefit of the vertically integrated undertaking.

(7) If the Agency finds in monitoring that a reason, which constitutes a breach in respect of these requirements, has arisen in the gas TSO, one of its bodies or a member of such body or in the vertically integrated undertaking, one of its bodies, or in some other person, it shall require of the entity concerned by a decision that it eliminate the aforementioned reason in a period not shorter than one month and not longer than six months from the date of the final decision.

(8) If the decision referred to in the first paragraph of this Article is to be executed by coercion, individual financial penalties in the execution procedure by coercion shall not exceed EUR 100,000, notwithstanding the provisions of the act governing the general administrative procedure.

(9) When the reason for the breach of the requirements referred to in Articles 189 to 202 cannot be eliminated by measures referred to in this Article, the Agency shall initiate the procedure to test the conditions for the certificate.

### Subsection 3: Certification and designation of gas TSOs

#### Article 204 (Certificate)

(1) The TSO shall be certified.

(2) A certified natural gas TSO is one that holds a certificate.

(3) The Agency shall find in the certification procedure whether the entity requesting a certificate complies with the requirements for the gas TSO referred to in Articles 182, 183, 185 and 186 of this Act, or with those concerning meeting the requirements referred to in Articles 189 to 202 of this Act.

#### Article 205 (Request for certification)

(1) The certification procedure shall commence with the submission of a complete application for certification by the transmission system owner or operator. The application shall be considered complete when the evidence on compliance with the requirements referred to in Articles 182, 183, 185 and 186, and/or evidence on compliance with the requirements referred to in Articles 189 to 202 of this Act is attached to the application.

(2) After receiving a complete application for certification, the Agency shall issue an acknowledgment of receipt of a complete request for certification and information specifying the conditions for the application of a tacit decision on the certification.

(3) The Agency shall decide on a request within four months of receiving a complete application. If, by the date of expiry of this period, the Agency fails to serve a relevant decision on the interested party, the certificate shall be deemed to have been granted.

(4) The period for issuing the decision shall be suspended when either the certification procedure or the implementation of a regulation serving as a basis for the Agency's decision have been suspended.

(5) It shall not be possible to claim reinstatement of the previous state of affairs during a certification procedure.

(6) In the case of the assumption referred to in the third paragraph of this Article, the complete application and the acknowledgment of its receipt, after expiry of the time-limit referred to in the second paragraph of Article 206, shall be regarded as a granted certificate, except in the case of a negative decision by the Agency.

(7) The time limit for filing relevant legal remedies against the certificate that has legal validity on the basis of the preceding paragraph shall commence on the day following the expiry of the time limit specified in the second paragraph of Article 206.

(8) A tacit decision on certification as referred to in the sixth paragraph of this Article shall not be applicable in procedures based on extraordinary legal remedies.

(9) The gas system operator and undertakings performing the functions of production and supply shall communicate to the Agency and the European Commission all the requested information that the latter may need to perform their tasks in the certification procedure.

(10) In the certification procedure, the Agency shall protect the confidentiality of commercially sensitive information.

#### Article 206

##### (Communication to the European Commission)

(1) A decision by the Agency or tacit decision on the certification referred to in the preceding paragraph shall be communicated without delay to the European Commission, including all relevant information relating to the decision.

(2) A decision by the Agency or tacit decision on the certification referred to in the second paragraph of this Article shall take effect after the delivery of the opinion by the European Commission, or after the expiry of the time limit referred to in the first paragraph of Article 3 of the Regulation (EC) No 715/2009.

#### Article 207

##### (Certification in relation to third countries)

(1) Where certification is requested by a transmission system owner or a gas TSO monitored by a person or persons that are citizens of a country or countries that are not European Union members (hereinafter: third country) or who are citizens from the third country or countries, the certification procedure and testing conditions for the certificate shall be subject to the provisions of Articles 204, 205, 206 and 207 of this Act, unless provided otherwise. A third country shall also be deemed a European Union Member State which is subject to the derogation referred to in Article 49 of Directive 2009/73/EC.

(2) The Agency shall immediately notify the Commission of a receipt of a request and of any circumstances that would result in a person or persons from a third country or third countries gaining control of a transmission system or a gas TSO as referred to in point 17 of Article 159 of this Act.

(3) The TSO shall immediately notify the Agency of any circumstances that would result in a person or persons from a third country or third countries gaining control of a transmission system or a gas TSO as referred to in point 17 of Article 159 of this Act.

(4) The certification procedure under this Article precludes the use of a tacit decision on the certification referred to in the second paragraph of Article 205 of this Act.

(5) In the certification procedure, the entity requesting a certificate referred to in the first paragraph of this Article shall prove that it complies with the criteria in Articles 182, 183, 185 and 186 or with the requirements of Articles 189 to 202 of this Act, and that granting certification will not put at risk the security of the energy supply of the Republic of Slovenia, another European Union Member State or the European Union. In considering this, the Agency shall take into account:

- the rights and obligations of the European Union with respect to that third country arising under international law, including any agreement concluded with one or more third countries to which the European Union is a party and which addresses the issues of security of energy supply;
- the rights and obligations of the Member State with respect to that third country arising under agreements concluded with it, insofar as they are in compliance with European Union law; and
- other specific facts and circumstances of the case and the third country concerned.

(6) The Agency shall adopt a draft decision within four months from the date of receiving the request and shall immediately notify the European Commission of the request and of all relevant information with respect to it.

(7) Prior to adopting the decision on certification, the Agency shall seek an opinion from the European Commission on whether the interested party complies with the prohibitions in Articles 182, 183, 185 and 186 or with the requirements of Articles 189 to 202 of this Act, and whether granting certification might put at risk the security of European Union energy supply.

(8) In the certification procedure under this Article, the Agency shall adopt its decision within two months of the expiry of the period for the delivery of the European Commission's opinion, in compliance with the sixth paragraph of Article 11 of Directive 2009/73/EC, and shall take the fullest account of the Commission's opinion. The Agency shall immediately notify the Commission of the decision, and provide all the relevant information regarding the decision.

(9) The Agency may refuse to grant certification if this would put at risk the security of the energy supply of the Republic of Slovenia or another European Union Member State.

(10) The Agency's final decision and the Commission's opinion shall be published together in Uradni list Republike Slovenije. Where the final decision diverges from the Commission's opinion, the reasoning of the Agency underlying its decision shall be published with that decision.

Article 208  
(Procedure for testing conditions for the certificate)

(1) The Agency shall monitor the compliance of the gas system operator with the requirements referred to in Articles 180, 181, 183 and 186 of this Act. The Agency shall initiate the procedure for testing the conditions for the certificate *ex officio*, if:

- it has been provided with the information from gas TSO referred to in the second paragraph of Article 187;
- it has been informed of the planned transaction referred to in the third paragraph of Article 187;
- it has established reasonable grounds for believing that a planned change in rights or influence over transmission system owners or the gas TSO has led to, or may lead to, a violation of the requirements referred to in Articles 182, 183, 185 and 186 of this Act, or the requirements referred to in Articles 189 to 202 of this Act, pursuant to the tenth paragraph of Article 203 of this Act;
- such is a reasoned request from the European Commission.

(2) The procedure for testing the conditions for the certificate shall be subject to the provisions of this Act concerning the regular certification procedure, unless provided otherwise by this Article.

(3) The assumption referred to in the second paragraph of Article 205 shall apply in the procedure of testing conditions for a certificate only in the case referred to in the first and fourth indents of the first paragraph of this Article. The four-month period for enforcing a tacit decision on the certification shall commence on the day when the Agency receives a notification from the natural gas TSO or a request from the European Commission.

(4) The Agency shall, by way of a decision:

- decide on the compliance of the planned transaction with the requirements referred to in Articles 182, 183, 185 and 186 of this Act;
- confirm a certificate;
- withdraw a certificate.

(5) The withdrawal of a certificate shall take effect on the day the decision becomes final.

#### Article 209 (Designation of gas TSO)

(1) Provided that after the decision on the certification has become final or after the tacit decision on the certification referred to in the second paragraph of Article 205, a legal or natural person meets the requirements referred to in the first and second paragraphs of Article 178 of this Act, such person shall, on a proposal by the Agency, be designated as a gas TSO by way of a Government decision.

(2) The Government, on a proposal by the Agency and based on a final decision establishing non-compliance with the requirements, shall annul the decision on the designation of a gas TSO when it finds that the gas TSO fails to meet any of the requirements for performing the gas TSO functions referred to in the third paragraph of Article 178, and when any such requirement can not be expected to be met within a reasonable time.

(3) The decision on the designation or annulment of a designation shall be published in the Official Journal of the European Union and in Uradni list Republike Slovenije, and communicated to the European Commission.

#### Article 210

(Measures if a gas TSO ceases to implement its activities)

(1) Where any requirement for carrying out the functions of a gas TSO referred to in the third paragraph of Article 178 of this Act is not met and cannot be expected to be met within a reasonable time, or where the gas TSO ceases to carry out the functions of a gas TSO and cannot be expected to resume these functions within a reasonable time, the Agency shall issue a decision that:

- designates a certified gas TSO in the Republic of Slovenia or in any other European Union Member State to temporarily undertake the functions of the gas TSO in the transmission system of the operator that failed to meet the requirements or ceased to carry out the functions of the gas TSO;
- lays down the conditions under which the owner or co-owners shall be obliged to lease the transmission system for use to the gas TSO envisaged to undertake the activities under the previous indent of this paragraph and the time limit for the owner or co-owners to comply with this obligation;
- decides on other issues of the relationship between the owner or co-owners of the transmission system and the operator referred to in the first indent of this paragraph in connection with the temporary performance of the functions of the gas TSO.

(2) The operator referred to in the first indent of the preceding paragraph shall perform the functions of the gas TSO until these are undertaken by another gas TSO that meets the requirements referred to in the third paragraph of Article 178 of this Act.

(3) If the owner or co-owners of the transmission system fail to ensure, within one year of the final decision referred to in the first paragraph of this Article, that the functions of gas TSO are resumed in their transmission system by the natural gas TSO that meets the requirements referred to in the third paragraph of Article 178 of this Act, while the operation of this transmission system is necessary for a secure and reliable natural gas supply in the Republic of Slovenia or part of its territory or it is a case of an interconnector, the Agency shall propose to the Republic of Slovenia that, as the beneficiary of the expropriation, it initiate the expropriation procedure or procedure to restrict ownership rights.

(4) The expropriation or restriction of the ownership rights referred to in the preceding paragraph shall be for the public benefit.

### Section 3: Storage and LNG system operators

#### Article 211

(Designation of storage and LNG system operators)

(1) Prior to starting their operation, the storage system or LNG system owner or owners shall be obliged to designate at least one or more storage system or LNG system operator.



(2) The period for which the storage system or LNG system operator are to be designated shall be determined by an Agency decision taken on a request from the storage system or LNG system owner or owners, taking into account the efficiency and economic balance assessment,

Article 212  
(Tasks of storage and LNG system operators)

(1) The storage or LNG system operator shall operate with secure, reliable and efficient natural gas transmission, storage or LNG facilities; it shall maintain and develop such facilities with due regard to economic conditions and the environment, and shall ensure adequate means to meet service obligations.

(2) The natural gas storage system or LNG operator shall refrain from discriminating between individual system users or types of users, particularly in favour of its related undertakings.

(3) The storage or LNG system operator shall provide any other gas TSO, any other storage system operator, any other LNG system operator or any gas DSO, with sufficient information to ensure that the transport of natural gas may take place in a manner compatible with the secure and efficient operation of the interconnected system.

(4) The storage or LNG system operator shall provide system users with the information they need for efficient access to the system.

Article 213  
(Unbundling of storage system operators)

(1) The storage system operators whose facilities are technically or economically required in order to provide efficient access to the system for the supply of customers pursuant to third paragraph of Article 246 of this Act, and which are part of vertically integrated undertakings, shall be independent at least in terms of their legal form, organisation and decision making from other activities not relating to transmission, distribution and storage.

(2) In order to ensure the independence of the storage system operator, the operator referred to in the preceding paragraph shall, with regard to organisation and operation, ensure the implementation of at least the following measures:

- (a) persons responsible for the management of the storage system operator shall not participate in company structures of the integrated natural gas undertaking responsible, directly or indirectly, for the day-to-day operation of the production and supply of natural gas;
- (b) the professional interests of persons responsible for the storage system operator management shall be taken into account in a manner which provides for their capacity to act independently;
- (c) the storage system operator shall have effective decision-making rights, independent of the integrated natural gas undertaking, with respect to the assets required to operate, maintain or develop the storage facilities.

(3) The performance of tasks under point c) in the preceding paragraph shall not preclude the existence of appropriate mechanisms to ensure that the economic and management supervision rights of the parent company in respect of a return on assets in a subsidiary are protected. In particular, this shall enable the parent company to approve the annual financial plan, or any equivalent instrument, of the storage system operator and to set global limits on the levels of indebtedness of its subsidiary, with the exception of issuing instructions regarding day-to-day operations or individual decisions concerning the construction or upgrading of storage facilities that do not exceed the terms of the approved financial plan, or any equivalent instrument.

(4) The storage system operator shall establish a compliance programme setting out in more detail the measures referred to in the preceding paragraph and the measures to prevent discriminatory conduct, and shall ensure appropriate monitoring of its implementation. The compliance programme shall lay down the specific obligations of employees to meet these objectives. The person or body responsible for monitoring the compliance programme shall submit to the Agency an annual report setting out the measures taken, which it shall publish it on its website.

(5) The European Commission may adopt Guidelines to ensure the effective compliance of the requirements referred to in this Article; in such a case, the storage system operator shall be obliged to act in accordance with these guidelines.

#### Section 4: Confidentiality obligations of gas TSOs, storage systems and LNG systems, and transmission system owners

##### Article 214 (Confidentiality obligations)

(1) Any TSO, storage system or LNG system operator or transmission system owner shall be obliged to protect the confidentiality of commercially sensitive information obtained in the course of carrying out its business, regardless of whether this has been defined as a business secret or not.

(2) The operator referred to in the preceding paragraph shall prevent information on its own activities which may be commercially advantageous from being disclosed in a discriminatory manner; in particular, it shall not disclose commercially sensitive information to the remaining part of the undertaking which is not related to the gas TSO or the storage system operator or LNG system operator's performance of activity, except where and to the extent that this is strictly necessary to carry out a legal transaction.

(3) The transmission system owner, the storage system operator or LNG system operator, including, in the case of a combined operator, the gas DSO, and the remaining part of the undertaking which is not related to the gas TSO, storage system operator or LNG system operator activity, shall not use joint services, such as joint legal services, apart from purely administrative or IT functions.

(4) The provisions of this article are without prejudice to the obligation to disclose information to the Agency, the ministry and other competent authorities, including the concession grantor, within the public service framework based on a concession.

#### Article 215

##### (Prohibition of misuse of information and duty of publication)

(1) Transmission, storage or LNG system operators shall not, in the context of sales or purchases of natural gas by related undertakings, misuse commercially sensitive information obtained from third parties in the context of providing or negotiating access to the system.

(2) Transmission, storage or LNG system operators shall make public the information required for effective competition and the efficient functioning of the market, except for the commercially sensitive information referred to in the preceding paragraph.

### Chapter III: DISTRIBUTION

#### Section 1: Service of general economic interest – gas DSO

#### Article 216

##### (Service of general economic interest)

(1) The gas DSO functions shall be carried out as an optional local service of general economic interest.

(2) The gas DSO service of general economic interest shall include:

- provision of natural gas distribution;
- safe, secure and efficient operation and maintenance of the distribution system under acceptable economic conditions, with due regard for the environment and energy efficiency.
- development of the distribution system, while also taking into account the anticipated needs of system users and the requirements concerning safe and reliable system operation;
- long-term ability of the distribution system to meet reasonable demands for connection and access to the system;
- security of natural gas supply through adequate capacity and network reliability;
- provision of necessary information to system users to enable them to effectively exercise the right to access the system and its use.

(3) The natural gas DSO shall refrain from discriminating between individual system users or types of users, particularly in favour of its related undertakings.

(4) The gas DSO service of general interest functions may be provided by a local community within a part or throughout its territory in a manner stipulated by the act governing services of general economic interest, and the act governing public-private partnerships.

(5) Where a local community grants a concession for the performance of a gas DSO service of general economic interest, the procedure for granting concessions shall require the application of provisions of the act governing services of general economic interest, and the act governing public-private partnerships.

(6) The distribution system shall, as a rule, have at least one connection to the transmission system. The distribution system may be connected to another distribution system only on the basis of the prior approval of the Agency when this involves the same gas DSO.

(7) In issuing the approval referred to in the preceding paragraph, the Agency shall take into account the ten-year gas network development plan and the distribution network development plan, and shall give its approval provided that:

- the interconnecting distribution systems is reasonable in terms of costs and development, and
- adequate safety and reliability of operation of all relevant distribution systems have been provided for.

For eventual interconnected distribution systems, the gas DSO shall adopt a single act on the definition of network charge tariff rates for the natural gas distribution network.

(8) Notwithstanding the provisions of the act governing services of general economic interest concerning procedure for granting concessions, the local community, in the case of approval by the Agency as referred to in the sixth paragraph of this Article, may directly grant a concession for the provision of the service of general economic interest of natural gas distribution to the gas DSO to which the new system is connected.

(9) Changes made to interconnected distribution systems as a result of the establishment of new local communities or their transformation, and changes in the concession relationship regarding relevant local communities after the approval referred to in the sixth paragraph of this Article shall be without prejudice to the validity of the approval, provided that these changes do not affect the security and reliability of operation of relevant distribution systems. Should the interconnected distribution systems fail to meet any of the requirements referred to in the seventh paragraph of this Article, the Agency shall annul its approval.

(10) The natural gas DSO shall provide other gas DSOs, the natural gas TSO, the LNG system operator and the storage system operator with sufficient information to ensure that the transport and storage of natural gas may take place in a manner that secures the reliable and efficient operation of the interconnected system.

#### Article 217

(Financing undertakings of general economic interest)

The gas DSO activity shall be funded from network charges and other revenue for the provision of the service of general economic interest.

#### Article 218

(Exclusive right)

(1) The local community may, in accordance with the regulations on undertakings of general economic interest, within a part of, or throughout, the local community's territory, grant an exclusive right to perform an optional local service of general economic interest of a gas DSO for a maximum period of 35 years.

(2) If a local community, in accordance with the preceding paragraph, grants an exclusive right to perform a service of general economic interest of a gas DSO in a given area, the natural gas final customers within this area may be connected to the system solely by the gas DSO in the capacity of exclusive right owner, except in cases where the gas DSO has rejected their connection or access to the system on the grounds of insufficient distribution system capacity.

(3) The exclusive right referred to in the first paragraph of this Article shall not apply to closed distribution systems.

#### Article 219 (Designation of gas DSO)

(1) The functions of a gas DSO may be carried out by a legal or natural person which:

- has the right to perform the service of general economic interest;
- is the owner or leaseholder of a distribution system allowed to operate in accordance with the relevant regulations, and
- has been designated as a gas DSO.

(2) When the gas DSO is neither the owner of the system nor a part thereof, the gas DSO and the owner shall conclude a contract regulating all the issues regarding the use of the network concerned, in order for the gas DSO to perform the tasks of a gas DSO pursuant to this Act. The contract shall, in particular, regulate the scope and purpose of the use of the system, the rights and obligations with respect to the connection of new customers and coverage of disproportionate costs of such connection, the obligations concerning future network expansion, lease and/or other payments made by the gas DSO, the conditions and methods of routine and major maintenance works on the network and other issues enabling the gas DSO to perform its tasks effectively under this Act. The Agency shall review the contract content and the method of its implementation in accordance with the monitoring powers under this Act.

(3) A person meeting the conditions in the first and second indent of the first paragraph above shall, on its own request, be designated by way of a decision of the Agency as the gas DSO. In setting the period for which the gas DSO is to be designated, the Agency shall take into account the efficiency and economic balance assessment, whereby such a period if the concession is granted, shall be equal to the duration of the concession. The longest period for which the Agency may designate a relevant gas DSO shall be 35 years.

(4) The Agency shall annul the act on the designation of a gas DSO if it determines that any of the conditions relating to the performance of the gas DSO activity referred to in the first and second indent of the first paragraph has not been met, and when any such condition can not be expected to be met within a reasonable time, and when the gas DSO acts contrary to Article 216 and Articles 221 to 225 of this Act.

## Article 220

(Measures when a gas DSO ceases to implement its activities)

(1) Where any requirement for carrying out the functions of a gas DSO referred to in the third paragraph of Article 219 of this Act is not met and cannot be expected to be met within a reasonable time, or where the gas DSO ceases to carry out the functions of a natural gas DSO and cannot be expected to resume these functions within a reasonable time, the Agency shall issue a decision that:

- designates a gas DSO in the Republic of Slovenia or any other European Union Member State to temporarily undertake the functions of the gas DSO in the distribution system of the operator that failed to meet the requirements or ceased to carry out the functions of the gas system operator;
- lays down the conditions under which the owner or co-owners shall be obliged to lease the distribution system for use to the gas DSO envisaged to undertake the activities under the previous indent of this paragraph and the time limit for complying with this obligation;
- decides on other issues of the relationship between the owner or co-owners of the distribution system and the operator referred to in the first indent of this paragraph in connection with the temporary performance of the functions of the gas DSO.

(2) The operator referred to in the preceding paragraph shall perform the functions of the gas DSO until these are undertaken by another DSO which meets the requirements referred to in the first paragraph of Article 219 of this Act.

(3) If the owner or co-owners of the distribution system fail to ensure, within one year of the final decision referred to in the first paragraph of this Article, that the functions of the gas DSO are resumed in their distribution system by the gas DSO which meets the requirements referred to in Article 219 of this Act, the local community as beneficiary of the expropriation, shall initiate the expropriation procedure or procedure to restrict ownership rights.

(4) The expropriation or restriction of the ownership rights referred to in the preceding paragraph shall be for the public benefit.

## Section 2: Unbundling of gas DSOs

### Article 221

(General provision and combined operator activity)

(1) Where the gas DSO is part of a vertically integrated undertaking, it shall be independent in terms of its legal form, organisation, and decision making from other activities not relating to distribution.

(2) The above requirement shall not create an obligation to separate the ownership of assets of the gas DSO from the vertically integrated undertaking.

(3) The provision of the first paragraph of this Article shall not prevent the operator of the combined system of transmission, LNG, storage and distribution from performing its

functions, provided that this operator meets the criteria for gas TSO ownership unbundling referred to in Articles 182 to 185 of this Act, or the criteria for the independent TSO referred to in Articles 190 to 202 of this Act.

#### Article 222

##### (Requirements regarding functional unbundling)

(1) The gas DSO shall carry out its gas DSO functions in a separate legal entity not engaged in other activities.

(2) In addition to the requirements referred to in the preceding paragraph of this Article, where the gas DSO is part of a vertically integrated undertaking, it shall be independent in terms of its organisation and decision making from the other activities not related to distribution. To this end, it shall provide for the implementation of at least the following measures:

- (a) those persons responsible for the management of the gas DSO must not participate in the company structures of the integrated natural gas undertaking responsible, directly or indirectly, for the day-to-day operation of the production, transmission and supply of natural gas;
- (b) the professional interests of persons responsible for the gas DSO management shall be taken into account in a manner which provides for their capacity to act independently;
- (c) the gas DSO must have effective decision-making rights, independent of the integrated natural gas undertaking, with respect to the assets required to operate, maintain or develop the network.

(3) In order to fulfil the tasks referred to in point c) of the preceding paragraph, the gas DSO shall have at its disposal the required resources, including human, technical, financial and physical resources. The parent company shall approve the annual financial plan or any equivalent instrument, and set limits on the levels of indebtedness of the gas DSO in the capacity of its subsidiary; the economic and management supervision rights of the parent company in respect of a return on assets shall also be maintained. The parent company shall not be permitted to issue instructions regarding day-to-day operations, or with respect to individual decisions concerning the construction or upgrading of distribution lines, that do not exceed the terms of the approved financial plan, or any equivalent instrument.

(4) The natural gas DSO shall establish a compliance programme setting out measures to prevent discriminatory conduct, and shall ensure appropriate monitoring of its implementation. The compliance programme shall lay down the specific obligations of employees to meet this objective. The gas DSO shall submit the compliance programme to the Agency for approval before it enters into force.

(5) The gas DSO shall have a fully independent compliance officer who shall have access to all the necessary information of the gas DSO and any affiliated undertaking to fulfil his task. The measures to ensure the independence of the compliance officer and the effectiveness of his monitoring activities shall be set out in the compliance programme.

(6) An annual report, setting out the measures taken, shall be submitted to the Agency by the person or body responsible for monitoring the compliance programme and shall be published.

Article 223  
(Avoiding distortion of competition)

(1) Where the gas DSO is part of a vertically integrated undertaking, the Agency shall monitor the activities of the gas DSO, to prevent it from taking advantage of its vertical integration to distort competition.

(2) Vertically integrated gas DSOs shall not, in their communication or branding, create confusion in respect of the separate identity of the supply branch of the vertically integrated undertaking.

Article 224  
(Exemption relating to gas DSO legal independence)

The provisions of Articles 221, 222 and 223 of this Act shall not apply to integrated gas undertakings having fewer than 100,000 connected final customers.

Section 3: Confidentiality obligations of gas DSOs

Article 225  
(Confidentiality obligations regarding information)

(1) The gas DSO shall be obliged to protect the confidentiality of commercially sensitive information obtained in the course of carrying out its business, and shall prevent the information on its own activities which may be commercially advantageous from being disclosed in a manner which would discriminate against distribution system users and/or customers.

(2) Gas DSOs shall not, in the context of sales or purchases of natural gas by related undertakings, abuse commercially sensitive information obtained from third parties in the context of providing or negotiating access to the system.

(3) The provisions of this article are without prejudice to the obligation to disclose information to the Agency, the ministry and other competent authorities, including the concession grantor, with respect to the provision of the service of general economic interest based on a concession relationship.

Section 4: Closed distribution systems

Article 226  
(General provision)



Natural gas distribution within small and closed distribution systems which, in accordance with this Act, obtain the status of a closed distribution system, shall not be carried out as a gas DSO service of general economic interest as referred to in Article 216 of this Act.

#### Article 227

(Conditions for acquiring the status of a closed distribution system)

(1) A natural gas distribution system with a single network supply point, which is directly connected to the transmission system and which is intended for the distribution of natural gas within a geographically confined industrial or commercial area or shared services site and as a rule does not supply household customers, may obtain the status of a closed distribution system if:

- for specific technical or safety reasons, the operations or the production processes of the final customers of that system have been integrated; or
- the network distributes the natural gas primarily to the system owner or its related undertakings. This requirement shall be considered as satisfied when the owner and its related undertakings account for at least 80% of the total annual natural gas consumption and generation.

(2) Incidental use by a small number of households with employment or other associations with the owner of the system shall not preclude the natural gas distribution system referred to in the first paragraph of this Article from obtaining the status of a closed distribution system.

#### Article 228

(Authorisation to acquire the status of a closed distribution system)

(1) The Agency shall issue the authorisation granting the status of a closed distribution system on the basis of a request from the owner or other person managing the closed distribution system (hereinafter: closed distribution system operator).

(2) The authorisation referred to in the preceding paragraph shall be issued for a period of ten years.

(3) In addition to elements prescribed for issuing decisions based on the General Administrative Procedure Act, the operative part of the authorisation granting the status of a closed distribution system shall also include a designation of the geographically confined site clearly delineated from the remaining area.

(4) The gas DSO may participate as a secondary participant in the procedure for issuing the authorisation in the geographical area where the closed distribution system is located, provided that, in accordance with Article 218 of this Act concerning the performance of gas DSO functions, it has been granted an exclusive right by the local community which also includes the area of the envisaged closed distribution system.

(5) Upon a request from the closed distribution system operator, the Agency may extend the authorisation for ten years at a time, subject to all the requirements needed to obtain the status of a closed distribution system applicable on the expiry of authorisation validity being met.

## Article 229

(Consequences of terminating the status of a closed distribution system)

- (1) The gas TSO shall provide the closed distribution system operator access to the transmission system in accordance with this Act.
- (2) The closed distribution system operator shall have equal rights, duties and responsibilities as stipulated for the gas DSO by this Act and its implementing regulations, apart from exceptions approved by a decision of the Agency in accordance with Article 230 of this Act.
- (3) The status of a closed distribution system shall not preclude the final customer located within the geographically confined site from requesting and being granted access to the distribution or transmission system in accordance with this Act.

## Article 230

(Exemption from obligations)

- (1) Subject to the consent of the closed distribution system's final customers, which at the transmission system exit point connected to the closed distribution system have available more than 90 per cent of the contractual transmission capacities, the Agency shall by way of a decision exempt the closed distribution system operator from the obligations under Article 254 of this Act regulating the Agency's approval of the network charge and relevant tariff rate. An exemption from the Agency shall be obtained prior to any change in the network fee and/or tariff.
- (2) In the case referred to in the preceding paragraph, a closed distribution system final customer that fails to agree to the granting of an exemption may request that the Agency establish in the course of supervisory procedure whether the network charge or the relevant tariff were fixed pursuant to the Agency's general acts governing the methodology for determining and calculating the network charge.

## Article 231

(Transfer of authorisation to another person)

- (1) The closed distribution network operator may transfer the authorisation granting the status of a closed distribution system to a new operator, subject to the approval of the Agency.
- (2) The authorisation referred to in the preceding paragraph shall be issued upon a request from the transferor or transferee of the authorisation, which shall indicate:
  - that the transferee fulfils the conditions for carrying out the functions of the closed distribution system operator;
  - that the transferor and the transferee have regulated relations with customers regarding the transfer of authorisation.

#### Article 232

(Reasons withdrawing the status of a closed distribution system)

(1) The Agency, by way of a decision, shall withdraw the status of a closed distribution system upon a request from the closed distribution system operator, the gas DSO in a local community, a local community, or *ex officio*, if

- the criteria referred to in Article 227 of this Act are no longer met.

(2) The closed distribution system operator shall immediately report to the Agency any change relating to meeting the criteria referred to in Article 227 of this Act.

#### Article 233

(Consequences of terminating the status of a closed distribution system)

After the termination of the authorisation granting the status of a closed distribution system which has not been renewed pursuant to the fifth paragraph of Article 228, or in cases when the request for renewal is refused by a final decision, or after the decision to withdraw the status of a closed distribution system is final, the relations between the owner of the closed distribution system and the gas DSO in the area where the closed distribution system is located shall be regulated in accordance with the second paragraph of Article 219 of this Act.

### Chapter IV: UNBUNDLING AND TRANSPARENCY OF ACCOUNTS

#### Article 234

(Auditing and publication of annual accounts)

(1) Natural gas undertakings, regardless of their system of ownership or legal form, shall draw up, submit to audit and publish their audited annual accounts in accordance with the provisions of the act governing companies, unless otherwise provided by this Act.

(2) A gas system operator, regardless of its size, shall draw up, audit and publish its annual accounts and annual report in a manner stipulated for large companies by the act governing companies.

(3) The gas system operator shall submit to the Agency the audited annual report and the auditor's report within eight days of their receipt and/or not later than six months following the end of the calendar year.

(4) The audit of the annual accounts shall, in particular, verify that the requirements referred to in Article 235 and 236 of this Act concerning the avoidance of discrimination and cross-subsidies are respected and that the requirements referred to in the fourth and fifth paragraph of Article 255 concerning the disclosure of established deviations from the regulatory framework are met.

(5) Undertakings which are not legally obliged to publish their annual accounts under the act governing companies shall keep a copy thereof at the disposal of the public at their head office.

Article 235  
(Separated activities)

- (1) Natural gas undertakings shall keep separate accounting records in accordance with the accounting standards; their notes to the accounts shall show separate accounts for transmission, distribution, LNG or storage activities as required if the activities in question were carried out by separate undertakings.
- (2) Natural gas undertakings shall, in the manner referred to in the preceding paragraph, keep separate accounting records; their notes to the accounts shall also show separate accounts for other gas activities not related to transmission, distribution, LNG or storage.
- (3) Natural gas undertakings shall show revenue from, and expenditure on, the transmission or distribution system lease in their notes to the accounts.
- (4) Natural gas undertakings also engaged in other activities not related to gas undertaking activities (hereinafter: non-gas activities) may keep consolidated accounting records; the notes to the accounts shall show consolidated accounts for the non-gas activities.
- (5) The separate accounts referred to in the first and second paragraph of this Article shall include the balance sheet, the profit and loss account and the cash flow statement.
- (6) Natural gas undertakings subject to the act governing the transparency of financial relations and separate accounts for different activities shall also keep accounting records and statements pursuant to the aforementioned Act, unless this is contrary to this Act.

Article 236  
(Criteria for classification by activities and disclosure of transactions with related undertakings)

- (1) Natural gas undertakings shall, in accordance with the accounting standards, specify in their internal acts the criteria for the allocation of assets and liabilities, costs, expenditure and revenue to be observed in keeping separate accounting records and in drawing up separate accounts as referred to in the preceding article.
- (2) The provisions of the act governing the transparency of financial relations and separate accounts for different activities shall be applied to determine the criteria referred to in the preceding paragraph.
- (3) The criteria referred to in the first paragraph may be amended only exceptionally, whereby the natural gas undertaking shall be liable to duly justify such amendments and explain them individually.
- (4) In the notes to the accounts, the natural gas undertaking shall disclose all individual transactions with related undertakings exceeding EUR 20,000.

(5) In addition to the separate accounts for energy activities subject to separate disclosure requirements, the notes to the accounts of the natural gas undertakings shall fully disclose the criteria for classification by activities. The suitability of criteria and their proper use shall be audited annually by an auditor, who shall draw up a special report.

(6) The Agency shall monitor the suitability and correct application of the criteria in accordance with the provisions of the act governing supervision.

#### Article 237

##### (Right of access to accounts)

(1) The Agency has the right of access to the accounts and other documents of natural gas undertakings, which are kept in accordance with Articles 234 and 235 provisions of this Act, to the extent needed to perform its tasks.

(2) Should the undertaking refuse access to its accounts, the Agency shall inspect its accounts pursuant to the provisions of this Act on the Agency's supervision.

(3) The Agency shall be obliged to protect the confidentiality of commercially sensitive information obtained through its inspection of the gas undertaking's documents. This provision does not prevent the Agency from transmitting relevant information to a competent State body, local community authority or a holder of public authority, when, in accordance with the regulations, this is required for the exercise of their powers.

### Chapter V: ACCESS TO THE SYSTEM

#### Section 1: Organisation of access to the system

##### Subsection 1: General provisions on access to the transmission and distribution system

#### Article 238

##### (Principle of regulated access to the system)

(1) The natural gas supply shall be implemented in accordance with the principle of regulated third party access to the system. The system costs shall be paid by the system users on the basis of previously published tariff rates, in accordance with Article 257 of this Act.

(2) Gas TSOs shall, if necessary for the purpose of carrying out their functions in relation to the cross-border transmission of natural gas into/from Slovenia, have access to the network of other gas TSOs.

(3) The gas DSO shall have the right of access to the transmission system (exit) points of consumption which are connected to the distribution system where it performs gas DSO functions.

(4) The gas system operator shall enable system users to access the system in an objective and non-discriminatory manner.

Article 239  
(Refusal of access)

- (1) A gas system operator may refuse access to the system for the following reasons:
- lack of necessary capacity;
  - access to the system prevents the implementation of the imposed public service obligations referred to in Articles 177 or 216 of this Act, or
  - serious economic and financial difficulties with take-or-pay contracts of natural gas undertakings.
- (2) When refusing access on the basis of serious economic or financial difficulties with take-or-pay contracts, the gas system operator shall have regard to the criteria and procedures set out in Article 278 of this Act.
- (3) The gas system operator shall provide substantiated reasons for such a refusal, based on objective and technically and economically justified criteria, and immediately communicate them to the person requesting access to the system. The operator shall provide the person in question with access to all documents connected with the refusal.
- (4) Any disputes concerning refusal of access to the system shall be settled by the Agency, having regard to the procedure set out in Articles 415 to 420 of this Act.
- (5) A gas system operator which refuses access to the system due to a lack of capacity or lack of connections shall be obliged, upon the request of the person which was refused access, to make necessary enhancements to the system as far as it is economic to do so, or when the entity which was refused access, alone or with other entities, is willing to pay for such enhancements.
- (6) When negotiations between the gas system operator and the entity referred to in the preceding paragraph do not result in an agreement to make enhancements, the matter shall be settled, upon the request of the entity concerned, by the Agency, having regard to the procedure set out in Articles 415 to 420 of this Act. The Agency shall either define the conditions for system enhancements or refuse the request.

Article 240  
(Market in natural gas and gas supply contracts)

- (1) An individual natural or legal person may join the balance scheme through a single balancing contract or a single compensation agreement. Balance scheme membership shall cease upon cessation of validity of the balancing contract or the compensation agreement.
- (2) The supplier and the system user shall conclude a gas supply contract.
- (3) Only a supplier that is a member of the balance scheme may conclude an open contract with the system user.
- (4) For each consumption point, the final system user shall have an open contract that defines the balancing affiliation of the consumption point concerned. Only one open contract with one supplier may be in place for each consumption point at any one time. The final consumer shall not conclude closed contracts with suppliers. All customers shall be eligible customers.
- (5) Notwithstanding the preceding paragraph, there may be several open contracts with different suppliers for any consumption point where the consumer's annual consumption exceeds 2 million Sm<sup>3</sup>

of natural gas. In such cases, the customer shall notify the gas system operator and suppliers of the relationship between balancing groups at the consumption point for each accounting interval separately; otherwise, the gas system operator shall take into consideration the last relationship notified.

(6) The actual consumption of any consumption point shall be taken in consideration in the statement of balancing groups, in accordance with the affiliation of the consumption point.

(7) The gas TSO shall lay down detailed rules for the implementation and/or notification of natural gas supply contracts in the Network Code.

(8) The Government shall lay down by means of a decree detailed rules for the operation of the natural gas market, imbalance clearing for the consumption and supply of natural gas, change of supplier and for other elements concerning the operation of the natural gas market.

## Subsection 2: Access to the natural gas transmission system

### Article 241

(System of entry and exit points; and virtual point)

(1) The gas TSO shall provide access to the transmission system by concluding transmission contracts at entry and exit points of the transmission system.

(2) The technical capacity of individual entry and exit points of the transmission system and their limits shall be defined and published daily by the gas TSO on its web site. The transport of natural gas between entry and exit points shall be carried out considering the technical capacity of the transmission system and in compliance with the provisions of Regulation (EC) No 715/2009.

(3) Relevant points as defined and published by the gas TSO in compliance with Regulation (EC) No 715/2009 shall be approved by the Agency after consulting with network users.

(4) All transactions with natural gas, irrespective of the entry or exit point, shall be deemed to have been carried out at the virtual point.

### Article 242

(Transmission contracts)

(1) Transmission system users may conclude an individual transmission contract for one or more entry points, and/or an individual transmission contract for one or more exit points of the transmission system.

(2) Individual transmission contracts concluded by system users for entry or exit points may be concluded for different transmission capacities and for different periods of time.

(3) A transmission contract may be concluded on condition that the transmission system technical capacities and the technical capacity limits of individual entry or exit point allow for it.

(4) Transmission contracts at exit points of the transmission system in the Republic of Slovenia to which final customers are connected shall be concluded by the final customer connected to the transmission system or by the natural gas supplier on behalf of, and for, the account of the final customer.

(5) Transmission contracts at exit points of the transmission system in the Republic of Slovenia to which the distribution system is connected shall be concluded only by the operator of such distribution system. The transmission contract may refer to the total capacity of several exit points of the distribution network.

(6) The gas TSO shall prescribe procedures for transmission system capacity allocation, congestion management and trading of capacities in the secondary market in compliance with Regulation (EC) No 715/2009, subject to the prior approval of the Agency; in doing so, it shall provide for measures and activities to prevent speculative practices by system users.

#### Article 243 (Balancing)

(1) The system user shall seek a balance of consumption and supply of gas within the accounting interval (hereinafter: balancing) by concluding a balancing contract, or by including the consumption point in a balancing group by concluding an open contract.

(2) Any natural gas supplier that supplies natural gas in the transmission system in the Republic of Slovenia shall conclude a balancing contract establishing a balancing group.

(3) The balancing group leader shall conclude a balancing contract and shall announce natural gas consumption and supply for balancing group members for each accounting interval; while the gas TSO shall carry out for the balancing group leader the imbalance clearing for the supply and consumption of natural gas of the balancing group.

(4) The balancing group leader shall announce to the gas TSO the quantities of natural gas for the balancing group at each entry point to the transmission system, separately for each gas supply contract and in compliance with the Network Code. The balancing group leader shall announce to the gas TSO the quantities of natural gas for any member of a balancing group at each exit point of the transmission system, separately for each gas supply contract and in compliance with the Network Code in the following cases:

- a) the exit point is connected to the transmission system in a neighbouring country;
- b) there is more than one gas supply contract for a particular exit point in the Republic of Slovenia;
- c) the contract capacity of a particular exit point in the Republic of Slovenia to which a final consumer is attached is essential for the smooth functioning of the transmission system.

(5) In compliance with the Network Code, the gas TSO shall verify whether the announcement referred to in the preceding paragraph is balanced. Should the gas TSO establish that the announced supply and consumption is not balanced, it shall refuse such an announcement. Users of the system shall not carry out an action in compliance with refused announcements.

(6) The balancing group leader shall establish and maintain a register of consumption points which belong to the balancing group directly or indirectly, and shall regularly send these data to the gas TSO operating the network containing such consumption points, in accordance with the Network Code. The register and the data referred to in the preceding paragraph shall be maintained and submitted by the balancing group leader according to the classification structure of the balancing group and balancing subgroups.

(7) Gas DSOs shall submit to the gas TSO and to the balancing group leader the data necessary for the imbalance clearing for the supply and consumption of natural gas in the transmission system, separately by balancing groups and subgroups in the distribution system.



(8) The gas TSO shall lay down detailed rules on imbalance settlement, which shall be objective, transparent and non-discriminatory, in the Network Code.

#### Article 244

(Natural gas transactions in the transmission system)

(1) Natural gas undertakings and final consumers in the transmission system carry out transactions with natural gas quantities in the transmission system at a virtual point established by the gas TSO.

(2) All transactions with natural gas quantities in the transmission system among individual market participants shall be deemed to be carried out at the virtual point and at the level of the accounting interval, regardless of the entry or exit point of the transmission system and regardless of the provisions of individual natural gas supply contracts.

(3) When transactions with natural gas quantities at the virtual point are conducted, transactions without a signed natural gas transmission contract are admissible in cases when the quantities that are the subject of the transaction are covered by a transmission contract at the entry point and by a transmission contract at the exit point for the accounting period or periods to which the transaction refers.

(4) Natural gas undertakings and final consumers in the transmission system may carry out transactions with natural gas quantities at a virtual point subject to registering their participation at the virtual point with the gas TSO and announcing the intended transaction in compliance with the rules of operation of the virtual point as defined in the Network Code.

(5) The gas TSO shall have the obligation to assess the compliance of the announced transaction or transactions of natural gas undertakings or final consumers with the rules on the operation of the virtual point. Should the gas TSO establish that the transaction chain of natural gas undertakings or final consumers has no end and/or may not be balanced, the gas TSO shall refuse all announced transactions in such a chain.

#### Article 245

(Virtual point services)

(1) For all transactions at the virtual point, the gas TSO shall ensure that all market participants are subject to the same transparent and non-discriminatory conditions.

(2) Users of the virtual point shall pay to the gas TSO the costs of registration of participation and the costs of individual transactions. The remuneration for the virtual point services shall be defined by the gas TSO following the prior approval of the Agency.

#### Article 246

(Specific provision for LNG (liquefied natural gas) systems, upstream pipeline networks and storage facilities)

(1) The provisions of Article 239 of this Act shall also apply to access to the LNG system and upstream pipeline networks, except for the parts of such networks and facilities which are used for local production operations at the site of a field where the gas is produced.

(2) In the event of cross-border disputes, the dispute-settlement arrangements for EU Member State having jurisdiction over the upstream pipeline network which refuses access shall be applied. If more

than one EU Member State has jurisdiction over the upstream pipeline network, the Member States concerned shall hold consultations with a view to ensuring consistent action.

(3) The provisions of Article 239 of this Act shall also apply to access to natural gas storage facilities or linepack, when technically or economically required to provide efficient access to the system for the supply of customers, as well as for the organisation of access to ancillary services.

(4) The provisions of this Article shall not apply to ancillary services and temporary storage that are related to LNG facilities and are required for the re-gasification process and subsequent delivery of natural gas to the transmission system.

(5) Any storage system user may conclude a supply contract with a competitor natural gas undertaking which is not the system owner or operator or their related undertaking.

### Subsection 3: Access to the natural gas distribution system

#### Article 247

(Access at exit points of the transmission system)

(1) The gas DSO shall ensure access to the transmission system at the transmission system exit points where the transmission system is connected to the distribution system on which he/she functions as DSO to all distribution system users.

(2) Persons other than the DSO may not by themselves gain direct access as referred to in the preceding paragraph.

#### Article 248

(Access to the distribution system)

(1) Connection to the distribution system gives the final customer access to the system in compliance with the connection conditions, the Network Code and the contract on access. The final consumer may conclude a contract on access for a capacity that is lower than the technical capacity of the connection.

(2) The final consumer may authorise the natural gas supplier to conclude a contract on access to the distribution system with the gas DSO on behalf of, and for the account of, the final consumer.

(3) Refusal to conclude a contract on access for the requested capacity shall mean refusal of access under Article 239 of this Act.

#### Article 249

(Single bill)

(1) The gas DSO shall allow the supplier to issue a single bill for natural gas supplied and for the use of the system for those consumption points for which the supplier obtained approval by the final customer.

(2) The gas DSO and the supplier shall conclude an agreement on the single bill to be issued by the supplier in compliance with the form published by the Agency on its website within one month following the receipt of the supplier's request for the conclusion of such agreement.

(3) The gas DSO may refuse to conclude the agreement or may withdraw from the agreement on the single bill if the supplier fails to provide appropriate insurance to cover the assumed liability.

## Section 2: Network charges for the transmission and distribution system

### Subsection 1: Regulatory framework

#### Article 250 (Regulation method)

(1) The system user shall pay the network charges for the use of the natural gas system to cover the eligible costs incurred by the gas system operators. The eligible costs incurred by gas system operators, the network charges and other sources to cover these costs shall be set by the gas system operator in the regulatory framework, following the prior approval of the Agency .

(2) The Agency shall prescribe the methodology for setting out the regulatory framework by means of a general act and in a manner promoting gas system operators and efficiency of system use.

(3) The general act of the Agency referred to in the preceding paragraph shall specify:

- types, criteria for setting out and method of calculation of individual regulatory framework elements;
- types of eligible costs, including the regulated return, criteria for identifying costs and method to determine costs;
- the method for including incentives for having acquired European funds;
- duration of the regulatory period;
- the contents of the request to consent to the regulatory framework to be submitted by the gas system operator;
- the type, form and method of submission of information necessary to set out the regulatory framework;
- detailed rules and the method to establish deviations from the regulatory framework;
- parameters of individual quality dimensions, their reference values, and method and standards for their calculation;
- minimum quality standards for various services of the gas system operator;
- the amount of compensation and time limits for payment of compensation referred to in the third paragraph of Article 258 of this Act.

(4) When establishing the methodology, the Agency shall use the method of the gas system operator's regulated annual revenue and regulated network charges, ensuring that all eligible annual costs incurred by the gas system operator are covered, including the regulated return, unless this Act provides for the coverage of eligible costs for a longer period.

#### *Article 251* (Gas system operator's eligible costs)

(1) The eligible costs of the gas system operator incurred in carrying out the function of the gas system operator shall be established and determined for individual years of the regulatory period. A gas system operator engaged in activities other than carrying out the function of the gas system operator shall attribute the proportionate part of the costs to those other activities.

(2) The eligible costs shall also include the regulated return of the gas system operator.

(3) The method of establishing and specifying the eligible costs shall encourage the cost-effective operations of the gas system operator and enable it to attain a return higher than that foreseen in the regulatory framework where savings on eligible costs result from its endeavours to increase its cost-effectiveness. Should the gas system operator incur costs exceeding the eligible costs, the difference shall be offset against the regulated return on assets.

(4) When determining eligible costs, it shall be taken into consideration that the gas system operator is bound to improve its performance by a certain factor (hereinafter: the efficiency factor). The agency shall specify the method of determining out the efficiency factor in a general act, which takes into consideration the general economic productivity planned and the gas system operator's efficiency as established by expert methods in comparative analyses of efficiency.

(5) The regulated return of the gas system operator and the eligible depreciation costs shall provide for the economic availability of investments in the development of the system and shall depend on regulated amounts of the tangible fixed assets in use and the intangible assets in use, except for good will, which constitute a prerequisite for carrying out the activity. The regulated return shall also depend on the nature and risk level of the gas system operator's activities, the regulated structure of funding resources and the efficient use of the system. The regulated return on assets shall not be recognised with respect to assets under construction or manufacture, assets and/or part of the value of assets taken over free of charge from individuals and legal persons governed by private law, European funds granted free of charge, other Government grants, local communities or legal persons under public law grants, assets and/or part of the value of assets acquired through the payment of disproportionate costs for connection to the system, and other funds not being a prerequisite for carrying out the activities of a gas system operator. The gas system operator shall be granted a special incentive for having acquired European funds free of charge in proportion to the amount thereof. This incentive shall be included in the regulatory framework only once, that is, in the year in which the assets constructed with these funds are handed over for use.

(6) When a comparative analysis of tariff rates of an efficient and structurally comparable network operator for a particular regulatory period fails to ensure such modification of tariff rates so as to provide for all the eligible cost of depreciation, the eligible cost shall be settled in the following regulatory periods in compliance with Article 255 of this Act, but not later than the period in which the aforementioned assets are expected to be used.

#### Article 252

##### (Gas system operators' investment plan)

(1) To enable the establishment of the regulatory framework, the gas system operator shall prepare an investment plan containing a financial evaluation of investments under the applicable ten-year development plan to be carried out in the subsequent regulatory period.

(2) The Agency shall examine and evaluate the investment plan in the procedure for setting out the regulatory framework. This evaluation shall provide the basis for specifying the planned eligible costs of the gas system operator in the subsequent regulatory period. When evaluating investment plans and setting the eligible costs of the gas system operator, the Agency shall not be bound by the value of the investments and their time schedule under the ECS, other development plans in the energy sector or the development plans of the natural gas TSO.

(3) Should the Agency's evaluation of the investment plans establish an excessive impact on the network charges if the eligible costs of the gas system operator include all investments from the investment plan, only some investments according to the priority order specified in the investment plan should be taken into account.

(4) The Agency shall establish the methodology for preparing and evaluating the investment plans in a general act specifying:

- methodological approaches to investment assessment and evaluation;
- the types and the mandatory content of investment plans;
- procedures for preparing and evaluating investment documents and deciding on investments;
- minimum criteria for determining the efficiency of projects;
- deadlines for elaborating the investment plan and submitting it to the Agency for examination and evaluation.

(5) The provisions of the first and second paragraphs of this Article shall not apply to the gas TSO, which elaborates a ten-year network development plan in compliance with Article 200 of this Act.

#### Article 253

(Setting out the regulatory framework)

(1) A regulatory network is a specification, drawn up in agreement with the Agency, of the amount of planned eligible costs of the gas system operator by individual year of the regulatory period, planned network charges, other planned revenue from performing the function of gas system operator, and the network surplus and deficit from previous years. If the regulatory period is more than one year, the regulatory framework may provide for tariff rate equalisation in order to prevent the occurrence of any rapid tariff rate changes in individual years of the regulatory period.

(2) The regulatory framework, network tariff items and tariff items for other services shall be defined by the gas system operator in compliance with the general acts referred to in Articles 250 and 256 and subject to the approval of the Agency.

(3) The gas system operator shall establish the value of the regulatory framework by calculating the network charges and other revenue from performing the function of gas system operator, including the cumulative network charge surplus or deficit up to and including the year preceding the last calendar year before the beginning of the regulatory period, to cover the planned eligible costs of the gas system operator, unless otherwise provided for by this Act.

(4) No later than by 30 April of the year preceding the beginning of the regulatory period, the Agency shall, by way of a decision, specify for each transmission or gas DSO the efficiency factor by which the gas system operator is required to reduce its eligible costs in the subsequent regulatory period. When defining the efficiency factor, the Agency shall take into consideration the planned general economic productivity and the gas system operator's efficiency as established by expert methods in comparative analyses of efficiency.

#### Article 254

(Procedure to obtain the Agency's approval)

(1) The gas system operator shall submit to the Agency the request for approval of the regulatory framework, network tariff rates and tariff rates for other services no later than by 15 June of the year preceding the beginning of the first year of the regulatory period concerned. Should the gas system operator fail to submit the request for approval within the specified period, the Agency shall issue a decision ordering the operator to submit such a request within a period not exceeding 30 days.

(2) The request referred to in the preceding paragraph shall also contain the investment plan referred to in Article 252 of this Act.

(3) When the gas system operator fails to submit the request for approval in the extended period, the regulatory framework and network tariff items shall be specified by the Agency by way of a decision on the regulatory framework to be issued no later than by 30 November of the year preceding the first year of the regulatory framework concerned, subject to criteria provided for in Articles 250 and 253 of this Act.

(4) If the request for approval is submitted in time and the Agency fails to issue its approval by 15 November of the year preceding the first year of the regulatory period concerned, the Agency may issue a decision whereby it refuses the approval and temporarily extends the regulatory framework or temporarily sets up a new regulatory framework and network tariff items (hereinafter: interim decision), as follows:

- uncontested elements of the regulatory framework shall be specified in the amount indicated in the request for approval;
- concerning the contested elements of the regulatory framework, equivalent parameters of the preceding framework period shall be taken into consideration, account being taken of the efficiency factor referred to in the fourth paragraph of Article 253 when defining the amount of eligible costs.

(5) The interim decision shall apply until the request of the gas system operator is approved. In the interim decision, the Agency may specify the time limit within which the gas system operator is required to submit a new request, such time limit shall not exceed six months. If the part of the interim decision specifying the time limit for the submission of the request for approval is enforced, the single fine in the compulsory enforcement procedure shall not exceed EUR 100,000, notwithstanding the provisions of the act regulating the general administrative procedure.

#### Article 255

##### (Deviations from the regulatory framework)

(1) The gas system operator shall identify the deviations from the regulatory framework for single years, shown as surplus or deficit from network charges, and shall disclose the established deviations in the notes to the accounts.

(2) A surplus of network charges is the surplus of the regulated annual revenue over the actual annual eligible costs incurred by the gas system operator, not reduced by eligible costs savings made by the gas system operator through the increased cost-effectiveness of its activity. It shall be disclosed as the surplus of the total annual amount of the charged network charges (minus the deficit from the network charges from the previous years or plus the surplus from network charges from the previous years) and the amount of other annual revenue from the activities of the gas system operator over the amount of the actual annual eligible costs.

(3) A surplus of the actual annual eligible costs over the regulated annual revenue of the electricity system operator shall be deemed the deficit from network charges. It shall be disclosed as the surplus of the actual annual eligible costs over the total annual amount of network charges imposed (plus the deficit from network charges from the previous years, or minus the surplus from network charges from the previous years) and the amount of other annual revenue from the activities of the gas system operator.

(4) The gas system operator shall use the surplus from the network charges for the payment for the services of general economic interest provided by the gas system operator in the following year or years. The surplus of network charges shall be disclosed as overpaid amounts in the regulatory period year in which the surplus is established. The gas system operator shall take the surplus from network charges into account, as network charges already charged in the previous periods, when setting out the network charges for the subsequent regulatory period.

(5) The deficit from network charges shall be settled to the gas system operator in the subsequent year or, in order to prevent any rapid tariff rate changes, years as the payment for service of general economic interest of the gas system operator for the year in which the deficit was established. The gas system operator shall disclose the deficit from network charges as receivables for the year of the regulatory period in which the deficit from network payments was established if the SO expects with a reasonable degree of probability that the deficit from network charges will be charged and paid in subsequent periods. The gas system operator shall take the deficit from network charges into account when setting out the network charges for the subsequent regulatory period or subsequent regulatory periods.

(6) The gas system operator shall submit to the Agency the calculation of the surplus or deficit from network charges for any individual year of the regulatory period within 15 days of receiving the auditor's report or not later than six months from the end of the calendar year. If, in the procedure for establishing the deviation, the Agency establishes a surplus or deficit from network charges different from those established by the gas system operator, it shall issue a separate decision establishing the amount of surplus or deficit in accordance with the provisions of the fourth and fifth paragraphs of this Article.

(7) By way of exception, the gas system operator may submit a request for approval for the regulatory framework during the regulatory period if unexpected changes in the use of the system or other unexpected circumstances give rise to such surplus or deficit of network charges in comparison to the deficit planned in Article 251 of this Act which cannot be offset when setting out the regulatory framework for the subsequent regulatory periods. The decision making on this matter shall be conducted in compliance with the provisions of the fourth and fifth paragraphs of the preceding Article on interim decisions.

(8) The provisions relating to the calculation of the surplus or deficit from network charges shall also apply when another provider begins to carry out the activities of the operator on the system concerned. The former operator shall pay any surplus to the new operator, and may require the new operator to recompense it for any deficit not later than by the end of the regulatory period in which the new operator establishes such deficit.

## Subsection 2: Tariff for the use of the natural gas system

### Article 256

#### (Methodology for calculating network charges)

(1) System users shall pay network charges which represent the cost of services performed by the gas system operator in accordance with this Act.

(2) The Agency shall, by means of a general act, specify the methodology for calculating network charges for each of the following separately:

- the use of the transmission system (separately for entry and exit points);
- use of the distribution system;
- ancillary services (own use for ensuring the functioning of the system, balancing);
- carrying out measurements;
- other services.

(3) the Agency shall specify the methodology referred to in the preceding paragraph in a manner that promotes the efficiency of gas system operators and of the system's use.

- (4) In the general act referred to in the preceding paragraph, the Agency shall specify:
- tariffs and tariff rates representing classes of system users in terms of system use characteristics within certain maximum value ranges;
  - the services that may be charged to system users in addition to network charges by the gas system operator within the framework of the service of general economic interest;
  - method of calculating network charges;
  - method of calculating network charges and cost of services referred to in the second sub-paragraph of this paragraph.
- (5) Tariffs and tariff rates for network charges shall be objective, transparent and non-discriminatory, and shall encourage the consumption of gas from renewable sources.

**Article 257**  
(Setting tariff rates)

- (1) In compliance with the methodology referred to in the preceding Article, the gas system operator shall set tariff rates so that the revenue from network charges envisaged for the planned use of the system is equal to the amount of regulated revenue from network charges in the regulatory period, while taking care not to discriminate against remote regions.
- (2) The prices of other services not covered by network charges and charged to system users by the gas system operator shall be set by the system operator in agreement with the Agency, account being taken of actual costs thereof.
- (3) The gas system operator shall publish tariff rates in Uradni list Republike Slovenije and on the operator's webpage.

Subsection 3: Special provisions on ensuring the quality of the natural gas transmission and distribution systems

**Article 258**  
(Quality of gas system operators' services)

- (1) The quality of service shall be established in relation to the individual aspects of the gas system operators' provision of services in terms of access to these services and consumer satisfaction, as follows:
- the duration and frequency of system operation disruptions;
  - the time required to repair the system;
  - the time required to deal with complaints and transmit information;
  - the time required for connection to the network;
  - other quality aspects of services, as provided for in the Agency's general act.
- (2) The Agency shall specify the reference value of the parameters of quality dimensions for each natural gas system operator and/or individual areas of the natural gas system so that these values provide a realistic target for the quality of supply, taking into account the condition of the system, the performance of the function to date and the operation of the system.
- (3) A gas system operator that does not provide all services shall nevertheless be responsible for the quality of supply of services which are subject to the assessment of achieved values of quality dimension parameters.



## **Article 259**

(Monitoring the quality of services and auditing)

- (1) The gas system operator shall carry out measurements of parameters of service quality dimensions, calculate such parameters and report them to the Agency in the prescribed manner and within the prescribed time limits.
- (2) The gas system operator may authorise another entity to carry out the monitoring referred to in the preceding paragraph, but shall remain responsible for the correctness and timeliness of the monitoring and reporting to the Agency.
- (3) The Agency may audit the quality carried out by the natural gas system operator premises or by the entity that carries out the monitoring.
- (4) The auditing procedure shall be conducted in a manner that does not disturb the operations of the natural gas system operator or the performance of the function of the natural gas system operator, and shall not impose a disproportionate burden related to the assessment of the monitoring.
- (5) Following the audit, a responsible person of the Agency shall prepare a report assessing the appropriateness of the monitoring.
- (6) The Agency shall lay down, by means of a general act, the rules for monitoring the quality of supply and shall specify:
  - the procedures and methods for monitoring quality;
  - the method and time limits for submitting these data to the Agency; and
  - the procedure and method for assessing the quality of monitoring and measures to improve it.

## **Article 260**

(Guaranteed supply quality standards)

- (1) The minimum supply quality standards of the natural gas SO shall take the form of the guaranteed standards to be met by the gas system operator and shall be defined by minimum values of the service quality parameters which shall be ensured for each delivery point.
- (2) If the natural gas SO breaches, for reasons on its part, the standards of quality guaranteed to a system user, it shall pay compensation to the system user upon the user's written request.
- (3) The amount of compensation and the method and time limit on compensation payments for individual types of breach shall be set by the Agency by means of a general act, with a view to discouraging the gas system operator from repeating such breaches.
- (4) If the operator fails to pay compensation to the system user within the prescribed time limit following the user's written request, the Agency shall decide on the right to compensation upon the request of the system user. The Agency may not initiate the procedure to decide on compensation *ex officio*.
- (5) Notwithstanding the compensation paid, under the general rules on liability, the system user may claim compensation for damages from the operator for any damage caused by a breach of the guaranteed standard of quality if the damage exceeds the amount of compensation paid.

### Section 3: Exemption of new infrastructure

#### **Article 261**

(Exemption scope and conditions)

(1) Major new infrastructure, i.e. the interconnection pipeline, LNG and storage facility, may, upon request, be exempted from the provisions of Articles 182, 183, 184, 185, 186, 238, 242, 246, 250, 251, 252, 253, 254, 255, 256 and 257. of this Act.

(2) The exemption referred to in the preceding paragraph may be granted under the following conditions:

- (a) the investment must enhance competition in gas supply and enhance the security of supply;
- (b) the level of risk attached to the investment must be such that the investment would not take place if an exemption were not granted;
- (c) the infrastructure must be owned by a natural or legal person which is separate at least in terms of its legal form from the gas system operators in whose systems said infrastructure will be built;
- č) charges must be levied on users of said infrastructure, and
- (e) the exemption must not be detrimental to competition or the effective functioning of the internal market in natural gas, or to the efficient functioning of the regulated system to which the infrastructure is connected.

(3) The exemption referred to in the first paragraph may also be granted for significant increases of capacity in existing infrastructure and to modifications of such infrastructure which enable the development of new sources of gas supply.

#### **Article 262**

(Deciding on an exemption)

(1) The granting of the exemption referred to in Article 261 shall be decided by the Agency at the request of the infrastructure owner or the investor.

(2) An exemption may cover all or part of the capacity of the new infrastructure, or of the existing infrastructure with significantly increased capacity.

(3) In deciding to grant an exemption, consideration shall be given to the need to impose conditions regarding the duration of the exemption and non-discriminatory access to the infrastructure. The Agency shall take into account in particular the additional capacity to be built or the modification of existing capacity, the time horizon of the project and national circumstances in relation to gas supply.

(4) The Agency shall lay down rules and mechanisms for management and the allocation of transmission capacities, also covering the procedure for collecting expressions of interest in using such capacities by all potential infrastructure users, including own use, prior to allocating capacities.

(5) In the general act referred to in the preceding paragraph, the Agency shall include the obligation to offer the unused transmission capacity of the new infrastructure on the market, and the right of users of this infrastructure to trade their allocated capacities in the secondary market.

(6) In the assessment of conformity with criteria referred to in points a), b) and d) of the second paragraph of Article 261 of this Act, the Agency shall take into account the results of the capacity allocation procedure referred to in the preceding two paragraphs of this Article.

(7) The Agency shall decide on a request for exemption within six months of receiving the request, except in cases when decision making on the new infrastructure is being carried out in several Member States.

(8) The Agency shall publish the decision on exemption on its webpage no later than one month after the approval by the European Commission.

### **Article 263**

(Agency's action following receipt of a request)

(1) As of its receipt, the Agency shall transmit to the European Commission a copy of the request for exemption under Article 261.

(2) The Agency shall immediately inform the Commission of the provisions of the preceding Article and submit information providing:

- a) detailed reasons on the basis of which the Agency granted or refused the exemption, including the financial information justifying the need for the exemption;
- (b) the analysis undertaken of the effect on competition and the effective functioning of the internal market in natural gas;
- (c) the reasons for the time period and the share of the total capacity of the gas infrastructure in question for which the exemption is granted;
- (c) if the exemption relates to an interconnector, the result of the consultations with the regulatory authorities of neighbouring countries;
- (d) the contribution of the infrastructure to the diversification of natural gas supplies.

(3) At a request from the Commission, the Agency shall complete the notification referred to in the preceding paragraph. Where the requested information is not provided within the period specified in the request of the European Commission, the notification shall be deemed to be withdrawn, unless, before the expiry of that period, the period has been extended with the consent of the Commission, or the Agency, in a duly reasoned statement, has informed the Commission that it considers the notification to be complete.

### **Article 264**

(Procedure of the Agency following a European Commission decision)

(1) Notwithstanding the provisions of the act governing the general administrative procedure, the Agency shall *ex officio* repeat the procedure for issuing the decision granting the exemption after receiving the decision by the European Commission requesting that the decision granting the exemption be amended or annulled *ab initio*.

(2) In a repeated procedure, the Agency shall issue the decision without a special fact-finding procedure, but shall give the party the opportunity to make a statement on the facts and circumstances relevant to making a decision.

(3) On the basis of data collected in the repeated procedure, the Agency shall abrogate or annul the decision granting exemption in accordance with the European Commission decision within one month of receiving the Commission's decision, and notify the European Commission thereof.

(4) A decision granting an exception approved by the European Commission shall lose its effect two years from the Commission's approval of the Agency's decision in the event that construction of the infrastructure has not yet started, and five years from its adoption in the event that the infrastructure

has not become operational, unless the Commission decides that any delay is due to major obstacles beyond the control of the person to whom the exemption was granted.

### **Article 265**

(New infrastructure in several Member States)

(1) When all the regulatory authorities of Member States in whose territory the new infrastructure subject to the exemption under Article 261 of this Act is located agree on a request for exemption within six months (of the date on which it was received by the last of the regulatory authorities), they notify ACER thereof.

(2) The Agency shall not perform any tasks in connection with the granting of an exception in the following cases:

- (a) when the regulatory authorities referred to in the first paragraph of this Article fail to agree within a period of six months from the date on which the request for exemption was received by the last of the aforementioned regulatory authorities; or
- (b) upon a joint request from the regulatory authorities referred to in the preceding paragraph to perform tasks in connection to granting exemption by ACER.

(3) The regulatory authorities referred to in the first paragraph of this Article may make a joint request for the extension of the period referred to in point a) of the preceding paragraph for no more than three months.

## Chapter VI: OTHER PROVISIONS

### Section 1: Direct lines

#### **Article 266**

(Admissibility of direct lines)

Natural gas undertakings established within the territory of the Republic of Slovenia supply their customers within the territory of the Republic of Slovenia through direct lines.

#### **Article 267**

(Authorisation to construct a direct line)

(1) A direct line shall be constructed by a natural gas undertaking, provided it has obtained authorisation from the Agency.

(2) The Agency may issue an authorisation to construct a direct line only in cases when, for the supply referred to in the preceding Article, access to the system has been finally refused pursuant to Article 239 of this Act, or if the necessary system does not exist.

(3) The Agency shall issue the authorisation referred to in the first paragraph if the conditions referred to in the second paragraph of this Article are fulfilled and if the Agency decides not to increase the capacity of the system under the sixth paragraph of Article 239.

### Section 2: Network Code and technical safety of operation

**Article 268**  
(Network Code)

- (1) The Network Code regulating the operation and manner of management of the transmission and distribution systems shall be transparent, objective and non-discriminatory.
- (2) The Network Code shall regulate, in particular:
- the technical and other conditions for the safe operation of the systems to ensure a secure and high-quality gas supply;
  - the organisation of access to the system;
  - the manner of providing ancillary services;
  - system operation procedures in a crisis situation;
  - the requirements for connection to the system and the method of connection;
  - the general conditions for supply and consumption of gas;
  - the technical conditions for interconnection and operation of systems of different gas system operators;
  - the rules for implementing Regulation (EC) No 715/2009.
- (3) The Network Code shall define the roles and responsibilities of gas system operators, suppliers, customers and, if necessary, other market participants with respect to contractual arrangements, commitment to customers, data exchange and settlements rules, data ownership and metering responsibility.
- (4) The Network Code for individual transmission or distribution systems shall be issued by the gas system operator which carries out the function of a gas system operator in this system and acts under public authority, and published in Uradni list Republike Slovenije.
- (5) The Agency shall specify the mandatory content of the Network Code by means of a general act.
- (6) Prior to publishing the Network Code, the gas system operator shall obtain approval from the Agency.

**Article 269**  
(Technical safety of operation)

The technical rules referred to in Article 32 of this Act that relate to natural gas shall ensure the technical safety of operation, interoperability of systems and shall be objective and non-discriminatory.

Section 3: Connection to the system and option to disconnect a system user

**Article 270**  
(Connection to the system)

- (1) For each connection to the system or its modification the system user shall obtain a connection approval. In the connection approval, the gas system operator shall specify the point of connection to the network. Detailed conditions for connection approval shall be laid down in the Network Code.
- (2) The final approval for connection shall be valid for two years. Within this time limit, the holder of the approval for the connection of an existing facility shall fulfil all the requirements stated in the connection approval, and request the operator to execute the connection. At the request of the holder

of the approval, the gas system operator may extend the validity of the connection approval, but no more than twice, and each time for no more than one year. The request for the extension of connection approval shall be submitted within thirty days before the expiry of the connection approval. In the event of a late response of the system operator, the approval shall be deemed automatically extended; the gas system operator shall notify to the holder of the approval who has not yet connected to the system of such extension.

(3) The gas system operator, which acts under public authority, shall decide on issuing or refusing connection approvals by means of an administrative decision.

(4) The user of the system shall not have the right to connect in the following cases:

- where the conditions for implementing a connection are not fulfilled;
- where the connection would cause severe disruptions to the system's operation, or
- where the gas system operator would incur disproportionate costs due to the connection.

(5) In the case referred to in the third indent of the preceding paragraph, the system user shall have the right to connect in accordance with the Network Code, provided that the user covers the disproportionate costs representing the disproportionate share of cost of construction of the connection up to the point of the system where connection is possible, or the disproportionate share of the cost necessary to increase the capacity or extent of the existing network, or a combination of both, taking note of the fact that within a reasonable time an increase in the use of the system is not expected to occur on the new connection or on the existing line to an extent that allows for a normal investment depreciation.

(6) In determining disproportionate costs, the gas system operator shall consider the following in particular:

- the extent of the investment required;
- planned additional revenue of the gas system operator resulting from the envisaged extent of use of the connection by the system user;
- planned additional costs of the gas system operator, such as maintenance and operating costs for the new connection or costs in relation to the increased capacity of the system;
- planned regulated return on assets of the gas system operator.

(7) Disproportionate costs shall be calculated by the gas system operator in an amount that will cover, considering the planned extent of the use of the connection during its economic life and the payment of the disproportionate cost by the user, all costs of the gas system operator, including the planned regulated return of assets. The calculation shall be made according to methods used for investment evaluation, and shall take into account the time value of money. If during the period of depreciation of the system or of the connection for which the user paid disproportionate costs, other users are also connected, the gas system operator shall refund to the user the adequate share of disproportionate costs which is charged as a new disproportionate cost to new users of the system in the relevant part of the system or connection.

(8) The gas system operator shall specify the method and procedure for determining disproportionate costs in the Network Code.

(9) The Agency shall decide on appeals against decisions to issue or refuse a connection approval.

(10) When the connection approval has become final, the gas system operator and the user of the system as the beneficiary of the connection approval (hereinafter: the holder of connection approval) shall conclude a written connection contract which shall regulate the mutual relations between the parties regarding the connection and the connection procedure, and mutual relations regarding the maintenance of the connection.

(11) If the basic parameters of a connection already having an approval are changed, the system user shall apply for a new connection approval.

(12) The gas TSO may connect a gas user located within the area of special and exclusive right of his performance of service of general economic interest of natural gas distribution only if the gas DSO refuses to connect such user on the grounds of insufficient capacity of the distribution system.

(13) The provisions of this Article shall apply, *mutatis mutandis*, to connection to storage facilities, LNG systems and upstream pipeline networks.

#### **Article 271**

(Transfer of connection approval)

(1) In the event of the death of the holder of a connection approval (in the case of a natural person) or its termination (in the case of a legal entity), or in the event of a modified building permit resulting from a change of investor or due to legal transactions that involve the building, the permit may be transferred to a legal or natural person that acquire the facilities, installations or lines .

(2) The legal or natural person that acquires the facilities, installation or lines on the basis of the changes referred to in the preceding paragraph shall within thirty days at the latest of the receipt of a court or administrative decision, or of the conclusion of the contract, notify the gas system operator of the change and submit the relative evidence; if they fail to do so, such legal or natural person shall be required to apply for a new connection approval.

#### **Article 272**

(Technical requirements for installations of the system user)

(1) The plants, installations and lines of the system user shall meet the prescribed technical requirements ensuring their smooth operation and the safety of people and property. Compliance with technical requirements prescribed for a facility, installation or line shall be the responsibility of the owner.

(2) A gas system operator may temporarily refuse the connection of new facilities, installations and lines to its system and/or it may temporarily disconnect the system user, if the operator determines that the facilities, installations or networks of the system user fail to meet technical requirements or that under the act governing the construction of the facility is illegal .

(3) The gas system operator shall execute a connection to the system or shall resume gas distribution after the deficiencies have been corrected .

(4) The energy inspector shall supervise the compliance of facilities, installations and lines of the user.

#### **Article 273**

(Temporary disconnection)

(1) The gas system operator may temporarily disconnect the system user for the purpose of:

- ordinary or extraordinary maintenance;
- inspection or repair;
- checks or check meterings;
- network expansion.

(2) The gas system operator shall carry out such disconnection at a time when system users are least affected.

(3) The gas system operator shall timely notify the system user of the scheduled disconnection in writing or in another personal way. If a larger number of customers is concerned and if personal communication is not cost-effective, such information shall be published in the public media or on the Internet at least 48 hours prior to disconnection.

#### **Article 274**

##### **(Disconnection upon prior notice)**

(1) The gas system operator shall disconnect a system user at any individual consumption point upon prior notice if the system user fails to comply with its obligations within the time limit specified in the notice in the following cases in which the system user:

- (a) disturbs the supply of gas to other system users;
- (b) denies access to, or prevents persons authorised by the gas system operator access to, any part of the connection, protection or metering devices and energy facilities, installations or lines where such installations are suspected of causing disturbances;
- (c) without prior approval by the gas system, the operator connects his energy installations or lines to the network, or enables other consumers to connect their installations through his own installation;
- (c) upon the supplier's letter of reminder, fails to reduce the consumption or delivery of gas to the agreed value within a specified time limit;
- (d) prevents the proper registration of consumed quantities of gas;
- (e) uses gas without the metering devices required or agreed upon, or bypasses such metering devices;
- (f) fails to pay for distortions or network charges within the time limit specified pursuant to the Network Code;
- (g) fails to eliminate or reduce disturbances caused by his installations or lines or consumers within the time limit stipulated by the gas system operator or the competent inspection authority; or fails to meet technical requirements;
- (h) has no valid gas supply contract for the particular consumption point, or the supplier informs the operator in writing that the supplier or the final customer has withdrawn from the gas supply contract for the particular consumption point of the system user;
- (i) has no contract covering liability for balancing the system (imbalance clearing).

(2) The DSO shall not disconnect a vulnerable customer for the reasons referred to in points f), h) and i) of the preceding paragraph, provided the conditions referred to in Article 176 of this Act have been met.

(3) A supplier that withdraws from a contract, or a supplier that has been notified by the final customer of the withdrawal of the supply contract, shall be obliged to notify the gas DSO of the withdrawal no later than the last working day of the notice period.

(4) In the event that the supplier withdraws from the supply contract for reasons on the part of the final customer, the final customer shall be obliged to cover all costs incurred by the gas DSO in relation to the withdrawal.

(5) In the event of a withdrawal from a gas supply contract by the supplier or final customer, the gas DSO shall exclude the delivery point which is the object of the supply contract from the balancing group of the current supplier on the day of the final reading of the metering device, irrespective of whether the gas DSO actually carried out the disconnection in accordance with this Article or not. The DSO shall take the final reading of the metering device not later than within five working days before or after the last day of the month following the month in which the gas DSO is notified of the withdrawal, or the last day of the supply, provided that the change in supplier has already been arranged or the new supply contract has been concluded with the existing supplier.



(6) A supplier that withdraws from a supply contract on the grounds of non-payment the gas supplied may cancel the withdrawal by means of a unilateral statement pending the taking of the final meter reading of the metering device by the gas DSO.

(7) In the Network Code referred to in Article 268, the gas DSO shall specify the obligations and procedure of conduct to be taken by the gas DSO and the supplier in the event of the withdrawal from the supply contract by a supplier or final customer, and the type of costs referred to in the fourth paragraph of this Article.

(8) The gas system operator shall notify household customers of the disconnection at least 15 days in advance, and business customers at least 8 days in advance.

Article 275  
(Disconnection without prior notice)

The gas system operator shall disconnect the system user without prior notice if:

- by operation of its energy facilities, installations or lines, the system user endangers the life or health or property of people;
- in the event of a gas shortage, the system user fails to comply with special safeguard measures restricting the consumption of gas from the system.

Article 276  
(Reconnection)

(1) The gas system operator shall be obliged to reconnect to the system, at the user's expense, any user who is disconnected, when the reasons for disconnection have been eliminated and in compliance with the requirements provided for in this Section of this Act.

(2) In the case of disconnection pursuant to Articles 274 and 275 of this Act, the operator shall permanently disconnect any user who does not eliminate the reasons for disconnection within three years (from the date when the disconnection was carried out).

(3) The connection of a system user at the consumption point where the permanent disconnection was carried out shall be considered a new connection.

(4) A gas system operator that unduly disconnects a system user or suspends the transmission or distribution of gas to such user, shall at its own expense and within 24 hours from the time when unjustified disconnection is established, reconnect the facilities, installations or lines of the system user to its system and refund to the user any cost incurred arising from such unjustified disconnection.

(5) The gas system operator shall have the right to compensation for damage caused by the acts of a system user on grounds of which the gas system operator disconnected the system user with or without prior notice.

(6) The system user shall have the right to compensation for damage caused by an unjustified disconnection by the gas system operator.

(7) In the event that the user is reconnected to the system within a period of less than one year, at the moment of reconnection the user shall pay the fixed network charges applicable at the time of disconnection.

Article 277  
(Disconnection at the request of the system user)

- (1) A system user holding a connection approval may require the gas system operator to disconnect its consumption point from the network.
- (2) The gas system operator shall be obliged to reconnect, at the user's expense, any system user that fulfils the requirements for connection. In the event that the disconnection referred to in the preceding paragraph exceeds a period of three years, the system user shall, prior to the reconnection, obtain a new approval for connection to the system referred to in Article 270 of this Act and conclude a new contract for the connection.
- (3) The gas system operator may refuse the reconnection to the system to a system user that required the disconnection, or to issue a new connection approval until all the obligations arising from the transmission or access contract and the contract for connection to the system concluded prior to the disconnection have been met by the system user.
- (4) The gas system operator shall specify in the Network Code mutual relations and the payment of costs in the event of the reconnection if the disconnection is carried out at the request of the system user.
- (5) If the user is reconnected to the system within a period of less than one year, at the moment of reconnection the user shall pay the fixed network charges applicable at the time of disconnection.

Section 4: Derogations in relation to take-or-pay commitments

Article 278  
(Possibility of derogation from take-or-pay type contracts)

- (1) If a natural gas undertaking encounters, or considers it would encounter, serious economic and financial difficulties because of its take-or-pay commitments accepted in one or more gas purchase contracts, the Agency may grant the natural gas undertaking a temporary derogation in relation to its access to the system, as provided for in Articles 238, 239 and 242 of this Act.
- (2) The natural gas undertaking may present the application for derogation before or after a refusal of access to the system. Where a natural gas undertaking has refused access, the application shall be presented without delay.
- (3) The application referred to in the preceding paragraph shall be accompanied by all relevant information on the nature and extent of the problem referred to in the first paragraph of this Article and on the efforts made by the natural gas undertaking to solve the problem.
- (4) When deciding on the derogations referred to in the first paragraph of this Article, the Agency shall take into account, in particular, the following criteria:
  - (a) the objective of achieving a competitive gas market;
  - (b) the need to fulfil public service obligations and ensure the security of supply;
  - (c) the position of the natural gas undertaking in the gas market and the actual state of competition in that market;
  - (č) the seriousness of the economic and financial difficulties encountered by natural gas undertakings and transmission undertakings or eligible customers;
  - (d) the dates of signature and terms of the contract or contracts in question, including the extent to which they allow for market changes;

- (e) the efforts made to find a solution to the problem;
- (f) the extent to which, when accepting the take-or-pay commitments in question, the undertaking could reasonably have foreseen, having regard to the provisions of this Directive, that serious difficulties were likely to arise;
- (g) the level of connection of the system with other systems and the degree of interoperability of those systems; and
- (h) the effects that the granting of derogation would have on the smooth functioning of the internal market in natural gas.

(5) Serious difficulties shall be deemed to exist when the sales of natural gas fall below the level of minimum off-take guarantees contained in gas-purchase take-or-pay contracts, or in so far as the relevant gas-purchase take-or-pay contract can not be adapted to new quantities, or the natural gas undertaking is unable to find alternative outlets.

(6) In relation to contracts concluded before 4 August 2003, it shall be deemed that it is possible to find economically viable alternative outlets.

(7) Natural gas undertakings that have not been granted a derogation as referred to in the first paragraph of this Article shall not refuse access to the system because of take-or-pay commitments accepted in a gas purchase contract.

#### Article 279

(Notifying the European Commission in respect of take-or-pay type contracts)

(1) The Agency shall notify the Commission of its decision to grant a derogation as referred to in the preceding Article, together with all the relevant information with respect to the derogation in an aggregated form.

(2) Notwithstanding the provisions of the act governing the general administrative procedure, the Agency shall *ex officio* repeat the procedure for issuing the decision granting the derogation after receiving the decision of the European Commission requesting that the decision granting the derogation be amended or withdrawn.

(3) In the repeated procedure, the Agency shall issue a decision without a special fact-finding procedure, but shall provide the party with the opportunity to make a statement on the facts and circumstances relevant to making a decision.

(4) On the basis of data collected in the repeated procedure, the Agency shall abrogate or withdraw the decision to grant derogation in accordance with the European Commission decision within four weeks at the latest of receiving the Commission's request, and notify the European Commission thereof.

(5) If the Agency does not comply with the Commission's request within a period of four weeks, a final decision shall be taken expeditiously, in accordance with the advisory procedure referred to in the second paragraph of Article 51 of Directive 2009/73/EC.

#### Section 5: Records

#### Article 280

(Retention and transmission of data)

(1) Suppliers shall keep data relating to all transactions in gas supply and gas derivatives with wholesale customers and gas TSOs, as well as storage and LNG operators, for at least five years, and

keep these data at the disposal of the Agency, national authorities, competition authorities and the European Commission for the fulfilment of their tasks.

(2) The data referred to in the preceding paragraph shall include details on relevant transactions, such as duration, delivery and settlement rules, the quantity, dates and times of execution and the transaction prices and means of identifying the wholesale customer concerned, as well as specified details of all unsettled gas supply contracts and gas derivatives.

(3) By way of its general act for the exercise of public authority, the Agency shall specify the type of information that is available to market participants, provided that commercially sensitive information on individual market players or individual transactions is not released. This paragraph shall not apply to information on financial instruments which are within the scope of the act governing the market in financial instruments.

**Article 281**  
(Derivative financial instruments)

(1) The retention of, and access to, data relating to transactions in gas derivatives referred to in the preceding Article shall be ensured after the adoption of the Guidelines referred to in the fourth paragraph of Article 44 of Directive 2009/73/EC.

(2) For entities regulated by the act governing the market in financial instruments, the provisions of this and the preceding Articles shall not create additional obligations to the authorities referred to in the first paragraph of the preceding Article.

(3) If the authorities referred to in the first paragraph of the preceding Article need access to data kept by entities falling within the scope of the act governing the market of financial instruments, the authority competent to regulate the market of financial instruments shall provide the authorities referred to in the first paragraph of the preceding Article with the required data.

**Part Four**

**HEAT AND OTHER ENERGY GASES FROM ISOLATED DISTRIBUTION SYSTEMS**

**Chapter I: GENERAL PROVISIONS**

***Article 282***  
***(Application of the provisions of this Part)***

(1) The provisions of this Part of the Act regulate conditions for the supply of heat or other energy gases from distribution systems (hereinafter: distribution system).

(2) The provisions of this Part of the Act shall not apply to distribution systems where the total rated power capacity of the connected consumer's equipment on the network does not exceed 500kW, with the exception of Articles 288 and 311 of this Act.

(3) The provisions of this Part of the Act shall not apply to customer-owned distribution systems, with the exception of Articles 310 and 311 of this Act.

***Article 283***

### ***(Definitions)***

In this Part of the Act, the following definitions shall apply:

1. "other energy gas" means an energy gas used as a fuel, other than natural gas;
2. "distribution" means the transfer of heat and other energy gases through a distribution system, including supply to final customers;
3. "distribution system" means a system of installations and facilities that is not connected to other distribution or transmission systems and enables the transfer of heat or other energy gases through a network from one or more sources to final customers in several buildings or at several locations;
4. "distributor" means any natural or legal person that performs the function of distribution;
5. "customer owned distribution system" means a distribution system owned or co-owned by the final customers and may also include a production resource;
6. "consumption point" means a point where the volumes of heat or other energy gases for a final customer are established by means of meter readings or otherwise;
7. "connection" means a line running from the main pipeline to the heating station when distributing heat, or to the shut off valve when distributing other energy gases;
8. "regulated heat producer" means any legal or natural person that supplies heat to a heat distributor providing services of general economic interest and is connected to the distributor through an equity stake, or sells to the distributor more than 30% of the total amount of heat planned for the following year's distribution;
9. "heat tariff item" means the fee amount for the distribution of heat per billing unit;
10. "commercial distribution" means a mode of distribution of heat or other energy gases without granting exclusive rights or imposing a mandatory connection to the system and without heat price regulation for heating purposes.

### ***Article 284***

#### ***(Method of carrying out the activity of heat distribution and distribution of other energy gases)***

(1) The energy activities of heat distribution and distribution of other energy gases may be carried out as:

- an optional local service of general economic interest (hereinafter: a service of general economic interest), or as
- commercial distribution.

(2) Where a distributor supplies or intends to supply more than one hundred household customers, district heating and cooling (DHC) shall be provided as a service of general economic interest.

(3) The energy activities of heat distribution and distribution of other energy gases shall be carried out as services of general economic interest when a sustainable and uninterrupted supply of heat and other energy gases is in the public interest in order to meet public needs. The ordinance referred to in Article 285 of this Act shall also specify the precise territorial scope of the distribution area for the provision of the service of general economic interest.

**Article 285**  
***(Exclusive right)***

(1) The local community shall lay down the conditions and method of providing a service of general economic interest in accordance with the regulations governing services of general economic interest and of public private partnerships (PPP).

(2) With a view to satisfying the public needs referred to in the third paragraph of Article 284 of this Act by the necessary scope of investment in a new or existing distribution system, a local community may, by means of an ordinance, grant a distributor the exclusive right to provide the service of general economic interest of the distribution of heat or other energy gases in the territory of the local community or a part thereof.

(3) The local community shall inform the Agency of the adopted ordinance for the provision of the service of general economic interest referred to in the preceding paragraph.

**Article 286**  
***(Decision-making procedure of the local community regarding commercial distribution)***

(1) For carrying out the energy activities of heat distribution and the distribution of other energy gases as commercial distribution, the distributor shall obtain the prior approval of the local community on whose territory the commercial distribution is to be carried out. The application for commercial distribution shall also include the conceptual design of the investment, the spatial delineation of the distribution area and the envisaged number and type of customers and their total consumption.

(2) The local community shall decide on the approval for commercial distribution within three months of the receipt of the application referred to in the preceding paragraph.

(3) The local community may refuse to grant approval for commercial distribution if:

- a) the local community in the proposed area decides to provide the service of general economic interest referred to in Article 284 or Article 216 of this Act, or
- b) the proposed energy supply contravenes the guidelines of the adopted LEC.

(4) In the event of the refusal of the approval referred to in point a) of the preceding paragraph, the local community shall, within three months following the refusal to grant approval, start the procedure for drawing up a concession act introducing the public service of general economic interest.

(5) In the approval referred to in the second paragraph of this Article, the local community must provide a precise spatial layout of the distribution system.

(6) The local community may revoke the approval if the investor does not begin the construction of the distribution system within two years after the issuance of the approval.

**Article 287**

### *(Notification of the activity to the Agency)*

(1) The distributor shall provide prior notice to the Agency of the beginning or termination of the energy activities of heat distribution or the distribution of other energy gases through a particular distribution system.

(2) For the purposes of keeping records of providers of the energy activities of heat distribution and the distribution of other energy gases, the Agency may, in accordance with the act governing personal data protection, collect, keep and process the following personal data of a distributor who is a natural person: name and surname, address of permanent residence, and business address.

## **Chapter II: CUSTOMER PROTECTION**

### *Article 288*

#### *(Supply contract and general terms and conditions)*

(1) A heat or other energy gas supply contract between a customer and a distributor shall be concluded in writing, or in electronic form in accordance with the regulations on electronic commerce.

(2) The contract referred to in the preceding paragraph shall determine at least the following:

- the name and address of the distributor;
- the services provided, the service quality levels offered;
- the rights and obligations of the contracting parties with respect to non-compliance with the contract;
- the types of maintenance services;
- the means by which up-to-date information on applicable tariffs and maintenance charges may be obtained;
- the duration of the contract and the conditions for the renewal and termination of maintenance services and of the contract;
- any compensation and the refund arrangements which apply if the contracted service quality levels are not met, including inaccurate and delayed billing of supplied heat or other energy gas;
- information relating to the customers' rights.

(3) The general terms and conditions that form an integral part of the supply contract should be fair and well-known in advance, and should be provided to customers by the distributor prior to concluding a contract even where contracts are concluded through intermediaries. The general terms and conditions of the distributor providing the service of general economic interest shall be in compliance with the Distribution Code referred to in Article 297 of this Act. Customers shall be protected against unfair or misleading sales methods of distributing heat or other energy gases.

(4) Distributors shall notify their customers directly, in a transparent and comprehensible manner, of any change in standard contractual terms and conditions at least one month prior to their taking effect, in particular, where such changes apply to a contract concluded with a customer.

**Article 289**  
***(Point of contact for customers)***

(1) A distributor shall provide customers with a single point of access to information on their rights, valid regulations and the means of dispute settlement available to them in the event of a dispute (hereinafter: point of contact).

(2) The point of contact of the distributor shall provide access to at least information on:

- the settlement of disputes;
- applicable prices for heat or other energy gas and on standard terms and conditions, in respect of access to and use of these services;
- the method of acquiring data on their consumption;
- in accordance with the regulations and general legal acts in force, customers' rights to be supplied with heat or other energy gas of a specified quality at reasonable prices.

**Article 290**  
***(Providing information to customers)***

(1) Distributors shall, at least once a year, provide final customers, in a clear and understandable form, information on the following:

- applicable prices and energy consumption;
- a comparison of the consumer's energy consumption with the consumer's consumption in the same period of the previous year;
- a comparison with an average normalised or benchmarked user of energy in the same user category, where possible.

(2) In addition to the information referred to in the preceding paragraph, the distributor shall also provide final customers with the data on the legal and natural persons who provide information on efficient energy use, including website addresses providing information on available energy efficiency improvement measures.

**Chapter III: METERING OF CONSUMPTION**

**Article 291**  
***(Metering of consumption and supply)***

(1) A distributor shall ensure the metering of consumption at the consumption point of an individual customer or at the common consumption point of several customers or buildings. The heat distributor shall also ensure the metering of the quality of the supplied heat.

(2) A heat producer shall, for the purpose of resale, meter the quantity of the heat supplied to the network. A heat producer using a common boiler house must meter the quantity of the heat produced on the threshold of the boiler house, regardless of the type of installation for heat production.



**Article 292**  
***(Providing information to distributors)***

(1) A customer off-taking heat from a part of a building or from a building at the common consumption point of several customers or buildings shall no later than within 15 days following the day on which the heat off-take started or terminated inform the distributor of the following: the customer's full name or business name, the address and information relating to the part of the building in which the heat is off-taken, or the building in which the energy is off-taken, the customer's tax identification number and the date on which the heat off-take started or terminated. The start or cessation of heat off-take shall be deemed to be the start or cessation of the use of the building or part thereof referred to in the preceding sentence.

(2) A distributor that does not have correct data on a customer referred to in the preceding paragraph shall, either directly or through the manager of the building, call upon the person using the building concerned or part thereof to promptly provide the data.

(3) An inspector who during an inspection due to an infringement of the first and second paragraphs of this Article obtains data about a customer referred to in the first paragraph of this Article shall be obliged to communicate such data to the distributor.

**Chapter IV: OBLIGATIONS OF DISTRIBUTORS ACTING IN THE PUBLIC INTEREST**

**Article 293**  
***(Obligations in the public interest)***

(1) Distributors shall, in the public interest, ensure:

- the secure supply of heat and other energy gases;
- non-discriminatory treatment of customers;
- emergency supply to district heating customers.

(2) Distributors providing the service of general economic interest of heat distribution shall ensure the supply of heat to final customers of district heating at regulated prices, in accordance with Articles 299 to 302 of this Act.

**Article 294**  
***(Security of supply)***

(1) Distributors must take appropriate steps to ensure the security of the operation of the distribution system by providing sufficient capacity and the reliability of the system and the security of the supply to the system.

(2) The minister responsible for energy may impose on distributors mandatory minimum stocks of primary fuels, the obligation to conclude long-term contracts with heat

producers or fuel suppliers, and other appropriate measures or criteria in order to guarantee the security of supply.

(3) Distributors shall ensure that consumers receive information about disruptions in the system of energy supply and shall, at the request of consumers, eliminate disturbances that prevent the off-take of heat or other energy gases in the quality and quantity agreed upon.

#### ***Article 295***

##### ***(Non-discriminatory treatment of customers)***

(1) Distributors may not discriminate between system users with regard to the conditions for the use of the system. The differences in the conditions for the use of the system must be based on objective and transparent criteria and defined in the Distribution Code or in general contractual terms and conditions determined by providers of commercial distribution.

(2) A customer contributing towards a more favourable distribution system load through an offtake quantity or an adjustment in the offtake quantity shall be entitled to more favourable conditions of supply, provided that the reasons and criteria for favourable treatment are determined in the Distribution Code or in general contractual terms determined by the providers of commercial distribution.

#### ***Article 296***

##### ***(Emergency supply to household customers)***

(1) Emergency supply shall be provided to household customers who, due to financial circumstances, income and other social circumstances and living conditions, are unable to provide themselves with an alternative source of energy for heating that would incur the same or lower costs for heating a residential space.

(2) A distributor shall not disconnect customers referred to in the preceding paragraph from the heat supply or restrict their consumption of heat or other energy gas before it reaches a quantity that is absolutely necessary in view of the circumstances (the season, temperatures, place of residence, health condition and other similar circumstances) in order not to jeopardise the life and health of such customers and persons living in their households.

(3) The costs of heat consumption incurred by a customer referred to in the first paragraph of this Article shall be covered by the distributor until they are settled by the customer. The costs which the distributor providing the service of general economic interest of heat distribution is unable to recover from such customer as is referred to in the first paragraph of this Article shall qualify as the eligible costs of the distributor concerned and shall be taken into account in price regulation.

### **Chapter V: OTHER OBLIGATIONS OF DISTRIBUTORS**

#### ***Article 297***

### ***(Distribution Code)***

(1) A distributor carrying out the energy activities of heat distribution and the distribution of other energy gases as services of general economic interest shall issue a Distribution Code regulating the operation and the manner of management of the distribution system. The Distribution Code shall be transparent, objective and non-discriminatory. It shall regulate in particular the following:

- general conditions of supply and consumption regulating the rights and obligations of customers with regard to the supply of heat or other energy gases;
- network operation, technical and other conditions for the safe operation of the system, the conditions for connection to the system and the method of connection, as well as other issues relating to the secure and quality supply of heat and other energy gases;
- the tariff system which determines the method of charging for the supply and tariff elements for the supply of heat and other energy gases to different groups of customers with regard to the load, type and characteristics of the consumption, quality and other elements.

(2) The Distribution Code referred to in the preceding paragraph shall be lawful and drawn up in accordance with the general act of the Agency that stipulates in detail the content of the Code.

(3) Prior to publishing the Distribution Code, the distributor shall obtain approval from the Agency.

(4) The Distribution Code shall be published in the Uradni list Republike Slovenije.

(5) A distributor carrying out commercial distribution shall draw up general terms and conditions which regulate the rights and obligations of customers regarding the supply of heat and other energy gases and define network operation, technical and other conditions for the safe operation of the system, conditions for connection to the system and the method of connection, as well as other matters relating to secure and quality supply, and shall inform customers of such conditions.

### ***Article 298***

#### ***(Operation of a district heating or cooling system)***

Heat distributors with a system of rated thermal output exceeding 10MW shall ensure the following:

- a control system for the operation of the district heating and cooling (hereinafter: DHC) system, which allows for optimum thermal and hydraulic operation of the system;
- the implementation of measures for optimising the operation of the DHC system.

## **Chapter VI: PRICE REGULATION OF DHC SUPPLY**

### ***Article 299***

#### ***(Price regulation method)***

(1) The price of heat for district heating within distribution systems of distributors carrying out a service of general economic interest, and the price charged by a regulated heat producer shall be regulated in accordance with the provisions of this Chapter.

(2) The heat price regulation referred to in the preceding paragraph shall be based on the methodology for determining the prices of heat for district heating (hereinafter: the methodology), which shall be prescribed by the Agency in its general act. The methodology shall lay down the manner of forming starting prices as the highest average prices on the basis of which the distributor and regulated heat producer form heat prices of district heating in accordance with the criteria and mechanisms set out in the methodology. The methodology shall determine the following:

- the types and criteria for determining eligible costs;
- the elements of the starting price, which is composed of a fixed and a variable part;
- the method of determining the starting price and the grounds for its amendment;
- the criteria or mechanism for adjusting the individual elements of the starting price to changes in eligible costs;
- the type, form and method of the submission of the information necessary to determine the eligible costs and the starting price.

(3) The methodology must be determined in such a manner as to promote energy- and cost-effective production and distribution of heat, as well as to promote investments and customer benefits in a sustainable manner.

#### ***Article 300*** ***(Determining the starting price of heat)***

(1) The starting price of heat shall be set on the basis of eligible costs and shall be composed of a fixed and a variable part.

(2) The starting price must take into account and support the implementation of the objectives and tasks referred to in Part Five of this Act.

#### ***Article 301*** ***(Eligible costs)***

(1) The eligible costs of a distributor or regulated heat producer shall be the costs that are necessary to carry out the activity of distribution. A distributor or regulated producer of heat that is engaged in activities other than the activity of distribution shall attribute the proportionate part of its total costs to those other activities. Eligible costs shall comprise the costs of fuels, energy, operation, maintenance costs, and depreciation and other eligible costs that are strictly necessary to carry out this activity.

(2) In determining the eligible costs for the leasing of a distribution system, source or part thereof from the owner, the Agency may, in the decision-making process for the approval of the starting price, also carry out an analysis of the eligible costs of the lessor of the distribution system, whereby the lessee must ensure that all data of the lessor are available to the Agency. In such a case, the Agency shall take into account the level of the lease on the basis of comparable price trends in recent years.

### ***Article 302***

#### ***(The procedure for obtaining the Agency's approval of a starting price)***

(1) A heat distributor or regulated producer of heat shall, prior to commencing the activity of heat distribution, lodge an application with the Agency for the approval of the starting price, stating the grounds on which it is based. The distributor shall also obtain the Agency's approval for any amendment to the starting price.

(2) The heat distributor shall submit a photocopy of the application to the local community in the area that the activity of heat distribution is to be carried out. The local community may, within 15 days of the receipt of this photocopy, forward to the Agency its opinion on the application concerned.

(3) The heat distributor or regulated producer of heat shall be obliged, upon the Agency's request, to provide all the data that the Agency requires to decide on the application.

(4) In the event of the amendment of the methodology determining the starting price, the heat distributor or regulated producer of heat shall file an application for obtaining a new approval for the starting price of heat.

### ***Article 303***

#### ***(Calculation of heat tariff rates)***

(1) A heat distributor shall determine objective, transparent and non-discriminatory heat tariff rates applicable to individual final customers, in accordance with the starting price fixed on the basis of the methodology and the tariff system.

(2) The tariff system and tariff rates should encourage customers to contribute to the efficient operation of the distribution system by means of their off-take quantity, the adjustment of their consumption, or otherwise.

(3) Prior to charging heat tariff rates, the distributor shall be obliged to publish them and inform the Agency thereof no later than three days before the tariff rates are published.

### ***Article 304***

#### ***(Billing for the energy delivered)***

(1) The heat and its quality and other types of energy gases delivered from distribution systems shall be paid for by final customers on the basis of a supply contract concluded with the distributor.

(2) The heat and other energy gases delivered shall be billed for at least once a year. In between two billing dates the final customer shall provide advance payment.

(3) The distributor shall enable a final customer to make monthly payments on the basis of the advance payment or on the basis of actual consumption.

(4) The distributor shall, at the request of the final customer, also calculate the balance due during the billing period in respect of the heat and other energy gases delivered. The distributor may charge for the service of calculating the balance due, in accordance with the price list of costs, which may not exceed the real costs of the distributor; this additional calculation of the balance due shall be approved by the Agency.

**Article 305**  
***(Separate accounting records)***

(1) Distributors that provide services of general economic interest and, in addition to carrying out the activity of distribution, also carry out other activities, shall keep separate accounting records in accordance with accounting standards; their accounting records shall show separate accounts for heat distribution, heat production and other activities as required if the activities in question are carried out by separate undertakings.

(2) The separate accounts referred to in the preceding paragraph shall include the following: a balance sheet, an income statement and a cash flow statement.

(3) The heat distributors that in addition to the activity of heat distribution also carry out other activities, shall, in accordance with accounting standards, specify in their internal acts the criteria for the allocation of assets and liabilities, costs, expenditure and revenue to be observed in keeping separate accounting records and in drawing up separate accounts as referred to in the preceding paragraph.

(4) The provisions of the law governing the transparency of financial relations and separate accounts for different activities shall be applied to determine the criteria referred to in the preceding paragraph.

(5) In the accounting records concerning annual accounts, distributors shall disclose all individual transactions with related undertakings exceeding EUR 20,000.

(6) Heat distributors providing a service of general economic interest shall, in addition to the separate accounts for energy sector activities subject to separate disclosure requirements, fully disclose in their accounting records the criteria referred to in the third paragraph of this Article. The suitability of the criteria and their proper use shall be audited annually by an auditor, who shall draw up a special report.

**Chapter VII: CONNECTION TO THE SYSTEM**

**Article 306**  
***(Connection to the system)***

(1) For each connection to a distribution system or its modification, a user of the system, as the beneficiary of the connection approval (hereinafter: the holder of connection approval) shall obtain a connection approval from the distributor. Conditions for the

connection are determined in the general contractual terms and conditions or in the Distribution Code.

(2) The final approval for connection shall be valid for two years. Within this time limit, the holder of the approval for the connection of an existing facility shall fulfil all the requirements stated in the connection approval, and request that the operator execute the connection. At the request of the holder of the approval, the system operator may extend the validity of the connection approval, but no more than twice, and each time for no more than one year. The request for the extension of a connection approval must be submitted within 30 days before the expiry of the connection approval. In the event of a late response by the system operator, the approval shall be deemed extended, of which the operator shall notify a holder who has not yet implemented the connection to the system.

(3) Acting under public authority, a distributor providing a service of general economic interest shall decide on issuing a connection approval in an administrative procedure. The mayor shall decide on appeals against decisions to issue or refuse a connection approval. The local community shall notify the Agency once a year of the number of appeals against decisions to issue or refuse a connection approval.

(4) A distributor providing a service of general economic interest shall refuse to issue a connection approval if:

- the user of the system does not meet the conditions for connection;
- the connection would cause severe disruptions to the supply, or
- the distributor would incur disproportionate costs due to the connection. The disproportionate costs shall mean construction costs for the service connecting line to the point in the system where the connection is possible, or costs that are needed to reinforce the existing system, or a combination thereof, whereas within a reasonable time an increase in the use of the system is not expected to occur on the new service connecting line or in an existing distribution system to the extent that allows normal investment amortisation.

(5) In the event of the occurrence of disproportionate costs, the system user shall have the right to connection in accordance with the Distribution Code, provided that the user covers the disproportionate costs.

(6) When the connection approval is final, the distributor and the holder of connection approval shall enter into a connection contract that regulates all mutual relations regarding the connection, the maintenance of the connection, the supply of heat or other energy gases, as well as other mutual relations regarding the connection, the connection procedure and supply.

(7) A distributor providing a service of general economic interest shall also conclude a contract for the supply of heat or other energy gases with a person who is not the holder of a connection approval if that person has obtained the authorisation of the holder of the connection approval to off-take heat and other energy gases through the connection of the approval holder.

(8) In the event of a change in the ownership of the building to which the connection approval relates, the new owner shall be obliged to inform the distributor of such within 15 days and provide supporting evidence.

**Article 307**  
***(Temporary disconnection)***

(1) A distributor may temporarily disconnect a system user for the purposes of the following:

- ordinary or extraordinary maintenance;
- inspection or repair;
- checks or to check meterings;
- network expansion.

(2) The distributor shall carry out such disconnection at a time when system users are least affected.

(3) The distributor shall timely notify system users of the scheduled disconnection in writing or in another direct manner. If a larger number of customers are concerned and if personal communication is not cost-effective, such information shall be published in the public media and on the Internet at least 48 hours prior to disconnection.

**Article 308**  
***(Disconnection of a system user)***

(1) A distributor shall disconnect a system user upon prior notice if the system user fails to comply with its obligations within the time limit specified in the notice in the following cases, i.e. when the system user:

- following a reminder from the distributor, fails to meet all obligations arising from the contract;
- disrupts the supply of heat or other energy gases to other system users;
- denies access or prevents persons authorised by the distributor to access any part of the connection, protection or metering devices, and energy facilities, installations or lines where there is reason to believe that such installations could be causing disturbances;
- without the distributor's approval, connects its energy installations or lines to the network or enables other users to connect their energy installations through its own energy installations;
- following a reminder from the distributor and in accordance with the Distribution Code or supply contract, fails to reduce consumption or quantity to the agreed amount within the specified time limit;
- prevents the proper registration of consumed quantities or when the user uses heat or other energy gases without the metering devices required or agreed upon or when the user evades such;
- fails to eliminate or reduce disturbances caused by the user's facilities, installations or lines to the permissible limit of disturbances within the time limit stipulated by the distributor or the competent inspection authority;

(2) The distributor may disconnect the system user without prior notice if by the operation of its energy facilities, installations or lines, the system user endangers the life, health or property of people.



**Article 309**  
***(Reconnection and compensation for damage)***

(1) A distributor shall be obliged to reconnect to the system, at the user's request and expense, any user who is disconnected, when the reasons for disconnection have been eliminated and the conditions in this Chapter fulfilled.

(2) A distributor that unjustifiably disconnects a system user must reconnect the facilities, installations or lines of the system user to its system at its own expense and within 24 hours from the time when the unjustified disconnection is established.

(3) The distributor shall have the right to compensation for damage caused by the acts of a system user on grounds of which the distributor disconnected the system user with or without prior notice.

(4) A system user shall have the right to compensation for damage caused by an unjustified disconnection.

**Chapter VIII: SPECIAL PROVISIONS**

**Article 310**  
***(Connection to a customer-owned distribution system)***

(1) A connection to a customer-owned distribution system shall be allowed to a customer who, under the regulations governing the rights to parts of buildings, is not a co-owner or common owner of the distribution system concerned, provided that the customer obtains the approval of the local community.

(2) The local community shall issue its approval in accordance with Article 286 of this Act if the activity of the distribution of a service of general economic interest is not provided in the area of connection pursuant to Article 216 or 285 of this Act, or if the provider of the service of general economic interest has refused to connect the customer to the system.

**Article 311**  
***(Reporting and analysis of heat prices)***

(1) Distributors, operators of customer-owned distribution systems and producers of heat or other energy gases for sale shall report to the Agency the following information:

- the distribution network and installations;
- connection approvals and connections of customers;
- the quantities of heat and other energy gases generated and distributed;
- the quality level achieved;
- complaints of customers;
- tariffs and prices separately by each customer category;
- the number of final customers by categories, including data on the share of energy supplied in each category.

(2) For the purpose of implementing this Article, the Agency shall, in accordance with the act governing personal data protection, collect, keep and process the following personal data of a distributor, an operator of a customer-owned distribution system and a producer of heat and other energy gases for sale who is a natural person: name and surname, address of permanent residence and business address.

(3) The Agency shall, by a general act, specify the scope and frequency of the reporting of the data referred to in the first paragraph of this Article, and draw up a price analysis of heat based on the reports from distributors and other information obtained. The Agency shall make the results of the analysis public once a year by 1 July for the previous year.

## **Part Five**

### **ENERGY EFFICIENCY AND RENEWABLE ENERGY SOURCES**

#### **Chapter I: GENERAL PROVISIONS**

##### *Article 312*

##### *(Application of the provisions of this Part)*

This part of the Act regulates the implementation of national policy and local community policies in the area of energy efficiency and renewable energy sources.

##### *Article 313*

##### *(Definitions)*

(1) In this Part of the Act, the following definitions shall apply:

1. "aerothermal energy" means energy stored in the form of heat in ambient air;
2. "biomass" means the biodegradable fraction of products, waste and residues from biological origin from agriculture (including vegetal and animal substances), forestry and related industries including fisheries and aquaculture, as well as the biodegradable fraction of industrial and municipal waste;
3. "placing on the market" means making an energy-related product available for the first time on the European Union market with a view to its distribution or use within the European Union, whether for reward or free of charge and irrespective of the type of sales (selling technique);
4. "putting into service" means the first use of an energy-related product for its intended purpose by an end user in the European Union;
5. "supply" means the sale, including resale, of energy to customers;
6. "energy supplier" means any legal or natural person who performs the function of supply;
7. "distributor of an energy-related product" means any legal person, sole trader or person that performs an independent business activity in the supply chain, other than a manufacturer or importer, who makes an energy-related product available on the market or puts it into service;
8. "supplier of an energy-related product" means a manufacturer or its authorised representative in the European Union or an importer who places or puts into service an

energy-related product on the EU market. In the absence of such, any natural or legal person who places on the market or puts into service energy-related products shall be considered a supplier;

9. "making available on the market" means the supply of any energy-related product for distribution, consumption or use on the European Union market in the course of a commercial activity, whether in return for payment or free of charge;
10. "other essential resources" means water, chemicals or any other substance consumed by an energy-related product in normal use;
11. "Eco Fund" means the Eco Fund, Slovenian Environmental Public Fund, established by the Environmental Protection Act (Uradni list RS, nos 39/06 – official consolidated text, 49/06 – ZMetD, 66/06 – Constitutional Court Decision, 33/07 – ZPNačrt, 57/08 – ZFO-1A, 70/08, 108/09, 108/09 – ZPNačrt-A, 48/12, 57/12 and 92/13);
12. "electricity produced from renewable energy sources" means electricity produced by generation units using only renewable energy sources, as well as the proportion of electricity produced from renewable energy sources in cogeneration plants also using non-renewable energy sources but excluding electricity generation from pumping hydro power plants and other energy-storage systems.
13. an "energy performance certificate" is an authentic instrument which indicates data on the energy performance of a building and provides recommendations for improving energy efficiency;
14. "energy service" means a physical effect, benefit or good derived from a combination of energy with energy efficient technology and/or activity, which may include the operations, maintenance and control necessary to deliver the service, which is delivered on the basis of a contract and in normal circumstances has proven to lead to verifiable and measurable or estimable energy efficiency improvement and/or primary energy savings;
15. "energy performance of a building" means the calculated or measured amount of energy needed to meet the energy demand associated with the typical use of the building, which includes, *inter alia*, energy used for heating, cooling, ventilation, hot water and lighting;
16. "energy efficiency" is the ratio of output of performance, service, goods or energy, to input of energy;
17. "energy distributor" means a natural or legal person, including a distribution system operator, responsible for transporting energy with a view to its delivery to final customers or to distribution stations that sell energy to final customers;
18. "geothermal energy" means energy stored in the form of heat beneath the surface of solid earth;
19. "hydrothermal energy" means energy stored in the form of heat in surface water;
20. "plot ratio" means the ratio between the land area and the building floor area in a given territory;
21. "energy efficiency improvement" means an increase in energy efficiency as a result of technological, behavioural and/or economic changes;
22. "useful heat" means heat produced in a cogeneration process to satisfy economically justifiable demand for heating or cooling; "economically justifiable demand" means demand that does not exceed the needs for heating or cooling and which would otherwise be satisfied at market conditions by energy generation processes other than cogeneration;
23. "small-scale cogeneration unit" means a cogeneration unit with installed capacity below 1MWe;
24. "micro-cogeneration unit" means a cogeneration unit with a maximum capacity below 50kWe;
25. "nominal power capacity" means the maximum continuous power (without time constraints) for which the plant has been designed and is indicated on the information

plate affixed to the generation unit or in the manufacturers' specification or defined on the basis of delivery measurements;

26. "unauthorised use of the label" means the use of the label indicating the energy class of the product in a manner that does not comply with regulations;
27. "net generated electricity" means the electricity generated by the generation unit minus electricity consumed for the operation of the unit itself;
28. "rated output of the air conditioning system" means the maximum calorific output, specified and guaranteed by the manufacturer as being deliverable during continuous operation while complying with the useful efficiency indicated by the manufacturer;
29. "new generation unit" means a unit for the production of electricity from renewable energy sources or high-efficiency cogeneration whereby the period from its first operation until the submission of the complete application for support under this Act does not exceed one year. The first run of the generation unit shall be deemed to be the date of issue of an operating permit for the generation unit concerned or the date of its first connection to the network if the operating permit for the generation unit is not prescribed. If the generation unit started to operate before this date, the agency for determining the age of the generation unit shall determine the date when the unit started to operate in a fact-finding procedure.
30. "new building" is a newly constructed building as stipulated in the regulations governing the construction of facilities;
31. "major renovation" means the renovation of a building where the total cost of the renovation is higher than 50% of the investment value for a new and comparable production facility;
32. "ecodesign" means the systematic integration of environmental aspects into product design with the aim of improving the environmental performance of the product throughout its whole life cycle;
33. "public sector entities" are state authorities, administrative bodies of self-governing local communities, public institutes and public service institutes, public funds, public agencies and institutions established by the state or a municipality;
34. "product fiche" means a standard table of information relating to an energy-related product;
35. "authorised representative" means any natural or legal person established in the European Union who has received a written mandate from the manufacturer to perform on his behalf all or part of the obligations and formalities relating to energy-related products;
36. "individual action" means an action that leads to verifiable, and measurable or estimable, energy efficiency improvements and is undertaken as a result of a policy measure;
37. "guarantee of origin" means an electronic authentic document providing proof that a given quantity of electricity was produced from high-efficiency cogeneration or from renewable energy sources;
38. "aggregator" means a demand service provider that combines multiple short-duration consumer loads for sale or auction in organised energy markets;
39. "primary energy savings" means energy savings from fuel created by a cogeneration unit in comparison with a separate electricity and heat generation process;
40. "connection to the network" means physical connection or connection to the energy network in accordance with the conditions determined in this Act;
41. "support scheme" means any instrument, scheme or mechanism that promotes the energy efficiency or use of energy from renewable sources by reducing the cost of that energy, increasing the price at which it can be sold, or increasing, by means of a renewable energy obligation or otherwise, the volume of such energy purchased. This

- includes, but is not restricted to, investment aid, tax exemptions or reductions, tax refunds, renewable energy obligation support schemes, including those using green certificates, and direct price support schemes, including feed-in tariffs and premium payments;
42. "manufacturer of energy-related products" means any legal or natural person that manufactures energy-related products, or that has such products designed or manufactured, and markets them under its name or trademark;
  43. "energy-related product" means any good having an impact on energy consumption during use which is placed on the market and/or put into service, including parts intended to be incorporated into energy-related products which are placed on the market and/or put into service as individual parts for end users and of which the environmental performance can be assessed independently;
  44. "generation unit" means a set of equipment and installations that transforms other types of energy into electricity and able to operate independently;
  45. "energy management system" means a set of interrelated or interacting elements of a plan which sets an energy efficiency objective and a strategy to achieve that objective;
  46. "nearly zero-energy building" means a building with a very high energy performance or nearly zero or a very low amount of energy required for operation, whereby the required energy is, to a very significant extent, produced from renewable sources on-site or nearby;
  47. "public sector buildings" are all buildings owned by public sector entities and used for the performance of their activity based on a legal title;
  48. "cost-optimal level" means the energy performance level which leads to the lowest cost during the estimated economic life cycle, where the lowest cost is determined taking into account energy-related investment costs, maintenance and operating costs (including energy costs and savings, the category of building concerned, earnings from the energy produced), where applicable, and disposal costs, where applicable. The cost-optimal level shall lie within the range of performance levels where the cost benefit analysis calculated over the estimated economic life cycle is positive;
  49. "heat pump" means a machine, a device or installation that transfers heat from natural surroundings such as air, water or ground to buildings or industrial applications by reversing the natural flow of heat such that it flows from a lower to a higher temperature. For reversible heat pumps, it may also move heat from the building to the natural surroundings;
  50. "dealer in energy-related products" means a retailer or person who sells, offers for rent or purchase in instalments or displays energy-related products to end users;
  51. "importer of energy-related products" means any legal person or person performing an independent business activity that is established in the European Union and places energy-related products from a third country on the EU market;
  52. "savings potential" means the share of energy out of the total energy used by the final customer that can be reduced through economically justified investments;
  53. "major renovation" means the renovation or maintenance of a building where more than 25% of the surface of the building envelope undergoes renovation;
  54. "product design" means the set of processes that transform legal, technical, safety, functional, market or other requirements to be met by an energy-related product in the technical specification for that product;
  55. "obligated party" means an energy distributor or retail energy sales company that is bound by energy efficiency obligation schemes;

(2) The terms governing the construction of buildings that are not defined under this Act shall have the same meaning as those defined by the regulations on building construction.

## **Chapter II: ENERGY EFFICIENCY AND USE OF RENEWABLE ENERGY SOURCES**

### ***Article 314***

#### ***(Promotion of energy efficiency and the use of energy from renewable sources)***

(1) The promotion of measures to improve energy efficiency and the use of energy from renewable sources shall be carried out by the state through its programmes of training, informing, raising public awareness, energy counselling, promoting energy audits, drafting regulations, financial incentives and other support schemes.

(2) The Eco Fund shall draw up and implement the programme for improving energy efficiency at the national level. The Eco Fund shall provide financial incentives in accordance with this Act and on the basis of the approved project for energy efficiency improvement and in accordance with the procedure for the allocation of specific-purpose assets of the Eco Fund laid down by the law governing environmental protection, unless otherwise provided for in this Act.

(3) Measures and mechanisms to promote an increase in energy efficiency and the use of renewable sources shall be specified in action plans.

### ***Article 315***

#### ***(Purpose of the promotion of energy efficiency and use of renewable energy sources)***

(1) The promotion of measures to improve energy efficiency and the use of renewable energy sources shall be implemented with a view to decreasing the use of energy, increasing the quantity and share of renewable energy sources, improving the security of the energy supply, reducing dependence on energy imports and other energy reasons laid down in the ECS.

(2) The level of incentives is designed in a cost-effective manner from the perspective of energy and must ensure the implementation of the measures. The conditions and criteria for the allocation of incentives and for eligible persons shall be determined in the regulation referred to in the first paragraph of Article 316 of this Act.

(3) Notwithstanding the preceding paragraph, the level of incentives in the case of the complete energy renovation of existing buildings, which includes the refurbishment of the building envelope, the renovation of technical systems and the installation of devices for the use of renewable energy sources, shall be relatively higher so that investors are encouraged to opt for complete renovation.

(4) Notwithstanding the second paragraph of this Article, the social dimension may also be taken into account when determining the methods of promoting and allocating the amounts of incentives.

(5) Notwithstanding the second paragraph of this Article, when determining the methods of promoting such and the amounts of incentives, other considerations such as

environmental protection, in particular the reduction of emissions, the preservation of the cultural heritage, nature conservation, the use of natural materials, job creation, the promotion of technologies, and the promotion of regional development, may also be taken into account.

(6) Notwithstanding the second paragraph of this Article, incentives for demonstration projects may be higher.

**Article 316**  
***(Types of financial incentives)***

(1) The minister responsible for energy shall determine the types of financial incentives for energy efficiency, district heating and the use of renewable energy sources, conditions and criteria for the allocation of incentives, incentive beneficiaries and the incentives allocated as state aid, incentives allocated according to the “*de minimis*” rule and other financial incentives (hereinafter: subsidies).

(2) The authority allocating subsidies referred to in the preceding paragraphs shall publish on its website all subsidy beneficiaries with the title, type and size of the project subsidised.

(3) The minister shall, in the regulation referred to in the first paragraph of this Article, also lay down technical specifications to be met by the units and systems for the production of energy from renewable energy sources in order to be eligible to receive subsidies.

**Article 317**  
***(Funds for implementing the Eco Fund programme)***

(1) Funds for the implementation of the Eco Fund programme referred to in the second paragraph of Article 314 of this Act shall be provided through an energy consumption fee for increasing energy efficiency (hereinafter: energy efficiency fee). The energy efficiency fee shall be charged on district heating, electricity and solid, liquid and gaseous fuels. Final customers supplied with electricity and natural gas from the network shall pay the energy efficiency fee to the network operator, whereas final customers supplied with heat from the distribution network and final customers of solid, liquid and other gaseous fuels shall pay the aforementioned fee to the energy supplier.

(2) Operators and suppliers of heat from a distribution network and suppliers of solid, liquid and other gaseous fuels shall transfer the collected funds referred to in the previous paragraph to the Eco Fund.

(3) The Government shall fix the level of the energy efficiency fee referred to in the preceding paragraph of this Article in such a way that there is an equal charge on all energy, irrespective of its type.

(4) The Government shall, upon its approval of the programme as an integral part of the Eco Fund's business plan, designate a portion of the collected funds as revenue of the

Eco Fund to be spent on the implementation of the energy-efficiency improvement programme.

(5) The Government may impose the obligation that the energy efficiency fee for fuel be charged before the delivery of fuel to final customers.

(6) The Eco Fund shall be obliged to publish once a year a report on the programme implementation, energy savings achieved, level of funds used to implement the programme and on specific costs of achieving savings.

**Article 318**  
***(Energy savings among final customers)***

(1) Suppliers of electricity and heat and suppliers of solid, liquid or gaseous fuels to final customers shall be designated as obligated parties (hereinafter: obligated parties) to ensure the achievement of energy savings among final customers.

(2) Notwithstanding the preceding paragraph, the obligated parties may, instead of achieving the actual energy savings among final customers, fulfil their obligation referred to in the preceding paragraph by making a payment to the Eco Fund. The amount to be paid shall be equal to the product of the energy savings that the obligated parties were required to achieve among final customers and the specific costs of achieving the savings referred to in the sixth paragraph of Article 317 of this Act.

(3) The Government shall determine the following by means of a decree.

- the period and level of end-use energy savings that obligated parties have to achieve over the period;
- the method of calculating the level of savings;
- the distribution of savings by individual years of the set period; and
- the method and deadlines for the fulfilment of obligations by the obligated parties under the provisions referred to in the preceding paragraph.

(4) The Government may, in the decree referred to in the preceding paragraph, determine exceptions so as to allow primary energy savings achieved in the energy transformation, distribution and transmission sectors, including efficient district heating and cooling infrastructure, to be counted towards the amount of final energy savings.

**Article 319**  
***(Types of energy services and energy efficiency improvement measures)***

(1) The types of energy services and energy efficiency improvement measures to achieve energy savings that the obligated parties referred to in the preceding Article shall include in their programmes are mainly the following:

- measures for efficient energy use and greater use of renewable energy sources in heat generation in the public and service sectors and in industry and households;
- efficient energy use measures in buildings;
- efficient energy use measures in transport;



- measures to increase the efficiency of district heating systems;
- energy audit programmes.

(2) The Government shall specify the types of energy services and energy efficiency improvement measures in the decree referred to in the third paragraph of Article 318 of this Act.

**Article 320**  
***(The evaluation of measures and programmes)***

In the drawing up, implementation and evaluation of measures and programmes aimed at improving energy efficiency and the use of renewable sources, the method prescribed by the minister responsible for energy shall be taken into consideration when determining energy savings as well as the quantity of energy produced from renewable sources of energy achieved as a result of individual measures to improve energy efficiency and the use of renewable sources.

**Article 321**  
***(Reporting and verifying energy savings achieved)***

(1) By 31 March each year, the obligated parties referred to in Article 318 of this Act shall submit a report to the Agency on the progress achieved towards energy efficiency targets for the previous year.

(2) By 30 April each year, the Agency shall publish all energy savings achieved by each obligated party in the previous year.

(3) The Agency shall verify at least a statistically significant proportion and representative sample of energy efficiency improvement measures implemented by the obligated parties.

(4) At the Agency's request and no more than once a year, the obligated parties shall submit the following information:

- aggregated statistical information on their final customers (identifying significant changes to previously submitted information); and
- current information on final customers' consumption, including, where applicable, load profiles, customer segmentation and the geographical location of customers, while preserving the integrity and confidentiality of private or commercially sensitive information.

(5) The Agency shall specify the form and content of the report referred to in the first paragraph of this Article.

**Article 322**  
***(Obligatory use of renewable energy sources, cogeneration and waste heat in district heating systems)***

(1) District heating and cooling systems must be efficient. Heat distributors shall ensure an annual level of heat by using at least one of the following sources:

- at least 50% of heat produced from renewable energy sources;
- at least 50% of waste heat;
- at least 75% of cogenerated heat; or
- at least 75% of a combination of the heat referred to in the above three indents.

(2) The obligation referred to in the preceding paragraph based on reports referred to in Article 311 of this Act shall be verified by the Agency. (1) By 1 May each year, the Agency shall publish information for the previous year on which district heating systems are energy-efficient.

(3) Notwithstanding the first and second paragraphs of this Article, the values referred to in the first paragraph of this Article may also be achieved through several networks in the territory of the same local community, if so provided by the local energy concept.

### ***Article 323***

#### ***(Payment of a contribution for the production of heat from renewable energy sources)***

(1) Final customers of heat and fuels shall pay a contribution for the production of heat from renewable energy sources.

(2) Notwithstanding the preceding paragraph, the contribution for the production of heat from renewable energy sources shall not be paid for renewable sources and heat from efficient district heating and cooling systems.

(3) The Government shall fix the level of the contribution in such a manner that there is an equal charge on all energy, irrespective of its type.

(4) Distributors of heat and fuels shall transfer the collected funds referred to in the first paragraph of this Article to the Eco Fund. In the regulation referred to in the preceding paragraph, the Government shall specify the method of using the funds referred to in the first paragraph of this Article in such a manner that these funds are used as incentives or subsidies for the construction of heat production units and district heating systems using renewable energy sources and for the payment of costs incurred by the Eco Fund when managing these funds.

### ***Article 324***

#### ***(Energy management system)***

(1) An energy management system shall be established by public sector entities.

(2) The Government shall issue a decree designating the obligated parties and determining the minimum content requirements of the energy management system, including targets for energy efficiency and renewable energy sources, action plans for achieving objectives, responsible persons and the method of verifying the achievement of results.

(3) The Government decree referred to in the preceding paragraph shall also determine the mandatory share of renewable energy sources and the energy performance requirements of public sector buildings as well as measures to improve energy efficiency and the use of renewable energy resources in the buildings used by public sector entities.

**Article 325**  
***(Local energy organisations)***

(1) For the implementation of the tasks under this Act that fall within the competence of local communities, one or several local communities may establish or authorise a local energy organisation.

(2) Local energy organisations shall carry out the following tasks in the public interest:

- the drawing up and implementation of local energy concepts;
- tasks related to the setting up and operation of the energy management system;
- implementation and management of international projects in the area of energy efficiency and renewable energy sources.

(3) Local energy organisations shall keep separate accounting records for the funds allocated for the tasks in the public interest referred to in the preceding paragraph.

**Article 326**  
***(Data for drawing up local energy concepts)***

(1) Final customers of energy other than household customers that are located in the area of an individual local community shall submit to the local community, at its request, data on energy consumption that are necessary for the drawing up and implementation of a local energy concept.

(2) The data referred to in the preceding paragraph shall be data on the consumption of fuels for heat production, produced heat, necessary heat and waste heat, and estimates for the next five-year period.

**Chapter III: ENERGY EFFICIENCY**

Section 1: Ecodesign requirements for energy-related products

**Article 327**  
***(Environmental requirements for products placed on the market or put into service)***

(1) An energy-related product (hereinafter: the product) may be placed on the market or put into service or made available on the market if:

- it complies with the prescribed technical requirements for the ecodesign of products;
- a conformity assessment of the product has been carried out;
- an EC declaration of conformity has been issued;

- technical documentation has been provided in one of the official languages of the European Union;
- it is affixed with the CE conformity marking, and
- the information for final customers is provided in the Slovenian language.

(2) The manufacturer or its authorised representative shall make the relevant technical documents relating to the conformity assessment and the declaration of conformity available for inspection for a period of 10 years after the final manufacture of the energy-related product.

(3) Where the manufacturer is not established within the European Union and in the absence of an authorised representative in the European Union, the obligations referred to in the first and second paragraphs of this Article shall pertain to the importer.

(4) A supplier or distributor of products shall, at the request of the surveillance authority, provide technical documentation of the product, attesting to the conformity of the product with ecodesign requirements.

(5) The affixing of markings on a product which are likely to mislead users as to the meaning or form of the CE marking shall be prohibited.

(6) Products which are not in conformity with the ecodesign requirements may be displayed at trade fairs, exhibitions, demonstrations and other similar events, provided that there is a visible indication that they may not be placed on the market and/or put into service until brought into conformity therewith.

(7) The Government shall, by means of a decree, specify the technical requirements for the ecodesign of products.

## Section 2: Energy labelling of products

### ***Article 328*** ***(Energy labelling of products)***

(1) Products may be placed on the market or put into service or made available on the market if:

- the measuring procedures have been conducted for them in accordance with the decree referred to in the tenth paragraph of this Article;
- they are affixed with the energy-efficiency label (hereinafter: the label) and a standard product fiche;
- technical documentation has been produced which is sufficient to enable assessment of the accuracy of the information contained in the label and the standard product fiche.

(2) The design and content of the label and standard product fiche shall be accurate and in the Slovenian language.

(3) Suppliers of products shall store the technical documentation which enables assessment of the accuracy of the information contained in the label and the standard product fiche for a period ending five years after the last product concerned was manufactured.

(4) Suppliers or distributors of products shall provide the necessary labels and standard product fiches to dealers free of charge. Suppliers are responsible for the accuracy of the labels and standard product fiches that they supply.

(5) Suppliers or distributors of products shall, at the request of the surveillance authority, make available technical documentation which is sufficient to establish the accuracy of the information contained on the label and the standard product fiche.

(6) Where products are offered for purchase, rent or display, dealers shall make available to the final customer, prior to the purchase or rent or display of the product, the information indicated on the label or standard product fiche.

(7) Any advertisement and promotional material concerning the product shall include, as appropriate, the energy class or other relevant information of the energy consumption.

(8) With respect to the products covered by this Act, the display of other labels, marks, symbols or inscriptions which do not comply with the requirements of this Act shall be prohibited, if such display is likely to mislead or confuse end users with respect to the consumption of energy or, where relevant, other essential resources during use.

(9) Misleading advertising of energy characteristics or energy savings concerning the product shall also be prohibited. Misleading advertising shall be deemed to be any statement of untrue or insufficient information about the energy efficiency or cost-effectiveness of the product with respect to the admissible manner of its use. When advertising the costs or savings and environmental and other characteristics of the product, it shall not be permitted to withhold or write less clearly data that are of essential importance with regard to the mode and purpose of the product use.

(10) The Government shall, by means of a decree, specify the technical requirements regarding the information to be provided on energy efficiency in various selling methods, leasing, advertising, and the content of the technical documentation.

### ***Article 329*** ***(Reporting on products)***

(1) The manufacturer or its authorised representative or an importer who places the products referred to in Article 328 of this Act or generation units for the production of heat from renewable energy sources (hereinafter: generation units) on the market shall report to the minister responsible for energy on the quantity of products placed on the market in the Republic of Slovenia and on their energy class indicated on the energy label or technical documentation of the product or unit. Data on the quantity and energy class of the products or generation units supplied for the market of the Republic of Slovenia shall also be provided by distributors.

(2) The minister responsible for energy shall define in regulations the type of information and manner of the reporting referred to in the preceding paragraph.

### Section 3: Energy performance of buildings

#### ***Article 330*** ***(Nearly zero-energy buildings)***

All new buildings shall be nearly zero-energy buildings.

#### ***Article 331*** ***(Action plan for nearly zero-energy buildings)***

(1) Following the proposal of the ministry responsible for energy, the Government shall adopt an action plan for nearly zero-energy buildings for the period up to 2020 every three years.

(2) The action plan for nearly zero-energy buildings shall cover objectives, programmes and measures to attain these objectives, and human and financial resources for the implementation of these programmes and measures. In the action plan, the Government shall also formulate the policy and measures to promote the energy efficiency renovation of existing buildings into nearly zero-energy buildings.

(3) Every three years the ministry responsible for energy shall draw up a report on progress as regards increasing the number of nearly zero-energy buildings and notify the European Commission thereof.

#### ***Article 332*** ***(Feasibility study of alternative energy supply systems)***

(1) In constructing a new building and when a building or part thereof undergoes major renovation that under the building construction regulations entails reconstruction, a feasibility study of alternative energy supply systems (hereinafter: a feasibility study) shall be drawn up while taking into account the technical, functional, environmental and economic feasibility of these systems. Alternative systems shall be deemed to be:

- decentralised systems based on renewable energy sources;
- high-efficiency cogeneration;
- district or block heating and cooling, if available;
- heat pumps.

(2) The feasibility study referred to in the preceding paragraph shall be a mandatory component of the basic design in compliance with the regulations on building construction.

(3) The feasibility studies referred to in the first paragraph of this Article are not necessary for buildings:

- whose type of energy supply shall be determined in the local energy concept referred to in Article 29 of this Act;
- whose type of energy supply shall be determined by means of a regulation;
- referred to in the sixth paragraph of Article 334 of this Act;

- if according to the basic design two-thirds of the final energy needed for the operation of the building is to be supplied from one or more alternative systems, the requirement for conducting the feasibility study shall be deemed fulfilled;
- with a surface area of up to 1000m<sup>2</sup>, if for the area in which it is or will be located a local energy concept or analysis of the rounded spatial unit has been drawn up or made with identified alternatives and capacities for using renewable energy sources.

(4) The minister responsible for energy shall prescribe the methodology for drawing up the feasibility study and its obligatory content.

**Article 333**  
***(Energy performance certificate)***

(1) Energy performance certificates of buildings shall contain reference values allowing the comparison and assessment of the energy performance of buildings. The energy performance certificate shall include recommendations for the cost-effective improvement of the energy performance of the building, except in the case of newly-built buildings and leased buildings.

(2) Energy performance certificates shall be valid for ten years. A customer may obtain a new energy performance certificate before the expiry of the ten-year period.

(3) An individual building or a building unit may not have two or more valid energy performance certificates. A new energy performance certificate for an individual building or building unit shall revoke the previous energy performance certificate.

(4) When the owner of a building unit in a multi-apartment building that may only be issued an energy performance certificate for the entire building orders an energy performance certificate, this certificate shall be valid for the entire building.

(5) Energy performance certificates of buildings shall be issued at the customer's request by an authorised legal or natural person referred to in Article 339.

(6) Every issuance of an energy performance certificate shall be reported, concurrently with its issuance, for entry in the Energy Performance Certificate Register by an independent expert for the production of building energy performance certificates. The energy performance certificate shall be transferred to the owner of the individual building or building unit.

(7) The Energy Performance Certificate Register shall be kept by the ministry responsible for energy. The data on buildings or building units, data on energy performance certificates, and data on the independent expert who produces the energy performance certificate shall be entered into the Energy Performance Certificate Register: their full name and accreditation number as well as the date accreditation was issued. The Energy Performance Certificate Register shall be accessible by the public. The data from the Energy Performance Certificate Register shall be a part of the common spatial database infrastructure.

(8) The detailed content, form and methodology for issuing an energy performance certificate as well as the data content, the method of keeping the Energy Performance

Certificate Register and the manner of reporting the issued energy performance certificate for entry into the Energy Performance Certificate Register shall be prescribed by the minister responsible for energy.

**Article 334**  
***(Duties relating to an energy performance certificate)***

(1) The energy performance certificate shall be provided by the owners of buildings or building units for buildings or building units that are built, sold or leased out to a tenant who, prior to leasing, did not have a permanent or temporary address at the building or building unit. For buildings that are constructed on the basis of building regulations and are not offered for sale or for leasing, the requirement referred to in the preceding paragraph shall be deemed to be fulfilled with the issuance of the energy performance certificate of the building. When selling or leasing out a building or building unit, its owner shall submit to the buyer or tenant the applicable energy performance certificate of the building or building unit prior to the conclusion of the contract. The energy performance certificate of the whole building may be presented instead of the energy performance certificate of the building unit.

(2) The energy performance certificate of a building or building unit shall not be required for:

- renting out the property for a period not exceeding one year;
- selling in the event of a demonstrated public interest in expropriation;
- selling in the event of an enforcement or bankruptcy procedure;
- selling or leasing a property that became the property of the Republic of Slovenia or a local community based on a decree of distribution proving inheritance.

(3) The energy performance certificate shall be a mandatory component of the as-built design. The energy performance certificate of new buildings shall demonstrate compliance with the regulation governing the energy efficiency of buildings.

(4) When a building or building unit is sold or leased out prior to obtaining an operating permit, the investor shall submit to the buyer and/or tenant an energy performance statement which is drawn up in compliance with the regulations governing the energy efficiency of buildings and is also a constituent part of the basic design. After acquiring the operating permit, the investor shall provide an energy performance certificate to the buyer or tenant.

(5) When a building or building unit is offered for sale or for rent, the owner of the building or building unit shall ensure that the energy performance indicator of the energy performance certificate of the building or the building unit, as applicable, is stated in the advertisement thereof.

(6) The requirements relating to the energy performance certificate and energy performance statement of buildings shall not apply to the following:

- buildings that are protected in accordance with the regulations governing the protection of the cultural heritage;
- buildings used as places of worship and for religious activities;
- industrial buildings and warehouses;



- non-residential agricultural buildings where energy is not used to ensure indoor climate conditions;
- simple and low-maintenance buildings, and
- self-standing buildings with a total useful floor area of less than 50m<sup>2</sup>.

#### ***Article 335***

##### ***(Costs of producing energy performance certificates)***

(1) Costs incurred for the production of an energy performance certificate shall be borne by the owner or owners of the building.

(2) Costs for the production of the certificate shall be deemed to be costs of regular operation linked to improved energy efficiency.

#### ***Article 336***

##### ***(The obligation to display an energy performance certificate)***

(1) In buildings with a total useful floor area over 250m<sup>2</sup> owned or occupied by the public sector, the energy performance certificate shall be displayed by the operator of the building in a prominent place clearly visible to the public.

(2) The minister responsible for energy shall specify the types of buildings to which the obligation referred to in the first paragraph shall apply.

#### ***Article 337***

##### ***(Inspection of air conditioning systems)***

(1) The owners of buildings or building units in which an air conditioning system with an effective rated output of more than 12kW is installed shall ensure efficient operation and regular inspections of the air conditioning system.

(2) Such inspections shall be carried out by independent and accredited experts referred to in Article 341 of this Act.

(3) The inspections shall include an assessment of the efficiency of the air conditioning system and its suitability in relation to the use of building.

(4) Based on the inspections carried out, the independent experts shall advise users of technically feasible and cost-effective improvements or replacement of the air conditioning system and alternative solutions.

(5) Any issued report concerning the inspection of the air conditioning system shall be reported by an independent expert for entry in the register of inspection reports on air conditioning systems. The inspection report on the air conditioning system shall be handed over to the owner of the building or a building unit.

(6) The register of inspection reports on air conditioning systems shall be kept by the ministry responsible for energy. The data on buildings or building units, data concerning inspection reports on air conditioning installations, and data on the independent expert issuing the report shall be entered in the register: full name and accreditation number as well as the date accreditation was issued. The data from the register of inspection reports on air conditioning systems shall be a part of the common spatial database infrastructure.

(7) The minister responsible for energy shall prescribe the details concerning the content, method of implementation and time intervals of regular inspections and the criteria for determining the price of the inspection report on air conditioning systems as well as the method of keeping the register of inspection reports on air conditioning systems.

**Article 338**  
***(Inspection of heating systems)***

(1) The owner of a building or building unit shall ensure regular inspections of accessible parts of systems used for heating buildings, such as the heat generator, control system and circulation pumps, with boilers of an effective rated output for space heating purposes above the power capacity prescribed by the minister.

(2) The inspections of heating systems shall be carried out by the independent and accredited experts referred to in Article 341 of this Act.

(3) The inspections shall also include an assessment of the efficiency of the heating systems and their suitability in relation to the use of buildings.

(4) Based on the inspections carried out, independent experts for drawing up the inspection report on heating systems shall advise users of possible improvements or replacement of parts of the heating system.

(5) Any issued report on the inspection of heating system shall be reported by the independent expert for entry in the register of inspection reports on heating systems. The inspection report on the heating system shall be handed over to the owner of the building or building unit.

(6) Independent experts authorised by legal or natural persons shall, during the inspection, take into account the methodology laid down in the regulation governing regular inspections of the accessible parts of heating systems.

(7) The register of inspection reports on heating systems shall be kept by the ministry responsible for energy. The data on buildings or building units, data concerning the inspection report on heating system, and data on the independent expert issuing the report shall be entered in the register: full name and accreditation number as well as the date accreditation was issued. The data from the register of inspection reports on heating systems shall be a part of the common spatial database infrastructure.

(8) The minister responsible for energy shall prescribe the details concerning the content, type and time intervals of regular inspections of accessible parts of heating systems, the content of data, the method of keeping the register, the method of reporting for entry in the

register and the method of training and criteria for determining the price of the inspection report on heating systems.

**Article 339**  
***(Authorisation for issuing energy performance certificates)***

Energy performance certificates shall be issued by authorised legal or natural persons (hereinafter: the issuing authorities). The minister responsible for energy shall, by means of a decision, authorise a legal or natural person that meets the following conditions:

- it is registered in the court register or in the Business Register of Slovenia as performing the activity of designing or technical consulting; and
- for the implementation of the tasks referred to in the previous indent, the participation of at least one independent expert for the production of energy performance certificates has been ensured on the basis of an employment contract, a work contract in accordance with contractual obligations, through cooperation, or by any other legal means.

**Article 340**  
***(The issuance of energy performance certificates and reports on the inspection of air conditioning and heating systems)***

(1) The issuing authority shall, at the request of the customer, carry out the procedure for issuing energy performance certificates and reports on inspections of air conditioning and heating systems. A person applying for an energy performance certificate or requesting the inspection of an air conditioning or heating system shall make available to the independent experts all necessary information and project documentation in compliance with the building construction regulations and enable him to enter the premises for the verification of data and the inspection of relevant objects, installations and systems.

(2) In performing their tasks, independent experts shall comply with the regulations on energy performance certificates and inspections of air conditioning or heating systems; they shall carry out these inspections in accordance with the code of conduct of the profession, without being influenced by the customer, other persons, or their employer's instructions.

(3) Notwithstanding the first paragraph of this Article, independent experts shall not issue an energy performance certificate or carry out an inspection of an air conditioning or heating system if:

- there are grounds for being disqualified under the regulations governing the general administrative procedure;
- in the past three years they have been employed by the customer, i.e. the person requesting the issuance of an energy performance certificate or inspection, or if in the past three years they have maintained any other relationship with the customer involving the provision of services against payment or the performance of work in a subordinated relationship in accordance with personal income tax regulations;
- they do not work in an independent manner, which affects the impartial production of an energy performance certificate or report on the inspection of the air conditioning or heating system;

- in the drawing up of recommended measures, they give priority to particular installations or services of a particular provider and, in the interests of service or equipment providers, propose measures that are not justified at the expert level.

(4) Independent experts shall deliver to the person requesting inspection a written statement certifying the non-existence of any circumstances referred to in the preceding paragraph which might represent an obstacle to producing an energy performance certification of the building or carrying out an inspection of the air conditioning or heating systems.

(5) The price of energy performance certificates and the inspection reports on air conditioning or heating system consists of the cost of issuing the energy performance certificates or the cost of issuing reports and fees.

(6) The base fee for issuing energy performance certificates or reports shall depend on the intended use of the building, the size of the building, the number of building units and the installed air conditioning and heating systems. The base and the level of the fee for issuing energy performance certificates and inspection reports on air conditioning and heating systems shall be specified by the Government, taking into account the costs of supervision and the cost of keeping registers relating to energy performance certificates and inspection reports on air conditioning and heating systems.

#### ***Article 341*** ***(Accreditation of independent experts)***

(1) Independent experts shall be accredited for the production of energy performance certificates provided that they meet the following requirements:

- they have at least a professional higher education degree or education from a first-level study programme in the fields of study falling within a specific field of engineering or architecture, urban planning, or construction or within a specific field of wood, paper, plastics, glass, or similar technology, in accordance with the regulations governing higher education;
- they have at least two years of appropriate work experience in the field of energy efficiency and renewable energy sources in buildings after attaining the educational level referred to in the preceding indent;
- during the five years prior to their application for accreditation they have successfully completed an energy performance certificate training course for independent experts, in accordance with this Act.

(2) Independent experts shall be accredited for inspections of air conditioning systems provided they meet the following requirements:

- they have at least a professional higher education degree or education from a first-level study programme in the fields of study falling within a specific field of engineering (except specific fields of chemical engineering and process engineering or the field of motor vehicles, vessels and aircraft), in accordance with the regulations governing higher education;
- they have at least two years of appropriate work experience in the professional field of air conditioning systems after attaining the educational level referred to in the preceding indent;

- during the last five years prior to their application for accreditation they have successfully completed a training course for independent experts for inspections of air conditioning systems.

(3) Independent experts shall be accredited for inspections of heating systems provided they meet the following requirements:

- they have at least a professional higher education degree or education from a first-level study programme in fields of study falling within a specific field of engineering (except specific fields of chemical engineering and process engineering or the field of motor vehicles, vessels and aircraft), in accordance with the regulations governing higher education;
- they have at least two years of appropriate work experience in the professional field of heating systems after attaining the educational level referred to in the preceding indent;
- during the last five years prior to their application for the accreditation they have successfully completed a training course for independent experts for inspections of heating systems.

(4) Independent experts shall be accredited at their request by the ministry responsible for energy on the basis of proof of successful completion of training.

(5) The ministry responsible for energy shall keep the register of accredited independent experts referred to in the first, second and third paragraphs of this Article. For the purpose of administrative decision-making and the work of experts under this Act, the register shall maintain the personal data on an independent expert (full name, residence address, academic or scientific titles, personal registration number, type of specialisation – where appropriate, and information on publications, telephone number, fax number, e-mail address), the date accreditation was issued and the date of its expiry. The following personal data shall not be public: residential address, personal registration number, telephone number, fax number, e-mail address. Notwithstanding the preceding sentence, the applicants for accreditation shall be allowed to consent to their contact details (telephone number, fax number, e-mail address) being made public.

(6) The independent experts referred to in the first, second and third paragraphs of this Article shall be deemed to be among the regulated professions in the Republic of Slovenia.

(7) The minister responsible for energy shall prescribe the training programmes which independent experts should complete in order to produce energy performance certificates or carry out regular inspections of air conditioning and heating systems under this Act, the detailed conditions referred to in Article 345 of this Act, the form and content of the accreditation certificate for independent experts, along with the detailed content and the manner of keeping the register of accredited independent experts.

#### ***Article 342*** ***(The competent authority)***

(1) The tasks of the competent authority, in accordance with the rules governing the procedure for the recognition of professional qualifications of nationals of EU Member States, the European Economic Area and the Swiss Confederation relating to access to regulated

professions and professional activities in the Republic of Slovenia, shall be carried out by the ministry responsible for energy.

(2) The ministry responsible for energy shall have all the rights and obligations determined in the rules governing the recognition of professional qualifications. Unless otherwise provided by this Act, the rules governing the recognition of professional qualifications shall apply to the implementation of these tasks.

(3) Nationals of EU Member States, the European Economic Area and the Swiss Confederation or of the states with which a relevant international agreement has been concluded (hereinafter: State Parties) may practise regulated professions under this Act subject to the same conditions as apply to Slovenian citizens, unless otherwise provided by this Act. In doing so, they shall use the methodology and standards prescribed by the Slovenian regulations.

#### ***Article 343***

##### ***(Regulated professions pursued on a permanent basis by nationals of State Parties)***

(1) The nationals of State Parties wishing to pursue, on a permanent basis, a regulated profession under this Act shall obtain a decision recognising a professional qualification from the ministry responsible for energy.

(2) The application for the recognition of professional qualification shall be lodged in accordance with the act governing the recognition of professional qualifications. In addition to the evidence prescribed for the procedure of recognition by the act regulating professional qualifications, the application for the recognition of a professional qualification under this Act shall also contain evidence demonstrating compliance with the conditions comparable to those stipulated under this Act.

(3) The decision on the recognition of a professional qualification issued by the authority responsible for energy shall not be subject to appeal; however, an administrative dispute may be initiated.

#### ***Article 344***

##### ***(Regulated professions pursued on an occasional basis by nationals of State Parties)***

(1) The nationals of State Parties wishing to pursue, on an occasional basis, a regulated profession under this Act shall lodge a written application with the ministry responsible for energy. In addition to the evidence prescribed for the application by the act regulating professional qualifications, the application to pursue, on an occasional basis, the regulated professions under this Act shall contain evidence demonstrating compliance with the conditions comparable to those stipulated under this Act.

(2) As regards regulated professions, the ministry responsible for energy shall, prior to the first provision of service, verify the fulfilment of the conditions referred to in the preceding paragraph and professional qualification of the provider in accordance with the act governing the recognition of professional qualifications.

(3) Upon the fulfilment of the conditions referred to in the preceding paragraph of this Article, the ministry responsible for energy shall temporarily enter the service provider in the register of accredited independent experts who pursue their profession in the Republic of Slovenia on an occasional basis. The register of accredited independent experts shall be made available to the public on the website of the ministry responsible for energy. The entry into the register of accredited independent experts shall not incur additional costs on the service provider.

(4) An individual providing a service for more than one year shall extend its application once per calendar year with the ministry responsible for energy and notify it of any modification of the data.

#### ***Article 345*** ***(Providers of training)***

The training of independent experts for producing energy performance certificates or carrying out regular inspections of air conditioning and heating systems under this Act shall be provided by organisations selected in a public call for tenders and authorised for a period of not more than five years by a decision of the minister responsible for energy. Conditions for obtaining the authorisation shall apply to:

- the qualification of lecturers and other educational staff engaged by such organisation;
- staff required for successful training and other related tasks (receipt of applications, keeping necessary records, etc.);
- equipment and premises required for training and other related tasks.

#### ***Article 346*** ***(Warnings or revocation of authorisation or accreditation)***

(1) The minister responsible for energy may, by means of a decision, issue a warning to the issuing authority, or revoke the authorisation referred to in Article 339 of this Act.

(2) The warning shall be issued to the issuing authority in the event of at least two repeated deficiencies in issuing energy performance certificate.

(3) The authorisation may be withdrawn if the issuing authority:

- fails to meet the conditions referred to in Article 339 of this Act;
- or an independent expert engaged by the issuing authority, during the performance of their tasks, violates the provisions of this Act or the provisions of the implementing regulation more than three times.

(4) The minister responsible for energy may, by means of a decision, issue a warning to independent experts or revoke their accreditation.

(5) The warning shall be issued to a holder of accreditation in the event of at least two repeated deficiencies in producing energy performance certificates.

(6) Accreditation shall be withdrawn if the holder:

- fails to meet the conditions referred to in Article 341 of this Act;
- repeats a mistake after a warning has been issued;
- during the performance of his tasks violates the provisions of this Act or the provisions of the implementing regulation more than once;
- violates the third paragraph of Article 340 of this Act.

(7) Accreditation or authorisation may again be obtained after the expiry of three years from the day the decision on revocation becomes final.

#### *Article 347*

#### *(Professional control of energy performance certificates and inspection reports on air conditioning and heating systems)*

(1) The professional control of energy performance certificates and inspection reports shall be carried out by the ministry responsible for energy.

(2) Once a year the ministry shall subject to verification at least a statistically significant percentage of certificates and inspection reports issued annually.

(3) The professional control shall entail the verification of:

- the data of the building or system;
- the input data and results stated in the energy performance certificate or inspection report; and
- recommendations.

(4) For the verification purposes referred to in the preceding paragraph, the ministry responsible for energy shall, for each energy performance certificate or inspection report that is subject to verification, order an expert analysis to verify the regularity of the issued energy performance certificate or inspection report. In the event of any established irregularities and on the basis of the expert analysis, the ministry responsible for energy shall issue a decision imposing on the authority issuing the energy performance certificate or inspection report the obligation to eliminate the irregularities.

(5) For the purpose of professional control, the ministry or a person who conducts expert analyses and obtains the explicit authorisation of the ministry may obtain data from official records. The acquisition of data shall also include personal data from the official records, i.e. the full name and address of the owner of the building or system.

(6) The minister responsible for energy shall prescribe the details regarding the content, form, methodology and deadlines for the control of energy performance certificates and inspection reports on air conditioning and heating systems.

(7) The control shall be financed from the fee referred to in Article 340 of this Act.

(8) If, during the professional control procedure, the ministry has doubts about the regularity of the energy performance certificate or inspection report, it shall notify the competent inspectorate of its findings.



### **Article 348**

#### ***(The long-term strategy to mobilise investment in the renovation of buildings)***

(1) The Government shall, following the proposal of the ministry responsible for energy and the ministry responsible for the tangible assets management system, adopt a long-term strategy for mobilising investment in the renovation of the national stock of residential and commercial buildings, both public and private. The strategy shall encompass the designation of persons in the narrower and wider public sector for the purpose of renovation, the floor area of buildings owned and occupied by public sector entities, the renovation rate of the total building floor area used and occupied by entities in the narrow public sector, an overview of the national building stock, the identification of cost-effective approaches to renovations relevant to the building type, measures to stimulate cost-effective deep renovations of buildings, measures to guide the investment decisions of individuals, the construction industry and financial institutions. The strategy shall give special consideration to buildings that are protected in accordance with the regulations on the protection of the cultural heritage. It shall take into account all programmes and action plans related to this area. The strategy shall be updated every three years.

(2) When implementing measures for the comprehensive renovation of buildings, the building as a whole shall be taken into consideration, including the building envelope, equipment, operation and maintenance. The priority in renovation shall be given to the buildings with the poorest energy performance, where cost-effective and technically feasible.

(3) The measures shall exempt buildings that are used:

- for national defence purposes, apart from individual residential building or commercial parts of buildings,
- as places of worship or for religious activities.

### **Article 349**

#### ***(Methodology of the calculation of the renovation rate)***

(1) The renovation rate, which is determined in the long-term strategy referred to in the preceding Article, shall be calculated with regard to the total floor area of buildings with a total useful floor area over 250m<sup>2</sup> owned by public sector entities.

(2) If the annual renovation objective of the total floor area determined in the long-term strategy referred to in the preceding Article is exceeded, the excess may be counted towards the annual renovation rates of the following years. The annual renovation rate shall apply to new buildings occupied and owned as replacements for specific buildings of a narrow public sector that were demolished in any of the two previous years, or buildings that have been sold, demolished or taken out of use in any of the two previous years due to more intensive use of other buildings

(3) The ministry responsible for energy shall, in cooperation with the ministry responsible for the tangible assets management system, draw up an inventory of public sector entities that contains the data on the useful floor area and energy performance indicators.

### **Article 350**

***(The methodology of the calculation of the energy performance of buildings)***

(1) The minister responsible for energy shall prescribe the methodology for calculating the energy performance of buildings at the national level, taking into account cost-optimal levels of minimum energy performance requirements for building units. The methodology shall be taken into consideration when determining the minimum energy performance requirements for building elements.

(2) The minister responsible for construction shall prescribe the methodology for calculating the energy performance of buildings by taking into account cost-optimal levels, and lay down minimum energy performance requirements for buildings and building elements. The methodology shall be taken into consideration when determining the minimum energy performance requirements for building elements.

(3) Minimum energy performance requirements shall be reviewed every five years and, if necessary updated.

**Chapter IV: INFORMATION, AWARENESS RAISING, TRAINING**

***Article 351***

***(General information, awareness raising and training)***

(1) The Centre for RES/CHP Support shall draw up and implement programmes to provide information, training and awareness-raising of various target groups with regard to the benefits and practical aspects of the development and use of energy efficiency and renewable energy technologies.

(2) The Centre for RES/CHP Support shall cooperate with the local community authorities competent for energy efficiency and renewable energy sources when drawing up and implementing the programmes referred to in the preceding paragraph that relate to local communities.

(3) The Centre for RES/CHP Support shall publish on its website information on energy efficiency and renewable energy resources for different categories of persons, namely:

- information on the net benefits, costs and energy efficiency of installations and systems for air conditioning, heating and the production of electricity from renewable sources;
- information on programmes providing support to measures relating to energy performance and the use of renewable energy;
- information on the certification systems or installers of energy installations utilizing renewable energy sources referred to in Article 359 of this Act and the list of accredited installers, including full names and contact data;
- guidelines for the optimal combination of renewable energy sources, high-efficiency technology and district heating and cooling when planning, designing, constructing and renovating commercial, industrial and residential areas;
- information on the availability and environmental advantages of different renewable energy sources intended for use in transport,
- information on available mechanisms for improving energy efficiency;
- information on financial and legal frameworks for the implementation of energy efficiency improvement measures.

(4) The Centre for RES/CHP Support shall publish a geographical presentation of the potentials for the use of renewable energy sources, and data on recipients of support for projects aimed at increasing energy efficiency and the use of renewable energy sources, including the name or company of the recipient, the recipient's address and the type and size of the financial project.

(5) Funds for the implementation of the programmes referred to in this Article that are carried out by the Centre for RES/CHP Support shall be provided from the funds for the implementation of the Eco Fund programme for improving energy efficiency referred to in Article 317 of this Act.

(6) Notwithstanding the provisions of this Article, the information to be provided to energy consumers on measures to improve energy efficiency and the use of renewable energy sources may be provided by all stakeholders in the energy market, including energy suppliers and energy service providers.

**Article 352**  
***(Energy advice services for citizens)***

(1) The provision of energy advice regarding energy efficiency in general consumption shall be organised through a network of energy consulting offices.

(2) The Eco Fund shall organise and administer the energy advice services referred to in the previous paragraph.

(3) The Eco Fund shall organise a network of consulting offices in cooperation with the interested local communities.

(4) The programme of activities for education, information and advice services for buildings and households may, in addition to advice services, also include the drawing up and use of promotional and informational material and other instructions, mechanisms and tools for this purpose.

(5) The provision of energy advice services for citizens shall be financed from the funds for the implementation of the Eco Fund programme for improving energy efficiency.

**Article 353**  
***(Providers of energy advice for citizens)***

(1) The information and advice service for buildings and households shall be provided by independent experts who:

- have undergone the training for independent experts for the production of energy performance certificates referred to in Article 345 of this Act, and
- have been accredited for the production of energy performance certificates referred to in Article 341 of this Act.

(2) As part of the provision of the energy advice service referred to in the preceding Article, additional expert training shall be organised on a regular basis for energy advice providers.

***Article 354***  
***(Energy audits)***

(1) The ministry responsible for energy shall promote the development and implementation of energy audits.

(2) The minister responsible for energy shall prescribe the methodology for the development and obligatory content of energy audits.

(3) Large enterprises as laid down in the regulations governing companies shall be subject to an energy audit every four years.

(4) The requirement referred to in the preceding paragraph shall be deemed fulfilled when:

- under voluntary agreements, energy audits are carried out in accordance with the guidelines referred to in the second paragraph of this Article; or
- an enterprise implements an energy or environmental management system certified by an independent body in accordance with the relevant European or International Standards, provided that the management system concerned includes an energy audit in accordance with the guidelines referred to in the second paragraph of this Article; or
- the energy audit is part of a broader environmental audit in accordance with the guidelines referred to in the second paragraph of this Article.

(5) The Agency shall specify when the requirements referred to in the preceding paragraph are deemed to be fulfilled, taking into account the prescribed methodology referred to in the second paragraph of this Article.

(6) At the request of the beneficiary, the Agency shall issue a decision exempting the enterprise from the obligation to undergo an energy audit if the enterprise concerned, during its business activities, achieves the purpose of energy audits in one of the manners referred to in the fourth paragraph of this Article.

***Article 355***  
***(Compulsory metering and billing)***

(1) An operator or network energy distributor shall meter the energy supplied to each customer.

(2) The network energy distributor shall perform the billing of the energy on the basis of actual energy consumption in a clear and understandable form. The network energy distributor shall provide the billing frequently enough to enable customers to regulate their own energy consumption, or at least once a year.

(3) The supplier shall at any time upon the request of the customer perform billing for the supplied energy on the basis of actual consumption.

#### ***Article 356***

##### ***(Compulsory metering of heat consumption for individual buildings)***

(1) Where heating or cooling is supplied to a building from a district heating and cooling network or from a central boiler house, as laid down by regulations governing multi-apartment buildings, the owner of each building shall ensure that a heat meter and hot water meter are installed for each building separately.

(2) The costs of the heat consumed by individual buildings shall be calculated on the basis of the costs of the heat or fuel established by metering in the central boiler house, on the basis of the metering referred to in the preceding paragraph and in the ratio corresponding to the metered heat consumption of individual buildings.

#### ***Article 357***

##### ***(Compulsory metering of heat consumption for individual building units)***

(1) In multi-apartment and other buildings with at least four individual units that are supplied with heat from a common central heating system, the costs of heating and hot water shall be determined mainly on the basis of the actual consumption of heat. For this purpose, the owners of individual units of a building shall have individual meters installed indicating the actual heat consumption in each unit of the building. The billing shall be based on the metering of the heat consumption of the entire building.

(2) The owners of building units where meter readings are not available because meters are not appropriately installed, or because their owners fail to enable the reading of data from the meters, shall be charged for their energy consumption on the basis of a distribution key, taking into account the heated surface area or volume and augmented in the manner prescribed by the regulation referred to in the third paragraph of this Article so as to preclude those owners from enjoying the benefits of entire building energy savings achieved by the installation of metering devices and billing according to the actual heat consumption.

(3) The minister responsible for energy shall, in agreement with the minister responsible for the housing policy, lay down the manner of metering, dividing and determining the heat costs in multi-apartment and other buildings with several units.

#### ***Article 358***

##### ***(The provision of information on energy consumption to final customers)***

(1) Suppliers of energy and fuels shall, at least twice yearly, provide billing information to final customers in a clear and understandable form.

(2) Notwithstanding the preceding paragraph, suppliers shall provide billing information at least four times a year:

- at the request of the customer, or

- where the customer has opted to receive electronic billing.

(3) The information contained in the bill referred to in the first and second paragraphs of this Article shall include:

- current actual prices;
- actual consumption of energy and actual costs in the billing period;
- comparisons of the customer's energy consumption with consumption for the same period in the previous year;
- comparisons with an average normalised or benchmarked final customer in the same user category wherever possible and useful.

(4) Customers that have had smart metering systems installed shall be provided with easy access to complementary information on historical consumption allowing self-checks. Such complimentary information shall include:

- cumulative data for at least the three previous years or the period since the start of the supply contract if this is shorter. The data shall correspond to the intervals for which frequent billing information has been produced; and
- detailed data on the time of use for any day, week, month or year. These data shall be made available to the final customer via the internet or the meter interface for the period of at least the previous 24 months or the period since the start of the supply contract, if this is shorter.

(5) The supplier and operator shall, at the request of the final customer, make available all information on the electricity billing and historical consumption to an energy service provider designated by the final customer.

(6) The supplier and operator shall ensure that final customers are offered the option of electronic billing information and bills and that they receive, on request, a clear and understandable explanation of how their bill was derived, especially where bills are not based on actual consumption.

(7) The supplier shall ensure that information and estimates for energy costs are provided to final customers on demand in an easily understandable format enabling customers to compare offers on a like-for-like basis.

(8) The supplier and operator shall ensure that final customers receive their energy bills and billing information for energy consumption free of charge and that final customers also have access to their consumption data free of charge.

(9) In addition to the information referred to in the third paragraph of this Article, the supplier and operator shall provide final customers with data on legal entities and natural persons who provide information about efficient use and renewable energy sources, including website addresses where information can be obtained on available energy efficiency improvement measures, use of renewable energy sources, heat and electricity cogeneration systems, comparable diagrams of end use and unbiased technical specifications for the equipment and products using the energy.

#### ***Article 359***

***(Training of installers of installations utilising renewable energy sources,***

(1) With a view to ensuring the proper and efficient operation of installations and systems using renewable energy sources, installers of sun collectors, heat pumps, shallow geothermal systems, biomass boilers and solar energy installations shall undergo expert training.

(2) Training programmes shall be carried out by natural or legal persons authorised by the ministry responsible for energy (hereinafter: training provider). The authority to carry out such training shall be granted as a public authority by the minister responsible for energy following a completed tendering procedure.

(3) Certificates and other equivalent qualification certificates of installers of small-scale generation units utilising renewable energy sources that are issued in EU Member States in accordance with Directive 2009/28/EC shall be equivalent to certificates issued in accordance with this Act.

(4) The minister responsible for energy shall, in agreement with the minister responsible for the environment, stipulate the following:

- the requirements to be met by installers to participate in the training;
- the contents of the training programme;
- the requirements to be met by training providers;
- the records on implemented training programmes;
- the method of knowledge verification; and
- the content, form and validity of certificates of qualification.

## **Chapter V: ELECTRICITY PRODUCED FROM RENEWABLE ENERGY SOURCES AND HIGH-EFFICIENCY COGENERATION**

### Section 1: High-efficiency cogeneration of heat and electricity and efficient district heating and cooling

#### ***Article 360***

#### ***(Comprehensive assessment of the potential for the application of high-efficiency cogeneration and efficient district heating and cooling and a cost-benefit analysis)***

(1) The ministry responsible for energy shall, every five years, draw up a comprehensive assessment of the potential for the application of high-efficiency cogeneration and efficient district heating and cooling, which shall include a description of heating and cooling demand and a forecast of how this demand will change in the next 10 years, the identification of the heating and cooling demand that could be satisfied by high-efficiency cogeneration, the share of high-efficiency cogeneration, an estimate of the primary energy to be saved, measures to improve energy efficiency in the district heating and cooling infrastructure and increase the share of cogeneration.

(2) The comprehensive assessment referred to in the preceding paragraph shall include a cost-benefit analysis.

(3) The cost-benefit analysis shall include the creation of a baseline and feasible alternative scenarios in which only high-efficiency cogeneration, efficient district heating and

cooling or efficient individual heating and cooling supply options should be taken into account, as well as an economic analysis with an inventory of all relevant economic effects.

(4) The minister responsible for energy shall issue rules laying down the detailed content of the cost-benefit analysis referred to in the second paragraph of this Article.

**Article 361**  
***(Reporting by the Agency)***

(1) The Energy Agency shall, every two years, publish a report analysing the level of success in achieving the adopted national framework objectives set for electricity generated from high-efficiency cogeneration and renewable energy sources. The report shall also consider climatic factors which might affect the achievement of the adopted objectives and shall establish the extent to which the measures adopted comply with the national commitments in relation to climatic changes.

(2) The report shall include all measures adopted to ensure the reliability of the guarantee system so that guarantees of origin are accurate and reliable.

**Article 362**  
***(Provision of statistical data on the efficiency of cogeneration)***

The national authority responsible for statistics shall submit to the European Commission before 30 April each year statistics on the following:

- national electricity and heat production from high and low efficiency cogeneration in relation to total heat and electricity production capacities;
- annual statistics on cogeneration heat and electricity capacities;
- fuels for cogeneration;
- district heating and cooling production and capacities, in relation to total heat and electricity production and capacities; and
- primary energy savings.

**Article 363**  
***(The methodology for determining the efficiency of high-efficiency cogeneration)***

For individual types of cogeneration unit technologies, the Government shall prescribe the manner of determining the efficiency of high-efficiency cogeneration, the manner of calculating the quantity of electricity produced from cogeneration considered to be electricity from high-efficiency cogeneration, and the manner of calculating primary energy savings in high-efficiency cogeneration.

**Article 364**  
***(Assessment of efficient district heating and cooling potentials)***

(1) When planning new constructions and major renovations during the procedure for obtaining a building permit, the investor shall, by taking into account the comprehensive



assessment referred to in Article 360 of this Act, provide a cost-benefit analysis regarding the potential of the application of high-efficiency cogeneration and efficient district heating and cooling in the case of:

- a thermal electricity generation installation with a total thermal input exceeding 20MW, with an assessment of the costs and benefits of operating the installation as a high-efficiency cogeneration installation;
- a substantially refurbished thermal electricity generation installation with a total thermal input exceeding 20MW, with an assessment of the costs and benefits of converting the installation to high-efficiency cogeneration;
- a planned or substantially refurbished industrial installation with a total thermal input exceeding 20MW generating waste heat at a useful temperature level, with an assessment of the costs and benefits of utilising the waste heat to satisfy economically justified demand, including through cogeneration, and of the connection of that installation to a district heating and cooling network;
- planning a new district heating and cooling network, or in the case of an existing district heating or cooling network, where a new boiler or energy production installation is planned with a total thermal input exceeding 20MW, or in the case of substantial refurbishment of such installation, with an assessment of the costs and benefits of utilising the waste heat from nearby industrial installations.

(2) The minister responsible for energy shall issue rules laying down the methodology, assumptions and timeline for the economic analysis and principles to be taken into account during the implementation of the cost-benefit analysis referred to in the previous paragraph.

## Section 2: Guarantee of origin of electricity

### *Article 365*

#### *(Guarantee of origin, register of declarations)*

(1) A guarantee of origin of the electricity (hereinafter: guarantee of origin) shall mean an electronic document enabling producers and suppliers to demonstrate that the electricity they produced or supplied is produced from high-efficiency cogeneration or from renewable energy sources. The guarantee of origin may be transferred to another person and/or it shall prove the generation of electricity from high-efficiency cogeneration or from renewable energy sources in acquiring support for current operation and for the guaranteed purchase of electricity.

(2) A guarantee of origin may be obtained by producers of electricity produced from generation units having a valid declaration, and who show that in the period to which the guarantee refers the operation of the generation unit complied with the conditions and requirements determined for high-efficiency cogeneration or for electricity produced from renewable energy sources.

(3) The Agency shall, at the request of the electricity producer, issue a declaration for the electricity generation unit if the generation unit complies with the prescribed requirements for high-efficiency cogeneration, or for electricity generation from renewable energy sources, or for high-efficiency cogeneration utilising, in addition to fossil fuels, also

fuels from renewable sources (hereinafter: the declaration). The declaration shall be issued for a limited period of time.

(4) The authorised Agency employees referred to in Article 425 of this Act shall supervise declaration holders and the fulfilment of the conditions and requirements referred to in the declaration. Authorised Agency employees shall carry out supervision over the holders of declarations and guarantees of origin in accordance with the provisions of this Act relating to the supervisory tasks of the Agency.

(5) The electricity producer shall inform the Agency of any changes regarding a generation unit that might affect the validity of a declaration. The Agency shall revoke the declaration by means of a decision if the electricity generation unit does not operate or is not maintained or renovated in such a manner as to meet the conditions referred to in the declaration, and if it was modified in such a manner that it affects the conditions and requirements referred to in the declaration.

(6) The Agency shall keep a register of declarations for units producing electricity from renewable sources and high-efficiency cogeneration. The register shall keep the data on generation units having a valid declaration and on producers holding declarations. When the electricity producer is a natural person, the following personal data shall be entered into the register:

- the full name of the electricity producer;
- permanent residence.

(7) The data entered into the register other than the personal data referred to in the preceding paragraph shall be public.

(8) Personal data may only be used for the purposes of keeping the register of declarations for generation units and the register of guarantees of origin.

(9) The Government shall prescribe the content and form of the application for a declaration, define in detail the method of issuing declarations, the validity period of the declaration according to the type or technology of the generation unit, the conditions for high-efficiency cogeneration, reporting changes regarding the data in the declaration, the conditions for metering-registration devices and for the metering, registration and communication of metering results, which producers must keep at or in electricity generation units and the content thereof, as well as the method of keeping the register of producers of electricity from renewable sources or high-efficiency cogeneration.

### ***Article 366*** ***(Guarantee of origin)***

(1) The guarantee of origin shall be issued by the Agency at the request of an electricity producer holding a declaration. The guarantee shall be issued in an electronic form. Such guarantee shall be considered an authentic public document.

(2) The guarantee of origin shall be issued to the producer upon the entry of the guarantee in the producer's account in the register of guarantees of origin. The guarantee of

origin may be transferred to the account of a new holder in the register of guarantees of origin or by exporting the guarantee to holders abroad.

(3) If the Agency refuses to issue a guarantee of origin it shall issue a decision of rejection on the matter.

(4) Electricity system operators of the network to which the electricity generation units are connected shall be obliged to report to the Agency all the data in connection with the electricity produced for which the Agency has issued a guarantee of origin.

(5) A guarantee of origin shall be for a standard unit of 1MWh. Any use of a guarantee of origin shall take place within 12 months from the last day of production of the corresponding energy unit in respect of which the guarantee of origin has been issued. No more than one guarantee of origin shall be issued in respect of each unit of energy produced from a certain electricity generation unit.

(6) If support in the form of the guaranteed purchase of electricity has been obtained for the electricity from the generation unit, all guarantees of origin shall, upon being issued, be transferred to the Centre for RES/CHP Support. The transferred guarantees issued in the name of suppliers shall be cancelled by the Centre for RES/CHP Support, in accordance with the criteria set by the Agency in its general act referred to in the fourth paragraph of Article 42 of this Act, for their respective supply to final customers in the Republic of Slovenia for the purpose of providing proof of the origin of the electricity. When support for electricity from a generation unit is provided as financial aid for current operations, the Centre for RES/CHP Support shall recognise to an electricity supplier that has concluded a contract for the purchase of electricity produced from this generation unit the share of the so obtained energy for the purpose of demonstrating the share of energy produced from renewable energy sources in its energy mix, provided that, in the register of guarantees of origin, the guarantees of origin were transferred to the supplier's account.

(7) The quantity of energy from renewable sources corresponding to guarantees of origin transferred by the energy supplier to a third party shall be deducted from the share of energy from renewable sources in its energy mix for the purposes of providing information to customers on the share of energy from renewable sources or the contribution of each energy source to the overall fuel mix of the supplier over the preceding year. The same applies to the reference to existing reference sources, such as websites, where information on the environmental impact, in terms of at least CO<sub>2</sub> emissions resulting from the electricity produced by the overall fuel mix of the supplier over the preceding year is publicly available.

(8) Guarantees of origin shall not apply to the calculation of the gross final consumption of energy from renewable sources and to providing proof of the achievement of the objectives referred to in Article 28 of this Act. Transfers of guarantees of origin by suppliers, separately or together with the physical transfer of energy, shall have no effect on the decision of the Republic of Slovenia to use statistical transfers, joint projects or joint support schemes for target compliance or on the calculation of the gross final consumption of energy from renewable sources in accordance with Articles 5 to 11 of Directive 2009/28/ES.

(9) The Government shall, by way of a decree, specify the conditions, method and procedure for issuing guarantees of origin, the longest period of validity and the revocation of

the validity of guarantees, and specify the method of communicating the data referred to in the fourth paragraph of this Article.

**Article 367**  
***(The content of a guarantee of origin)***

(1) The guarantee of origin for electricity produced from renewable energy sources shall contain at least the following information:

- the energy source from which the energy was produced and the start and end dates of production;
- the identity, location, type and capacity of the installation where the energy was produced;
- whether and to what extent the installation has benefited from investment support, whether and to what extent the unit of energy has benefited in any other way from a national support scheme, and the type of support scheme;
- the date on which the generation unit became operational; and
- the date and country of issue and a unique identification number.

(2) A guarantee of origin of electricity from high-efficiency cogeneration shall, in addition to the data referred to in the preceding paragraph, also include:

- the thermal and electricity capacity of the generation unit where the energy was produced;
- the lower calorific value of the fuel source from which the electricity was produced, the use of the heat generated together with the electricity, and an exact statement of the dates and place of production;
- the exact quantity of electricity from high-efficiency cogeneration in accordance with the provision of Article 363 of this Act;
- a specification of the primary energy savings calculated in accordance with the provision of Article 363 of this Act;
- the nominal electric and thermal efficiency of the cogeneration plant.

(3) A guarantee of origin issued by a competent issuing authority in another European Union Member State in the manner and under the conditions referred to in Directive 2009/28/EC and Directive 20012/27/EC shall have the same effect of proof of the data referred to in the first and second paragraphs of this Article as guarantees of origin issued by the Agency. The Republic of Slovenia shall recognise guarantees of origin issued by another Member State exclusively as proof of the share or amount of the energy produced from renewable sources in the energy mix of the holder of the guarantee of origin.

(4) The Agency shall refuse a guarantee of origin when it has well-founded doubts about its accuracy, reliability or authenticity. The evidence for a refusal to recognise a guarantee of origin must be based on objective, transparent and non-discriminatory criteria. The Agency shall notify the European Commission of such refusal and its justification.

(5) If the Agency refuses to recognise a guarantee of origin issued by a competent issuing authority in another European Union Member State it shall be obliged to recognise the guarantee of origin at the request of the European Commission.

(6) The Government may also prescribe other data that the guarantee of origin must contain, the type of data that the producer must provide to obtain a guarantee of origin, as well as the method of use of guarantees of origin.

**Article 368**  
***(The register of guarantees of origin)***

(1) The Agency shall keep a register of guarantees of origin. As part of the activities of the Centre for RES/CHP Support referred to in Article 376 of this Act, the electricity market operator shall provide technical management and maintenance of the register of guarantees of origin.

(2) The register referred to in the preceding paragraph shall contain at least information on the following:

- the electricity produced per individual electricity generation unit;
- the guarantees of origin of a holder, including the data on the country in which the guarantee was issued;
- all transfers of an individual guarantee of origin;
- the use of guarantees of origin to prove that a given amount of electricity has been produced from high-efficiency cogeneration or from renewable sources (redemption of the guarantee), including all the data on the redeemed guarantee and data on the holder of the redeemed guarantee;
- guarantees of origin exported from the Republic of Slovenia or imported into the Republic of Slovenia.

(3) When a guarantee holder is a natural person, the following personal data shall be entered into the register:

- the name and surname of the holder;
- the permanent residence of the holder.

(4) Personal data from the register may be used solely for the purposes of keeping the register of declarations for generation units and the register of guarantees of origin.

(5) A part of the register of guarantees of origin shall also include an account into which the data on an individual holder of guarantees of origin and the data on all guarantees of origin by means of which the holder carried out all transfers and payments (hereinafter: transactions) shall be entered. A producer's account may only be opened by the electricity producer holding a valid declaration for the electricity generation unit, a trader and by any other person who acquires or performs transactions with the guarantees of origin.

(6) An account holder shall only have access to data in his account or accounts.

(7) By means of a general act, the Agency shall specify the method and rules for keeping a register of guarantees of origin, conditions for opening, maintaining and closing the register account, as well as the manner and form of communicating data on electricity production by persons eligible for guarantees.

Section 3: Connection to the network and the transfer of the electricity produced from renewable sources and cogeneration

*Article 369*  
*(Connection approval)*

(1) An electricity system operator shall not be entitled to refuse connection approval to an investor in a unit producing electricity from renewable sources or from high-efficiency cogeneration for the reason referred to in the third indent of the eighth paragraph of Article 147 of this Act. The costs of any analysis required for the issuance of connection approval shall be borne by the electricity system operator.

(2) The cost of the construction of the connection line from the generation unit to the network of the electricity system operator shall be borne by the investor in the unit producing electricity from renewable energy sources and/or high-efficiency cogeneration.

(3) An investor in a generation unit producing electricity from renewable sources or high-efficiency cogeneration shall not bear the costs of the reinforcement of the existing transmission or distribution network that is necessary for the connection to the generation unit.

(4) Where the reinforcement of the part of the electricity network to which the investor would like to connect the generation unit producing electricity from renewable sources or high-efficiency cogeneration has already been envisaged in the development plan of the electricity system operator in the following two years, the connection approval for this generation unit shall be obtained within a period of two years at the latest. The relevant network reinforcement shall be taken into account as a priority in the drawing up of the next development plan, whereas the issuance of the connection approval for the generation unit must be obtained no later than in five years from the filing of the first application for connection approval by the investor.

(5) If the investor in the generation unit undertakes in the agreement to pay the costs of the reinforcement and extension of the network, the electricity system operator shall immediately start to carry out the activities necessary to reinforce and extend the network. The manner of reimbursing the invested funds shall be regulated by a special contract, which shall be concluded upon the adoption of the investment plan of the electricity system operator and after the issuance of the decision of the Agency on the regulatory framework for this investment plan.

(6) Notwithstanding the second paragraph of this Article, the investor in the unit producing electricity from renewable sources or high-efficiency cogeneration shall be obliged to reimburse to the electricity system operator the costs incurred by network reinforcement and other costs relating to the network reinforcement if, within a reasonable period of time agreed upon with the electricity system operator, the investor fails to enable the connection of the generation unit, or if, within a period of six months from the connection of the generation unit to the system, the investor fails to obtain the declaration for the generation unit due to non-compliance with the prescribed requirements for obtaining the declaration.

(7) Prior to the issuance of connection approval for the generation unit due to which the transmission or distribution network needs to be reinforced, the investor shall, at the

request of the electricity system operator, provide an appropriate surety which the electricity system operator may forfeit if, within a reasonable period of time agreed upon with the electricity system operator, the investor fails to enable the connection of the generation unit, or if, within a period of six months from the connection of the generation unit to the system, the investor fails to obtain the declaration for the generation unit due to non-compliance with the prescribed requirements for obtaining the declaration.

(8) If the costs incurred by the electricity system operator to reinforce the network exceed the amount of the forfeited security, the electricity system operator shall have the right to claim the difference to obtain the full reimbursement of costs.

(9) Every two years, the electricity system operator shall submit a report to the ministry responsible for energy on the connection of generation units utilising renewable energy sources and cogeneration of heat and electricity to the network. The report shall state specific cases and provide reasons when the connection of the generation unit could not be ensured within a period of two years, and measures carried out for the drawing up of the next development plan; it shall also contain a cost analysis of the network development due to the connections of generating units utilising renewable energy resources and cogeneration of heat and electricity, as well as proposals for necessary measures to improve the existing frameworks and rules for bearing and sharing costs for connecting new producers to the network.

#### ***Article 370***

##### ***(The transmission and distribution of electricity from renewable energy sources and high-efficiency cogeneration)***

(1) The electricity system operator shall ensure the transmission and distribution of electricity produced from renewable energy sources and high-efficiency cogeneration.

(2) The electricity system operator shall, within the framework of balancing network activities and on the basis of transparent and non-discriminatory criteria, give priority to generation units using renewable energy sources and high-efficiency cogeneration insofar as this permits the secure operation of the national electricity system.

(3) If significant measures are taken by the electricity system operator to curtail renewable energy sources in order to guarantee the security of the electricity system and the security of the energy supply, the electricity system operator shall report these measures to the Agency. The report shall also indicate which corrective measures the operator intends to take in order to prevent significant curtailment of renewable energy sources.

#### ***Article 371***

##### ***(The determination of interconnection points and conditions for units producing electricity from renewable sources and high-efficiency cogeneration)***

(1) The electricity system operator shall provide investors in units producing electricity from renewable sources or high-efficiency cogeneration who wish to be connected to the network with comprehensive and necessary information, including:

- a comprehensive and detailed estimate of the costs associated with the connection;

- a reasonable and precise timetable for receiving and processing applications for a network connection;
- a reasonable indicative timetable for any proposed network connection.

(2) In the Network Code under Article 144 of this Act, for connecting units producing electricity from renewable energy sources and high-efficiency cogeneration with a nominal power capacity not exceeding 10MW, the electricity system operator shall establish the ways of determining interconnection points and, based on the operator's commitment to provide a secure network operation, lay down the requirements for the technical equipment of units on the basis of which the permit to connect to the network shall be issued. For generation units with a nominal power capacity exceeding 10MW, the technical equipment requirements for generation units shall be defined in the national spatial plan for the individual generation unit in order to ensure secure operation of the network.

(3) Under the Network Code referred to in Article 144 of this Act, an electricity system operator shall establish standard rules for determining the costs of the technical implementation of the connection and integration of units transmitting electricity produced from renewable energy sources or high-efficiency cogeneration into the network. Those rules shall be objective, transparent and non-discriminatory and shall, for units not exceeding 10MW, be based on equal starting points as used for connecting electricity customers. For production units not exceeding 1MW, standardised factors of connection to the network shall be determined in the Network Code.

(4) At the request of an investor in a unit producing electricity from renewable sources or high-efficiency cogeneration with nominal power capacity exceeding 10MW and for which a national spatial plan was adopted, the electricity system operator to whose network the unit should be connected shall be obliged to provide a comprehensive and detailed cost estimation of the connection and a timetable for the network connection work within 60 days after receipt of the request.

(5) The estimate of the costs for the connection referred to in the preceding paragraph shall be prepared by taking into account the standard rules of the electricity system operator for determining the costs of technical implementation of the connection, which shall be objective, transparent and non-discriminatory.

(6) If the investor referred to in the preceding paragraph does not agree with the cost estimation and timetable, he may present his own connection proposal. If the electricity system operator does not agree with the investor's proposal, the Agency shall decide on the cost estimation and timetable.

#### Section 4: Support for the production of electricity from renewable energy sources and high-efficiency cogeneration

##### *Article 372*

##### *(Support for the production of electricity from renewable energy sources and high-efficiency cogeneration)*

(1) If the costs of electricity generation by generation units holding a valid declaration for the production of electricity from renewable energy sources and high-



efficiency cogeneration, including a proper market return on investment, exceed the price of electricity that can be achieved in the market for this type of electricity, the electricity producer may be granted supports.

(2) Support shall be allocated for units utilising renewable energy sources which do not exceed a nominal power capacity of 10MW, with the exception of generation units utilising wind power where the installed capacity is not allowed to exceed 50MW, and for high-efficiency cogeneration units which do not exceed a nominal power capacity of 20MW and which were selected on the basis of the public call for tenders of the Agency referred to in Article 373 of this Act.

(3) The types of energy technologies for generation units using renewable energy sources and cogeneration units that are eligible for support schemes pursuant to the preceding paragraph shall be laid down by the Government in a decree.

(4) If so stipulated by the Government, the generation units using technologies that are not included in the decree referred to in the preceding paragraph shall also be eligible for support, provided they use energy sources that correspond to the definition of renewable energy sources or energy technologies and their combinations corresponding to the definition of high-efficiency cogeneration. In this case, the Government shall set an annual quota for the allocation of these support schemes or other conditions to obtain the support.

(5) The support may not allow that the revenues associated with the operation of electricity generation units for which the recipient is granted support exceed the costs referred to in the first paragraph of this Article. If the recipient of support also obtains other state aid, the support for the electricity from this generation unit shall be reduced depending on the level of support received.

(6) The support shall be provided as:

- a guaranteed purchase of the electricity produced and supplied to the public electricity network at a price to be fixed by the Government for units with a nominal power capacity below 1MW;
- financial operational support for other producers.

(7) If instead of a guaranteed purchase, the producers referred to in the first indent of the preceding paragraph independently sell the electricity produced, they shall be eligible for financial support for continuing operation. In this case, the balance scheme member to whom the generation unit belongs shall be liable for the settlement of differences between the forecast and actual production. The Government shall determine the maximum number of changes allowed in the methods of providing supports and the minimum duration. In the event of independent sale, the parties to the supply contract shall be obliged to disclose the contract price of independently sold electricity to the Agency, which shall use the obtained data for the support scheme analysis and which may publish and forward such data to the Centre for RES/CHP Support in aggregate form that does not reveal the value of an individual contract.

(8) Support may be granted for refurbished generation units whose costs exceed 50% of the investment costs for a new comparable unit. Support for high-efficiency cogeneration units shall be provided for a period of 10 years after the refurbishment and for generation units using renewable energy sources for a period of 15 years after the refurbishment.

(9) Supports may be obtained only for the generated electricity for which a valid guarantee of origin has been submitted.

(10) Individual support may be provided for:

- new units producing electricity from high-efficiency generation, for a period of 10 years;
- new units producing electricity from renewable energy sources, for a period of 15 years;
- for older units, also for a shorter period of time representing the difference between the actual age of the generation unit, calculated from the first operation of the unit, and the above-mentioned longest time period for providing support. The period of the provision of support shall be determined by means of a decision granting support.

(11) The Government shall prescribe details regarding the types of energy technologies eligible for support, the level and duration of each type of support, the conditions and manner of obtaining supports, the procedure for the reduction or withdrawal of support, and other matters related to granting and using supports. In this respect, the following criteria shall be followed:

- the level and duration of the necessary support as regards the size and technology of the electricity production, taking into consideration the already acquired benefits;
- the sustainability of the electricity production, placing particular emphasis on sustainable production and the use of biomass;
- the positive effects regarding achieving the set targets, in particular regarding reducing green house gas emissions in electricity production;
- the conditions and restrictions regarding the provision of support for new generation units in terms of the approved level of funds necessary for implementing the support schemes;
- consistency with the objectives of the environmental, spatial, agricultural and other policies;
- the size of the company that is granted support for the generation unit and its current or future market share on the electricity market.

(12) The Government may determine that operational support shall also be provided for generation units using wood biomass which due to their age no longer fulfil the eligibility conditions for the support scheme, provided that the costs of wood biomass make the production of electricity no longer possible at a price which is lower than the market price that can be achieved for electricity produced from these units. In the event of such, operational support shall be determined in accordance with the same principles as those applicable to determining the variable part of the reference costs for new generation units using wood biomass.

(13) Producers of electricity from renewable energy sources and high-efficiency cogeneration that have entered into a guaranteed purchase agreement shall be deemed to have concluded an open supply contract with the Centre for RES/CHP Support.

(14) Producers of electricity from generation units with a nominal capacity below 1MW that obtain guarantees of origin but not are granted support due to the old age of their generation units may conclude an open contract with the Centre for RES/CHP Support determining that the latter purchases all the electricity not used by the producer. The price shall be determined as the product of the reference price of electricity determined by the

Agency on an annual basis and factor B for the type of unit, as stipulated in regulations governing support schemes for electricity produced from high-efficiency cogeneration or renewable energy sources, reduced by 3%. Producers of electricity from units with a nominal capacity exceeding 50kW shall be obliged, at the request of Centre for RES/CHP Support, to submit hourly electricity generation forecasts. The guarantees of origin for electricity purchased by the Centre for RES/CHP Support pursuant to this paragraph shall be transferred to the Centre for RES/CHP Support.

(15) Producers of electricity from new generation units with a nominal power capacity below 1MW who have not yet concluded an open and separate contract for the sale of electricity may sell the electricity produced on the basis of the contract to the Centre for RES/CHP Support at the reference market price determined by the Agency on an annual basis; such price shall be applicable from the start of operation of the new generation unit until the provision of the support based on the guaranteed purchase agreement, but not for longer than 12 months. The producers shall submit a written application for the purchase of electricity to the Centre for RES/CHP Support at least one month prior to the envisaged commencement of the production. A producer requesting the conclusion of such a contract shall be obliged to select guaranteed purchase as the first type of support. If the Centre for RES/CHP Support establishes that a producer who has concluded such a contract, previously or subsequently concluded an open market agreement for the sale of electricity with a supplier or obtained a decision granting operational support, it shall notify the Agency thereof; the Agency shall then revoke the decision on the provision of support.

(16) By 31 October each year, the Agency shall forecast the market position of units producing electricity from renewable energy sources and high-efficiency cogeneration. This forecast shall be used for setting the price of electricity referred to in the first paragraph of this Article and shall provide a basis for determining the necessary level of operational supports in the next year. The Government shall lay down the rules for the drawing up of the forecast.

(17) For the purpose of maintaining sustainable financing of support schemes, the Government may determine that the annual installed power capacity of the generation units using renewable energy sources or high-efficiency generation may be restricted to types of technology and energy sources entitled for support, provided that the share of such installed generation units exceeds the planned scope of installed units for that particular year, as adopted in the renewable energy or energy efficiency action plan.

### ***Article 373***

#### ***(The selection of projects for entry into the support scheme)***

(1) The Agency shall, each year before 1 October, issue a public call, which must be open at least until 1 November or until the filling of the planned increase in funds for implementing the support scheme for electricity for the next year, inviting investors to submit projects for generation units using renewable energy sources or high-efficiency cogeneration that are applying for the next year. The application for projects with a nominal capacity exceeding 50kW shall include investment documentation drawn up in accordance with the decree determining a uniform methodology for the drawing up of investment documents in the field of public finance. The Agency shall maintain on its website a public record of applications submitted for projects, arranged by dates of receipt, selected technology and

source, as well as a record of the envisaged power capacity of generation units, and of the planned completion of projects.

(2) The Agency shall select the projects on the basis of the following criteria:

- the allowed increase in funds providing support over the next year allocated by the Government when adopting the annual energy balance on the basis of Article 25 of this Act;
- compliance of the project with the plan for the operation of the support scheme under Article 25 of this Act with a view to achieving the targets set in the renewable sources action plan and energy efficiency action plan in terms of technology classification;
- the guaranteed part of the necessary funds from calls for the allocation of European funds;
- the price offered for the production of electricity.

(3) Following the selection procedure, the Agency shall issue a decision approving or rejecting the project. On its website, the Agency shall make publicly available information on the selected projects, with an indication of the investor, the selected technology, the power capacity of the generation units and the reference price of electricity that was offered by the investor and shall be applicable at the time when the investor expects the start of the operation of the generation unit and entry in the support scheme.

(4) An investor who has received a decision approving a project must obtain a declaration for the generation unit within three years of the service of the decision or the approved project shall not be eligible for support. For projects involving facilities classified under building construction regulations as complex works, the investor may, already in his application to tender, request a longer time period, which shall not exceed five years. An investor who has received a decision rejecting a project may again submit a bid with the same project the following year.

#### ***Article 374*** ***(Deciding on support)***

(1) The Agency shall decide on eligibility for support in an administrative procedure at the request of the applicant.

(2) If the investor is not an owner or the sole owner of the generation unit, the application for obtaining support must include the authorisation of the owner or all other co-owners or joint owners for the submission of the application for obtaining support and for the conclusion of the contract on the provision of support for the generation unit as a whole.

(3) The Agency may, *ex officio* or on the initiative of the Centre for RES/CHP Support, issue a decision repealing, revoking or amending the decision granting support, if under the changed circumstances the recipient is not entitled to support or is entitled to a different amount or different duration of support.

(4) If the declaration for the generation unit expires, the Agency shall adopt a decision repealing the decision on granting support.

### **Article 375**

#### ***(A change in circumstances and unjustifiably granted support)***

(1) A recipient of support shall inform the Agency of any facts that arise after the issuance of the decision and have an impact on the eligibility for support, its amount or the period of receiving support. The recipient shall report these facts within eight days of the day he or she became aware of them.

(2) If, subsequent to the issuance of the decision, the recipient of support has received another state aid for the generation unit or the production of electricity from this unit, due to which the unit is not eligible for support or for the granted level of support, the Agency shall annul the decision granting support and replace it with a new one granting a different level of support and establishing the unjustified level of funding that needs to be returned.

(3) If, subsequent to the issuance of the decision, circumstances arise due to which a new decision granting support should be issued, the Agency shall annul the decision and replace it with a new one granting a different level of support and establishing the unjustified amount received that needs to be returned or providing for a different period of receiving the support.

(4) If a decision granting support was issued on the basis of false statements and data of the recipient or on the basis of a forged document or the perjury of a witness or expert witness, or as a consequence of some act punishable according to the Penal Code (Uradni list RS, no 50/12 - official consolidated text), the Agency shall *ex officio* carry out renewed proceedings by virtue of its office.

(5) Unjustifiably received funding must be returned by the recipient within 30 days of the final decision. If unjustifiably received funding has been obtained in good faith, interest shall be calculated for the period between the unjustifiably obtained funding and the issuance of the decision at the European interbank interest rate for a maturity of one year, in the amount effective on the date the unjustifiably received level of support was received. A recipient who knew or should have known that they were entitled to the received level of funding shall be obliged to return the unduly received level of funding with the statutory default interest. Following the expiry of the finality of the decision, the statutory default interest shall be charged.

(6) Notwithstanding the preceding paragraph, the Centre for RES/CHP Support and the recipient of support may agree on the method and time period for the return of the unjustifiably received funding in such a manner that the recipient's liability is offset against the disbursement of support.

### **Article 376**

#### ***(Centre for RES/CHP Support)***

(1) The activities of the Centre for RES/CHP Support shall encompass the following tasks:

- management of the contribution funds referred to in Article 377 of this Act;
- the conclusion of contracts of support and the disbursement of support;

- the purchase of the electricity referred to in the first indent of the sixth paragraph of Article 372 of this Act at a price to be fixed by the Government;
- the purchase of electricity from the producers referred to in the fourteenth and fifteenth paragraphs of Article 372 of this Act;
- the disbursement of financial support for current operations;
- the sale of purchased electricity on the market, at auction, by tender, or on the energy exchange.

(2) In addition to the tasks referred to in the preceding paragraph related to support for the production of electricity from renewable energy sources and high-efficiency cogeneration, the Centre shall also carry out other activities related to the provision of information, awareness raising and training referred to in Article 351 of this Act.

(3) The contractor performing the activities of the Centre for RES/CHP Support may not carry out the activity of an electricity system operator.

(4) The Centre for RES/CHP Support shall be obliged, no later than within 30 days after being informed of the service of the decision on granting support, to submit a contract to the beneficiary for signature, on the basis of which the provision of support and other matters of mutual relations in this respect shall be arranged. The contract on the provision of support shall regulate the rights and obligations of the recipient of support regarding compliance with the rules of the Centre for RES/CHP Support, the adjustment of the variable part of the support, and the planned quantity of the purchased electricity and mutual information. If the contract on the provision of support does not comply with the decision, the decision shall be directly applicable to matters not in conformity. If, due to changed circumstances or the renewal of the procedure, the decision granting support is amended, the Centre for RES/CHP Support shall invite the recipient to conclude a new contract on the provision of support. If the recipient of support fails to conclude the contract within one month after being invited to conclude a contract on the provision of support and also fails to do so within the extended time limit, which may not be shorter than 15 days, the recipient shall no longer be entitled to support.

(5) If the Agency issues a decision referred to in the preceding Article by means of which support has been withdrawn, the Centre for RES/CHP Support shall discontinue the payment of support on the day on which it has been informed of the service of the decision withdrawing support. The contract on the provision of support shall cease to be valid on the date the decision granting support ceases to have effect.

(6) The Centre for RES/CHP Support shall keep separate accounting books and records on the funds provided from fees for cogeneration and renewable sources to be paid by electricity customers in accordance with this Act and on the use of these funds for various types of supports, the operation of the Centre for RES/CHP Support and other prescribed purposes. The Government shall determine in detail the manner of carrying out the tasks referred to in the first paragraph of this Article and the separate keeping of accounting records and books.

(7) Persons that receive support from the Centre for RES/CHP Support or sell electricity through the Centre for RES/CHP Support and electricity system operators to whose networks the above-mentioned persons are connected shall be obliged to present to the Centre

for RES/CHP Support, at its request, all the data needed by the Centre to perform its tasks within the framework of a service of general economic interest in accordance with this Act.

(8) The Centre for RES/CHP Support shall keep a register of support recipients. In the context of its obligatory reporting, it may present data on allocated supports to the competent authorities. The Centre for RES/CHP Support shall also publish data on the amounts of support and support recipients on its website.

#### **Article 377**

##### ***(The provision of funds providing support for the production of electricity from renewable energy sources and high-efficiency cogeneration)***

Funds for the implementation of support scheme programmes shall be provided to the Centre for RES/CHP Support through:

- a fee for providing support for the production of electricity from high-efficiency cogeneration and renewable energy sources, which is to be paid for an individual delivery point by every final customer for the electricity, natural gas and other energy gases supplied from network and district heating;
- a fee for providing support for the production of electricity from high-efficiency cogeneration and renewable energy sources which is to be charged for solid and liquid fossil fuels, liquefied petroleum gas and liquefied natural gas and is paid to the supplier by every final customer;
- the sale of electricity purchased by the Centre for RES/CHP Support at the guaranteed purchase price;
- budget funds if separate budget headings are created and budget revenues allocated for the production of electricity from high-efficiency cogeneration and renewable energy sources;
- funds from the Climate Change Fund, established under the Environmental Protection Act (Uradni list RS, nos 39/06 – official consolidated text, 49/06 - ZMetD, 66/06 – Constitutional Court Decision, 33/07 – ZPNačrt, 57/08 – ZFO-1A, 70/08, 108/09, 108/09 – ZPNačrt-A, 48/12, 57/12 and 92/13).

#### **Article 378**

##### ***(The determination of fees for the promotion of electricity generation from renewable energy sources and high-efficiency cogeneration)***

(1) The Government shall prescribe details regarding the manner of determining and calculating the fees referred to in the preceding Article, whereby in determining the share of individual groups of final customers the impact of the level of fees on economic competitiveness may also be taken into account if such economic relief does not contravene the rules on granting state aid.

(2) The level of the fee referred to in the preceding Article which is to be paid by final customers shall depend on the capacity and voltage of delivery points, the category of customers and the purpose of the use of the electricity. For supplied solid fossil fuel, liquid and gaseous fuels and heat, the fee shall be levied on customers per every MWh of energy supplied.

(3) The level of fees referred to in the preceding Article shall be fixed by the Agency by means of an instrument and, upon the prior approval of the Government, published in the *Uradni list Republike Slovenije*, and it shall be based on the assessment by the Centre for RES/CHP Support regarding the level of the necessary funds for implementing support schemes and other purposes for which these funds are used by law, and on the funds available for support from the other remaining sources referred to in the preceding Article. Pending the Government's approval of the new level of fees, the level of the fee from the previous period shall apply.

(4) Final customers shall pay the fee specified separately in the monthly network charge invoice or in the invoice for the supplied fuel or heat. A person receiving the fee with the payment of the invoice shall be liable to transfer it immediately and free of charge to the Centre for RES/CHP Support.

(5) Suppliers of solid fossil fuel, liquid and gaseous fuels and heat shall pay the fee monthly on the basis of sales benefiting the Centre for RES/CHP Support.

(6) Funds for the implementation of supports shall be used for the following:

- the operation of the Centre for RES/CHP Support;
- the provision of supports;
- the purchase of electricity from producers under support schemes which are eligible for guaranteed purchase;
- the settlement of differences between forecasted and actual production of electricity;
- other purposes specified by law.

(7) The level of the funds for the operation of the Centre for RES/CHP Support from the part of the fee providing support for the production of electricity from high-efficiency cogeneration and renewable energy sources shall be determined by the Government on the basis of a reasoned proposal submitted by the Centre for RES/CHP. In drawing up the proposal, the Centre for RES/CHP Support shall take into account all revenues and costs associated with its operation. Pending the Government's approval of an increased level of funding for the operation of the Centre for RES/CHP Support, the level of funding approved in the previous period shall apply.

Section 5: Exceptions applicable to natural persons producing electricity from units with a nominal capacity below 50kW

***Article 379***  
***(Performance of the activity)***

(1) Notwithstanding the provisions of this Act, the activity of electricity production by only one generation unit using renewable energy sources or high-efficiency generation with a nominal capacity below 50kW may also be performed by a natural person (hereinafter: an individual producer) who is entered in the register of natural persons performing the activity of the production of electricity (hereinafter: register) with the Agency of the Republic of Slovenia for Public Legal Records and Related Services (hereinafter: AJPES).

(2) The entry in the register shall include data on the natural persons performing the activity of electricity production (full name, address and personal identification number), data



on the real property and the generation unit from the register of declarations on generation units producing electricity from renewable energy sources and high-efficiency cogeneration.

(3) AJPES shall obtain *ex officio* the data referred to in the preceding paragraph from the existing official records kept by duly authorised authorities.

(4) The data referred to in the second paragraph of this Article, other than personal data on the natural person, shall be public.

(5) The register shall be established, administered and kept by AJPES.

(6) AJPES shall issue a certificate of the registration of the individual producer referred to in the first paragraph, which shall be submitted to the individual producer and the competent tax office.

(7) AJPES shall, in agreement with the Agency, lay down detailed instructions for keeping and administrating the register.

## **Chapter VI: RENEWABLE ENERGY SOURCES IN TRANSPORT**

### ***Article 380***

#### ***(The obligatory share of biofuels)***

(1) Distributors of gaseous and liquid fuels for transport shall each year place on the market the share of biofuels or other renewable energy fuels for the transport determined in the renewable sources action plan referred to in Article 28 of this Act in relation to the quantity of fuels placed on the market in that year.

(2) The Government shall issue a decree laying down mechanisms and measures to implement and verify the fulfilment of the obligations referred to in the preceding paragraph.

(3) Only biofuels meeting sustainability criteria for biofuels under the environmental protection regulations governing the aforementioned criteria for biofuels can be counted towards the fulfilment of such obligations.

(4) In meeting these obligations, the quantity produced from biofuels produced from wastes, residues, non-food cellulosic material, and ligno-cellulosic material shall be considered to be twice that made by other biofuels.

### ***Article 381***

#### ***(Labelling of biofuels at points of sale)***

When the percentage of biofuels blended in mineral oil derivatives exceeds 10% by volume, fuel dealers shall be required to indicate this at the point of sale.

### ***Article 382***

#### ***(Reporting on the sale of fuels and electricity in the transport sector)***

(1) Sellers of liquid fuels that are used in road transport shall report the quantity of the fuels sold to the ministry responsible for energy. In the report, the data shall be organised by individual types of fuel or their mixtures and structured according to the customers buying fuels.

(2) The operators or owners of public car parks and car parks accessible to the public, and car parks of public sector entities shall report the number of charging stations for electric vehicles and the quantity of electricity consumed at these charging stations to the ministry responsible for energy.

(3) The minister responsible for energy shall define the type of information and the manner of the reporting referred to in the first and second paragraphs of this Article.

## Part six

### ENERGY AGENCY

#### Chapter I: General provisions

#### Article 383

##### (Establishment of the Agency)

(1) The Energy Agency (*Agencija za energijo*) which shall be the national regulatory authority of the Republic of Slovenia for the energy market is hereby established (hereinafter: the Agency).

(2) The Agency shall be governed by the act governing public agencies. The Agency shall be a legal person under public law.

(3) The Agency shall monitor, direct and control electricity and natural gas energy operators and carry out tasks regulating energy operators' activities in the field of heating and other energy gases.

#### Article 384

##### (Agency's autonomy and independence)

(1) The Agency shall be independent and autonomous in performing its tasks and competences.

(2) In performing their tasks, the Agency's director, the Agency's staff and the members of the Agency's Council shall not be subject to any decisions, positions, instructions or guidance from government, local community or other authorities, legal persons or individuals, and shall not seek them.

(3) The Agency shall lay down its internal organisation and job classification in an autonomous manner.

(4) The Agency shall decide on the required number of staff and on the financial sources needed to efficiently perform its tasks and competences in an autonomously, and shall define them in the work programme and financial plan.

Article 385  
(General objectives of the Agency)

In performing its tasks, the Agency shall pursue the following objectives:

- promoting a competitive, secure and environmentally sustainable internal market in electricity and natural gas, and effective opening of the market to all customers and suppliers;
- developing competitive and properly functioning regional electricity and gas markets;
- eliminating restrictions on trade in electricity and natural gas;
- encouraging, in the most cost-effective way, the development of secure, reliable and efficient non-discriminatory systems that are consumer-oriented, and promoting system adequacy and, in accordance with general energy policy objectives, energy efficiency and the integration of large and small-scale production of electricity and gas from renewable energy sources and distributed generation in both transmission and distribution networks;
- facilitating access to the network for new production capacity, in particular removing barriers that could prevent access for new entrants to the electricity and gas market, and of gas from renewable energy sources;
- ensuring that system operators and users are granted appropriate incentives, in both the short and long term, to increase efficiencies in system performance and foster market integration;
- ensuring that electricity and gas customers benefit through the efficient functioning of their national market, promoting effective competition and helping to ensure consumer protection;
- helping to achieve high standards of public service for natural gas and electricity customers, protection of vulnerable customers and compatibility of necessary data exchange processes for customer switching.

Article 386  
(Agency's international cooperation activities)

(1) The Agency shall cooperate with ACER.

(2) The senior representative and the alternate member in the ACER Board of Regulators under the first paragraph of Article 14 of Regulation (EC) No 713/2009 shall be appointed by the Agency Council for a renewable term of office of five years. The senior representative and the alternate member shall meet the conditions provided for in the first paragraph of Article 393 of this Act.

(3) The term of office of the senior representative and his/her alternate shall be terminated early for reasons applicable to Agency Council members, as referred to in the first paragraph of Article 394 of this Act, and on the day of termination of such representative's or alternate's employment in the Agency.

(4) The Agency shall cooperate, consult and provide information necessary for carrying out the tasks of ACER, of other regulatory authorities, electricity and gas TSOs of other Member States directly and within the framework of regional cooperation, and, if necessary, in cooperation with the competent authorities of other countries.

(5) The Agency shall encourage and enable the cooperation of system operators at regional level, including on trans-border issues, in view of establishing a competitive internal gas and electricity market, and encourage the provision of a harmonised legal and regulatory framework in geographical areas defined in compliance with the third paragraph of Article 12 of Regulation (EC) No 714/2009, or in other geographical areas.

(6) The Agency shall cooperate with regulatory authorities of other Member States in implementing measures designed to:

- foster the creation of operational arrangements in order to enable the optimal management of the network, promote joint electricity and gas exchanges and the allocation of cross-border capacity, and to enable an adequate level of interconnection capacity, including through new interconnections within the region and between regions to allow for the development of effective competition and improved security of supply, without discriminating between suppliers in different Member States;
- coordinate the development of all Network Codes for TSOs and other market actors;
- coordinate the rules governing the management of networks, and
- exercise its powers in compliance with Regulation (EU) No 1227/2011.

(7) The Agency may enter into agreements with other regulatory authorities in view of enhancing regulatory cooperation. In carrying out measures referred to in the preceding paragraph the Agency shall, if necessary, consult the ministry responsible for energy, the TSO and the market operator.

#### Article 387

(Agency's cooperation with authorities responsible for the protection of competition and responsible for regulating the financial instruments market)

(1) The Agency, the authority responsible for the protection of competition and the authority responsible for regulating the financial instruments market shall exchange the data and information required to exercise their competences. In doing so, they shall preserve the confidentiality of such information, including commercially sensitive information.

(2) The volume of data and information referred to in the preceding paragraph shall be limited and proportionate to the purpose of the exchange.

### Chapter II Legal status of the Agency

#### Section 1: General

#### Article 388

(Status of the Agency)

(1) The founder of the Agency shall be the Republic of Slovenia.

(2) The Agency shall report annually on its activity to the National Assembly of the Republic of Slovenia. The Agency shall submit its annual report for the previous year to the National Assembly by 30 June of the current year.

#### Article 289

(Rules of Procedure of the Agency)

(1) The Agency shall have Rules of Procedure that lay down the internal organisation and operations of the Agency and its bodies.

(2) The Rules of Procedure shall be adopted by the Agency Council with a majority vote of all members.

## Section 2: Bodies of the Agency

### Article 390 (Bodies of the Agency)

The bodies of the Agency shall be:

- the Council;
- the Director.

### Article 391 (Competencies of the Agency Council)

- (1) The Agency Council shall be the management body of the Agency.
- (2) The Agency Council shall:
  - adopt general acts of the Agency in view of exercising public authority;
  - issue consents to those general acts of performers of energy sector activities requiring the agreement of the Agency in compliance with this Act;
  - adopt the work programme, the financial plan and the business report of the Agency;
  - adopt the Report on the state of the energy sector prepared by the Agency;
  - supervise the legality of the work of the Director and the fulfilment of the Agency's duties in terms of results and performance;
  - appoint and dismiss the Agency Director;
  - carry out other duties in compliance with this Act and the general act of the Agency.

### Article 392 (Composition and operation of the Agency)

- (1) The Agency Council shall be composed of five members.
- (2) The President and members of the Council shall be appointed and dismissed by the National Assembly at the proposal of the Government.
- (3) The minister responsible for energy shall notify the Government and the National Assembly of the expiry of the term of office of the President or of a Council member no later than six months before the expiry of the term of office concerned.
- (4) Within thirty days of receiving the information referred to in the preceding paragraph, the minister responsible for energy shall publish a call for candidates for the office of President and/or member of the Council. Proposals shall be sent within a time limit that shall not be shorter than 30 days, and in the case of an early termination of the term of office, not shorter than 15 days after publication of the call. The proposals shall be substantiated and shall contain the written consent of the potential candidate confirming that she/he is willing to accept the candidacy.
- (5) The minister responsible for energy shall, from among candidates for President or member, make a short list of candidates and submit it to the Government. Based on the short list, the Government shall prepare a proposal and submit it to the National Assembly for deliberation. The Government may prepare its own proposal for President or member of the Council. The Government proposal shall be substantiated and shall contain the written consent of the potential candidate confirming that she/he is willing to accept the candidacy. The Government proposal shall be submitted within 30 days of the expiry of the time limit referred to in the preceding paragraph.

(6) The National Assembly shall vote on the proposed candidate for Council President or member within thirty (30) days of the receipt of the Government proposal.

(7) If the proposed candidate for Council President or member does not receive the required majority of votes, the President of the National Assembly shall immediately notify the Government thereof; the latter shall, within fourteen (14) days, inform the President of the National Assembly of its decision regarding the subsequent procedure for the appointment of the Council President or member.

(8) The Council President and members shall be appointed for a term of office of six years. The term of office of a Council member may be renewed once and the appointment of the President shall also be considered as the appointment of a Council member.

(9) Half of the membership of the Council shall be appointed or renewed every three years. If, due to the early termination of the term of office of the Council President or member, it is necessary to appoint a new President or member, such President or member shall be appointed for the remaining period of the term of office concerned.

(10) The Council President and members shall not be employed by the Agency.

(11) Decisions of the Council shall be valid if the President and at least three members are present at meetings where such decisions are taken.

(12) Decisions of the Council shall be taken by a majority vote of all members. In the event of an equal number of votes in favour and against, the presiding member has the casting vote.

(13) The President and members of the Council shall be entitled to attendance fees and reimbursement of other costs in compliance with the regulations governing attendance fees and the reimbursement of costs in legal entities established under public law.

### Article 393

#### (Appointment of the President and members of the Agency Council)

(1) Any person meeting the following conditions may be appointed President or a member of the Council of the Agency:

- is a citizen of the Republic of Slovenia;
- has at least an education acquired in a second cycle study programme or the level of education acquired in study programmes that correspond to second cycle education in the relevant field in accordance with the act governing higher education;
- is an expert in electrotechnical, mechanical engineering, economic or legal matters related to the energy sector; the Council of the Agency shall include at least one person from each of the aforementioned fields appointed as a member or President;
- has not been convicted by a final judgment of a criminal offence carrying a prison sentence of six months or more, which conviction has not yet been spent;
- is not a deputy of the National Assembly, a member of the Government of the Republic of Slovenia, a state secretary or a member of an official body of a political party;
- does not hold the office of mayor or deputy mayor in a municipality.

(2) The President or a member of the Council must not be any of the following:

- a functionary in a state authority;
- a state employee;
- an employee of a performer of energy sector activities;
- a member of the management or supervisory body of a performer of energy sector activities.

- (3) The President or a member of the Council or any person connected to them must not
- hold an equity share in a performer of energy sector activities; other rights on the basis of which a person has the right to share in the profits or to vote or may receive payment from such a performer of energy sector activities shall be considered as equivalent to an equity share within the meaning of this indent; or
  - perform any work or service for, or supply goods to, a performer of energy sector activities if this might affect the independent decision-making of the President or a member of the Council within their official duty.
- (4) A connected person within the meaning of the preceding paragraph shall be any of the following:
- the spouse of the President or a member of the Council, or his/her cohabitant, registered civil partner or relative in direct line up to the second degree;
  - a legal person that the President or a member of the Council directly or indirectly controls because he/she or the person referred to in the preceding indent or a legal person under his/her control holds a majority interest in the capital of this legal person or the majority of voting rights in the management or supervisory body of this legal person.
- (5) If, upon the appointment, any of the reasons referred to in the second or third paragraph of this Article exist in relation to the President or a member of the Council or a person connected to them, or if such reasons arise during their office, the President or member of the Council must amend his/her status accordingly not later than within two months of the appointment or occurrence of the reasons. The President or member of the Council shall be free from this obligation if the reason referred to in the third paragraph is such that it does not affect the independence of his/her decision-making.

#### Article 394

##### (Dismissal of the President or member of the Agency Council)

The National Assembly shall dismiss the President or a member of the Council of the Agency on the proposal of the Government in the following cases:

- at his/her own request;
- in the performance of his/her duty, he/she has committed a serious violation of this Act, an EU regulation or a general act of the Agency that governs the performance of the Council's tasks;
- it is established that, upon appointment, he/she did not fulfil all the conditions referred to in the first paragraph of the preceding Article;
- he/she has been convicted by a final judgment of a criminal offence carrying a prison sentence of six months or more;
- he/she does not fulfil the condition referred to in the first or fifth indent of the first paragraph of the preceding Article;
- any reason referred to in the second paragraph of the preceding Article exists in relation to him/her and he/she has not eliminated such reason within the time limit referred to in the fifth paragraph of the preceding Article;
- any reason referred to in the third paragraph of the preceding Article exists in relation to him/her and he/she has not eliminated such reason within the time limit referred to in the fifth paragraph of the preceding Article, except when it can be expected that this will not affect the independence of his/her decision-making;
- he/she is no longer able to perform the duties of the office for health reasons.

#### Article 395

##### (Director of the Agency)

- (1) The Director shall be the management body of the Agency.

- (2) The Director shall perform the following tasks:
- represent the Agency in legal transactions;
  - issue the acts of the Agency;
  - manage the Agency and its operation;
  - decide on the employment rights of Agency employees;
  - determine the internal organisation of the Agency and job classification;
  - appoint Agency executives.

(3) The Director shall be responsible for the lawfulness of the Agency's work.

(4) The provisions on damage liability of administrative board members provided in the act governing companies shall apply *mutatis mutandis* to the Director's damage liability with regard to the Agency's operations.

#### Article 396 (Appointment of the Director)

- (1) Any person meeting the following conditions may be appointed Director:
- is a citizen of the Republic of Slovenia;
  - has at least an education acquired in a second cycle study programme or the level of education acquired in study programmes that correspond to second cycle education in the relevant field in accordance with the act governing higher education;
  - is an expert in technical, economic or legal matters related to the energy sector and has at least three years of work experience in the electricity or natural gas market;
  - has at least ten years of work experience, including at least five years in managerial posts;
  - speaks English;
  - has not been convicted by a final judgment of a criminal offence carrying a prison sentence of six months or more, which conviction has not yet been spent;
  - is not a deputy of the National Assembly, a member of the Government of the Republic of Slovenia, a state secretary or a member of an official body of a political party.
- (2) The Director shall be appointed by the Council of the Agency, following an open competition, for a period of six years, and may be re-appointed once.
- (3) The Director shall enter into an employment contract for the duration of his office. The term of office shall be deemed to start on the day the Director takes office in accordance with the employment contract.

#### Article 397 (Incompatibility)

- (1) The office of the Director of the Agency shall not be compatible with the office of the President or a member of the Council of the Agency. If a person who performs the duties of an office with which the office of Director is incompatible is appointed Director, he/she must amend his/her status accordingly before taking office.
- (2) The Director of the Agency must not
- be a functionary in a state authority or local community authority who performs the duties of the office in a non-professional capacity;
  - be employed by any employer other than the Agency;
  - be a member of the management or supervisory body of a performer of energy sector activities;



- hold an equity share in a performer of energy sector activities; other rights on the basis of which a person has a right to share in the profits, has the right to vote in any body of such a performer or may receive a payment from such a performer shall be considered as equivalent to an equity share within the meaning of this indent; or
- perform work or service for, or supply goods to, a performer of energy sector activities.

(3) The prohibitions in the fourth and fifth indents of the preceding paragraph shall also apply to any person connected to the Director within the meaning of the fourth paragraph of Article 393 of this Act if this might affect the Director's independent decision making within his/her official duty.

(4) If, upon the appointment, any reasons referred to in the second or third paragraph of this Article exist in relation to the Director or a person connected to him/her, or if such reasons arise during his/her office, the Director must do everything necessary to eliminate the reasons no later than within two months of the appointment or occurrence of the reasons. The Director shall be free of this obligation if the reason referred to in the third paragraph of this Article concerning the connected person is such that it does not affect the independence of the Director's decision-making.

#### Article 398 (Dismissal of the Director)

The Council of the Agency shall dismiss the Director in the following cases:

- it is established that, upon appointment, he/she did not fulfil all the conditions referred to in the second paragraph of the preceding Article;
- he/she has been convicted by a final judgment of a criminal offence carrying a prison sentence of six months or more;
- in the performance of his/her duty, he/she has committed a serious violation of this Act, an EU regulation or a general act of the Agency governing the performance of his/her tasks;
- he/she fails to perform the duties of his/her office conscientiously;
- he/she does not fulfil the condition referred to in the first or seventh indent of the first paragraph of Article 396 of this Act;
- any reasons referred to in the first, second and third indents of the second paragraph of the preceding Article exists in relation to him/her and he/she has not eliminated such reason within the time limit referred to in the fourth paragraph of the preceding Article;
- any reasons referred to in the fourth and fifth indents of the second paragraph of the preceding Article exists in relation to him/her and he/she has not eliminated such reason within the time limit referred to in the fourth paragraph of the preceding Article, except when it can be expected that this will not affect the independence of his/her decision-making;
- he/she is no longer able to perform the duties of the office for health reasons.

### Section 3: Operation of the Agency

#### Article 399 (Annual report, work programme and financial plan of the Agency)

- (1) The Agency shall keep books of account and draw up annual reports in accordance with the act governing the accounting of legal persons under public law.
- (2) Notwithstanding the act referred to in the preceding paragraph, the Council of the Agency must adopt the annual report for the preceding year annually by 31 March. The Agency Council shall decide on the adoption by a majority vote of all members.
- (3) The annual report of the Agency must be reviewed by a certified auditor.

(4) By 30 September of the current year, the Council of the Agency must adopt the work programme and financial plan for the next year. The work programme and financial plan of the Agency shall include the programme of tasks that need to be carried out in the forthcoming year, the plan of financial resources required for their performance, the staff plan of the Agency and the amount of compensation to be paid by the electricity and gas TSOs. The Agency Council shall decide on the adoption of the work programme and financial plan by a majority vote of all members.

(5) The work programme and financial plan of the Agency shall require the approval of the National Assembly. The work programme and financial plan shall be considered to be approved if the National Assembly does not decide otherwise within three months of their receipt.

(6) Until the expiry of the time limit referred to in the preceding paragraph, or if the work programme and financial plan are not approved, the Agency shall be financed in accordance with the decision on provisional financing adopted by the Council of the Agency.

#### Article 400 (Financing of the Agency)

(1) The Agency shall be financed exclusively from the following:

- compensation from gas and electricity TSOs for the Agency's regulatory tasks;
- other revenue generated by the Agency through its operations.

(2) In relation to its tasks, the Agency must not accept donations or payments other than those referred to in the preceding paragraph.

#### Article 401 (Compensation from operators)

(1) Gas and electricity TSOs shall pay to the Agency annual compensation in the amount determined in accordance with the third paragraph of this Article.

(2) The compensation shall constitute the revenue of the Agency.

(3) The amount of the compensation referred to in the first paragraph of this Article shall be determined by the Council of the Agency in the programme of work and financial plan of the Agency for a particular year per one unit of transmitted electricity or natural gas, so that, together with other expected revenue of the Agency and the amount of reserves from previous years exceeding the amount of permanent reserves the Agency must hold, it will suffice to cover the planned expenditure of the Agency related to the performance of its tasks.

(4) The National Assembly shall approve the amount of compensation to be paid by gas and electricity TSOs for a particular year when deciding on the approval of the programme of work and financial plan of the Agency. The decision on approval shall be published in Uradni list Republike Slovenije.

#### Article 402 (Surplus and deficit of the Agency)

(1) Any revenue in excess of the expenditure of the Agency related to the performance of its tasks shall be separated from the Agency's reserves.

(2) The Council of the Agency shall determine the minimum amount of reserves that the Agency must hold permanently, except in the case of temporarily covering of deficit. If, in a particular calendar year, the amount of reserves exceeds the minimum amount of permanent reserves, the surplus shall be used to finance the Agency in the following year.

(3) If, in a particular calendar year, the Agency does not cover all its expenditure from the revenue, including the reserve surplus that is used to finance the Agency under the preceding paragraph, the deficit shall be temporarily covered from the Agency's minimum reserves.

Article 403  
(Agency employees)

(1) The act governing employment relationships shall apply to the position, rights and obligations of employees of the Agency.

(2) The provisions of the regulations governing the salary system in the public sector shall apply to the salaries of employees, whereby the funds for special projects requiring an increased workload and the payment for such increased workload shall be determined independently by the Agency within earmarked project funds under the financial plan for the current year.

(3) The act determining job classifications in the Agency shall be adopted by the Director of the Agency.

Section 4: Reporting by the Agency and the supervision of the use of Agency funds

Article 404  
(Report on the state of the energy sector)

(1) The Agency shall, at least once a year by 30 June for the preceding year, submit a report on the state of the energy sector to the Government and the National Assembly of the Republic of Slovenia.

(2) The report referred to in the preceding paragraph shall include the following:

- data on the allocation of cross-border capacities;
- data on mechanisms for eliminating congestion in transmission and distribution networks;
- the time required by operators for connections and repairs;
- data on access to networks and to the natural gas storage or liquefied natural gas terminal;
- data on the connection of new electricity producers to the network;
- data on the separate clearings of performers of energy sector activities under this Act;
- data on the performance of operator tasks;
- the assessment of transparency and competition on electricity and natural gas markets;
- data on the percentage of individual production sources in the overall electricity structure of individual suppliers in the preceding year;
- data on anticipated electricity and natural gas demand and on the balance between supply and demand;
- data on the additional capacities planned or under construction;
- data on the quality and level of maintenance of electricity and natural gas systems;
- data on measures to be taken in the event of peak load or shortfall of one or more suppliers of electricity or natural gas;
- data on any predominant position in electricity and natural gas markets, and on actions restricting competition;

- an overview of changes in the ownership of undertakings and measures taken at state level to secure a sufficient number of participants in the market or measures taken by the state to promote competition and enhanced cross-border exchange;
- an assessment of the investment plans of electricity TSOs with regard to their compliance with the Community-wide network development plan referred to in point b) of the third paragraph of Article 8 of Regulation (EC) No 714/2009; the assessment may include recommendations for amendments to these investment plans;
- data on activities and measures carried out by the Agency with regard to the fulfilment of its tasks.

(3) The Agency shall publish the report referred to in the first paragraph in a manner accessible to the public. All the information to which access is denied under the regulations governing access to information of a public character shall be removed from the report before its publication.

(4) The Agency shall forward the report referred to in the first paragraph of this Article to the European Commission and ACER by 31 July at the latest for the preceding year.

#### Article 405 (Supervision of the use of funds)

Supervision of the lawfulness, designated use, and efficient and effective use of the Agency's resources shall be carried out by the Court of Audit of the Republic of Slovenia.

### Chapter III: Tasks of the Agency

#### Article 406 (Tasks of the Agency)

(1) The Agency shall, acting under public authorisation, carry out the administrative and other tasks specified in this Act, EU regulations stipulating the powers of national regulatory authorities in the energy sector or the general act of the Agency adopted pursuant to this Act.

(2) By fulfilling its tasks, the Agency ensures the following:

- that electricity system operators, and system owners and electricity undertakings, where appropriate, fulfil their obligations under this Act, EU regulations and general acts of the Agency, including those regarding cross-border issues;
- that gas TSOs and DSOs, and system owners and natural gas undertakings, where appropriate, fulfil their obligations under this Act, EU regulations and general acts of the Agency, including those regarding cross-border issues.

(3) The Agency shall comply with and implement any legally binding decisions of ACER and the European Commission.

(4) The Agency shall prevent cross-subsidies between transmission, distribution, and supply activities.

#### Article 407 (Request for information)

(1) When necessary for the performance of administrative and other tasks of the Agency, the performers of energy sector activities must, regardless of whether or not they are undergoing an inspection procedure, immediately submit to the Agency at its request all information, documents and

other evidence at their disposal, including information that is designated as a business secret in accordance with the regulations governing companies.

(2) If an activity performer does not submit the relevant information at the Agency's request as referred to in the preceding paragraph, the Agency shall order the submission of information by way of a special decision, which shall contain the legal basis, the purpose of the request, a specification of the required information, an appropriate time limit for its submission, and a notice on penalty for submitting incorrect, incomplete or misleading information or for failing to submit information within the specified time limit. There shall be no appeal against this decision; however, an administrative dispute shall be allowed.

(3) If a performer of energy sector activities submits to the Agency incorrect, incomplete or misleading information or fails to submit the information within the specified time limit, the Agency may, notwithstanding Article 38 of the Inspection Act (Uradni list RS, no 43/07 – official consolidated text), issue a decision on a fine of up to EUR 50,000. The time limit for paying the fine may not be shorter than 15 days and not longer than one month.

(4) When issuing the decision referred to in the preceding paragraph, the Agency shall issue a decision specifying a new time limit for the submission of information. No appeal against the decision shall be permitted; however, an administrative dispute shall be allowed. The Agency shall issue decisions on fines against a performer of energy sector activities refusing cooperation until the sum total of fines from all decisions amounts to one per cent of the annual turnover of the person referred to in the first paragraph of this Article in the preceding financial year.

(5) The decisions under the third and fourth paragraphs of this Article shall be enforceable. Enforcement shall be conducted by the tax authority in accordance with the procedure laid down for the enforcement of tax liabilities.

(6) The Agency shall, by way of a general act, determine the method for the submission of data and documents by performers of energy sector activities.

#### Chapter IV: General acts of the Agency

##### Article 408 (General provisions)

(1) The Agency shall issue general acts in cases where it is authorised to do so by this Act or an EU regulation.

(2) The Agency shall publish the general act issued for the exercise of public authority in Uradni list Republike Slovenije.

##### Article 409 (General acts on network charges and use-of-system tariff)

(1) Prior to the adoption of the general act issued for the exercise of public authority that regulates the methodology for establishing the eligible costs of operators and determining the amount of network charge and the methodology for calculating the tariff for the use of system, the Agency must publish its proposal on its website.

(2) The Agency must provide for the public debate on the proposed general act referred to in the preceding paragraph for a period of at least one month following its publication. The Agency must allow comments and proposals to be submitted within the public debate.

(3) Notwithstanding the first paragraph of this Article, the Agency shall adopt a general act without a public debate in the following cases:

- when it concerns minor amendments to a general act with no substantial consequences for operators or system users;
- when it concerns amendments to a general act that have to be implemented urgently in order to prevent threats to human health and life or to immovable property of great value.

#### Article 410 (Request for review)

(1) A person who proves that he/she suffered damage because of the general act referred to in the preceding Article, may, within two months of its publication, submit to the Agency a request for a review of the general act, requesting that the Agency re-examine the entire content or a part of the general act.

(2) In the request for review, the person referred to in the preceding paragraph must prove the occurrence of damage and clearly state the reasons for which he/she is requesting the re-examination of the general act and the scope of the re-examination.

(3) A request for review shall not stay the entry into force of a general act issued for the exercise of public authority.

(4) The Agency shall, within two months of receiving a request for review, carry out a review of the contested part of the general act and inform the applicant of its decisions in this regard. If the applicant submits a request too late, does not prove the occurrence of damage or states unfounded reasons in the request, the Agency shall dismiss the request within one month of its receipt.

#### Article 411 (Abrogation or repeal of general acts)

(1) If the European Commission decides that the Agency must fully or in part amend, repeal or abrogate a general act issued for the exercise of public authority because it is not in compliance with the guidelines of Directive 2009/72/EC, Directive 2009/73/EC or an EU regulation, the Agency shall be obliged to issue a general act amending, repealing or abrogating in part or in full the non-compliant general act within two months of receiving the decision of the European Commission, and immediately inform the European Commission thereof.

(2) An abrogation of a general act shall apply from the date of entry into force of the abrogated general act of the Agency.

(3) Not later than within one month of the entry into force of the general act by which a non-compliant general act is abrogated, the Agency shall *ex officio* reopen the procedure for deciding on any acts it issued pursuant to the abrogated general act.

#### Article 412 (Powers of the Agency to deal with issues instead of operator)

(1) If an operator or any other person performing an energy sector activity has not adopted a general act complying with this Act and general acts of the Agency, which in accordance with this Act requires the approval of the Agency, the Agency may, by way of its general act issued for the exercise of public authority, regulate issues that said person failed to regulate in accordance with this Act and general acts of the Agency. A general act of an operator or another person shall not apply in the part regulating issues that the Agency has regulated differently. The Agency may publish a general act which it has approved, if the person that issued the general act has not published it within the time limit specified in the approval.

(2) The Agency, by way of a decision, shall impose on the person referred to in the first paragraph of this Article the payment of the costs of publication of the general act and the costs of Agency's work related to it.

## Chapter V: Agency's decisions on particular matters

### Article 413 (Resolution of disputes)

(1) In disputes regarding obligations arising from an EU regulation, this Act or an implementing regulation issued pursuant to this Act or act issued for the exercise of public authority, the Agency shall be responsible for deciding on disputes concerning the following issues in relations between electricity system users referred to in point 43 of Article 36 of this Act or users of natural gas system referred to in point 56 of Article 159 of this Act and operators or the electricity market operator:

- access to the system;
- amount charged for the use of the system;
- violations of the Network Code;
- established imbalances and amounts for covering the costs of imbalance settlement and violations of general acts governing imbalances and their settlement;
- other issues where so stipulated by this Act.

(2) In the case of disputes referred to in the first indent of the preceding paragraph, a potential user wishing to acquire access to the system in accordance with this Act shall also be considered a system user.

### Article 414 (Exclusion of an official)

The Director shall decide on the exclusion of an Agency's official and the President of the Council of the Agency shall decide on the exclusion of the Director.

### Article 415 (Procedure for deciding on disputes)

(1) When a party requests that the Agency decide on a dispute with another party, such a request is allowed only if the first party provides evidence that it has requested in writing from the party against which it is filing a request (hereinafter: the opposing party) that said party accede to its request that is the subject of the dispute and has set an appropriate time limit for the opposing party to respond to the request. This time limit may not be shorter than 15 days.

(2) A party may file a request for the Agency to decide on a dispute with the opposing party within 15 days of serving the written response of the opposing party by which the opposing party refuses, fully or in part, the written request of the party or within 15 days of the expiry of the time limit for response, if the opposing party has not responded to the written request.

(3) Within 15 days of serving the request of the party that the Agency decide on the dispute, the opposing party may file a counterclaim if the counterclaim concerns the request of the party or if the request of the first party and the counterclaim can be offset.

#### Article 416 (Conciliation hearing)

(1) In a procedure not involving parties with opposing interests, the Agency may hold one or more conciliation hearings.

(2) In addition to the Agency's official, other public employees and professional assistants of the Agency may participate in a conciliation hearing.

(3) The public shall be excluded from conciliation hearings. The exclusion of the public shall not apply to parties, legal representatives, their authorised representatives and professional assistants.

(4) At the conciliation hearing, the Agency and party must make every effort to agree on facts important for deciding on the matter.

(5) At the conciliation hearing, the Agency and the party may reach an agreement on particular issues in the procedure for establishing a regulatory framework.

(6) Minutes shall be kept of the conciliation hearing. Notwithstanding the provisions of the act governing the general administrative procedure, the minutes shall include only the reconciled observations regarding the facts important for deciding on the matter, any agreements between the Agency and the party, and the statements of the party that the party has requested be included in the minutes.

#### Article 417 (Taking of evidence)

(1) The Agency may request the party that is the performer of an energy sector activity, the owner of the network or the provider of services on the network to submit documents or data, including the necessary calculations, in accordance with the provisions of this Act concerning the submission of data to the Agency in the reporting and supervision procedure.

(2) In the procedure for deciding on a particular matter, the Agency may take into account the facts established in the procedure for reporting and supervision concerning the party.

#### Article 418 (Legal remedies in administrative procedure)

(1) The decisions of the Agency shall not be subject to appeal.

(2) A decision of the Agency cannot be abrogated or repealed by the right of scrutiny.



(3) Only the Agency may declare its decisions null and void under the conditions and according to the procedure provided in the act governing general administrative procedure.

Article 419  
(Decisions)

(1) The time limit for issuing a decision in a procedure initiated at the request of a party shall be two months from the filing of a complete request, unless otherwise provided by this Act. The Agency may, by way of a decision issued before the expiry of this time limit, extend the time limit once and for no more than two months if this is necessary owing to an extensive procedure to establish facts or to other circumstances for which the Agency is not responsible. The Agency may extend the time limit with the consent of the person that filed the request.

(2) When a procedure is initiated *ex officio*, and if this is in the interest of the party, the Agency must issue a decision within two months of the start of the procedure if no special fact-finding proceedings are necessary before the decision is made, or within four months if special fact-finding proceedings have to be conducted.

(3) By way of a decision, the Agency shall

- decide on a request of a party or other subjects of the procedure;
- order the party to carry out an action in accordance with this Act and the general act of the Agency issued for the exercise of public authority, including the conclusion of relevant contracts;
- prohibit the party from carrying out an action that is not in accordance with this Act and the general act of the Agency issued for the exercise of public authority;
- repeal, partially or in full, a contract or any other act concluded contrary to this Act, the general act of the Agency issued for the exercise of public authority or the general act of the operator issued for the exercise of public authority;
- decide on a claim concerning an overpaid or underpaid network charge or price for other operator services;
- decide on other matters if so provided by this Act.

(4) For a certain period until the issuing of a final decision, the Agency may suspend the conclusion of contracts related to the proceedings it is conducting, when this is essential to protect the rights of the party concerned and other persons in the market and proportionate in respect of the needs of market operations and energy supply.

(5) Any contract concluded contrary to a decision of the Agency shall be null and void.

Article 420  
(Administrative dispute)

(1) The procedure for deciding on administrative disputes concerning a decision of the Agency issued in a procedure for deciding on or approving the network charge or for deciding on the tariff for the use of, or access to, the network shall be an urgent procedure.

(2) If a court abrogates a decision issued in a procedure for deciding on or approving the network charge or for deciding on the tariff for the use of, or access to, the network and the Agency by way of a decision in a repeat procedure establishes or approves a different network charge in the regulative period concerned, the network charge as established in accordance with the abrogated decision shall be applied in this regulative period. The difference between this network charge and the network charge the Agency established in the repeat procedure shall be offset in the next regulative period. The

regulations and general acts of the Agency in force at the time of the issue of the abrogated decision shall apply in the repeat procedure.

## Chapter VI: Supervision by the Agency

### Section 1: General provisions on supervisory procedure

#### Article 421 (Supervisory powers)

- (1) The Agency shall supervise the implementation of the provisions of this Act concerning the electricity and natural gas markets, and regulations and general acts issued pursuant to this Act, except in cases that according to this Act fall within the competence of particular inspection services.
- (2) The Agency shall also supervise the implementation of the provisions of EU regulations on internal electricity and natural gas markets.
- (3) The Agency shall conduct inspection procedures and impose supervisory measures *ex officio*.

#### Article 422 (Application of regulations governing inspection)

- (1) The provisions of the act governing inspection shall apply with regard to inspection procedure.
- (2) Notwithstanding the provisions of Article 40 of the Inspection Act (Uradni list RS, nos 56/02 and 26/07), penalties for minor offences shall be imposed in accordance with this Act.

#### Article 423 (Parties in inspection procedures)

- (1) A party in an inspection procedure is a person that is subject to supervision by the Agency (hereinafter: the person subject to supervision).
- (2) A person submitting an initiative, report, message or other submission shall not have the status of a party.

#### Article 424 (Protection of confidential sources)

- (1) At the request of a person that is the source of a report or other information that the Agency uses in the exercise of its powers, the Agency must protect the identity of such person if it is likely that disclosure might cause this person significant harm.
- (2) When submitting documents, a person requesting the protection of his/her identity must also submit a version of the documents which omits any information that could result in disclosure of the source.

#### Article 425

(Authorised Agency employees)

- (1) The supervisory tasks of the Agency shall be performed by persons employed by the Agency who are authorised by the Director for this purpose.
- (2) In performing supervisory tasks, an authorised Agency employee shall conduct procedures independently and issue decisions in administrative procedures and minor offence proceedings.
- (3) Authorised Agency employees must meet the conditions for inspectors stipulated by the act governing inspection.
- (4) Specialist work in inspection procedures may also be carried out by specialised legal or natural persons on the basis of the authorisation of the Director if this is not in conflict with the public interest or the interests of the parties.

Article 426  
(Oral hearing)

In inspection procedures, the Agency shall make decisions without an oral hearing, unless the official conducting the procedure assesses that an oral hearing is required to clarify or establish essential facts.

Article 427  
(Minor offence authority)

- (1) The Agency shall decide on minor offences concerning violations of this Act and regulations issued pursuant to it, the implementation of which it supervises as a minor offence authority in compliance with the act governing minor offences.
- (2) Agency employees authorised for supervision shall also be authorised officials conducting the proceedings of a minor offence authority and deciding in the proceedings, all under the conditions of, and in accordance with, the act governing minor offences.

Section 2: Agency powers

Article 428  
(Agency powers)

- (1) Authorised Agency employees shall have the following powers in inspection procedures:
  - to request that performers of energy sector activities submit information in accordance with Article 407 of this Act;
  - to enter and inspect freely accessible premises, land, plants, installations, objects, goods, substances and work and transport means at the undertaking's registered office or at other locations where that undertaking or another undertaking authorised by that undertaking performs the activity and business;
  - to examine books of account, contracts, papers, business correspondence, business records and other information relating to the business of the undertaking, irrespective of the medium on which they are stored (hereinafter: business books and other documentation);
  - to take or obtain copies of, or extracts from, business books and other documentation with the use of the photocopying devices and the computer equipment of the undertaking or the Agency. If it is not possible to make photocopies with the photocopying devices or the computer equipment of the

- undertaking or the Agency for technical reasons, business books and other documentation may be removed for the time required to make photocopies. An official note of this shall be made;
- to seal any business premises and business books and other documentation for the duration of, and to the extent necessary for, the inspection;
  - to seize objects and business books and other documentation for not more than 20 working days if a reasonable suspicion arises of violation of laws or other regulations, without impeding the activity of the natural or legal person;
  - to interview parties and witnesses if a reasonable suspicion arises of violation of laws or other regulations, without impeding the activity of the natural or legal person;
  - to request that an employee of the undertaking submit for inspection business books and other documentation if the request concerns the documentation or data base that the person subject to supervision is obliged to keep pursuant to this Act or other regulation. If the prescribed documentation is in electronic form, the authorised person has the right to request to be given access to the prescribed data base;
  - to request any employee of the undertaking or any other legal or natural person indicated in the examined or seized documentation to provide an oral or written explanation of facts or documents relating to the subject matter and purpose of the inspection and to make a record of it. When the authorised person requests a written explanation, he/she shall also set a deadline for its submission;
  - to obtain, free of charge, the following personal data from official records and other data bases concerning the person subject to supervision, which are necessary for carrying out the inspection: name, surname, address, tax identification number and other data necessary for the inspection procedure;
  - to examine papers disclosing the identity of persons;
  - to perform other actions in accordance with the aim of the inspection.

(2) An inspection record shall be made of the seizure of objects, except in the case of the fourth indent of the first paragraph of this Article, which shall include a description of the objects seized and the location where were seized. A receipt of their seizure shall be issued.

(3) Authorised persons must carry the inspection in a manner that causes the minimum disturbance to the undertaking's operations.

(4) When business books or other documentation which could be relevant for the Agency to adopt a decision under this Act are obtained in criminal proceedings, an investigation procedure of the authority responsible for the protection of competition or other judicial or official proceedings during a house search or by any other method, the Agency may request the court, the authority responsible for the protection of competition or other authority to provide it with a copy of the documentation or allow it to examine the documentation, unless this would be contrary to the interests of criminal or other proceedings, the confidentiality of such proceedings, or would clearly hinder their execution.

#### Article 429

(Court decision on detailed inspections of business premises and electronic data media)

(1) During the inspection of business premises of an undertaking that are not freely accessible to the public, a detailed inspection of premises and objects on the premises may be conducted without the consent of the person subject to supervision on the basis of a court decision and in the presence of two adult witnesses. A detailed inspection of business premises and objects shall mean an inspection of all closed parts of the premises, including written documentation and other items on the premises. A representative of the undertaking the premises of which are being inspected and its legal representative have the right to be present at the inspection.

(2) A court shall issue a decision as referred to in the preceding paragraph at the request of the Agency if a suspicion arises that the person subject to supervision has violated or is violating

regulations and it is probable that evidence important for an inspection procedure or minor offence proceedings will be found during the inspection of premises and objects on the premises.

(3) Authorised Agency employees may examine the content of electronic and related devices and electronic data media (hereinafter: electronic devices), such as telephone, fax machine, computer, disk, optical media and memory cards, without the consent of the person subject to supervision on the basis of prior decision of the court if a reasonable suspicion arises that the person subject to supervision has violated or is violating regulations, the violation of which is punishable by a fine of up to 10% of annual turnover or EUR 100 000, and if it is probable that the electronic device contains electronic data important for an inspection procedure or minor offence proceedings.

(4) The person using the examined electronic device must allow the authorised Agency employee access to the device, submit encryption keys or passwords and explain how the device is used.

(5) The examination of electronic devices must be conducted with the minimum encroachment on the rights of persons who are not subject to supervision and so that the confidentiality of information is protected and no disproportionate damage is caused. If the electronic device is used by a person who justifiably expects privacy with regard to its use, that person has the right to be present during the examination of the content of the electronic device.

(6) A decision under the first and third paragraphs of this Article shall be issued by a court, not later than within 24 hours of a complete request for inspection, which must contain the following information:

- the identification of premises or electronic devices that need to be examined;
- the reasons for the examination;
- a description of the evidence or content of data sought;
- a statement on the circumstances for the use of the investigative act and the manner of its execution.

#### Article 430 (Obstruction of inspection)

(1) If an undertaking refuses to permit, or obstructs, entry to its premises, or if it denies or obstructs access to business books or other documentation, or otherwise interferes with an inspection, or where it is reasonably expected that this will occur, the authorised Agency employee shall have the right to enter the premises or access business books and other documentation with the assistance of the police.

(2) If an undertaking obstructs authorised persons in the exercise of their powers under Articles 428 and 429 of this Act, the Agency may issue a decision imposing a fine on the undertaking of up to one per cent of its annual turnover in the preceding business year. The time limit for paying the fine may not be shorter than 15 days and not longer than one month.

(3) If a natural person obstructs authorised persons in the exercise of their powers under Articles 428 and 429 of this Act and it is not deemed that the inspection has been obstructed by the undertaking according to the fifth paragraph of this Article, the Agency may issue a decision imposing a fine on the person of up to EUR 50 000. The time limit for paying the fine may not be shorter than 15 days and not longer than one month.

(4) Decisions referred to in the second and third paragraphs of this Article shall be enforceable. Enforcement shall be conducted by the tax authority in accordance with the procedure laid down for the enforcement of tax liabilities.

(5) It shall be deemed that an undertaking is obstructing an inspection if the inspection is obstructed by members of its management or supervisory bodies, its employees, or by its external contractors.

### Section 3: Supervisory measures

#### Article 431 (Agency measures)

(1) If, in the performance of supervisory tasks, an authorised Agency employee establishes that this Act or another regulation or act the implementation of which he/she supervises has been violated, he/she shall have the right and obligation to

- carry out preventive measures and issue a warning;
- carry out measures to protect the rights of other persons;
- propose that another competent authority adopt measures;
- order other measures for which the Agency is authorised by this Act or any other regulation.

(2) If, in the performance of supervisory tasks, an authorised Agency employee establishes that this Act or another regulation or act the implementation of which is supervised by another authority or inspection service has been violated, he/she shall determine the facts and draw up a report on the findings and submit it to the competent authority or inspection service.

#### Article 432 (Remediation of violations)

(1) If, during an inspection, the Agency establishes violations in the implementation of this Act or EU regulation or regulations issued pursuant to them and other general acts, it shall inform the persons subject to supervision of the violations and provide them with an opportunity to explain or remedy the consequences of the violation and set a time limit for this, which may be shorter than 30 days in the case of repeated violations or if the person subject to supervision agrees, unless otherwise stipulated by this Act or EU regulation.

(2) If the person subject to supervision does not remedy violations within the specified time limit referred to in the preceding paragraph, the authorised Agency employee shall, by way of a decision, adopt appropriate and proportionate measures as referred to in the first paragraph of Article 431 of this Act in order to ensure the remediation of a violation and its consequences within the time limit he/she sets.

(3) If measures are laid down differently for the remediation of violations of the Act or other regulations supervised by the Agency, the authorised Agency employee may impose a measure under the preceding paragraph only if it is not possible to remedy an established violation with the special measures.

(4) If the person subject to supervision fails to remedy the established violation within the time limit set by the Agency, the authorised Agency employee may by way of a decision, if necessary, prohibit the performance of activity or seize the objects and documents used for the violation or created by the violation until the violation is remedied or until necessary. The authorised Agency employee has the right to order any other measures referred to in Article 35 of the Inspection Act (Uradni list RS, no. 43/07 – official consolidated text) related to the prohibition of activity.

(5) Notwithstanding the preceding paragraphs, the authorised Agency employee may in cases of direct and serious threat to public order, public safety or the life and health of people or in cases of possible

serious economic or operational difficulties for other performers of energy sector activity or customers, adopt temporary emergency measures as referred to in the first paragraph of Article 431 of this Act in order to remedy the situation, including the prohibition of performance of activity without prior setting of time limit for the remediation of irregularities.

#### Article 433

##### (Content of decisions on the remediation of violations)

(1) A decision on measures for the remediation of violations shall in its operative part contain the following:

1. a description of violations and their consequences, the remediation of which is imposed by the decision;
2. an appropriate time limit within which the person subject to supervision must remedy the violations and their consequences and submit a report on the remediation of violations;
3. the method of remediation of violations and their consequences, when the Agency requires the person subject to supervision to remedy violations and their consequences in a certain manner;
4. documents and other evidence, when the Agency requires the person subject to supervision to submit documents or other evidence concerning the remediation of violations.

(2) The decision shall be issued as a decision under the act governing general administrative procedure.

#### Section 4: Monitoring of the operation of electricity and natural gas markets

#### Article 434

##### (Monitoring of market operation)

(1) Under this Act, the Agency shall monitor the operation of markets in the field of regulated and market activities in the energy sector.

(2) The monitoring referred to in the preceding paragraph shall comprise the monitoring of factors that have an impact on effective competition in electricity and natural gas markets, in particular on the following:

1. the provision of non-discriminatory access to networks, the provision of stipulated network availability and reliability and the provision of effective implementation of key processes for market operation (connection of system users, measurement, billing, supplier switches, provision of universal service, etc.);
2. the level of transparency of the relevant market, including wholesale prices and prices for final customers;
3. the level and effectiveness of market opening and competition at wholesale and retail levels, including power and natural gas exchanges, disconnection rates, switching rates, maintenance costs and complaints by household customers;
4. the satisfaction and welfare of customers from the perspective of market operation effects (requests, complaints, availability, adequate information, etc.);
5. the occurrence of restrictive contractual practices, particularly supply exclusivity clauses which may prevent large non-household customers from contracting simultaneously with more than one supplier or restrict their choice to do so;

6. the monitoring of trade in wholesale energy products in accordance with Regulation (EU) No 1227/2011 in order to detect and prevent trading based on inside information and market manipulation;
7. the occurrence of other restrictive practices of market participants that prevent, restrict or distort market competition, also from the perspective of the actions of undertakings in a dominant position and from the perspective of concentrations;
8. the monitoring of the security of supply on which depend the balance of supply and demand in the national market, the level of expected future demand and envisaged additional capacity being planned or under construction;
9. the compiling and keeping of a comparative record of prices listed in regular price lists for household and small non-household customers to enable a comparison of valid regular price lists of electricity and natural gas suppliers. The Agency shall not keep a comparative record of prices for special or package offers;
10. the prevention of cross-subsidies between transmission, distribution and production activities.

(3) The Agency shall compile a monitoring report which shall comprise an assessment of transparency and competition in electricity and natural gas markets. The content of the report shall be a constituent part of the annual report on the state of the energy sector referred to in Article 404 of this Act.

#### Article 435

(Data collection and the register of market participants)

(1) For the purposes of monitoring market operations, operators, electricity producers and wholesalers, suppliers to final customers, the electricity market operator, exchanges and other forms of organised markets, the centre for support and final customers (hereinafter: persons with reporting obligation) shall be obliged to report, in the manner specified by the Agency in accordance with Article 407 of this Act, in particular the following sets of data:

- a) operators
  - data on the connection of users to the network;
  - data on the achieved quality of supply and quality assurance of electricity supply (covering the continuity of supply, commercial quality, voltage quality), including data on contracts on non-standard supply quality,
  - data on requests for the enforcement of access to networks, separately for each type (capacity requirements, etc.),
  - data on supplier switching, separately for different user categories, including data on energy quantity,
  - data on the provision of universal service (sustaining supply, vulnerable customers),
  - data on the performance and effectiveness of key processes in electricity and natural gas markets (processes for switching supplier, measuring, billing, etc.) and data on the provision of effective and standardised data exchange among individual market participants,
  - data on the complaints of household customers, separately for each type (connection, billing, supply quality, etc.),
  - data on the planning or performance of work necessary to ensure network reliability,
  - data on transmitted and distributed quantities of electricity and natural gas and data on cross-border transmission capacities,
  - data on the planning and provision of ancillary services,
  - other data important for establishing the existence of non-discriminatory and transparent access to the network and the state of the highest possible network capacity;
- b) electricity producers and wholesalers
  - data on the capacities, availability and maintenance of production units,
  - data on the planned connection of new production capacities and their characteristics and the planned shut-down of existing production units,



- data on concluded agreements on the joint sale of electricity, the identity of contracting parties and energy quantities,
  - data on wholesale prices and electricity and natural gas quantities for each transaction, including data on contract duration, the identity of contracting parties, clauses on "take-or-pay", rebate, exclusivity and price adjustments, and liquidated damages,
  - data on the internal billing prices of vertically integrated undertakings,
  - other data important for establishing the degree of competitiveness and opening of the wholesale market;
- c) suppliers to final customers
- data on the quantities and retail prices of electricity and natural gas, separately for each user category, including discounts,
  - the number of final customers by categories, including data on the share of energy supplied in each category,
  - data on complaints, separately for each type (bill of service costs, transparency of bills, etc.),
  - complaints against the functioning of the operator (access to data, etc.),
  - data on the implementation of processes for the provision of universal service (sustaining supply, vulnerable customers),
  - other data important for establishing the degree of competitiveness and opening of the retail market;
- č) market operator
- data on the recording of closed contracts and on imbalance clearing,
  - data on the management of the balance scheme (data on members, violations, exclusions, etc.),
  - data on the maturity of closed contracts,
  - data on the provision of effective and standardised data exchange among market participants,
  - other data important for the functioning of the balance scheme and the operation of the market;
- d) exchanges and other forms of organised market
- data on participants in exchange trading,
  - data on the prices, quantities and products on the exchange,
  - data on the prices and quantities of energy traded pursuant to Article 442 of this Act,
  - other data important for establishing the degree of competitiveness and opening of the retail market;
- e) centre for support
- data on the delivery and sale of purchased electricity in an organised market,
  - other data important for establishing the degree of competitiveness and opening of the retail market;
- f) final customers
- data on active participation in consumption management,
  - data on restrictive contractual practices,
  - other data important for establishing the degree of competitiveness and opening of the retail market.

(2) The Agency may also require other persons entering into transactions in the wholesale energy market, including persons issuing orders for trading in wholesale energy products, to submit data to be reported pursuant to Article 8 of Regulation (EU) No 1227/2011.

(3) According to ACER's instructions, the Agency may request the persons referred to in the first and second paragraphs of this Article to submit the record of transactions in the wholesale energy market, including the record of orders for trading in wholesale energy products.

(4) In its request for data submission, the Agency shall specify in detail the types of data and their content and the duration of reporting obligation, time limit for data submission, frequency of reporting and other circumstances important for the obligation of data submission with regard to the purpose of data collection. Data shall be submitted free of charge, and in the manner and form determined by the Agency.

(5) The undertakings and affiliated undertakings from EU Member States or third countries that carry out an energy sector activity in the Republic of Slovenia shall also be obliged to submit to the Agency the data referred to in the first paragraph of this Article. In addition, third persons acting for the account of the persons referred to in the first and second paragraphs of this Article shall also be persons with reporting obligation.

(6) When collecting the data referred to in the first paragraph of this Article and for the purposes of the monitoring of market operation, the Agency shall collect, keep and process, in accordance with the act governing personal data protection, the following personal data: name and surname, address of permanent residence and business address.

(7) The Agency shall set up and keep a register of market participants entering into transactions that must be reported to ACER in accordance with the first paragraph of Article 8 of Regulation (EU) No 1227/2011.

#### Article 436

##### (Processing and provision of data)

(1) The Agency may use the acquired data referred to in Article 435 to compile the reports that it is obliged to compile pursuant to this Act and for statistical analysis within the monitoring and to fulfil other obligations under this Act.

(2) For the purposes of increasing the transparency of markets, the Agency may publish only data of public character not designated as confidential (e.g. prices).

(3) The Agency shall be obliged, upon a reasoned request, to provide to, and exchange data with, other authorities of the Republic of Slovenia, regulatory authorities and other authorities of Member States and bodies of the European Union that need them to exercise their powers. In so doing, the Agency shall be obliged to ensure their level of confidentiality.

#### Article 437

##### (Confidentiality of information)

(1) Agency employees and persons who occasionally perform certain tasks for the Agency shall be obliged to protect as an official secret the content of data referred to in Article 435 of this Act if the data are considered personal data, a business secret or classified information.

(2) The obligation to protect official secrets referred to in the preceding paragraph shall still apply after the termination of employment relationship at the Agency or after the cessation of performance of certain tasks for the Agency.

#### Article 438

##### (Market research)

(1) If the Agency establishes during monitoring that barriers to the access of new market entrants exist, or that price rigidity or other circumstances show that the market is not sufficiently competitive, it may conduct research of a particular part of the market. In so doing, the Agency shall cooperate with the authority responsible for the protection of competition and the authority responsible for consumer protection.

(2) The Agency shall jointly conduct analyses of transnational markets with the competent regulatory authorities of other EU Member States as covered by such transnational markets.

Article 439  
(Research report)

(1) The Agency shall compile a report on the research conducted.

(2) If the Agency establishes in the research that effective competition is prevented, restricted or distorted in a particular electricity or natural gas market and that this has, or could have, an adverse impact on consumers, the following information shall be included in its report:

- the type of measures to prevent, eliminate or reduce adverse impacts on competitiveness or consumers;
- proposals to competent authorities to take measures in accordance with their powers;
- proposals for necessary amendments to regulations governing the electricity and natural gas markets.

(3) The Agency may publish a report on research findings that do not include confidential information.

Article 440  
(Cooperation of the Agency on investigations conducted by other authorities)

Upon a request, authorised Agency employees may cooperate with the authority responsible for the protection of competition, the authority responsible for the regulation of financial instruments market, or the European Union in investigations concerning violations of competition rules conducted by these authorities.

Section 5: Special provisions on ensuring effective competition in the wholesale electricity and natural gas markets

Article 441  
(Ensuring competition in the wholesale electricity and natural gas markets)

(1) When the Agency establishes in research of a particular market that serious and permanent obstacles to access to electricity or natural gas production sources exist in the wholesale electricity or natural gas markets, owing to which the market at the retail level is not sufficiently competitive, resulting in adverse impacts on final costumers, it may, by way of a decision, require an electricity producer or natural gas supplier to release certain quantities of electricity or natural gas or to transparently and non-discriminatorily offer to interested buyers contractual rights to import natural gas.

(2) Following consultations with the authority responsible for the protection of competition, the Agency shall initiate the procedure for imposing a measure under Article 442 or 443 of this Act.

Article 442  
(Release of mandatory quantities of electricity or natural gas)

(1) The Agency shall require a producer to release a certain quantity of electricity or natural gas so that it becomes reasonable to expect a substantial increase in the competitiveness of the market at the retail level. In so doing, the Agency shall take into account the principle of proportionality.

(2) In imposing the measure referred to in the preceding paragraph, the Agency shall specify the following:

- the mandatory total quantity of energy subject to the measure, including the identification of different energy products with regard to quantities and duration of supply;
- the duration of the measure;
- the starting price or the methodology for determining the starting price at which the person liable shall be obliged to release the mandatory quantities;
- payment and other elements of the supply contract;
- the type of procedure according to which the person liable shall be obliged to release the mandatory quantities;
- the conditions for access to the transmission network;
- the conditions for access to final customers;
- other conditions required to achieve the purpose of the measure.

(3) In determining the mandatory total quantity of energy, the Agency must take into account the size and structure of the market, the level of vertical integration of the market, the presence of vertically integrated undertakings on the retail market and free capacities in the transmission network. In identifying different energy products, the Agency must take into account the reasonable requests of interested buyers to adjust the structure of mandatory quantities according to their own needs.

(4) The duration of the measure must be fixed so that it is sufficient for the conditions of competition in the market to change significantly and permanently.

(5) The starting price at which the person liable shall be obliged to sell the mandatory quantities of energy must enable competition in the retail market to develop.

(6) The payment and other elements of the supply contract offered by the liable person to interested buyers must not deter buyers from purchasing the mandatory quantities of energy.

(7) The allocation of mandatory quantities of energy may be carried out through market operator or energy exchange, or in case of mandatory quantities of natural gas also through auctions organised by the person liable. The auction procedure must be designed so as to enable all interested buyers to participate under equal and non-discriminatory conditions.

(8) When a vertically integrated undertaking has leased capacities in the transmission network, the Agency may require the undertaking to release capacities in relation to the operator in volumes corresponding to the mandatory release of quantities, if this constitutes an obstacle to access to the transmission network for buyers of these quantities.

(9) The Agency may require a vertically integrated undertaking to allow its final customers in the retail market to switch to another supplier without disproportionate costs if contractual relationships on supply constitute an obstacle to access to final customers.

#### Article 443

##### (Mandatory allocation of contractual rights to import natural gas)

(1) If the Agency assesses that the measure referred to in the preceding paragraph will not significantly increase competitiveness in the retail natural gas market, it may impose on the natural gas

supplier a measure of mandatory transfer of contractual rights and obligations to import certain quantities of natural gas.

(2) The transfer of contractual rights and obligations to interested buyers shall be permanent and shall be carried out on the basis of an auction organised by the natural gas supplier.

(3) In imposing the measure under this Article, the Agency shall apply *mutatis mutandis* the conditions referred to in the second paragraph of Article 442 of this Act.

#### Article 444 (Issuing a decision)

(1) The Agency shall impose measures referred to in Articles 442 and 443 of this Act by way of a decision in which it shall determine the following:

- the content and scope of the measure,
- obligations to ensure the implementation of the measure and its supervision, and
- the time limit for the implementation of the measure.

(2) When the implementation of measures is contingent on the approval or other actions of the Agency, the Agency shall decide thereon by decision.

(3) The Agency may by a request for information require the electricity producer or natural gas supplier to provide a report on the implementation of measures and obligations imposed by decision.

#### Article 445 (Abrogation or repeal of decision)

The Agency may *ex officio* abrogate or repeal a decision on the mandatory release of production capacities of electricity or natural gas by issuing a new decision abrogating or repealing the previous decision in full and determining the new content and scope of the measure, obligations to ensure the implementation of the measure and its supervision and the time limit for fulfilling the obligations, in the following cases:

- the market circumstances on which the decision was based have changed considerably following the issue of the decision;
- serious difficulties are encountered in the fulfilment of obligations referred to in the decision, preventing the achievement of the purpose of the decision, through no fault of the person liable.

#### Article 446 (Cooperation of the Agency with other regulatory authorities)

The Agency shall be obliged to consult with the regulatory authorities of other EU Member States before adopting, amending or repealing a measure if this has an impact on trade among EU Member States.

#### Article 447 (Public influence)

(1) Prior to the adoption of a measure referred to in Articles 442 and 443, the Agency shall be obliged to obtain and take due consideration of the opinions of the interested public.

(2) Prior to the adoption of a measure, the Agency shall be obliged to publish its proposal and collect opinions within the time limit published, which may not be shorter than 30 days.

(3) After the expiry of the time limit referred to in the preceding paragraph and prior to the adoption of the measures referred to in the first paragraph of this Article, the Agency must publish on its website the opinions and comments obtained, together with a statement regarding the manner in which they were taken into account or the reasons they were not taken into account. In so doing, it shall not publish information and data of a confidential nature.

## Section 6: Data exchange among participants in the electricity and natural gas markets

### Article 448

#### (Identification of entities in data exchange)

(1) Performers of energy sector activities shall be obliged to assign identifiers to virtual and physical facilities, services and products (hereinafter: entities) used in electronic data exchange on the energy market.

(2) In the identification of the entities referred to in the preceding paragraph, the performers of energy sector activities must use open standards specifying appropriate standardised identification systems and the form of identifiers. In data exchange processes in the Slovenian energy market, performers of energy sector activities must use all existing standardised identifiers of entities applied in the European Union.

(3) Performers of energy sector activities generating data subject to identification shall be responsible for the allocation of identifiers and shall keep registers of entities and supervise the exchange of these data. If the performers of energy sector activities perform the function of issuing or allocating identifiers, they must ensure the integrity and continuity of the service of identifier issue or allocation and comply with the rules on allocation with respect to the identification system chosen.

(4) The Agency shall, by way of a general act, stipulate in detail the type of systems used to identify entities, the rules and obligations of performing the service of allocating identifiers to individual entities and the transitional period for the introduction of new entity identification systems.

### Article 449

#### (Persons liable for data exchange)

(1) Performers of energy sector activities must allow the data at their disposal within their activity to be exchanged with other participants in the electricity and natural gas markets that need these data for their unimpeded operation in the market.

(2) In the same manner, performers of energy sector activities shall be obliged to enable users access to data generated in their activity. In determining the type and structure of data and the method for their exchange, participants in the electricity and natural gas markets shall be obliged to apply the open standards available.

(3) The type and structure of data and method of their exchange to which the obligation from the preceding paragraph refers, and which are not defined by open standards or regulations available in this field, shall be stipulated by the performers of energy sector activities in accordance with their responsibilities and role in the market. In so doing, they shall be obliged to take into account the state of the art and cost efficiency.

(4) Data shall be exchanged in aggregate and impersonal form. The performers of energy sector activities must document every data exchange business process required for the smooth operation of the market or containing data related to uses – e.g. processes of master and measurement data exchange, the supplier switching process, processes of data exchange required for imbalance clearing – by using standardised models and notations.

(5) The obligation of data exchange shall not apply to the following:

- data designated as classified pursuant to the act governing classified information for reasons of public safety, state defence, confidentiality of international relations or confidentiality of intelligence and security activities of state authorities;
- data defined as a business secret in accordance with the act governing companies;
- personal data the disclosure of which would constitute an infringement of the protection of personal data pursuant to the act governing personal data protection;
- data acquired for the purpose of administrative procedure conducted by a performer of energy sector activity the disclosure of which would prejudice the procedure;
- data acquired in connection with the internal operation or activities of performers of energy sector activities the disclosure of which would disturb the operation or activities of the performer in question.

(6) The obligations of performers of energy sector activities referred to in this Article shall not prejudice the obligations of these persons under other provisions of this Act that require them to allow access to data or to provide data to the Agency and other persons entitled under this Act to acquire certain data from performers of electricity activities.

#### Article 450

##### (Obligations of persons liable for data exchange)

(1) Persons liable for data exchange shall be responsible for the formal correctness of their data and their timely availability for exchange in standardised form.

(2) With regard to the obligation referred to in the preceding paragraph, persons liable for information exchange must ensure data storage and quality, authenticated and authorised access to them and their safety and confidentiality.

(3) Taking into account the conditions referred to in the preceding Article, persons liable for data exchange shall designate in their acts persons responsible for data exchange and stipulate procedures and measures for effective data exchange, which shall comprise the following:

- the set, type and structure of data;
- rules for accessing data;
- the period of availability of data; and
- the method of data capture.

(4) The Agency shall, by way of a general act, stipulate the mandatory content of the acts referred to in the preceding paragraph, if necessary, to unify approaches in the computerisation of data exchange.

## **Part Seven**

### **INSPECTION**

#### ***Article 451*** ***(Inspection)***

(1) The inspectorate responsible for energy (hereinafter: the energy inspectorate) shall supervise the implementation of the provisions of this Act and its implementing regulations, with the exception of the provisions supervised pursuant to Article 421 of this Act by the Agency and/or the competent inspectorates referred to in paragraph 2 or paragraph 3 of this Article.

(2) The inspectorate responsible for market surveillance shall carry out market supervision of the ecodesign of energy-related products referred to in Article 327 and energy labelling and advertising referred to in Article 328 of this Act.

(3) The inspectorate responsible for construction shall conduct inspections of energy performance certificates.

(4) The authority responsible for public legal records and related services shall be responsible for inspecting the implementation of the provisions of the first and second paragraphs of Article 108 and Article 234 of this Act.

#### ***Article 452*** ***(Inspection by energy inspectors)***

(1) The energy inspectorate shall supervise the implementation of the technical requirements set out in this Act, its implementing regulations and general acts for the exercise of public authority in the construction, maintenance, operation and use of energy facilities, installations and networks, in particular:

1. compliance with the technical requirements of this Act and other regulations and the mandatory standards applicable in the field of energy efficiency, electricity and mechanical energy;
2. compliance with the technical requirements in the construction, operation and use of facilities, plants, lines, installations and connections intended for the generation, transmission, distribution, metering, protection, management, own consumption and electricity consumption, with regard to:
  - generation units in electric power and heat plants, installations for the transmission and distribution of electricity within switching substations, transformer substations, control centres, electricity networks and lines in buildings;
  - compliance with the technical requirements for electricity supply, in particular with regard to interruptions, reductions and voltage quality;
  - efficient use of electricity in facilities and plants under the inspectorate's competence;
  - compliance with the provisions of the operating instructions for networks, facilities, plants and individual assemblies and the system operating instructions;
  - implementation of regulations governing load shedding and electricity consumption;
  - technical requirements for issuing approvals for the connection of electricity facilities;
3. compliance with technical requirements in the construction, operation and use of facilities, plants, lines and installations intended for the generation, transmission, storage, distribution, metering and indication, and heat and gas consumption, which shall cover in particular:
  - plants and installations intended for heat and/or cooling generation;
  - heat plants and installations intended for the generation of electricity and heat for district heating or direct consumption for technological purposes;



- equipment under pressure and transportable pressure equipment in use;
- plants and installations which use heat, technical gases, natural gas or other types of energy gases;
- gas, steam and hot water transmission and distribution pipelines and associated installations and equipment;
- filling stations and storages of liquefied petroleum gas (hereinafter: LPG) and technical gases, and compressed natural gas (hereinafter: CNG) filling stations;
- lines in facilities, namely heat, cooling, technical gases, natural gas and/or other energy gas lines;
- efficient use of heat and fuels by installations and plants;
- ventilation and air conditioning systems in buildings;
- compliance with the provisions of the transmission and distribution network codes for natural gas and heat and/or other energy gas distribution networks.

(2) The energy inspectorate shall also supervise the expertise and qualifications of workers operating energy installations with a view to ensuring the safety and security of operation and the efficient use of energy.

(3) Particular specialist tasks within inspection procedures may also be carried out by a professional legal or natural person on the basis of the authorisation of the head of the inspectorate if this is not in conflict with the public interest or the interests of the parties.

### ***Article 453*** ***(Requirements for energy inspectors)***

A person appointed an energy inspector must hold at least a degree acquired in the second cycle study programme in the field of mechanical engineering and metalworking or electronics and energy or a degree acquired in study programmes that, in accordance with the law, correspond to the second cycle degree in the field of mechanical engineering and metalworking or electronics and energy and must have at least 5 years of work experience, must have passed the professional examination for an inspector, and must also meet other general requirements for state administration employees.

### ***Article 454*** ***(Measures taken by inspectors)***

In addition to the powers under the Act governing inspections, energy inspectors shall have the right to:

- order that irregularities and/or deficiencies established be remedied within the time limit set by the inspector;
- order that further use of facilities, installations, plants, lines be halted and/or power supply discontinued;
- prohibit further use of energy systems, facilities, plants, lines and networks and/or further performance of the work in contravention of technical or other rules that may pose a threat to the life and health of people or cause substantial material damage;
- prohibit a worker from continuing to operate an energy installation if he or she is not qualified in accordance with the rules governing professional training.

**Article 455**  
***(The obligations of the legal or natural persons liable)***

Legal or natural persons and individuals shall facilitate and ensure undisturbed inspection by the energy inspector, allow free access to facilities and energy installations, networks, plants and lines and make available all required information, technical documentation and other documents and reports.

**Article 456**  
***(Notification of the measure implemented)***

The responsible person of the legal or natural person or an individual shall inform the energy inspectorate of the implementation of the measures it imposed by a decision no later than within eight days of the expiry of the time limit set to remedy a deficiency.

**Article 457**  
***(Notification of circumstances)***

The responsible person of a legal or natural person or an individual who operates the energy facilities, installations, plants or lines subject to inspection under this Act shall immediately notify the energy inspectorate of any damage or defect resulting in the interruption or reduction in energy supply, or any threat to the life and health of people or the risk of substantial material damage.

**Article 458**  
***(Notification of construction work and test commencement)***

The responsible person of a legal or natural person or an individual who carries out work on the energy facilities, installations, lines and/or plants shall inform the energy inspectorate of the date of the commencement of construction, reconstruction or renovation works and the date of the commencement of the operation and start-up tests on the energy installations, lines, plants and facilities.

**Article 459**  
***(Periodic examinations)***

The responsible person of a legal or natural person or an individual who operates the energy facilities, installations, plants or lines shall ensure that the prescribed periodic examinations and tests are carried out in accordance with the rules referred to in the third paragraph of Article 32 of this Act governing periodic examinations of individual types of facilities, installations, lines and networks.

**Article 460**  
***(Powers of inspectors to supervise energy-related products)***

(1) In addition to the powers under the Act governing inspection and the Act governing market inspection, energy inspectors and inspectors responsible for market surveillance shall also have the following powers when supervising compliance with eco-design requirements and energy labelling of energy-related products (hereinafter: products):

- to carry out appropriate product compliance examinations and tests;
- to require that a supplier or distributor provide evidence of the accuracy of information on labelling and product information cards when in doubt about their accuracy;
- to order to remedy irregularities and deficiencies;
- to require necessary information and access to conformity documents issued and technical documentation;
- to take samples of products free of charge;
- to prohibit the use of conformity documents for non-conforming products;
- to require correct labelling of products;
- to order that illicit markings be removed and to prohibit the illegal use of labelling;
- to prohibit a product from being placed or made available on the market or prohibit its use until evidence is submitted on its conformity or compliance with the requirements referred to in the first paragraph of Article 327 or in the first paragraph of Article 328 of this Act;
- to prohibit the display of a non-compliant product until it is marked with a clear indication that the product is not to be placed on the market or made available until its compliance is ensured;
- to order that established non-compliances be remedied in an appropriate time period and prohibit a product from being placed on the market, restrict its availability on the market or prohibit its use if non-compliance persists;
- to require that products be marked with the prescribed labelling and information, to order that illicit labelling, marks, symbols or inscriptions be removed;
- where there are reasonable grounds to suspect that the products do not conform with the regulations, to temporarily prohibit any supply, supply offer or display of these products for the period needed to perform examinations and tests.

(2) In addition to the powers under the Act governing inspection and the Act governing market inspection, inspectors responsible for market surveillance shall also have the power to ban misleading advertising when supervising compliance with the eco-design requirements referred to in Article 327 of this Act and the energy labelling of products referred to in Article 328 of this Act.

(3) If the competent inspection authority lacks appropriate professional knowledge or equipment for sample taking, examination or testing, it shall assign such particular tasks to a professional or organisation with the necessary expertise. An accredited organisation shall be deemed to have the necessary expertise.

(4) Where the competent inspection authority decides to prohibit or restrict trading in or use of a product or decides to withdraw a product from the market, a safeguard clause notification shall be submitted in accordance with the regulation governing the method of international exchange of information about measures and actions restricting trade in products. The notification shall give reasons for the decision, namely:

- failure to comply with implementing regulation requirements;
- incorrect use of harmonised standards;
- deficiencies in the harmonised standards.

These decisions shall be made available to the public.

(5) Where a natural person or legal files a report demonstrating potential non-compliance of a product on the market or in use, inspectors shall take measures in accordance with the Inspection Act.

#### ***Article 461***

#### ***(Specifics regarding control of energy performance certificates and inspection reports on air conditioning and heating devices)***

(1) The competent inspectorate referred to in Article 451 of this Act shall control the energy performance certificates and inspection reports on air conditioning and heating devices no later than within five months of receipt of a request.

(2) Where irregularities are established, the inspectorate responsible for construction shall order the person who issued the energy performance certificate to remedy the irregularities or to issue a new energy performance certificate.

(3) The responsible inspectorate referred to in Article 451 of this Act shall submit a copy of the notes/records and a decision to the ministry responsible for energy, which may initiate the procedure under Article 346 of this Act.

(4) The responsible inspectorate referred to in Article 451 of this Act shall report to the ministry on the inspections twice a year and propose appropriate measures to improve the situation.

### **Part Eight**

### **ENERGY INFRASTRUCTURE**

#### **Chapter I: GENERAL PROVISIONS**

#### ***Article 462***

#### ***(Definition of infrastructure)***

(1) The energy infrastructure shall consist of the following facilities, installations and networks:

- the electricity transmission network and the natural gas transmission system;
- the electricity distribution network and the natural gas distribution system;
- the LPG system;
- the system for natural gas production and storage;
- the system for the generation and distribution of heat for district heating;
- the system for the distribution of other energy gases;
- the system for the generation of electricity together with connection to transmission or distribution systems.

(2) The facilities, installations and networks referred to in the preceding paragraph shall be deemed the energy infrastructure (hereinafter: the infrastructure) for electricity, natural gas and heat supply.

(3) The provisions of this Act relating to the infrastructure shall also apply to rights *in rem* and other rights in immovable property connected with the construction, reconstruction, operation, control and maintenance of the facilities, installations and networks referred to in the first paragraph of this Article.

(4) The infrastructure for the electricity transmission network and the natural gas transmission system, the electricity distribution network and the natural gas distribution system, the LPG system and the system for the distribution of other energy gases shall be deemed public economic infrastructure in accordance with the Act governing construction.

(5) Following the proposal of the minister responsible for energy, the Government shall specify the types of facilities, installations, networks and systems constituting infrastructure and the method of keeping the infrastructure records.

**Article 463**  
**(Construction and maintenance)**

(1) The infrastructure shall be designed and constructed to be cost-effective and in line with the latest developments in technology and shall be maintained to ensure the best possible technical operation and cost-effectiveness.

(2) Owners of facilities, installations or networks forming the infrastructure shall provide for routine and major maintenance works and provide for adequate damage insurance.

(3) With a view to providing services of general economic interest in the energy sector, the Government shall adopt a decree specifying the types of maintenance work for the public benefit on facilities, installations and networks for the transmission and distribution of electricity, and natural gas, the distribution of heat and the supply of other energy gases and the method of performing the work in compliance with the provisions of the Act governing the construction of buildings.

**Article 464**  
**(Work on the infrastructure carried out in emergencies)**

(1) If, due to an accident, damage or other incident, urgent work and/or other measures required to protect infrastructure or ensure its operation and access enabling rapid and efficient performance of work cannot be ensured through the established easements for the public benefit or through other rights to immovable property, the owners or holders of a real property on which urgent temporary access to the infrastructure is required and/or the infrastructure is located, shall allow temporary access to the infrastructure and the necessary work and measures subject to just compensation. Urgent temporary access required to protect or ensure the operation of the infrastructure shall be employed in such a manner so as to least affect the owner or holder of the real property and cause the least damage.

(2) The preceding paragraph shall not give investors in the infrastructure the right to build on private real property within the meaning of the regulations governing the construction of buildings.

(3) If an owner or holder fails to allow temporary access under the first paragraph, an energy inspector shall order temporary access and specify its duration, scope and the manner of its execution.

(4) If an owner or holder and an investor fail to agree on compensation, the undisputed part of the compensation determined by a certified appraiser shall be paid to the owner or holder by the investor before a decision on the dispute is made.

**Article 465**  
***(Spatial intervention guidelines and approvals)***

(1) Gas TSOs and electricity system operators shall:

- cooperate with the ministry responsible for energy in drafting guidelines and opinions for spatial acts in accordance with spatial planning regulations and this Act;
- lay down project conditions, if so requested by investors, prior to the elaboration of projects for acquiring a building permit and give approvals to project solutions for planned spatial interventions in the safety zones of transmission and distribution networks pursuant to the Act governing the construction of buildings and this Act.

(2) Guidelines, opinions, project conditions and approvals of project solutions shall be issued for planning and construction in safety and protection zones of electricity and natural gas systems.

(3) Gas TSOs and electricity system operators shall notify the ministry responsible for energy of the project conditions referred to in the second indent of the first paragraph of this Article if they are determined for facilities with a connected load greater than 10MW or annual consumption of natural gas greater than 5 million Sm<sup>3</sup>.

**Article 466**  
***(Municipal spatial plan guidelines)***

The minister responsible for energy shall stipulate in detail the mandatory content of the municipal spatial plan guidelines and specify:

- the conditions and requirements to plan efficient heating and cooling in settlements;
- the parts of settlements, depending on the plot factor, where the planning of heating and cooling systems shall be obligatory.

**Article 467**  
***(Authorisation to issue spatial development guidelines and approvals)***

(1) Local communities may issue an ordinance vesting a distributor providing a local service of general economic interest in the field of the distribution of natural gas, heat and other energy gases, with public authority to:

- provide guidelines and opinions for spatial planning arrangements in the spatial document drafting procedure in accordance with the spatial planning regulations and this Act;
- lay down project conditions, if so requested, prior to the elaboration of projects for acquiring a building permit and give approvals to project solutions for planned spatial

interventions in the safety zones of networks pursuant to the Act governing the construction of buildings and this Act.

(2) Notwithstanding the preceding paragraph, a local community responsible for spatial planning in the area covered by the national spatial plan shall represent the interests of a distributor providing a local service of general economic interest in the field of the distribution of natural gas, heat and other energy gases in the procedure for developing national spatial plans.

**Article 468**  
**(Electricity system safety zone)**

(1) An electricity system safety zone shall consist of a strip of land along the power lines and facilities where other facilities and installations may only be built and works that might affect the network operation may only be carried out under specific conditions and at a certain distance from the network lines and facilities.

(2) The width of the safety zone of an electricity network shall be measured from the axis of the power line and/or the external fence of the transformer station or substation and shall amount to:

- 40m for overhead multi-system lines and substations of nominal voltages of 400kV and 220kV;
- 10m for underground cable systems of nominal voltages of 400kV and 220kV;
- 15m for overhead multi-system lines and substations of nominal voltages of 110kV and 35kV;
- 3m for underground cable systems of nominal voltages of 110kV and 35kV;
- 10m for overhead multi-system lines of nominal voltages of 1kV up to and including 20kV;
- 1m for underground cable systems of nominal voltage of up to and including 20kV;
- 1.5m for overhead lines of a nominal voltage of up to and including 1kV;
- 2m for medium voltage switching substations and medium voltage transformer substations.

(3) Conditions for building other facilities and installations in the electricity system safety zones and conditions for work performed within these safety zones shall be prescribed by the minister responsible for energy.

**Article 469**  
**(Natural gas system safety and protection zones)**

(1) A natural gas transmission system safety zone shall consist of a land strip of 65m from the system's axis running along both sides and a land strip of 65m from metering and regulating station fences and other transmission system facilities, except compressor stations. The safety zone of natural gas transmission systems shall also include a 100m area from the fence of the compressor station. A natural gas distribution system safety zone shall include a land strip of 5m from its axis running along both sides of the pipeline.

(2) Other facilities, installations and lines may only be built in the natural gas system safety zone and works that might affect the network operation may only be carried out

under specific conditions and at a certain distance from pipelines and facilities of this network depending on their type and purpose.

(3) When constructing facilities, installations or lines and/or carrying out other work at a distance from a natural gas transmission system beyond the safety zone referred to in the first paragraph of this Article, the gas TSO shall envisage additional protective activities and/or take measures to ensure an acceptable level of risk to the pipeline or other parts of the transmission system; these interventions and measures shall be taken within the framework of a service of general economic interest of the gas TSO and the costs incurred shall be deemed eligible costs of the service of general interest.

(4) A natural gas transmission system safety zone shall include a land strip of 5m from its axis running along both sides of the transmission system.

(5) No other facilities, installations and lines may be planned or built or works carried out within the natural gas transmission system safety zone unless necessary for the construction, reconstruction, operation, monitoring or maintenance of the infrastructure and/or public economic infrastructure in accordance with the regulations governing construction and subject to approval granted by the TSO to an investor and/or contractor prior to the commencement of works.

(6) Conditions for the interventions within the safety zone referred to in the first paragraph of this Article shall be determined by the minister responsible for energy, by taking into account the network nominal pressure and pipeline diameter.

(7) Conditions for the construction, operation and maintenance of pipelines and natural gas network facilities as well as specific safety measures to increase the safety of network operation shall be determined by the minister responsible for energy.

#### ***Article 470***

#### ***(Registration of the natural gas, heat and other energy gases distribution infrastructure)***

(1) Operators and natural gas, heat and other energy gases distributors shall provide for an infrastructure register comprising a survey cadastre of lines and connections and a list of the elements and devices incorporated in the system, and shall thus ensure support for safe and reliable system operation. Operators and natural gas, heat and other energy gasses distributors shall also report to the consolidated cadastre of public infrastructure.

(2) Operators and natural gas, heat and other energy gases distributors shall report on the infrastructure scope and location to a concession provider and to the consolidated cadastre of public infrastructure in a manner stipulated by the regulation governing the consolidated cadastre of public infrastructure.

## **Chapter II: EXPROPRIATION AND EASEMENT FOR THE PUBLIC BENEFIT**

#### ***Article 471***

#### ***(Subsidiary application of the Act)***



Issues related to the expropriation and establishment of an easement for the public benefit not governed by this Act shall be subject to the provisions of the Act governing expropriation and the restriction of ownership rights for the public benefit and the provisions of the Act governing the siting of spatial arrangements of national importance.

**Article 472**  
**(Public benefit determination)**

(1) The construction and acquisition of facilities and land required for the transmission and distribution of electricity, natural gas, and the distribution of heat and other energy gases supply shall be for the public benefit and subject to the first and the third paragraphs of Article 93 of the Spatial Management Act (*Uradni list RS*, nos 110/02, 8/03 – amended, 58/03 – ZZK-1, 33/07 – ZPNačrt, 108/09 – ZGO-1C and 80/10 – ZUPUDPP, hereinafter: ZUreP-1).

(2) The construction and acquisition of facilities and land required for electricity generation, natural gas storage, liquefied natural gas terminals or the transport of liquid fuels via pipelines shall be for the public benefit and subject to the fourth paragraph of Article 93 of the ZUreP-1.

**Article 473**  
**(Special provisions on expropriation and the establishment of an easement for the public benefit)**

(1) When an investor fails to conclude a contract to acquire property rights on a real property referred to in the preceding paragraph within 30 days of serving a relevant offer, an expropriation motion shall be filed by the state and/or a municipality and/or an operator providing a service of general economic interest under this Act upon the proposal of the investor. The offer to conclude the contract shall include an appraisal by a certified appraiser.

(2) A contract on the disposal, encumbrance or rental of expropriated real property concluded in contravention of the purpose of the expropriation by a beneficiary of expropriation, i.e. the operator providing a service of general economic interest under this Act, shall be null and void. A note on the prohibition shall be entered in the land register *ex officio*.

(3) When an investor fails to conclude a contract to establish an easement for the public benefit on a real property referred to in this Article within 30 days of serving the offer concerned, the investor may forthwith file a proposal for the restriction of property rights. The offer to conclude the contract shall include an appraisal by a certified appraiser.

(4) Notwithstanding the provisions of other Acts, contracts to establish an easement for the public benefit shall be concluded for the duration of the infrastructure operation and to the benefit of the respective operators of individual infrastructure items or the dominant land owned by the operator.

(5) Notwithstanding Article 104 of the ZUreP-1, the procedures for restricting property rights and the expropriation procedures under this Act shall be deemed necessary if

the public benefit is shown in accordance with the third paragraph of Article 93 of the ZUreP-1 and an expropriation beneficiary deposits with the court for safekeeping the amount of the assessed compensation for real property subject to expropriation or restriction of the property rights and a security deposit of one-half of the assessed compensation for any potential damage in accordance with the regulations governing expropriation; thereby the condition for transferring the tenure of the expropriated real property shall be deemed fulfilled. Reasons of urgency need not be specifically explained and reasoned.

(6) A notarial record or acceptance document testifying that the money has been deposited for safekeeping shall specify the time limit for safekeeping the amount referred to in the preceding paragraph, which shall be either the time of satisfying the requirement for payment of damages or a period not shorter than 10 years, whichever is less. Payment to a person subject to expropriation or other entitled person shall be conditional on the submission of a damages agreement or a final decision on expropriation.

(7) Notwithstanding the third paragraph of Article 92 of the ZUreP-1, the expropriation procedure or the procedure to restrict property rights on the real property located in the area of a spatial planning document for spatial arrangements of national importance shall not examine whether the state has any other appropriate real property at its disposal for the purposes of expropriation or the restriction of property rights.

(8) Notwithstanding Article 100 of the ZUreP-1, the expropriation procedure or the procedure for restricting property rights on real property for the purposes referred to in the first or second paragraphs of Article 472 of this Act shall not be initiated by way of an order but shall start after the competent authority receives a complete expropriation request or a request to restrict property rights and decides to initiate the expropriation procedure by issuing a relevant decision. No appeal shall be possible against this decision. The decision to initiate the expropriation procedure shall be recorded in the land register *ex officio*.

(9) The transfer of property rights or an easement on the expropriated real property to an investor shall not be subject to the regulations governing the sale of tangible property of the state.

#### **Article 474**

##### ***(Property rights or easement for the public benefit by the force of law)***

(1) On the date of the entry into force of a detailed municipal spatial plan and a national spatial plan in accordance with the regulations governing spatial planning, real property owned by the Republic of Slovenia or local communities envisaged to be subject to a restriction of property rights for the purposes referred to in the first paragraph of Article 472 by an easement for the public benefit shall have a free of charge easement established for the public benefit for the purposes specified in the spatial document, except for easement on waters and waterside land managed by the ministry responsible for waters, the payment of which shall be determined in accordance with the Act governing waters and regulations issued on its basis.

(2) Where property rights on the real property referred to in the preceding paragraph are acquired by the Republic of Slovenia or a local community following the entry

into force of the plan referred to in the preceding paragraph, the easement referred to in the preceding paragraph shall be established on the date of acquiring property rights.

(3) The easement referred to in the first paragraph of this Article shall be established for electricity lines and shall not exceed the maximum width of the safety zone of the electricity line concerned, as provided by Article 468 of this Act, and shall not extend beyond the area set by the adopted spatial planning document. The easement referred to in the first paragraph of this Article for natural gas systems and heat or other energy gas distribution pipelines shall not extend beyond:

- 5m from the axis on both sides of the line for natural gas transmission lines;
- 2.5m from the axis on both sides of the line for natural gas distribution lines;
- 1.5m from the axis on both sides of the line for heat or other energy gas distribution lines.

(4) During the construction of the lines referred to in the preceding paragraph, the easement referred to in the first paragraph of this Article shall be established as follows:

- for electricity lines up to their respective maximum safety zones; the contractual right to build and/or carry out work on such real property shall cover the width of the work corridor;
- 12m from the axis on both sides of the line for natural gas transmission lines;
- 6m from the axis on both sides of the line for natural gas distribution lines;
- 5m from the axis on both sides of the line for heat or other energy gas distribution lines.

(5) The manager of a real property owned by the Republic of Slovenia or a local community and an entity having the benefit of the easement for the public benefit referred to in the first paragraph of this Article shall conclude a contract establishing the scope of the easement referred to in the first paragraph on the real property concerned and, in the case of waters and waterside land, also the easement payment; the contract shall be concluded no later than within 6 months of the final building permit for the infrastructure facility subject to the easement for the public benefit. If the contract is not concluded within the stipulated time limit, the real property manager or the dominant tenement shall seek a judgment in lieu of a contract.

(6) Notwithstanding the sixth paragraph of Article 3 of the Public Roads Act (*Uradni list RS*, nos 109/10 and 48/12), the first paragraph of Article 16d of the National Farmland and Forest Fund Act (*Uradni list RS*, no 19/10 – official consolidated text and 56/10 – ORZSKZ16) and the fourth paragraph of Article 13 of the Motorway Company of the Republic of Slovenia Act (*Uradni list RS*, nos 97/10 and 40/12 – ZUJF), compensation for an easement for the public benefit for the purpose referred to in the first paragraph of Article 472 of this Act shall not be paid for land owned by the state or local communities.

(7) An investor shall file a request for registration of the easement referred to in the first paragraph of this Article in the land register no later than 24 months from the entry into force of the plan referred to in the first paragraph of this Act or following the acquisition of the property rights within the meaning of the second paragraph of this Article. An entry in the land register shall not have a constitutive character.

(8) Notwithstanding the provisions of other laws and regulations concerning the arrangements for individual types of land, the provisions of this Act shall apply in relation to

the scope of an easement created for the public benefit on land owned by the Republic of Slovenia or local community.

(9) Notwithstanding the fifth paragraph of this Article, a contract establishing the easement scope and easement payment for water and waterside land managed by the ministry responsible for waters shall be concluded after the water management consent under the act governing waters becomes final.

(10) Notwithstanding the seventh paragraph of this Article and the third paragraph of Article 475 of this Act, an investor shall file a request for registration of the easement on water and waterside land managed by the ministry responsible for waters after the contract referred to in the preceding paragraph has been concluded. The right to build on water and waterside land managed by the ministry responsible for waters shall be demonstrated by a land register entry of the easement for the public benefit and/or by a concluded and notarised easement contract and a copy of the application to enter the contract into the land register indicating data on the land register restriction of the application.

#### **Article 475** **(Infrastructure construction)**

(1) Proof of the right to build electricity systems of nominal voltage of 110kV and over or natural gas transmission systems shall include evidence in accordance with the Construction Act (*Uradni list RS*, nos 102/04 – official consolidated text, 14/05 – amended, 92/05 – ZJC-B, 93/05 – ZVMS, 111/05 – Constitutional Court Decision, 126/07, 108/09, 61/10 – ZRud-1, 20/11 – Constitutional Court Decision, 57/12, 101/13 – ZDavNepr and 110/13) and the following documents:

- a notarised contract and land registry permission concerning an acquired property or other right *in rem* on a real property within the safety zone of electricity networks referred to in the second paragraph of Article 468 of this Act or on a real property located within the area of the national spatial plan and/or a safety zone of natural gas transmission systems referred to in the third paragraph of Article 469 of this Act;
- a certificate issued by a competent authority stating that the procedures under the Denationalisation Act have not been concluded (*Uradni list RS*, nos 27/91, 56/92 – Constitutional Court Decision, 13/93 – Constitutional Court Decision, 31/93, 24/95 – Constitutional Court Decision, 20/97 – Constitutional Court Decision, 23/97 – Constitutional Court Decision, 65/98, 76/98 – Constitutional Court Decision, 66/00 – mandatory interpretation, 66/00, 11/01 – Constitutional Court Decision, 54/04 – ZDoh and 18/05 – Constitutional Court Decision);
- a certificate issued by a competent court indicating that inheritance proceedings under the Inheritance Act (*Uradni list RS*, nos 15/76 and 23/78, *Uradni list RS*, nos 13/94 – ZN, 40/94 – Constitutional Court Decision, 117/00 – Constitutional Court Decision, 67/01, 83/01 – OZ and 73/04 – ZN) or pursuant to the Inheritance of Agricultural Holdings Act (*Uradni list RS*, nos 70/95 and 54/99 – Constitutional Court Decision) have not been completed;
- a chronological extract from the land register indicating that a real property was entered in the name of an agrarian community and/or a certificate issued by a competent authority that the procedures of property restitution under the Act Regulating the Re-establishment of Agrarian Communities and Restitution of Property and Rights (*Uradni list RS*, nos 5/94, 38/94, 69/95, 22/97, 97/98 – Constitutional Court Decision, 56/99, 72/00 and 51/04 – Constitutional Court Decision) have not been completed;

- a certificate issued by a competent authority indicating that the procedures of property restitution under the Cooperatives Act (*Uradni list RS*, no 62/07 – official consolidated text) have not been completed;
- an extract from the land registry indicating that a real property has been entered as a public good;
- a certificate issued by a competent authority indicating that a declaration of the death of a real property owner was sought or an evidence of death procedure under the regulations governing non-litigious proceedings has been initiated;
- a decision issued by a competent administrative body referred to in the eighth paragraph of Article 473 of this Act on the initiation of an expropriation procedure and/or a certificate that the procedure to acquire an easement for the public benefit has been initiated.

(2) After having completed the individual procedures referred to in the preceding paragraph, the investor in infrastructure and the real property owners shall jointly institute a procedure to acquire an easement for the public benefit or a property right or a building title for the public benefit in accordance with this Act and regulations governing expropriation.

(3) In the cases referred to in the first paragraph of Article 474 of this Act, in the procedures for issuing a building permit it shall be deemed that the right to build is demonstrated by the entry into force of the national spatial plan and/or detailed municipal spatial plans, while in the cases referred to in the second paragraph of Article 474 of this Act, this right shall be deemed demonstrated on the date the state and/or local community acquires the property right.

#### ***Article 476*** ***(Agrarian operations)***

(1) An investor in the infrastructure or its owner as well as an infrastructure operator who is not the owner of the infrastructure shall be deemed a party to the procedures related to agrarian operations (e.g. land consolidation, land reclamation and land re-parcelling) when these are carried out in an area where the infrastructure is already in place or in an area intended for infrastructure construction by a spatial planning document drafted in accordance with the regulations governing national spatial plan arrangements.

(2) If an investor in the infrastructure has not concluded a contract to create an easement for the public benefit or a contract to acquire a property right before the commencement of the procedure related to an agrarian operation, this right shall be acquired by the infrastructure investor by an administrative decision issued in the implementation of the agrarian operation.

(3) The decision referred to in the preceding paragraph shall create easements of the same scope in the locations of existing easements for the public benefit on potential new land parcels created, whereby a dominant tenement holder need not pay any compensation thereon.

(4) The authority conducting an agrarian operation shall take into account the national spatial plan and implement the agrarian operation so as to ensure that the infrastructure investor acquires appropriate building rights.

(5) The decision of the administrative authority referred to in the second paragraph of this Article, which includes a land register permit or a certificate issued by an administrative authority that a procedure concerning an agrarian operation has been initiated shall be deemed proof of the right to build under Article 56 of the Construction Act.

(6) An infrastructure investor may begin, continue or complete the construction of infrastructure regardless of the fact that the procedure concerning an agrarian operation has been initiated but not finally completed.

**Article 477**  
**(Guardian for special cases)**

(1) If, for the purposes of concluding a contract on an easement for the public benefit or a contract to acquire a property right or a building title for the public benefit, an infrastructure investor fails to acquire the data from the official records as these data do not exist or the authorities keeping official records have no such data available, the infrastructure investor shall submit a proposal to a social work centre to appoint a guardian for a special case.

(2) The social work centre shall appoint a guardian for the special case within 60 days; the guardian shall conclude a contract on an easement for the public benefit or a contract to acquire a property right or a building title for the public benefit with the infrastructure investor.

**Part Nine**  
**OTHER COMMON PROVISIONS**

**Chapter I: SPECIAL PROVISIONS ON ENFORCEMENT AND BANKRUPTCY  
WITH REGARD TO ENERGY SECTOR ACTIVITY PERFORMERS**

Section 1: Enforcement

**Article 478**  
**(Items exempt from enforcement)**

(1) Energy infrastructure facilities, installations and networks necessary for providing the services of general economic interest under this Act may not be subject to enforcement, with the exception of electricity or natural gas production facilities owned by natural and legal persons and with no direct or indirect equity holdings by the Republic of Slovenia.

(2) The exemption referred to the preceding paragraph shall not apply if the enforcement is conducted with a view to settling a claim under a loan facility granted for the purchase of a particular item, or a loan granted for the development of services of general interest, or in the event of enforcement for recovery of a claim secured by a lien on such property item.

## Section 2: Bankruptcy

### **Article 479**

#### ***(Exemption of concessionaires and public companies from bankruptcy proceedings)***

(1) Companies holding concessions granted under this Act to provide services of general economic interest which are in 100 percent ownership of the Republic of Slovenia or a local community and public companies that provide services of general economic interest under this Act and are owned by the state or local community may not be subject to bankruptcy proceedings in accordance with the Financial Operations, Insolvency Proceedings and Compulsory Dissolution Act (*Uradni list RS*, nos 126/07, 40/09, 59/09, 52/10, 106/10 – ORZFPPIPP21, 26/11, 47/11 – ORFZPPIPP21-1, 87/11, 23/12 – Constitutional Court Decision and 47/13).

(2) The founders of the legal persons referred to in the preceding paragraph shall be subsidiarily liable for the liabilities incurred by these legal persons.

### **Article 480**

#### ***(Special rules on the sale of assets in bankruptcy)***

Energy infrastructure and property rights needed in their entirety for the provision of a service of general economic interest under this Act may only be sold in bankruptcy as an entire business.

### **Article 481**

#### ***(Pre-emptive right in bankruptcy)***

(1) If a debtor in bankruptcy is a legal or natural person that does not provide a service of general economic interest, a provider of a service of general economic interest shall have a pre-emptive right over the entire business in the bankruptcy proceedings and over the energy infrastructure in bankruptcy and property rights constituting infrastructure under this Act.

(2) The pre-emptive right of the provider of a service of general economic interest shall also apply to land which is part of the bankrupt's estate and has facilities, installations or lines of the provider of the service of general economic interest located thereon.

(3) If the debtor in bankruptcy is the provider of a service of general economic interest under this Act on the basis of a building or service concession, the mode of sale of assets referred to in the preceding paragraph and the pre-emptive right under this Article shall not prejudice the right of exclusion of a grantor under the Act governing public-private partnerships.

(4) The pre-emptive right of the provider of a service of general economic interest referred to in the first and second paragraphs of this Article shall be exercised in accordance with the regulations governing the exercise of lawful pre-emptive rights in bankruptcy proceedings.

**Article 482**

***(Special rules on the continued operation of a debtor in bankruptcy)***

(1) Notwithstanding the regulations governing the operations of a debtor in bankruptcy after the commencement of bankruptcy proceedings, a debtor in bankruptcy providing a service of general economic interest or authorised by the provider of a service of general economic interest to carry out the tasks of the service of general economic interest shall be allowed to continue to provide the service of general interest or carry out other tasks necessary for unhindered provision of the service of general economic interest in accordance with Article 317 of the Financial Operations, Insolvency Proceedings and Compulsory Dissolution Act (*Uradni list RS*, nos 126/07, 40/09, 59/09, 52/10, 106/10 – ORZFPPIP21, 26/11, 47/11 – ORZFPPIP21-1, 87/11, 23/12 – Constitutional Court Decision and 47/13).

(2) A receiver shall ensure that in the case referred to in the preceding paragraph the service of general economic interest is provided in full.

**Chapter II: SPECIAL PROVISIONS ON STRIKES AT PERFORMERS OF ENERGY SECTOR ACTIVITIES**

**Article 483**

***(Provision on the restricted right to strike in the energy sector)***

Workers employed by the employers referred to in Articles 484 and 485 of this Act shall exercise their right to strike subject to the fulfilment of minimal work process requirements in accordance with Articles 484 and 485 of this Act.

**Article 484**

***(The restricted right to strike at providers of services of general economic interest)***

(1) Workers employed by employers providing a service of general economic interest under this Act shall carry out work and tasks necessary to ensure operational readiness of facilities, networks and installations during a strike as prescribed for Sundays, public holidays and work-free days. The tasks and duties to be carried out during the strike and the method thereof shall be specified by the Government by a decree.

(2) The workers shall perform the tasks referred to in the preceding paragraph in a timely and efficient manner and according to the instructions given by a management body. If the workers on strike fail to reach an agreement, the management body shall adopt a decision appointing workers to carry out tasks in accordance with the preceding paragraph during the strike.

(3) The obligations referred to in the first and second paragraphs of this Article shall also apply to workers at employers to which tasks in the area of a service of general economic interest were transferred by the provider of the service of general economic interest.



**Article 485**

***(The restricted right to strike at ancillary service providers)***

During a strike, the workers employed by an employer providing ancillary services to an operator shall ensure standby duty and carry out all the tasks and duties in the scope of the contract obligations necessary to provide reliable and timely system services required by the operator to manage the system.

**Part Ten**

**CARBON DIOXIDE TRANSPORT**

**Article 486**

***(Carbon dioxide transport)***

Transport of captured carbon dioxide shall be allowed through the pipes of the transmission and transport networks (hereinafter: transport network) in the territory of the Republic of Slovenia.

**Article 487**

***(Conditions for transporting carbon dioxide)***

(1) The transport of captured carbon dioxide through a transport network in the territory of the Republic of Slovenia shall be possible under the following conditions:

- a) before commencing the transport or processing of carbon dioxide for transport, a company shall notify the Agency of its activity;
- b) access to a transmission and transport network or to the processing of carbon dioxide shall be provided in a transparent and non-discriminatory way. The following shall be taken into consideration:
  - the technical and other capacities of the transport networks and plants which are or can be made available;
  - the compatibility of technical specifications;
  - the proportion of the transport network user reduction obligation as specified by regulations;
  - the need to respect the needs of the owner, operator and other users of the transport network, storage or carbon dioxide processing facilities who may be affected.

(2) A legal or natural person operating the transport network (hereinafter: operator of the transport network) may refuse to transport carbon dioxide through the transport network on the grounds of a lack of capacity when duly substantiated reasons are given. In this case, the operator shall make an analysis of potential measures to ensure capacities. If a measure is economically viable or funded by the refused user, the operator of the transport network shall increase the transport network capacity.

**Article 488**

***(Disputes relating to access to a carbon dioxide network)***

(1) Disputes relating to access to a network shall be settled by the Agency, which shall take into account the number of parties interested in the transport. The Agency shall have the right to require that the parties submit all data necessary to settle the dispute.

(2) In the event of cross-border disputes relating to access to the carbon dioxide transport network, the Agency shall cooperate with the competent authorities of other states.

(3) The Agency shall submit a report on access requests and disputes relating to access to the transport network to the Government once a year by 1 July.

## **Part Eleven PENAL PROVISIONS**

### ***Article 489 (Minor offences under Part One of this Act)***

(1) A fine of between EUR 5,000 and EUR 125,000 shall be imposed on a legal person failing to submit the data required by the regulation referred to in the second paragraph of Article 32 of this Act.

(2) A fine of between EUR 5,000 and EUR 125,000 shall be imposed on a sole trader for committing the minor offence referred to in the preceding paragraph.

(3) A fine of between EUR 2,000 and EUR 10,000 shall also be imposed on the responsible person of a legal person or the responsible person of a sole trader for the minor offence referred to in the first paragraph of this Article.

### ***Article 490 (Minor offences under Part Two of the Act)***

(1) A legal person who is an operator or vertically integrated undertaking shall be imposed a fine of up to 10% of its annual turnover in the preceding business year for:

- acting contrary to Article 61 of this Act;
- failing to act in accordance with Article 66 of this Act.

(2) A fine of between EUR 5,000 and 10,000 shall be imposed on the responsible person of a legal person for the minor offence referred to in the preceding paragraph.

(3) A fine of between EUR 15,000 and EUR 250,000 shall be imposed on a legal person for the following minor offences:

- failure to ensure system users access to an electricity transmission system under non-discriminatory conditions (point 8 of the second paragraph of Article 54 of this Act),
- failure to notify the Agency in accordance with the first, second and third paragraphs of Article 65 of this Act;
- acting contrary to an enforceable decision by the Agency to remedy a violation referred to in the third paragraph of Article 66 of this Act;
- performing an activity deemed a service of general economic interest under this Act (Articles 55, 81 and 99 of this Act) without having acquired the right to perform it;

- failure to ensure the electricity DSO direct and permanent access to all data used and obtained for the purpose of carrying out the transferred tasks as provided by the fourth paragraph of Article 78 of this Act;
- acting in breach of Article 109 of this Act in the keeping of accounts;
- failure to adopt and publish its acts in accordance with Article 144 of this Act;
- failure to notify the Agency in accordance with the first, second and third paragraphs of Article 187 of this Act.

(4) A fine of between EUR 15,000 and EUR 150,000 shall be imposed on a sole trader for committing the minor offence referred to in the preceding paragraph.

(5) A fine of between EUR 2,000 and EUR 10,000 shall also be imposed on the responsible person of a legal person or the responsible person of a sole trader for the minor offence referred to in the third paragraph of this Article.

(6) A fine of between EUR 5,000 and EUR 125,000 shall be imposed on a legal person for the following minor offences:

- failure to provide sustained electricity supply at the request of a customer in accordance with the second paragraph of Article 44 of this Act;
- failure to communicate data on changes in prices in accordance with the third paragraph of Article 46 of this Act;
- failure to send the energy checklist to final electricity customers in accordance with the regulation referred to in the second paragraph of Article 47 of this Act;
- the drafting of general terms and conditions whose substance is contrary to the third or the fourth paragraphs of Article 48 of this Act;
- failure to publish the general terms and conditions and information on applicable prices and tariffs for household customers and small non-household customers on its website in accordance with the fifth paragraph of Article 48 of this Act;
- specifying or changing general contractual terms and conditions of electricity supply to household or small non-household customers contrary to the fifth and/or the sixth paragraphs of Article 48 of this Act;
- charging flat-rate operating costs contrary to the tenth paragraph of Article 48 of this Act;
- failure to appoint a person to receive and decide on complaints by household customers concerning electricity or natural gas supply in accordance with the second and third paragraphs of Article 50 of this Act;
- failure to provide information to household customers in accordance with the fourth paragraph of Article 50 of this Act;
- failure to publish the rules referred to in the eighth paragraph of Article 50 of this Act;
- failure to ensure sufficient means for the functioning of the appointed person or persons in accordance with the ninth paragraph of Article 50 of this Act;
- failure to co-operate in the balancing market in a way provided by the regulation referred to in the second indent of the fourth paragraph of Article 97 of this Act;
- failure to submit an annual report for publication in the manner provided by the act governing companies (the first and second paragraphs of Article 108 of this Act);
- failure to submit to the Agency an annual report within the time limit referred to in the third paragraph of Article 108 of this Act;
- failure to ensure that energy facilities, installations and lines of a legal person comply with the prescribed technical norms and standards and other conditions to ensure the technical safety of energy plant operations (Article 145 of this Act);

- connecting facilities, installations and lines to an operator's network and/or enabling the connection of other facilities, installations and lines without the operator's approval (Article 147 of this Act);
- failure to notify a customer of a temporary disconnection (the third paragraph of Article 150 of this Act);
- failure to reconnect a customer to its system at its own expense and within 24 hours if unjustifiably disconnected (the second paragraph of Article 154 of this Act);
- acting contrary to the first paragraph of Article 156 of this Act;
- failure to make information available in accordance with the general act of the Agency referred to in the third paragraph of Article 156 of this Act to other electricity market participants under the second paragraph of Article 78 of this Act.

(7) A fine of between EUR 5,000 and EUR 125,000 shall be imposed on a sole trader for committing the minor offence referred to in the preceding paragraph.

(8) A fine of between EUR 2,000 and EUR 10,000 shall also be imposed on the responsible person of a legal person or the responsible person of a sole trader for the minor offence referred to in the sixth paragraph of this Article.

(9) A fine of between EUR 400 and EUR 2,000 shall be imposed on an individual for committing a minor offence referred to in the sixth paragraph of this Article.

(10) A fine of between EUR 1,000 and EUR 10,000 shall be imposed on a legal person for the following minor offences:

- failure to notify a customer of his or her rights and obligations prior to connection to the system in accordance with the third paragraph of Article 39 of this Act;
- failure to enable a final customer to switch suppliers within the time limit referred to in the second paragraph of Article 40 of this Act;
- failure to send a final customer who switched suppliers their final account within the prescribed time limit (the fourth paragraph of Article 40 of this Act);
- failure to provide periodic information to final customers on their actual electricity consumption (the first paragraph of Article 41 of this Act);
- charging access to data on electricity consumption in contravention of the third paragraph of Article 41 of this Act;
- failure to provide access to data on consumption in accordance with Article 41 of this Act to final customers or other persons who enclose a customer's authorisation with a request for access to data on consumption;
- failure to indicate the data referred to in the first paragraph of Article 42 of this Act on electricity invoices issued to final customers;
- failure to include, as a minimum, all the elements referred to in the second paragraph of Article 48 of this Act in the supply contract.

(11) A fine of between EUR 1,000 and EUR 10,000 shall be imposed on a sole trader or self-employed person who commits a minor offence referred to in the preceding paragraph.

(12) A fine of between EUR 100 and EUR 500 shall be imposed on the responsible person of a legal person, the responsible person of a sole trader and the responsible person of a self-employed person for committing a minor offence referred to in the tenth paragraph of this Article.

**Article 491**  
***(Minor offences under Part Three of the Act)***

(1) A natural gas undertaking – legal person, sole trader or self-employed person – shall be imposed a fine of up to 10% of its annual turnover in the preceding business year for the following minor offences:

- acting in breach of Article 183 of this Act;
- failure to comply with Article 188 of this Act;
- acting in breach of Article 194 of this Act;
- discriminating in favour of its related undertaking in ensuring access to the natural gas transmission system in contravention of point c of the second paragraph of Article 190.

(2) A fine of between EUR 5,000 and EUR 10,000 shall be imposed for the minor offence referred to in the preceding paragraph on the responsible person of a legal person, the responsible person of a sole trader or the responsible person of a self-employed person.

(3) A fine of between EUR 15,000 and EUR 250,000 shall be imposed on a legal person for the following minor offences:

- performance of an activity deemed a service of general economic interest under this Act (Articles 177 and 216 of this Act) without having acquired the right to perform it;
- acting in breach of Article 235 of this Act in the keeping of accounts;
- failure to ensure system users access to a natural gas transmission system under non-discriminatory conditions (the fourth paragraph of Article 238 of this Act).

(4) A fine of between EUR 15,000 and EUR 150,000 shall be imposed on a sole trader or a self-employed person for a minor offence referred to in the preceding paragraph.

(5) A fine of between EUR 2,000 and EUR 10,000 shall also be imposed on the responsible person of a legal person, the responsible person of a sole trader, or the responsible person of a self-employed person for committing a minor offence referred to in the third paragraph of this Article.

(6) A fine of between EUR 5,000 and EUR 125,000 shall be imposed on a legal person for the following minor offences:

- failure to ensure that the energy facilities, installations and lines of a legal person comply with the prescribed technical norms and standards and other conditions to ensure the technical safety of energy plant operations (the third and fourth paragraphs of Article 32 and Article 269 of this Act);
- failure to send the energy checklist to final natural gas customers in accordance with the regulation referred to in the second paragraph of Article 165 of this Act;
- failure to communicate the data necessary for the functioning of a single point of contact in accordance with the third paragraph of Article 171 of this Act;
- drafting general terms and conditions contrary to the third or fourth paragraphs of Article 172 of this Act in terms of substance;
- failure to publish the general terms and conditions and information on applicable prices and tariffs for household customers and small non-household customers on its website in accordance with the fifth paragraph of Article 172 of this Act;

- specifying or changing general contractual terms and conditions of natural gas supply to household or small non-household customers contrary to the fifth and/or the sixth paragraphs of Article 172 of this Act;
- charging flat-rate operating costs contrary to the tenth paragraph of Article 172 of this Act;
- failure to publish the rules referred to in the eighth paragraph of Article 175 of this Act;
- failure to ensure sufficient means for the functioning of the appointed person or persons in accordance with the ninth paragraph of Article 175 of this Act;
- failure to appoint a person to receive and decide on complaints by household customers concerning electricity or natural gas supply in accordance with Article 175 of this Act;
- failure to provide information to household customers in accordance with Article 175 of this Act;
- failure to submit an annual report for publication in the manner provided by the act governing companies (the first and second paragraphs of Article 234 of this Act);
- failure to submit to the Agency an annual report within the time limit referred to in the third paragraph of Article 234 of this Act;
- failure to adopt and publish its acts in accordance with Article 268 of this Act;
- failure to notify a customer of a temporary disconnection (the third paragraph of Article 273 of this Act);
- failure to ensure the issuance of a single bill in accordance with the first paragraph of Article 249 of this Act;
- connecting facilities, installations and lines to an operator's network and/or enabling the connection of other facilities, installations and lines without the operator's approval (Article 270 of this Act);
- failure to reconnect a customer to its system at its own expense and within 24 hours if unjustifiably disconnected (the fourth paragraph of Article 276 of this Act);
- acting contrary to the first paragraph of Article 280 of this Act;
- failure to make information available in accordance with the general act of the Agency referred to in the third paragraph of Article 280 of this Act to other natural gas market participants in accordance with the second paragraph of Article 216 of this Act.

(7) A fine of between EUR 5,000 and EUR 125,000 shall be imposed on a sole trader or a self-employed person for a minor offence referred to in the preceding paragraph.

(8) A fine of between EUR 2,000 and EUR 10,000 shall also be imposed on the responsible person of a legal person, the responsible person of a sole trader or the responsible person of a self-employed person for committing a minor offence referred to in the sixth paragraph of this Article.

(9) A fine of between EUR 400 and EUR 2,000 shall be imposed on an individual for committing a minor offence referred to in the seventeenth indent of the seventh paragraph of this Article.

(10) A fine of between EUR 1,000 and EUR 10,000 shall be imposed on a legal person for the following minor offences:

- failure to enable a final customer of natural gas to switch suppliers within the time limit referred to in the third paragraph of Article 162 of this Act;
- charging costs for switching natural gas suppliers in contravention of the third paragraph of Article 162 of this Act;
- failure to send a final customer who switched suppliers a final account within the prescribed time limit (the sixth paragraph of Article 162 of this Act);

- failure to provide periodic information to final customers on their consumption (the first paragraph of Article 163 of this Act);
- failure to provide information to final customers on their consumption and its characteristics (the first paragraph of Article 163 of this Act);
- failure to provide access to data on energy consumption to final customers of natural gas or to other persons who request access and enclose the customer's authorisation regarding such (the second paragraph of Article 163 of this Act);
- charging for information on natural gas consumption and its characteristics in contravention of the third paragraph of Article 163 of this Act;
- failure to include, as a minimum, all the elements referred to in the second paragraph of Article 172 of this Act in the supply contract.

(11) A fine of between EUR 1,000 and EUR 10,000 shall be imposed on a sole trader or self-employed person who commits a minor offence referred to in the preceding paragraph.

(12) A fine of between EUR 100 and EUR 500 shall be imposed on the responsible person of a legal person, the responsible person of a sole trader or the responsible person of a self-employed person for committing a minor offence referred to in the tenth paragraph of this Article.

#### ***Article 492*** ***(Minor offences under Part Four of the Act)***

(1) A fine of between EUR 15,000 and EUR 250,000 shall be imposed on a legal person acting contrary to Article 305 of this Act in the keeping of accounts.

(2) A fine of between EUR 15,000 and EUR 150,000 shall be imposed on a sole trader or a self-employed person for a minor offence referred to in the preceding paragraph.

(3) A fine of between EUR 2,000 and EUR 10,000 shall also be imposed on the responsible person of a legal person, the responsible person of a sole trader or the responsible person of a self-employed person for committing a minor offence referred to in the first paragraph of this Article.

(4) A fine of between EUR 5,000 and EUR 125,000 shall be imposed on a legal person for the following minor offences:

- failure to ensure the metering referred to in Article 291 of this Act;
- failure to implement the measure to guarantee the security of heat or other energy gases supply specified by a regulation referred to in the second paragraph of Article 294 of this Act;
- failure to have acts adopted, approved and published in accordance with Article 297 of this Act;
- failure to have a control system for the distribution system established in accordance with Article 298 of this Act;
- failure to form heat prices of district heating in accordance with the methodology prescribed by the Agency referred to in the second paragraph of Article 299 of this Act;
- failure to obtain prior approval of the starting price of the supply of heat for district heating or any changes regarding such (Article 302 of this Act);

- connecting its facilities, installations and lines to the operator's isolated distribution system and/or enabling the connection of other facilities, installations and lines without the distributor's approval (Article 306 of this Act);
- failure to notify a customer of a temporary disconnection (the third paragraph of Article 307 of this Act);
- failure to reconnect a customer to its system at its own expense and within 24 hours if the customer is unjustifiably disconnected (the second paragraph of Article 309 of this Act);
- failure to report the data required by the regulation referred to in Article 311 of this Act.

(5) A fine of between EUR 5,000 and EUR 125,000 shall be imposed on a sole trader or a self-employed person for a minor offence referred to in the preceding paragraph.

(6) A fine of between EUR 2,000 and EUR 10,000 shall also be imposed on the responsible person of a legal person, the responsible person of a sole trader, or the responsible person of a self-employed person for committing a minor offence referred to in the fourth paragraph of this Article.

(7) A fine of between EUR 1,000 and EUR 10,000 shall be imposed on a legal person for the following minor offences:

- failure to communicate to distributors the information referred to in Article 292 of this Act as a customer off-taking heat from a part of a building or from a building at the common consumption point of several customers or buildings;
- failure to draw up or inform customers of general contractual conditions in accordance with the fifth paragraph of Article 297 of this Act;
- failure to inform the Agency of changes in the price of the supply of heat for district heating (the fourth paragraph of Article 299 of this Act);

(8) A fine of between EUR 1,000 and EUR 10,000 shall be imposed on a sole trader or self-employed person who commits a minor offence referred to in the preceding paragraph.

(9) A fine of between EUR 100 and EUR 500 shall be imposed on the responsible person of a legal person, the responsible person of a sole trader or the responsible person of a self-employed person who commits a minor offence referred to in the seventh paragraph of this Article.

(10) A fine of between EUR 50 and EUR 400 shall be imposed on an individual for committing a minor offence referred to in the first indent of the seventh paragraph of this Article.

### ***Article 493*** ***(Minor offences under Part Five of the Act)***

(1) A fine of between EUR 15,000 and EUR 250,000 shall be imposed on a legal person for the following minor offences:

- failure to collect and transfer funds to the Eco Fund in accordance with Articles 317 and 323 of this Act;
- failure to ensure the achievement of energy savings among final customers in accordance with Article 318 of this Act;



– failure to place biofuels or other renewable energy sources on the market in accordance with Article 380 of this Act.

(2) A fine of between EUR 15,000 and EUR 150,000 shall be imposed on a sole trader or a self-employed person for a minor offence referred to in the preceding paragraph.

(3) A fine of between EUR 2,000 and EUR 10,000 shall also be imposed on the responsible person of a legal person, the responsible person of a sole trader, or the responsible person of a self-employed person for committing a minor offence referred to in the first paragraph of this Article.

(4) A fine of between EUR 5,000 and EUR 125,000 shall be imposed on a legal person for the following minor offences:

- failure to report to the Agency in accordance with Article 321 of this Act;
- drawing up energy audits that are not in compliance with the methodology referred to in the second paragraph of Article 354 of this Act;
- failure to carry out an energy audit in accordance with the third paragraph of Article 354 of this Act;
- failure to measure and charge for energy in accordance with Article 355 of this Act;
- failure to provide information to final customers in accordance with Article 358 of this Act;
- failure to label fuel at the point of sale as stipulated by Article 381 of this Act;
- failure to inform the Agency of any changes to a generation unit that might affect the validity of the declaration (the fifth paragraph of Article 365 of this Act);
- failure to take into account the necessary network reinforcement as a priority when drawing up a development plan in order to enable the connection of a unit generating electricity from renewable energy sources or from high-efficiency cogeneration within five years of the investor's first application for the connection approval (Article 369 of this Act);
- failure to provide investors in units generating electricity from renewable sources or high-efficiency cogeneration who wish to be connected to the network with comprehensive and necessary information (the first paragraph of Article 371 of this Act).

(5) A fine of between EUR 5,000 and EUR 125,000 shall be imposed on a sole trader or a self-employed person for a minor offence referred to in the preceding paragraph.

(6) A fine of between EUR 2,000 and EUR 10,000 shall also be imposed on the responsible person of a legal person, the responsible person of a sole trader, or the responsible person of a self-employed person for committing a minor offence referred to in the fourth paragraph of this Article.

(7) A fine of between EUR 400 and EUR 2,000 shall be imposed on an individual for committing a minor offence referred to in the seventeenth indent of the fourth paragraph of this Article.

(8) A fine of between EUR 1,000 and EUR 10,000 shall be imposed on a legal person for the following minor offences:

- failure to display an energy performance certificate in a prominent place in accordance with the first paragraph of Article 336 of this Act;
- failure to ensure regular inspections of air conditioning systems (Article 337 of this Act);
- failure to ensure regular inspections of heating systems (Article 338 of this Act).

(9) A fine of between EUR 1,000 and EUR 10,000 shall be imposed on a sole trader or self-employed person who commits a minor offence referred to in the preceding paragraph.

(10) A fine of between EUR 100 and EUR 500 shall be imposed on the responsible person of a legal person, the responsible person of a sole trader or the responsible person of a self-employed person for committing a minor offence referred to in the eighth paragraph of this Article.

(11) A fine of EUR 1,000 shall be imposed on an issuer acting contrary to Article 340 of this Act.

(12) A fine of EUR 300 shall be imposed on the owner of a building or building unit who fails to submit the original or copy of a valid energy performance certificate of the building or building unit to a buyer or tenant as stipulated by Article 334 of this Act prior to concluding a sales or rental contract.

(13) A fine of EUR 1,000 shall be imposed on the operator of a building or building unit owned or occupied by the public sector and having a total useful floor area of over 250m<sup>2</sup> for failure to display a valid energy performance certificate as stipulated by Article 336 of this Act.

(14) A fine of EUR 300 shall be imposed on the owner of a building or building unit for the following minor offences:

- failure to ensure regular inspections, as provided in Article 337 of this Act, of air conditioning systems of buildings or parts of buildings in which air conditioning systems of a nominal output capacity exceeding 12kW are installed;
- failure to ensure regular inspections, as provided in Article 338 of this Act, of a building or building unit with an installed heating system of a nominal output capacity as prescribed by the minister.

(15) A fine of EUR 250 shall be imposed on the owner of a building or building unit for failure to ensure, as stipulated by Article 334 of this Act, that the energy performance indicators of the energy performance certificate of the building or the building unit are stated in advertisements when such are offered for sale or rent.

(16) A fine of EUR 200 shall be imposed on the owner of a building or building unit for failure to ensure heat consumption meter readings for an individual building (the first paragraph of Article 356 of this Act).

(17) A fine of EUR 1,200 shall be imposed on a supplier of heat from a distribution network or the operator of a common boiler house for the following minor offences:

- failure to bill heat consumption of an individual building on the basis of meter readings for the individual buildings concerned (the third paragraph of Article 357 of this Act);
- failure to bill individual units in multi-apartment buildings and other buildings with at least four separate units by their respective actual heat consumption in accordance with the regulation referred to in the third paragraph of Article 357 of this Act.

(18) A fine of EUR 1,200 shall be imposed on a heat consumption cost division administrator in multi-apartment and other buildings with at least four units for failing to act in compliance with the regulation referred to in the third paragraph of Article 357 of this Act.

(19) A fine of EUR 1,200 shall be imposed on a heat consumption billing administrator in multi-apartment and other buildings with at least four units for failing to act in compliance with the regulation referred to in the third paragraph of Article 357 of this Act.

(20) A fine of between EUR 100 and EUR 500 shall also be imposed on the responsible person of a legal person, the responsible person of a sole trader, or the responsible person of a self-employed person for committing a minor offence referred to in paragraphs sixteen to nineteen of this Article.

(21) A fine of EUR 200 shall be imposed on the owner of a building unit for failing to install a metering device in compliance with the first paragraph of Article 357 of this Act.

#### ***Article 494***

#### ***(Minor offences under Part Five of the Act concerning the energy labelling and ecodesign of products)***

(1) A fine of between EUR 5,000 and EUR 20,000 shall be imposed on a legal person and a fine of between EUR 3,000 and EUR 10,000 on a sole trader or self-employed person who, as a supplier and in connection with the provision of its activities, places on the market and/or puts into service an energy-related product and:

- the product concerned fails to comply with the prescribed technical requirements for the ecodesign of products (the first indent of the first paragraph of Article 327 of this Act);
- fails to carry out a conformity assessment of the product (the second indent of the first paragraph of Article 327 of this Act);
- fails to issue an EC declaration of conformity (the third indent of the first paragraph of Article 327 of this Act);
- fails to draft and keep technical documentation in the prescribed manner (the fourth indent of the first paragraph and the second paragraph of Article 327 of this Act);
- fails to provide the information for final customers in the Slovenian language (the sixth indent of the first paragraph of Article 327 of this Act);
- fails to provide technical documentation to the surveillance authority (the fourth paragraph of Article 327 of this Act);
- affixes product markings likely to mislead users as to product conformity (the fifth paragraph of Article 327 of this Act).

(2) A fine of between EUR 500 and 1,000 shall be imposed on a legal person, a sole trader or a self-employed person who, as a supplier and in connection with the performance of its activities, fails to affix to a product the CE conformity label (the fifth indent of the first paragraph of Article 327 of this Act).

(3) A fine of between EUR 250 and EUR 500 shall also be imposed on the responsible person of a legal person or the responsible person of a sole trader or the responsible person of a self-employed person who, as a supplier and in connection with the performance of its activities, commits a minor offence referred to in the first and second paragraphs of this Article.

(4) A fine of between EUR 2,000 and EUR 5,000 shall be imposed on a legal person and a fine of between EUR 1,000 and EUR 3,000 on a sole trader or self-employed person who in relation to the performance of activities as a distributor or user:

- fails to provide information for final customers in the Slovenian language (the sixth indent of the first paragraph of Article 327 of this Act);
- fails to provide technical documentation to the surveillance authority (the fourth paragraph of Article 327 of this Act).

(5) A fine of between EUR 200 and EUR 400 shall also be imposed on the responsible person of a legal person, the responsible person of a sole trader or the responsible person of a self-employed person who in connection with the performance of its activities as a distributor or user commits a minor offence referred to in the preceding paragraph.

(6) A fine of between EUR 3,000 and EUR 10,000 shall be imposed on a legal person and a fine of between EUR 2,000 and EUR 5,000 on a sole trader or self-employed person who in relation to the performance of its activities as a supplier places on the market and/or puts into service a product and:

- fails to have the measuring procedures conducted (the first paragraph of Article 328 of this Act);
- fails to affix to products the energy-efficiency label and standard product fiche (the second indent of the first paragraph of Article 328 of this Act);
- fails to ensure the accurate design and content of the label and standard product fiche (the second paragraph of Article 328 of this Act);
- fails to draft and keep technical documentation sufficient to enable an assessment of the accuracy of information contained in the label and the standard product fiche (the third indent of the first paragraph and the third paragraph of Article 328 of this Act).

(7) A fine of between EUR 1,000 and EUR 2,000 shall be imposed on a legal person, a sole trader or self-employed person who in relation to the performance of its activities as a supplier or distributor:

- fails to provide the necessary labels and standard product fiches to dealers free of charge (the fourth paragraph of Article 328 of this Act);
- fails to make available necessary documentation evidencing the accuracy of the information contained in the label and the standard product fiche, at the request of the surveillance authority (the fifth paragraph of Article 328 of this Act).

(8) A fine of between EUR 200 and EUR 400 shall also be imposed on the responsible person of a legal person, the responsible person of a sole trader or the responsible person of a self-employed person who in connection with the performance of its activities as a supplier or distributor commits a minor offence referred to in the sixth or seventh paragraph of this Article.

(9) A fine of between EUR 1,000 and EUR 2,000 shall be imposed on a legal person and a fine of between EUR 800 and EUR 1,500 on a sole trader or self-employed person who in relation to the performance of its activities as a supplier, distributor or dealer:

- fails to provide final users a label or information indicated on the label and standard product fiche in the Slovenian language when selling or displaying a product or offering it for rent (the second and the sixth paragraphs of Article 328 of this Act);
- advertises products without including the prescribed information or indicates information in an inappropriate manner (the seventh paragraph of Article 328 of this Act);

- indicates inaccurate information about the energy efficiency or tries to conceal essential information in advertising (the ninth paragraph of Article 328 of this Act);
- affixes other non-compliant labels, marks, symbols or inscriptions to products where such presentation is likely to confuse end users as regards the consumption of energy or other essential resources during use (the eighth paragraph of Article 328 of this Act).

(10) A fine of between EUR 200 and EUR 400 shall also be imposed on the responsible person of a legal person, the responsible person of a sole trader or the responsible person of a self-employed person who in connection with the performance of its activities as a supplier, distributor or dealer commits a minor offence referred to in the preceding paragraph.

**Article 495**  
***(Minor offences under Part Six of the Act)***

(1) A legal person, a sole trader or a self-employed person shall be imposed a fine of up to 1% of its annual turnover in the preceding business year for failure to act in accordance with the second paragraph of Article 432 of this Act.

(2) A fine of between EUR 15,000 and EUR 250,000 shall be imposed on a legal person for acting contrary to Article 444 of this Act.

(3) A fine of between EUR 15,000 and EUR 150,000 shall be imposed on a sole trader or a self-employed person for a minor offence referred to in the preceding paragraph.

(4) A fine of between EUR 2,000 and EUR 10,000 shall also be imposed on the responsible person of a legal person, the responsible person of a sole trader or the responsible person of a self-employed person for committing a minor offence referred to in the first and second paragraphs of this Article.

**Article 496**  
***(Minor offences under Part Seven of the Act)***

(1) A fine of between EUR 15,000 and EUR 250,000 shall be imposed on a legal person for the following minor offences:

- preventing or obstructing an energy inspector from performing inspection, or failing to make available all required information (Article 455 of this Act);
- failure to notify the energy inspectorate of any damage or defect (Article 457 of this Act);
- failure to carry out prescribed periodic examinations and tests (Article 459 of this Act).

(2) A fine of between EUR 15,000 and EUR 150,000 shall be imposed on a sole trader or a self-employed person for a minor offence referred to in the preceding paragraph.

(3) A fine of between EUR 2,000 and EUR 10,000 shall also be imposed on the responsible person of a legal person, the responsible person of a sole trader, or the responsible person of a self-employed person for committing a minor offence referred to in the first paragraph of this Article.

(4) A fine of between EUR 400 and EUR 2,000 shall be imposed on an individual for committing a minor offence referred to in the first paragraph of this Article.

(5) A fine of between EUR 5,000 and EUR 125,000 shall be imposed on a legal person for the following minor offences:

- failure to inform the energy inspectorate of the implementation of measures in due time (Article 456 of this Act);
- failure to inform the energy inspectorate of the date of the commencement of construction, reconstruction or renovation works or the date of the commencement of the operation and start-up tests on energy installations, lines and plants (Article 458 of this Act).

(6) A fine of between EUR 5,000 and EUR 125,000 shall be imposed on a sole trader or a self-employed person for a minor offence referred to in the preceding paragraph.

(7) A fine of between EUR 2,000 and EUR 10,000 shall also be imposed on the responsible person of a legal person, the responsible person of a sole trader or the responsible person of a self-employed person for committing a minor offence referred to in the fifth paragraph of this Article.

(8) A fine of between EUR 50 and EUR 400 shall be imposed on an individual for committing a minor offence referred to in the fifth paragraph of this Article.

#### ***Article 497***

##### ***(Minor offences under Part Ten of the Act)***

(1) A fine of between EUR 5,000 and EUR 125,000 shall be imposed on a legal person for failing to properly issue notification of carbon dioxide transport or processing as stipulated by point a of the first paragraph of Article 487 of this Act.

(2) A fine of between EUR 3,000 and EUR 100,000 shall be imposed on a sole trader or a self-employed person for a minor offence referred to in the preceding paragraph.

(3) A fine of between EUR 2,000 and EUR 10,000 shall also be imposed on the responsible person of a legal person, the responsible person of a sole trader, or the responsible person of a self-employed person for committing a minor offence referred to in the first paragraph of this Article.

#### ***Article 498***

##### ***(Minor offences related to the provisions of Regulation (EC) No 714/2009)***

(1) A fine of between EUR 30,000 and EUR 100,000 shall be imposed on an electricity and/or gas TSO for:

- failure to set transparent charges in accordance with Article 14(1) of Regulation (EC) No 714/2009;
- failure to treat the market participants in a non-discriminatory way when addressing network congestion problems, as stipulated by Article 16(1) of Regulation (EC) No 714/2009;
- failure to use transaction curtailment procedures in emergency situations only as stipulated by Article 16(2) of Regulation (EC) No 714/2009.

(2) A fine of between EUR 2,000 and EUR 4,000 shall also be imposed on the responsible person of a gas TSO and/or electricity TSO who commits a minor offence referred to in the preceding paragraph.

(3) A fine of between EUR 20,000 and EUR 50,000 shall be imposed on an electricity TSO and/or gas TSO for:

- failure to put into place coordination and information exchange mechanisms in accordance with Article 15(1) of Regulation (EC) No 714/2009;
- failure to publish information in accordance with Article 15(2) of Regulation (EC) No 714/2009;
- failure to publish estimates of available transfer capacity in accordance with Article 15(3) of Regulation (EC) No 714/2009;
- failure to make the maximum capacity of the interconnections available in accordance with Article 16(3) of Regulation (EC) No 714/2009;
- failure to reattribute to the market the allocated capacity not used as stipulated by Article 16(4) of Regulation (EC) No 714/2009;
- failure to net the capacity requirements of any power flows in the opposite direction in accordance with Article 16(5) of Regulation (EC) No 714/2009.

(4) A fine of between EUR 1,000 and EUR 2,000 shall also be imposed on the responsible person of a gas TSO and/or electricity TSO who commits a minor offence referred to in the preceding paragraph.

#### ***Article 499***

##### ***(Minor offences related to the provisions of Regulation (EC) No 715/2009)***

(1) A fine of between EUR 30,000 to 100,000 shall be imposed on a gas TSO who:

- fails to use tariffs approved by the Agency in accordance with Article 13(1) of Regulation (EC) No 715/2009;
- fails to offer services on a non-discriminatory basis to all network users as stipulated by Article 14(1)(a) of Regulation (EC) No 715/2009;
- fails to take account of the market value of the service in transport contracts as stipulated by Article 14(2) of Regulation (EC) No 715/2009;
- requests guarantees that constitute undue market-entry barriers or are discriminatory, non-transparent or non-proportionate pursuant to Article 14(3) of Regulation (EC) No 715/2009;
- fails to make maximum capacity available to market participants in accordance with Article 16(1) of Regulation (EC) No 715/2009;
- fails to implement and publish non-discriminatory and transparent congestion-management procedures in accordance with Article 16(3) of Regulation (EC) No 715/2009;
- fails to apply non-discriminatory and transparent capacity-allocation mechanisms in the event of physical congestion in accordance with Article 16(4) of Regulation (EC) No 715/2009;
- fails to design fair, non-discriminatory and transparent balancing rules based on objective criteria in accordance with Article 21(1) of Regulation (EC) No 715/2009;
- fails to charge for an imbalance in accordance with Article 21(3) of Regulation (EC) No 715/2009;

– fails to develop harmonised transport contracts and procedures on the primary market to facilitate secondary trade of capacity and fails to recognise the transfer of primary capacity rights in accordance with Article 22 of Regulation (EC) No 715/2009.

(2) A fine of between EUR 2,000 and EUR 4,000 shall also be imposed on the responsible person of a gas TSO who commits a minor offence referred to in the preceding paragraph.

(3) A fine of between EUR 20,000 and EUR 50,000 shall be imposed on a gas TSO for:

- setting tariffs that hamper trade (Article 13(2) of Regulation (EC) No 715/2009);
- fails to provide firm and interruptible third-party access services in accordance with Article 14(1)(b) of Regulation (EC) No 715/2009;
- fails to offer to network users long and short-term access services in accordance with Article 14(1)(c) of Regulation (EC) No 715/2009;
- fails to publish and implement non-discriminatory and transparent congestion-management procedures in accordance with Article 16(2) of Regulation (EC) No 715/2009;
- fails to publish detailed information regarding the offered services and the relevant conditions to gain effective network access in accordance with Article 18(1)(b) of Regulation (EC) No 715/2009;
- fails to publish appropriate and detailed information on tariff methodology and structure in accordance with Article 18(2) of Regulation (EC) No 715/2009;
- fails to publish information on technical, contracted and available capacities for relevant system points in accordance with Article 18(3) of Regulation (EC) No 715/2009;
- fails to disclose the information required in a meaningful, quantifiably clear and easily accessible manner and on a non-discriminatory basis in accordance with Article 18(5) of Regulation (EC) No 715/2009;
- fails to publish *ex-ante* and *ex-post* supply and demand information in accordance with Article 18(6) of Regulation (EC) No 715/2009.

(4) A fine of between EUR 2,000 and EUR 4,000 shall also be imposed on the responsible person of a gas TSO and/or electricity TSO who commits a minor offence referred to in the preceding paragraph.

### ***Article 500***

#### ***(Minor offences related to the provisions of Regulation (EU) No 994/2010)***

(1) A fine of between EUR 5,000 and EUR 125,000 shall be imposed on a natural gas undertaking – legal person, sole trader or self-employed person – who:

- fails to implement the measures imposed on natural gas undertakings by applicable national or joint preventive action plans in accordance with Article 5(1)(b),(c),(d) of Regulation (EU) No 994/2010 or fails to implement these measures in the prescribed time limits;
- fails to meet the obligations referred to in Article 6(5) of Regulation (EU) No 994/2010 in the prescribed time limit;
- fails to submit to the Agency a proposal and/or a request referred to in Article 7(1)(a) and (b) of Regulation (EU) No 994/2010 in the time limit set by Article 7(1) of the aforementioned Regulation;



- fails to ensure standard gas supply to protected customers in accordance with Article 8(1) of Regulation (EU) No 994/2010 or acts in contravention of Article 8(2) of the aforementioned Regulation;
- fails to implement the measures imposed on natural gas undertakings in accordance with Article 10 of Regulation (EU) No 994/2010 by the Emergency Plan adopted pursuant to Regulation (EU) No 994/2010 or fails to implement the aforementioned measures in the prescribed time limits or fails to implement the measures imposed on these undertakings by the competent authority or other competent undertaking in line with the powers under the Emergency Plan or fails to implement the aforementioned measures in the prescribed time limits;
- fails to provide the competent authority on a daily basis at least the following information in accordance with Article 13(2) of Regulation (EU) No 994/2010:
  - (a) daily natural gas demand and supply forecasts for the following three days;
  - (b) the daily flow of gas at all cross-border entry and exit points as well as all points connecting a production facility, a storage facility or an LNG terminal to the network;
  - (c) the period, expressed in days, for which it is expected that gas supply to protected customers can be ensured.

(2) A fine of between EUR 2,000 and EUR 10,000 shall be imposed on the responsible person of a legal person, the responsible person of a sole trader or the responsible person of a self-employed person for the minor offence referred to in the preceding paragraph.

#### ***Article 501***

##### ***(Minor offences related to the provisions of Regulation (EU) No 1227/2011)***

- (1) A fine of between EUR 25,000 and EUR 125,000 shall be imposed on a legal person, a sole trader or a self-employed person who:
- uses inside information in relation to a wholesale energy product contrary to Article 3(1)(a) of Regulation (EU) No 1227/2011;
  - discloses inside information to any other person contrary to Article 3(1)(b) of Regulation (EU) No 1227/2011;
  - recommends or induces another person, on the basis of inside information, to conclude a deal contrary to Article 3(1)(c) of Regulation (EU) No 1227/2011;
  - fails to disclose inside information related to the entity concerned or their related persons in accordance with Article 4 of Regulation (EU) No 1227/2011;
  - concludes a deal or places an order for trading or disseminates information in a way deemed, or potentially deemed, to be market manipulation contrary to Article 5 of Regulation (EU) No 1227/2011;
  - fails to provide ACER with a record of wholesale energy market transactions in accordance with Article 8(1) of Regulation (EU) No 1227/2011;
  - fails to notify the Agency of the transactions which are required to be reported in accordance with Article 9 of Regulation (EU) No 1227/2011 prior to entering into these transactions or fails to forthwith notify the Agency of any changes to data included in the application for registration in a register of market participants referred to in Article 435 of this Act.

(2) A fine of between EUR 2,000 and EUR 4,000 shall be imposed on the responsible person of a legal person, the responsible person of a sole trader or the responsible person of a self-employed person who commits a minor offence referred to in the preceding paragraph.

(3) A fine of between EUR 500 to 2,000 shall be imposed on a natural person who commits a minor offence referred to in the first, second and third indents of the first paragraph of this Article.

**Article 502**  
***(Fines imposed in an expedited procedure)***

A fine in an amount exceeding the lowest amount prescribed by this Act may be imposed in an expedited procedure for minor offences under this Act which can be sanctioned by a fine established in terms of a range.

**Part Twelve**  
**TRANSITIONAL AND FINAL PROVISIONS**

**Article 503**  
***(LEC compliance)***

LEC adopted prior to the enforcement of this Act shall be deemed LEC in compliance with this Act and do not need to be amended.

**Article 504**  
***(Time limits for spatial plan harmonisation and design document compliance as regards the method of heating)***

(1) Local communities shall harmonise their spatial plans with the LEC within two years of the adoption of the LEC.

(2) Until local community spatial plans are harmonised with the LEC, the design documents for the relevant method of heating shall be deemed to be in compliance with the provisions of the municipal spatial planning documents if:

- a facility is located within the decision area of a local community referred to in the eighth paragraph of Article 29 of this Act and the envisaged method of heating complies with the aforementioned decision;
- a facility is located outside the decision area of a local community referred to in the eighth paragraph of Article 29 of this Act or the area is not defined and the envisaged method of heating complies with the regulation on efficient energy use in buildings.

**Article 505**  
***(Energy efficiency action plan)***

The Government shall adopt an energy efficiency action plan for the period up to 2020 referred to in Article 27 of this Act by 30 April 2014.

**Article 506**  
***(Renewable energy sources action plan)***

(1) The renewable energy sources action plan for the period 2010–2020 adopted prior to the enforcement of this Act shall be deemed to be the renewable energy sources action plan for the period up to 2020 referred to in Article 28 of this Act.

(2) The Government shall draft the first report referred to in the seventh paragraph of Article 28 of this Act by 31 December 2015.

**Article 507**  
***(Electricity supply contract)***

(1) Household or small business customers with no electricity supply contract concluded in writing or in electronic form when this Act enters into force shall be deemed to have a permanent supply contract concluded in accordance with Article 48 of this Act; an electricity supplier shall conclude such contract in writing or in electronic form upon the request of the household or small business customer and/or when first making amendments to the contract.

(2) A supplier shall adjust the contents of a contract referred to in Article 48 of this Act upon the request of a household or small business customer which has an electricity supply contract concluded in writing or in electronic form when this Act enters into force.

**Article 508**  
***(System use contract)***

Final customers with no contract on access to the electricity distribution system concluded in writing or in electronic form when this Act enters into force shall be deemed to have a permanent system use contract concluded in accordance with Article 114 of this Act; an electricity DSO shall conclude such contract in writing or in electronic form upon the final customer's request or when first making the amendments to the contract.

**Article 509**  
***(Provider of a service of general economic interest)***

(1) An electricity undertaking performing the function of electricity TSO shall continue to perform the function of the system operator in accordance with this Act.

(2) An electricity undertaking performing the function of electricity DSO shall continue to perform the function of distribution system operator in accordance with this Act.

(3) An undertaking performing the function of electricity market operator shall continue to perform the function of the electricity market operator in accordance with this Act.

**Article 510**  
***(Electricity TSO harmonisation)***

(1) The Government shall adopt a concession instrument within six months of the entry into force of this Act and shall, on the basis of a decision to grant a concession, conclude a concession agreement for the service of general economic interest of electricity TSO with ELES d. o. o. as a concessionaire.

(2) Until the concession agreement is concluded, the company referred to in the preceding paragraph shall perform the service of general economic interest in the same manner as prior to the entry into force of this Act.

**Article 511**  
***(Measures to ensure ownership unbundling)***

On the date of entry into force of this Act, state-owned financial assets in the companies ELES, d. o. o., SODO, d. o. o., and Borzen, d. o. o. shall cease to be subject to the Slovenian Sovereign Holding Act (*Uradni list RS*, nos 105/12 and 39/13). On the date of entry into force of this Act, the rights and obligations of the Republic of Slovenia arising from financial assets in these companies shall be exercised by the Government. The investments shall be monitored by the ministry responsible for energy.

**Article 512**  
***(The transfer of 110kV operators)***

Companies that own a high voltage transmission network of 110kV shall transfer the property and other rights under the law of obligations or rights *in rem* on the network specified by a decree referred to in the fourth paragraph of Article 35 of this Act; the transfer shall be made by a contract for consideration concluded within three years of the entry into force of this Act.

**Article 513**  
***(Start of the application of network charge provisions)***

(1) The provisions of Articles 116 to 119 and Articles 132 to 138 of this Act shall start to apply to setting network charges and tariff and tariff rates in the regulatory period following the regulatory period running at the date of entry into force of this Act.

(2) If the regulatory period running at the date of entry into force of this Act is to expire in less than a year, it shall be extended by one year; accordingly, the application of eligible costs, network charges and tariff rates as determined for the last year of the running regulatory period shall be extended by one year.

(3) By the date the provisions of the first paragraph of this Article start to apply, the 'Instrument determining the methodology for setting network charges and criteria for determining eligible costs for electricity networks and the methodology for billing network charges' (*Uradni list RS*, nos 81/12 and 47/13) shall apply to network charges and decisions on eligible costs.

(4) The Agency shall adopt the methodology for setting out the regulatory framework referred to in Article 116 of this Act and the methodology for billing network charges referred to in Article 132 of this Act by 31 August 2015 at the latest.

#### ***Article 514***

##### ***(Arrangements regarding the status of a closed distribution system)***

A distribution system owner shall submit a request to obtain the status of a closed distribution system under Article 90 of this Act to the Agency within three months of the entry into force of this Act. The Agency shall decide on the request within three months of its receipt.

#### ***Article 515***

##### ***(Arrangements regarding leasing relationships with distribution system owners)***

An electricity DSO shall, within one year of the date of entry into force of this Act, conclude a contract referred to in the first paragraph of Article 82 of this Act with the owner of a distribution system of a public character who has not filed a request to obtain the status of a closed distribution system under Article 90 of this Act.

#### ***Article 516***

##### ***(Funding of a service of general economic interest of an electricity market operator)***

The Government shall adopt a decree referred to in the fourth paragraph of Article 98 of this Act within three months of the entry into force of this Act.

#### ***Article 517***

##### ***(Establishment of a single point of contact in the areas of electricity and natural gas)***

The Agency shall establish a single point of contact in the area of electricity referred to in Article 46 of this Act and in the area of natural gas referred to in Article 171 of this Act no later than within six month of the entry into force of this Act.

#### **Article 518**

##### ***(Revocation and extension of the application of general acts for the exercise of public authority in the area of electricity)***

(1) On the date of entry into force of this Act, the following general acts for the exercise of public authority shall cease to apply:

- The electricity transmission Network Code (*Uradni list RS*, no 71/12);
- General conditions for the supply and consumption of electricity from the transmission network in Slovenia (*Uradni list RS*, no 18/13);
- The Network Code for electricity distribution systems (*Uradni list RS*, no 41/11);
- General conditions for the supply and consumption of electricity from the electricity distribution network in Slovenia (*Uradni list RS*, nos 126/07 and 1/08 – as amended);
- Rules on the method and conditions of cross-border transmission capacities allocation of 28 May 2013, adopted by the electricity TSO and published on its website;
- Rules on the operation of the organised energy market (*Uradni list RS*, nos 98/09 and 97/11);
- Rules on the balancing of the electricity market (*Uradni list RS*, no 73/12);
- Rules on the operation of the Centre for RES/CHP Support (*Uradni list RS*, no 86/09).

(2) The general act for the exercise of public authority referred to in the preceding paragraph shall continue to apply until the general acts for the exercise of public authority issued on the basis of this Act enter into force.

#### **Article 519**

##### ***(Revocation and extension of the application of general acts for the exercise of public authority in the area of natural gas and heat)***

(1) On the date of entry into force of this Act, the following general acts for the exercise of public authority shall be revoked but shall continue to apply until the entry into force of the general acts for the exercise of public authority issued on the basis of this Act:

- The Network Code for natural gas transmission (*Uradni list RS*, no 89/05);
- The general conditions for the supply and consumption of natural gas from the transmission network (*Uradni list RS*, no 89/05);
- The Rules on registering concluded natural gas supply contracts (*Uradni list RS*, no 49/09);
- The Rules on the operation of the balancing market for natural gas (*Uradni list RS*, nos 23/11 and 31/11 – as amended);
- Rules on the calculation of natural gas consumption and delivery imbalances (*Uradni list RS*, no 23/11);
- The Rules on the procedure for the implementation of Regulation (EC) No 715/2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2005 (*Uradni list RS*, nos 68/12 and 80/13).

(2) General acts issued by system operators of natural gas distribution networks or system operators of a heat distribution network on the basis of the second paragraph of Article

32, the fourth paragraph of Article 40, the third and fifth paragraphs of Article 70 and Article 97 of the Energy Act (*Uradni list RS*, nos 27/07 – official consolidated text, 70/08, 22/10, 37/11 – Constitutional Court Decision, 10/12 and 94/12 – ZDoh-2L) shall be revoked but shall continue to apply until new general acts adopted on the bases of this Act enter into force.

**Article 520**  
**(Natural gas supply contracts)**

(1) Household or small business customers with no natural gas supply contract concluded in writing or in electronic form when this Act enters into force shall be deemed to have a permanent natural gas supply contract concluded under the conditions referred to in Article 172 of this Act.

(2) A natural gas supplier shall conclude a natural gas supply contract with a household or small-business customer in writing or in electronic form upon the request of the household or small-business customer or when first making amendments to the contract.

(3) A supplier shall adjust the contents of a contract referred to in Article 172 of this Act upon the request of a household or small business customer which has a natural gas supply contract concluded in writing or in electronic form when this Act enters into force.

**Article 521**  
**(Procedure for capacity allocation and a contract on access)**

(1) Pending the entry into force of the procedures for capacity allocation in accordance with Regulation (EC) No 715/2009, a gas TSO shall introduce auction as a method to allocate annual and multi-annual transmission capacities at entry points into and exit points from the Republic of Slovenia. The gas TSO shall obtain the Agency's approval for the rules on capacity allocation.

(2) Transmission system users with a contract on access with a gas TSO concluded at the date of entry into force of this Act shall be deemed to have transmission contracts concluded for every entry point to and every exit point from a transmission system in the scope and under the conditions applicable to the concluded contract on access. A person simultaneously engaged in natural gas supply activity and distribution system operator activity and holding a contract on access to a transfer system concluded as referred to in the preceding sentence shall be deemed to have a transfer contract concluded as a supplier at the entry point and as a gas DSO at the exit point where the distribution system is connected.

**Article 522**  
**(Status of transmission and distribution systems)**

Pipelines and other parts of transmission or distribution system, regardless of their pressure level and purpose, covered by building permits issued prior to the entry into force of this Act shall be deemed an integral part of a transmission or distribution system of which they form a part when this Act enters into force.

### ***Article 523***

#### ***(Economic assessment of the introduction of intelligent metering systems)***

The economic assessment of the introduction of intelligent metering systems referred to in Article 174 of this Act shall be made by the Agency within one month of the entry into force of this Act.

### ***Article 524***

#### ***(Connected natural gas distribution systems and the setting of tariff rates for network charges)***

(1) Natural gas distribution systems connected to other natural gas distribution systems shall obtain the approval of the Agency in accordance with the sixth paragraph of Article 216 of this Act within 18 months of the entry into force of this Act.

(2) A gas DSO shall adopt a single instrument setting tariff rates of network charges referred to in the seventh paragraph of Article 216 of this Act for a regulatory period following the regulatory period running at the date of entry into force of this Act.

### ***Article 525***

#### ***(Harmonising the status of existing integrated industrial complexes)***

Existing integrated industrial complexes referred to in Article 73 of the Energy Act (*Uradni list RS*, nos 27/07 – official consolidated text, 70/08, 22/10, 37/11 – Constitutional Court Decision, 10/12 and 94/12 – ZDoh-2L) shall ensure compliance with Articles 226 to 233 of this Act no later than within 18 months of the entry into force of this Act.

### ***Article 526***

#### ***(The time limit for issuing general acts of the Agency in the area of natural gas)***

(1) The provisions of Articles 250 to 254 and Articles 256 and 257 of this Act shall start to apply to setting the regulatory framework and tariff and tariff rates in the regulatory period following the regulatory period running at the date of entry into force of this Act.

(2) If the regulatory period running at the date of entry into force of this Act is to expire in less than a year and the system operator failed to submit a request for approval of the regulatory framework, it shall be extended by one year, accordingly, the application of eligible costs and network charges as determined for the last year of the running regulatory period shall be extended by one year.

(3) If the regulatory period running at the date of entry into force of this Act is to expire in less than a year and a system operator submitted a request for approval of the regulatory framework, this regulatory period shall be subject to the regulations referred to in the fourth paragraph of this Article as regards setting up a regulatory framework and tariff and tariff rates.



(4) Until the provisions referred to in the first paragraph of this Article start to apply, the network charges and eligible cost decisions shall be subject to the:

- Instrument determining the methodology for setting network charges and criteria for determining eligible costs for the natural gas transmission network (*Uradni list RS*, nos 59/10, 109/10 and 7/11);
- Instrument determining the methodology for billing network charges for the natural gas transmission system (*Uradni list RS*, nos 61/12, 64/12 and 47/13);
- Instrument determining the methodology for setting network charges and criteria for determining eligible costs for the natural gas distribution network (*Uradni list RS*, nos 61/12 and 64/12);
- Instrument determining the methodology for billing network charges for the natural gas distribution network (*Uradni list RS*, nos 61/12, 64/12 and 66/13);

(5) The Agency shall adopt the methodology for setting out the regulatory framework referred to in Article 250 of this Act and the methodology for billing network charges referred to in Article 256 of this Act relating to a gas DSO by 31 March 2015 at the latest. The Agency shall adopt the general acts relating to a gas DSO referred to in this paragraph by 31 March 2016 at the latest.

**Article 527**  
***(Transitional provisions for reliable natural gas supply)***

Until the Preventive Action Plan and the Emergency Plan referred to in Regulation (EU) No 994/2010 are enacted, the fourth and fifth paragraphs of Article 32č, Article 32d, Article 32e, Article 32f and indents three to eight of the first paragraph of Article 112 and the second paragraph of Article 112 of the Energy Act (*Uradni list RS*, nos 27/07 – official consolidated text, 70/08, 22/10, 37/11 – Constitutional Court Decision, 10/12 and 94/12 – ZDoh-2L) and the Decree on ensuring the security of the natural gas supply (*Uradni list RS*, no 8/07) shall apply.

**Article 528**  
***(Commercial distribution)***

(1) Distributors engaged in commercial distribution of district heating or other energy gases supply from a distribution network pursuant to the second paragraph of Article 33 of the Energy Act (*Uradni list RS*, nos 27/07 – official consolidated text, 70/08, 22/10, 37/11 – Constitutional Court Decision, 10/12 and 94/12 – ZDoh-2L) at the date of entry into force of this Act shall continue to perform these activities as commercial distribution in accordance with this Act.

(2) Distributors engaged in heat distribution or the distribution of other energy gases at the date of entry into force of this Act who do not perform a service of general economic interest or are not engaged in district heating activity or other energy gases supply from a distribution network under the previous paragraph shall continue to perform these activities as commercial distribution in accordance with this Act and subject to the local community's approval obtained within 12 months of the entry into force of this Act.

(3) Distributors shall adjust the distribution operation within 12 months of the entry into force of this Act and shall notify the Agency in accordance with Article 287 of this Act within 30 days of the entry into force of this Act.

**Article 529**  
***(Heat supply pricing methodology)***

(1) The Decree setting tariff customer prices of production and distribution of steam and hot water for district heating (*Uradni list RS*, no 33/13) shall continue to apply to the formation of district heating prices until the general act of the Agency referred to in the second paragraph of Article 299 of this Act enters into force.

(2) If the Agency fails to adopt the general act referred to in the second paragraph of Article 299 of this Act three months before the Decree setting tariff customer prices of production and distribution of steam and hot water for district heating (*Uradni list RS*, no 33/13) expires, the Government shall regulate district heating prices on the basis of the Act governing price control.

**Article 530**  
***(Contracts on the supply and consumption of heat and other energy gases)***

(1) If a customer off-takes heat or other energy gases but no contract on the supply and consumption of heat or other energy gases is concluded in writing, a contractual relationship between the heat distributor and the customer shall be deemed to exist on the date of supply or on the date when the customer becomes the owner of the building or building unit.

(2) Distributors and customers shall arrange their contractual relationship in accordance with Article 288 of this Act within one year of its entry into force.

**Article 531**  
***(Application of the Rules on the method of heating in the area of the Municipality of Ljubljana)***

On the date of entry into force of this Act, the Rules on the method of heating in the area of Ljubljana Municipality (*Uradni list RS*, nos 131/03 and 84/05) shall be revoked, but shall continue to apply until a local community ordinance referred to in the eighth paragraph of Article 29 of this Act enters into force; the aforementioned period of application shall not exceed two years after the entry into force of this Act.

**Article 532**  
***(Comprehensive assessment of possibilities to use high-efficiency cogeneration and efficient district heating and cooling)***

The ministry responsible for energy shall draft a comprehensive assessment of the possibilities to use high-efficiency cogeneration and efficient district heating and cooling

referred to in Article 360 of this Act by 31 December 2015 and shall inform the European Commission thereof.

**Article 533**

***(Determination of flat rate factors of connection to the network cost)***

(1) An electricity DSO shall adopt a general act referred to in the third paragraph of Article 371 of this Act within 12 months of the entry into force of this Act.

(2) A gas DSO shall adopt a general act referred to in the fifth paragraph of Article 371 of this Act within six months of the entry into force of this Act.

**Article 534**

***(Adoption of a support scheme operation plan and the first call for projects of electricity generation from renewable sources and high-efficiency co-generation to submit applications to enter the support scheme)***

(1) The Government shall adopt a support scheme operation plan for electricity from renewable sources and high-efficiency co-generation and the decision on a permitted increase in the funding sources earmarked for supports in 2014 referred to in Article 25 of this Act within two months of the entry into force of this Act.

(2) The Agency shall carry out the first public call inviting investors to submit projects for units generating electricity from renewable sources and high-efficiency co-generation for 2014 within five months of the entry into force of this Act.

**Article 535**

***(Support scheme entry under former arrangements and the transition to new conditions)***

(1) Generation units with contracts on access to the electricity network concluded within six months after the entry into force of this Act shall have a support-granting decision issued by the Agency in a way applicable prior to the entry into force of this Act and by taking into account the guaranteed power capacity level for the purchase of electricity applicable prior to the entry into force of this Act.

(2) An investor shall submit a statement regarding the planned generation units using renewable energy sources of a nominal power capacity not exceeding 125MW and high-efficiency co-generation units of a nominal power capacity not exceeding 200MW which were granted an energy permit prior to the entry into force of this Act and will have a final building permit issued not later than by 31 December 2015; the aforementioned statement shall be submitted to the ministry responsible for energy by 31 December 2015 and shall indicate the year in which the project concerned is to participate in the Agency's public call to enter the support scheme.

(3) An applicant who submits an application for the generation unit referred to in the preceding paragraph and receives a decision on the approval of the project shall obtain a

declaration for the generation unit concerned within five years of receiving the decision approving the project or the approved project shall not be eligible for support.

**Article 536**

***(Adoption of a decree on the payment of fees to promote the production of electricity from renewable energy sources and high-efficiency cogeneration and to increase efficient energy use)***

The Government shall adopt a decree on the basis of the first paragraph of Article 378 of this Act within three months of the entry into force of this Act.

**Article 537**

***(Entry into the Register of natural persons engaged in electricity generation activity)***

(1) AJPES shall issue the instructions referred to in Article 379 of this Act in agreement with the Agency and within three months of the entry into force of this Act. Natural persons who were registered in the Business Register of Slovenia on the basis of Article 5a of the Energy Act (*Uradni list RS*, nos 27/07 – official consolidated text, 70/08, 22/10, 37/11 – Constitutional Court Decision, 10/12 and 94/12 – ZDoh-2L) at the time this Act enters into force shall be entered into the Register kept by AJPES *ex officio* and on the basis of the data of the Agency.

(2) The provision of Article 379 of this Act shall start to apply after the instructions referred to in the preceding paragraph are issued.

**Article 538**

***(Elaboration of an alternative energy supply system feasibility study)***

Notwithstanding the provisions of Article 332 of this Act, the elaboration of an alternative energy supply system feasibility study for projects for which a request for the issuance of a building permit has been submitted before the entry into force of this Act shall be subject to the regulations in force to date.

**Article 539**

***(Energy performance certificate, inspection of air conditioning and heating systems)***

Decisions on the selection of training providers and decisions on the competence to produce and issue energy certificates and air conditioning and heating system inspections which were issued to training providers, independent experts and issuers on the basis the Energy Act (*Uradni list RS*, nos 27/07 – official consolidated text, 70/08, 22/10, 37/11 – Constitutional Court Decision, 10/12 and 94/12 – ZDoh-2L) shall be deemed to comply with this Act.

**Article 540**

***(Obtaining and displaying the energy performance certificate)***

(1) Until 9 July 2015, the total useful floor area limit referred to in the first paragraph of Article 336 of this Act shall be 500m<sup>2</sup>; accordingly, the energy performance certificate shall be displayed in the aforementioned buildings by the building operator in a prominent place clearly visible to the public.

(2) The owners shall ensure the implementation of the fifth paragraph of Article 334 of this Act no later than by 31 December 2014.

(3) The twelfth paragraph of Article 493 of this Act shall start to apply within 12 months of the adoption of this Act.

#### ***Article 541***

##### ***(Obligatory use of renewable energy sources, cogeneration and waste heat in district heating systems)***

The heat distributors referred to in the first paragraph of Article 284 of this Act shall meet the obligations referred to in the first paragraph of Article 322 of this Act by 31 December 2020.

#### ***Article 542***

##### ***(The application of provisions relating to nearly zero-energy building requirements)***

The provision of Article 330 of this Act shall apply from 31 December 2020. New buildings owned by the Republic of Slovenia or self-governing local communities and used by public sector entities shall become subject to the provisions of Article 330 of this Act on 31 December 2018.

#### ***Article 543***

##### ***(The application of provisions relating to the assessment of efficient district heating and cooling potentials)***

The first paragraph of Article 364 of this Act shall apply from 5 June 2014.

#### ***Article 544***

##### ***(The adoption of a long-term strategy to mobilise investments in the renovation of buildings)***

The Government of the Republic of Slovenia shall adopt the long-term strategy referred to in Article 348 of this Act within three months of the entry into force of this Act.

#### ***Article 545***

##### ***(Requirements regarding the methodology of the calculation of the renovation rate)***

Until 9 July 2015, the total useful floor area limit for buildings owned by the public sector entities referred to in the first paragraph of Article 349 of this Act shall be 500m<sup>2</sup>.

**Article 546**  
***(Compulsory metering of heat consumption for individual buildings)***

Owners of multi-apartment buildings shall ensure that the heat meters referred to in the first paragraph of Article 356 of this Act are installed no later than by 1 October 2015.

**Article 547**  
***(Providers of energy advice to citizens)***

Providers of energy advice engaged in the provision of advice to citizens at the date of entry into force of this Act shall undergo the training for independent experts referred to in the first indent of the first paragraph of Article 353 of this Act by 1 January 2016 and shall obtain the independent expert accreditation referred to in the second indent of Article 353 of this Act by 1 January 2024.

**Article 548**  
***(Continuation of the work of the Agency)***

(1) The Energy Agency of the Republic of Slovenia, established by a Decision establishing the Energy Agency of the Republic of Slovenia (*Uradni list RS*, nos 63/04, 95/04 and 63/13), shall be restructured into the Agency under this Act. Until this restructuring is entered into the Court Register, it shall continue to operate under the Energy Act (*Uradni list RS*, nos 27/07 – official consolidated text, 70/08, 22/10, 37/11 – Constitutional Court Decision, 10/12 and 94/12 – ZDoh-2L).

(2) The Council of the Energy Agency of the Republic of Slovenia shall continue to perform its tasks until the president and members of the council are appointed under this Act.

(3) The National Assembly of the Republic of Slovenia shall appoint the president and members of the Agency's council in accordance with this Act within six months of its entry into force. The president and two members of the council shall be appointed for six years, and three members of the council for three years.

(4) On the date of entry into force of this Act, the Decision establishing the Energy Agency of the Republic of Slovenia (*Uradni list RS*, nos 63/04, 95/04 and 63/13) shall be revoked, but shall continue to apply until the entry into force of the Rules of Procedure of the Agency adopted by the council of the Agency within three months of its constitution.

(5) The Director of the Energy Agency of the Republic of Slovenia shall continue to perform her function as director of the Agency under this Act until her term of appointment expires.

(6) The eighth paragraph of Article 392 of this Act prohibiting the president and/or a member of the council from being re-appointed more than once and the second paragraph of

Article 396 of this Act prohibiting the director of the Agency from being re-appointed more than once, shall apply to the first appointment of the council president, a member of the council, and the director of the Agency made after the entry into force of this Act and shall refer to the terms of office of the council president, a member of the council and the director of the Agency appointed in such manner.

(7) Compensation from gas and electricity TSOs for the Agency's regulatory tasks referred to in the first indent of the first paragraph of Article 400 of this Act shall be provided as of the first year of the regulatory period following that in which this Act enters into force; until that time the Agency shall obtain funds for its work in accordance with Article 82 of the Energy Act (*Uradni list RS*, nos 27/07 – official consolidated text, 70/08, 22/10, 37/11 – Constitutional Court Decision, 10/12 and 94/12 – ZDoh-2L) and the third paragraph of Article 28 of the Decision establishing the Energy Agency of the Republic of Slovenia (*Uradni list RS*, nos 63/04, 95/04 and 63/13).

(8) Administrative procedures initiated prior to the entry into force of this Act shall be concluded pursuant to regulations applicable to date.

#### ***Article 549***

##### ***(Expiry and termination of licence issue procedures)***

(1) On the date of entry into force of this Act, the Decree on the conditions and procedure for issuing and revoking a licence to perform an energy activity (*Uradni list RS*, no 21/01, 31/01 and 66/05) shall be revoked.

(2) Licence issuing procedures initiated prior to the entry into force of this Act shall be terminated.

#### ***Article 550***

##### ***(Minor offence, inspection and administrative procedures in progress)***

Minor offence, inspection and administrative procedures initiated prior to the entry into force of this Act shall be concluded according to the regulations applicable to date.

#### ***Article 551***

##### ***(Easements established for the public benefit on the basis of existing spatial planning documents and easement payments not set by the time the Act enters into force)***

(1) If either a detailed municipal spatial plan or a national spatial plan or a plan under the Act governing the siting of spatial arrangements of national importance in force at the time of entry into force of this Act envisages a real property owned by the Republic of Slovenia or a local community to have the pertaining property rights restricted by an easement for the public benefit for the purposes referred to in the first paragraph of Article 472, the aforementioned real property shall have, on the date of entry into force of this Act, a free of charge easement deemed established for the purposes referred to in the first paragraph of Article 472 of this Act provided that the aforementioned easement fails to be established under any other legal act by the time this Act enters into force, except for an easement on

waters and waterside land managed by the ministry responsible for waters, the payment of which shall be determined in accordance with the Act governing waters and regulations issued on its basis.

(2) An easement on waters and waterside land managed by the ministry responsible for waters referred to in the preceding paragraph shall be obtained in a manner and under the conditions referred to in the ninth paragraph of Article 474 of this Act; the right to build shall be demonstrated in a manner and under the conditions referred to in the tenth paragraph of Article 474 of this Act.

#### ***Article 552***

##### ***(Easements for the public benefit obtained through prescription)***

(1) A provider of a service of general economic interest under this Act shall obtain an easement on the real property where the infrastructure referred to in Article 462 of this Act is located at the date of entry into force of this Act if all statutory conditions for easement by prescription are fulfilled and if the public benefit under Article 472 of this Act may be demonstrated.

(2) The provider of the service of general public interest referred to in the preceding paragraph may offer the owner of the real property referred to in the preceding paragraph a proposal to conclude a contract acknowledging the easement (the registered owner's consent). If an operator or a distributor is not able to conclude the contract acknowledging the easement within 30 days of submitting the relevant offer, an action to establish the existence of the easement for the public benefit may be brought against the real estate owner.

(3) Notwithstanding Article 474 of this Act, the provisions of this Article shall also apply to the acquisition of an easement on real property owned by the Government or local community where the infrastructure is located at the date of entry into force of this Act.

#### ***Article 553***

##### ***(The time limit for issuing regulations and other general acts)***

(1) The Government and the responsible ministers shall issue implementing regulations on the basis of the provisions of this Act within 12 months of the entry into force of this Act, unless otherwise stipulated by the provisions of this Part of this Act.

(2) The Agency shall issue general acts concerning the exercise of public authority under this Act no later than within 12 months of the entry into force of this Act, unless otherwise stipulated by the provisions of this Part of this Act.

(3) System operators, electricity system operators, market operators and heat distributors shall adopt general acts complying with this Act and general acts of the Agency no later than within two years of the entry into force of this Act.

#### ***Article 554***

##### ***(Revoked regulations and provisional application)***



(1) On the date of entry into force of this Act, the Energy Act (*Uradni list RS*, nos 27/07 – official consolidated text, 70/08, 22/10, 37/11 – Constitutional Court Decision, 10/12 and 94/12 – ZDoh-2L) shall be revoked.

(2) On the date of entry into force of this Act, the following regulations shall be revoked, but shall continue to apply until new implementing regulations are issued on the basis of this Act:

- Decree on energy savings at final customers (*Uradni list RS*, nos 114/09 and 75/11);
- Decree on the method of determining and calculating the contribution for ensuring support for the production of electricity from high-efficiency cogeneration and renewable energy sources (*Uradni list RS*, nos 2/09, 49/10, 61/13 and 64/13);
- Decree on issuing declarations for generation units and guarantees of electricity origin (*Uradni list RS*, nos 8/09, 22/10 – EZ-D and 45/12);
- Decree on support for electricity generated from renewable energy sources (*Uradni list RS*, nos 37/09, 53/09, 68/09, 76/09, 17/10, 94/10, 43/11, 105/11, 43/12 and 90/12);
- Decree on support for electricity generated from high-efficiency cogeneration of heat and electricity (*Uradni list RS*, nos 37/09, 53/09, 68/09, 76/09, 17/10 and 81/10);
- Decree on the rules for drafting forecasts of the position on the electricity market of units generating electricity from renewable energy sources and high-efficiency cogeneration (*Uradni list RS*, nos 83/09 and 94/11);
- Decree on determining the quantity of electricity generated from high-efficiency cogeneration of heat and electricity and on determining the conversion efficiency of the energy conversion efficiency of biomass (*Uradni list RS*, no 37/09);
- Decree on compulsory measurements of generation units granted guarantees of origin and support for generated electricity (*Uradni list RS*, nos 21/09, 33/10 and 45/12);
- Decree on the method of provision of an electricity market operator service of general economic interest (*Uradni list RS*, no 8/09);
- Decree on limiting loads and consumption of electricity in the electricity system (*Uradni list RS*, nos 42/95, 64/95 and 22/10 – EZ-D);
- Decree on the method of provision of an electricity TSO operator service of general economic interest (*Uradni list RS*, nos 114/4, 52/06, 31/07 and 37/11 – Constitutional Court Decision);
- Decree on the method of provision of an electricity DSO service of general economic interest and a service of general economic interest of electricity supply to tariff customers (*Uradni list RS*, nos 117/04 and 23/07);
- Decree on the concession of an electricity DSO service of general economic interest (*Uradni list RS*, no. 39/07);
- Decree on the indication of the consumption of energy and other resources on energy-related products by energy labels and standard product information (*Uradni list RS*, no. 50/12);
- Decree on the energy infrastructure (*Uradni list RS*, nos 62/03, 88/03, 75/10 and 53/11);
- Decree on maintenance works for the public benefit in the energy sector (*Uradni list RS*, nos 125/04, 71/09 and 22/10 – EZ-D);
- Decree on the method of provision of a gas TSO service of general economic interest (*Uradni list RS*, nos 97/04 and 8/05);
- Decree on the concession of a gas TSO service of general economic interest (*Uradni list RS*, nos 109/04, 73/08, 111/08);
- Decree on ensuring the security of natural gas supply (*Uradni list RS*, no. 8/07);

- Decree on the implementation of Regulation (EU) concerning measures to safeguard the security of gas supply (*Uradni list RS*, no. 78/12);
- Decree on the operation of the natural gas market (*Uradni list RS*, no. 95/07);
- Rules establishing a framework for the setting of ecodesign requirements for energy-related products (*Uradni list RS*, nos 50/12 and 69/13);
- Decree on the method of determining energy savings at final customers (*Uradni list RS*, nos 4/10 and 62/13);
- Decree on the professional training and examination of professional competence required for fitters of installations using renewable energy sources (*Uradni list RS*, no. 20/13);
- Rules on the promotion of energy efficiency and the use of renewable energy sources (*Uradni list RS*, nos 89/08, 25/09 and 58/12);
- Rules on dividing and billing heat costs in multi-apartment and other buildings with several units (*Uradni list RS*, no. 7/10);
- Rules on the methodology of the elaboration and contents of alternative energy supply system feasibility studies for buildings (*Uradni list RS*, no. 35/08);
- Rules on the training, accreditation and register of accredited independent experts carrying out regular air conditioning system inspections (*Uradni list RS*, no. 6/10);
- Rules on the training, accreditation and register of accredited independent experts for energy performance certificate production (*Uradni list RS*, nos 6/10 and 23/13);
- Rules on regular inspection of air conditioning systems (*Uradni list RS*, no 26/08);
- Rules on the methodology for the production and issuance of energy performance certificates for buildings (*Uradni list RS*, nos 77/09 and 93/12);
- Rules on the methodology and mandatory content of local energy concepts (*Uradni list RS*, nos 74/09 and 3/11);
- Rules on the types of data provided by performers of energy sector activities (*Uradni list RS*, no. 4/12);
- Rules on the professional training and examination of professional competence required for energy installation management (*Uradni list RS*, nos 41/09, 49/10 and 3/11);
- Rules on specifications for the construction, operation and maintenance of pipelines of operating pressure over 16 bar and on conditions for spatial intervention in their protected zones (*Uradni list RS*, nos 12/10 and 45/11);
- Rules on specifications for the construction, operation and maintenance of pipelines of operating pressure up to and including 16 bar (*Uradni list RS*, nos 26/02 and 54/02);
- Rules on liquefied petroleum gas (*Uradni list RS*, nos 22/91 and 114/04);
- Rules on specifications for the construction and operation of motor vehicle fuelling stations (*Uradni list RS*, no. 114/04);
- Rules on technical standards for steam boiler and plant installation, control and operation (*Uradni list RS*, no. 114/04);
- Rules on conditions and restrictions regarding the construction and use of installations and the performance of activities in the electricity network safety zone (*Uradni list RS*, no. 101/10).

(3) On the date of entry into force of this Act, the following regulations shall be revoked:

- Rules on the energy labelling of household electric drying machines (*Uradni list RS*, nos 104/01 and 100/06);
- Rules on the energy labelling of household washer-dryers (*Uradni list RS*, nos 104/01 and 100/06);
- Rules on the energy labelling of household air conditioning systems (*Uradni list RS*, no. 5/04);

- Rules on the energy labelling of household electric ovens (*Uradni list RS*, no. 89/03);
- Decree on the energy labelling of household incandescent lamps and bulbs (*Uradni list RS*, no. 104/01);
- Rules on efficiency requirements for new hot-water boilers fired with liquid and gaseous fuels (*Uradni list RS*, nos 107/01, 20/02 and 63/07).

(4) The regulations referred to in the preceding paragraph shall apply until the European Commission regulations governing energy labelling and eco-design for product groups enter into force.

(5) On the date of entry into force of this Act, the following regulations shall cease to apply:

- Decree specifying infringements and sanctions for violations of Regulation 1228/2003/EC (*Uradni list RS*, no. 105/07);
- Decree on the method of determining and calculating the contribution for ensuring a reliable supply of energy by using domestic primary energy sources (*Uradni list RS*, no. 8/09);
- Decree on the method of determining and calculating the contribution for ensuring the reliable supply of energy by using domestic primary energy sources (*Uradni list RS*, nos 19/09 and 49/09).

(6) On the date of entry into force of this Act, the following general acts for the exercise of public authority, applicable until the entry into force of the new general acts for the exercise of public authority issued on the basis of this Act, shall be revoked:

- Instrument regulating the reporting of data on the quality of electricity supply (*Uradni list RS*, no. 73/12);
- Instrument determining the methodology for setting network charges and criteria for determining eligible costs for the electricity network and the methodology for billing network charges (*Uradni list RS*, nos 81/12 and 47/13);
- Instrument specifying the method of determining shares of individual electricity production sources and the method of their presentation (*Uradni list RS*, no. 76/13);
- Instrument determining the methodology for setting network charges and criteria for determining eligible costs for the natural gas transmission network (*Uradni list RS*, nos 59/10, 109/10, 7/11 and 47/13);
- Instrument determining the methodology for billing network charges for the natural gas transmission system (*Uradni list RS*, nos 61/12, 64/12 and 47/13);
- Instrument determining the methodology for setting network charges and criteria for determining eligible costs for the natural gas distribution network (*Uradni list RS*, nos 61/12 and 64/12);
- Instrument determining the methodology for billing network charges for the natural gas distribution network (*Uradni list RS*, nos 61/12, 64/12 and 66/13);
- Instrument determining the methodology for general conditions for the supply and consumption of natural gas from the distribution network (*Uradni list RS*, nos 87/05 and 102/05);
- Instrument determining the methodology for setting up natural gas distribution network tariff systems (*Uradni list RS*, nos 87/05 and 102/05);
- Instrument determining the methodology for general conditions for the supply and consumption of heat from the distribution network (*Uradni list RS*, nos 74/05 and 42/11);
- Instrument determining the methodology for setting up the supply and consumption of heat from distribution network tariff systems (*Uradni list RS*, no. 74/05);

– Instrument determining the use of the register of electricity guarantees of origin and the method of reporting data on electricity production (*Uradni list RS*, no. 33/09).

**Article 555**  
**(Termination of procedures to acquire an energy permit)**

(1) On the date of entry into force of this Act, the Rules on issuing an energy permit (*Uradni list RS*, nos 5/07 and 67/09) shall cease to apply.

(2) Energy permit issue procedures initiated prior to the entry into force of this Act shall be terminated.

(3) The minister responsible for energy shall adopt the regulation referred to in the fourth paragraph of Article 52 of this Act within three months of the entry into force of this Act.

**Article 556**  
**(Cessation of application)**

On the date of entry into force of this Act, the Rules concerning rational use of energy for the heating and ventilation of buildings, and for water heating (*Uradni list SRS*, nos 31/84 and 35/84) shall cease to apply.

**Article 557**  
**(Entry into force)**

This Act shall enter into force on the fifteenth day following its publication in the *Uradni list Republike Slovenije*.

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Date: 24 February 2014  
EPA 1548-VI

National Assembly  
Janko Veber  
President