

Energy Regulatory Office

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President's duties

The President of Energy Regulatory Office is a central body of state administration nominated on the basis of the Energy Law (The Energy Law Act of 10 April 1997; Journal of Law of 1997, No. 54 item 348, as amended), responsible for regulation in energy sector as well as promotion of competition. The President of URE regulates activities of energy enterprises aiming to balance interests of energy companies and customers.

The duties and competences of the President of URE are strictly connected with the state energy policy. The activities undertaken by the regulator are aimed at meeting the goals set out by the legislator, i.e. creation of sustainable economic growth in the country, ensuring energy security, economical and rational use of fuels and energy, development of competition, counteracting negative effects of natural monopolies, environmental protection as well as fulfilling obligations resulting from international agreements.

The Energy Law Act has been amended many times since 1997. As a consequence, the scope of regulator's duties and tasks has been extended from year to year.

Currently the competences of the President of URE result from art 23 point 2 of the Energy Law and cover, inter alia, the following activities:

1. granting and withdrawing licenses,
2. approving and controlling application of tariffs for gaseous fuels, electricity and heat, including analysis and verification of costs assumed by the energy enterprises as justified to calculate prices and rates of charges,
3. determining:
 - correction factors stipulating planned improvement in efficient functioning of energy enterprises,
 - period of application of tariff and correction factors,
 - justified amount of return on capital for energy enterprises which are obliged to submit tariffs for the approval,
 - maximum share of fixed charges in all fees for transmission or distribution services for particular groups of customers in tariffs for gaseous fuels and energy, in cases when protection of customer interests is necessary,
 - substitution fees in relation to the obligatory purchase of electricity generated in renewable energy sources,
 - reference index

4. controlling the fulfilment of obligation to sell the electricity through power exchange
5. controlling the fulfilment of obligatory purchase of electricity generated in renewable sources and in co-generation,
6. controlling the fulfilment of obligation to offer a specific part of generated electricity in public sale form,
7. agreeing draft development plans of energy enterprises,
8. appointing transmission, distribution, storage and LNG systems operators as well as combined system operators,
9. granting the certificates of independence of transmission system operators or combined systems operators,
10. controlling the fulfilment of obligations by transmission system owners and transmission system operators, including monitoring the relationship between gas TSO and the asset owner
11. notifying to the European Commission the appointment of transmission system operator
12. granting and revoking exemption from the obligation to provide services related to transmission and distribution of gas and electricity; gas storage and transport as well as gas liquefying and re-gasification services,
13. approving transmission and distribution network codes,
14. organizing and carrying out tenders concerning:
 - appointment of the default supplier;
 - construction of new generation capacity as well as realization of measures to decrease electricity demand,
15. controlling the quality standards of customer service and controlling, on the request of customer, the quality parameters of gas and electricity,
16. controlling if gas TSO or other market participants fulfil their obligations resulting from the EU regulation No. 715/2009,
17. controlling if electricity TSO or other market participants fulfil their obligations resulting from the EU Regulation (EC) No. 714/2009,
18. approving methods of capacity allocation and congestion management compliant with rules prescribed in regulation No. 714/2009 and No. 715/2009,
19. resolving disputes related to the refusal to conclude an agreement on: connection to the grid, sales, fuels or energy transmission or distribution services, natural gas transport services, gas storage services, providing TSO with access to parts of gas storage installations, liquefying natural gas services, common service agreement (distribution + sales); as well as in cases of unjustified shortage of supply in gaseous fuels or energy,

20. imposing fines according to the rules set forth in the Energy Law,
21. cooperating with relevant authorities in counteracting practices that limit competition,
22. cooperating with Financial Supervision Authority,
23. cooperating with regulatory authorities from other EU Member States or EFTA countries - parties to the EEA Agreement, in particular in the scope of preparing and applying the network codes, approving congestion management rules as well as integrating energy systems on the regional level,
24. concluding agreements with regulatory authorities from other EU Member States or EFTA countries - parties to the EEA Agreement, in order to strengthen and improve the cooperation,
25. requesting ACER for its opinion on the compliance of a decision taken by other regulatory authorities with the Guidelines referred to in regulation No. 714/2009 and 715/2009,
26. determining methods of controlling and undertaking actions to improve effectiveness of energy enterprises,
27. determining and publishing rates and price rates important for the tariff settlement process,
28. publishing information for more effective use of fuels and energy,
29. collecting and processing information related to energy enterprises, including calculating and publishing, by 31 March of each year:
 - average sales price of electricity produced in highly-efficient co-generation,
 - average sales price of electricity on the competitive market in previous calendar year,
 - average price of electricity for households including the charge for distribution service, calculated on the basis of prices from concluded common service agreements,
 - average sales price of heat generated by the licenses in the units other than co-generation units,
30. gathering information concerning investment projects in electricity, natural gas and bio-fuels sectors being in the scope of interest of the European Union (according to the EU Regulation (EC) No. 256/2014) and passing them on to the Minister of Economy,
31. performing tasks, obligations and exercising powers under the Regulation (EU) No 1227/2011 of the European Parliament and of the Council on wholesale energy market integrity and transparency (REMIT), as well as cooperating with ACER, national regulatory authorities of EU Member States, EFTA member states - parties to EEA agreement, competent antimonopoly authority as well as with financial supervision authority, to the extent needed for fulfilling obligations under REMIT,

32. monitoring the functioning of gas and power systems in the scope of:
 - cross-border capacity allocation mechanisms,
 - balancing mechanisms as well as congestion management of gas and power systems,
 - conditions for connection to the grid and its fulfilment as well as conducting grid repairs,
 - fulfilling the obligation by the TSOs and DSOs concerning publication of information on interconnectors, use of the transmission network and capacity allocation
 - conditions for providing services related to gas storage and liquefaction as well as other services provided by the energy companies,
 - security of gas and electricity supply,
 - fulfilling the tasks by TSOs or DSOs,
33. issuing and redeeming certificates of origin for electricity generated from renewable energy sources and certificates of origin for electricity generated in co-generation,
34. fulfilling other tasks, as stipulated in the Energy Law Act or other acts.

The full list of tasks performed by the President of URE includes not only competences specified in the Energy Law but also tasks set forth in the provisions of other acts, e.g.:

1. The Act of 25 August 2006 on bio-components and liquid bio-fuels,
2. The Act of 16 February 2007 on stocks of crude oil, petroleum products and natural gas specifying the principles of proceeding in circumstances of a threat to the fuel security of the State and disruption on the petroleum market,
3. Act of 29 June 2007 on covering of generators' costs resulting from the early termination of long-term capacity and power purchase agreements,
4. Act of 29 January 2004 on public tender law,
5. Act of 29 June 1995 on official statistics,
6. Act of 15 April 2011 on energy efficiency,
7. Act of 9 June 2011 - Geology and Mining Law.

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