

ACER - Agency for the Cooperation of Energy Regulators
Trg republike 3
1000 Ljubljana
Slovenia

Bratislava, 05. 08. 2019

Dear Mr. Pototschnig,

We would like to address you in the case of the EU Regulation on common rules for the internal market for electricity No. 2019/943 of 5 June 2019 ("Regulation"), on behalf of several important professional associations representing the renewable energy sector in Slovakia. All the below-mentioned associations have been operating on the Slovak market for almost 10 years and associate a dominant part of the renewable energy market.

We all also filed the complaint against the fee, so called G-charge, already back in 2015. In this regard a so called "EU Pilot" was launched in March 2016 against Slovak Republic based on this complaint. Unfortunately, it has not been closed to this date. In the meantime, we have carried out some further steps also at national level either and initiated a lawsuit at the Constitutional Court of the Slovak Republic from which we have obtained a positive decision in our favor in summer 2016. Subsequently, based on this decision District as well as Regional courts in the Slovak Republic also decided on this topic in favor of producers; due to many inaccurateness, including the way the G-tariff was introduced or the way how was invoiced to producers. Despite the fact, that our producers won at courts, almost none of them have been refunded their illegally taken money, as court ordered.

Running out of all available legal and legislative options, without any real success to defend our legal position, we greatly appreciate and welcome the adoption of the new Regulation, which explicitly sets conditions and criteria that must be met during an implementation of such a network fee like the G-charge is.

After due analysis it appears, that the way how the G-charge is set up in Slovakia, does not comply with the rules and principles anchored in the Regulation itself. On the contrary the affect and practical impact is completely opposite - a huge barrier to the development of RES and decentralized production. G-charge will also pose major threats to the future implementation of the Winter Package "Clean Energy for

All Europeans". The biggest problem of introducing the G-charge in Slovakia is its discriminatory manner and level. Another problematic issues are the non-transparent determination of the amount of the fee (it is not clear at all, whether it is determined from real costs) and, until the last year, the illegal obligation in Slovakia to pay such fee. Here, we must emphasize that the introduction of the G-charge absolutely does not support the overall efficiency of the system, nor does it provide appropriate incentives for efficient energy investments.

Given the years of unprecedented illegal status quo, with no solution, nor progress so far in this area at national as well as at European level, we are very concerned about the way Slovak Republic will deal with the Regulation in the upcoming future. We already have clear signals that the national regulator is not going to take any significant steps forward in this matter and the whole situation is going to continue also in the future without any transparent justification. In addition, the regulator has already published the draft of its legislation (the decree) based on which the G-charge was introduced without any progress made and effort to be in compliance with the provisions of the Regulation.

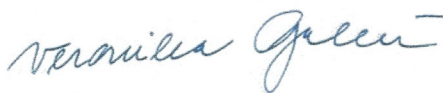
We are aware, that your agency should also process, in addition to the Regulation, a so-called "Best practice report" within 3 months after the date of the entry of the Regulation into force. Improper G-charge implementation in the Slovak Republic caused considerable financial problems, primarily to producers of RES. If this goes on, these producers will face bankruptcy after the end of the support (feed-in-tariff) period for their renewable sources. We would like to kindly appeal to you, that your Best practice report will be prepared on time and will contain more detailed recommendations as anticipated in the Regulation. It is the only way how to force the Slovak regulator to implement the Regulation professionally and precisely into the Slovak energy legislation. We are ready to help with expert consultations, if necessary and also to contribute with the input data for this report, so that we can together achieve truly transparent and non-discriminatory recommendations and rules for the future.

We would appreciate very much, if your Best practice report could reach relevant stakeholders, both the Ministry of Economy of the Slovak Republic and the Regulatory Office for Network Industries in a timely and professional manner, with specific recommendations.

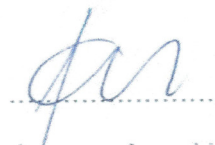
In case of a failure, we are ready to defend our rights on continuous basis e.g. through our complaint to initiate the infringement procedure against Slovakia. We refuse to be a European energy museum and a bad example of non-transparent energy regulation.

We are happy to answer any of your questions you might have and we are also prepared for a personal meeting, where we can explain in more details many of the facts regarding the network charges implementation.

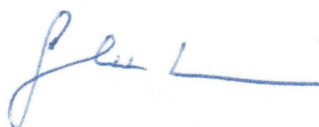
Yours sincerely,



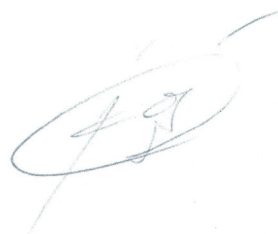
Veronika Galeková



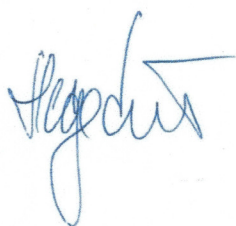
Roman Fabian



Ľudovít Sluka



Stanislav Košút



Peter Hegeduš



Erika Fečke Gyöngyová

