

CYPRUS ENERGY REGULATORY AUTHORITY

REGULATION OF RENEWABLE ENERGY SOURCES FOR THE FUTURE

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Legal Status of CERA

- Established by virtue of the Law of 2003 on Regulating the Electricity Market, N.122(I)/2003 in line with the European Union Directives.
- Independent Public Authority, reporting directly to the President of the Republic of Cyprus.
- Main purpose of CERA, is the supervision and regulation of the operation of the energy market (electricity and natural gas).

Duties, Powers and Functions of CERA (1/2)

- ❑ Grants, monitors, enforces, modifies or revokes Licences to persons that carry out, inter alia, activities for constructing a power plant and generating electricity or supply electricity to consumers.
- ❑ Regulates tariffs, charges and other terms and conditions to be applied by Licensees.
- ❑ Takes Decisions and Regulatory Decisions as provided by the Law and the Regulations issued under it.

Duties, Powers and Functions of CERA (2/2)

- ❑ Protects the rights of consumers.
- ❑ Promotes the security, safety, continuity, quality and reliability of supplies of electricity.
- ❑ Promotes the use of Renewable Energy Sources.
- ❑ Advises the Minister of Energy, Commerce, Industry & Tourism on all issues concerning the Energy Market.

RES Penetration Statistics

TECHNOLOGY	WIND PARKS			PHOTOVOLTAICS			BIOMASS			TOTAL RES		
	INSTALLED CAPACITY (MW-cumulative)	GENERATION (MWh/yr)	% WIND GENERATION Vs TOTAL SYSTEM GEN.	INSTALLED CAPACITY (MW-cumulative)	GENERATION (MWh/yr)	% PV GENERATION Vs TOTAL SYSTEM GEN.	INSTALLED CAPACITY (MW-cumulative)	GENERATION (MWh/yr)	% BIOMASS GENERATION Vs TOTAL SYSTEM GEN.	INSTALLED CAPACITY (MW-cumulative)	GENERATION (MWh/yr)	% RES GENERATION Vs TOTAL SYSTEM GEN.
2005	0	0	↓	0,155	66	↓	0	0	↓	0,155	66	↓
2006	0	0		0,578	322		0	0		0,578	322	
2007	0	0		0,843	933		0,250	37		1,093	970	
2008	0	0		1,586	1.637		3,310	7.809		4,90	9.446	
2009	0	0		2,7	2.909		3,555	19.850		6,25	22.758	
2010	82	31.370		5,6	4.839		7,214	24.802		94,78	61.012	
2011	133,5	114.251		9,3	10.232		7,964	39.712		150,79	164.195	
2012	146,7	185.049		16,4	19.827		9,364	37.634		172,44	242.510	
2013	146,7	230.610		33,9	44.991		9,814	35.831		190,40	311.432	
2014	146,7	182.418		61,4	79.942		9,814	37.461		217,92	299.821	
2015	157,5	221.398	≈ 4,9%	76,5	125.920	≈ 2,8%	9,814	37.408	≈ 0,8%	≈ 244 MW	384.726	≈ 8,5%

National Action Plan 2020 (2009/28/EC) (1/2)

- According to Directive 2009/28/EC, Cyprus Government in 2010 submitted to EU its National Action Plan (NAP) for RES, which specifies the national targets for the share of energy from RES consumed in **Transport, Electricity and Heating/Cooling** in 2020.

- The compulsory target for Cyprus to be achieved in 2020, was set as:
 - **13%** RES contribution to the final energy consumption (Transport - Electricity - Heating/Cooling).

National Action Plan 2020 (2009/28/EC) (2/2)

- CERA, in order to assist the Cyprus Government to prepare the NAP, had set a special Technical Advisory Committee to study the penetration of RES for **Electricity**.

- The Study was submitted to the Government in 2010 and an updated version in 2011, and proposed:
 - **16%** RES contribution in the Electricity Generation by 2020 according to the Total Electricity Energy Consumption.

New Electricity Market Model (1/3)

- CERA, following a Study (2014) regarding the electricity market reorganisation and based on the EU Target Model, concluded on the

NET – POOL MODEL

as the most appropriate model for the Cyprus Electricity Market.

New Electricity Market Model (2/3)

- ❑ CERA published the Reg. Dec. 01/2015 (Reg. 164/2015), as the High Level Design for the implementation of the NET-POOL Model.
- ❑ CERA gave instruction to the Cyprus TSO to:
 - Amend the existing Trading & Settlements Rules (the Market Rules) according to the above Decision.
 - Purchase the appropriate software for the operation of the new electricity market.

New Electricity Market Model (3/3)

The main elements / markets of the Net – Pool Model

Bilateral Contracts

(Years / Months / Week / Ahead)

- Provide to participants a long-term risk management tool.

Day-Ahead Market

(Day-ahead morning)

- Participants can Buy / Sell energy to supplement their Bilateral Contracts.

- CERA will apply a “%” of the total consumption to be covered.

Integrated Scheduling Process

(Day-ahead afternoon)

To achieve:

- The best cost-effective purchase of the Operating Reserves & Balancing Energy.

- The best Technically & Economically optimal solution for the operation of the System.

Intra-Day Market

(Intra-day)

- Available after (2) years from the date the market starts operation.

- Allows rescheduling to minimise imbalances.

Balancing Market

(Real-time)

- RES (except F-i-T) may participate according to the offers placed during the ISP.

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Thank you for your attention

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