

Research RES LEGAL – Support system

Country: Estonia

1. Overview of support system

Overview of support system	In the Republic of Estonia, renewable energy is promoted mainly through a premium tariff.
Support schemes	Premium tariff. The operators of renewable energy systems may sell the electricity produced on the free market to receive a bonus on top of the market price.
Promoted technologies	In general, all renewable electricity generation technologies are eligible for support.
Statutory provisions	Electricity Market Act (ES) (Elektrituruseadus RT I 2003, 25, 153 (ES) – Electricity Market Act)

2. Basic information on legal sources

Name of legal source (original language)	Elektrituruseadus RT I 2003, 25, 153 (ES)		
Full name			
Name of legal source (English)	Electricity Market Act		
Abbreviated form	ES		
Entry into force	01.07.2003		
Last amended on	03.03.2011		
Future amendments			
Purpose	Regulating the energy market.		
Relevance for renewable energy	The Act regulates the promotion of renewable energy, its connection and access to the grid, the expansion of the grid and the distribution of the costs arising from this support system.		
Link to full text of legal source (original language)	https://www.riigiteataja.ee/akt/13349804		
Link to full text of legal source (English)	http://www.legaltext.ee/text/en/X60045K4.htm Please note: The English translation is not up to date.		

3. Further information

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
Majandus- ja Kommunikatsiooniministeerium (MKM) – Ministry of Economic Affairs and Communications	http://www.mkm.ee/index.php?keel=en	Viive Savel	+372 625 64 48	viive.savel@mkm.ee
Tartu Ülikool (UT) – University of Tartu	http://www.ut.ee/index.aw/set_lang_id=2	Dr. Ain Kull	+372 737 56 00	ain.kull@ut.ee
Estonian Wind Power Association (EWPA)	http://www.tuuleenergia.ee/en/		+372 6 396 625	

4. Support schemes

4.1. Subsidy (name of support scheme)

Abbreviated form of legal source(s)		
Country-specific support system		
Promoted technologies	General information	
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Biomass	
Hydro-electricity		
Amount		
Beneficiaries		
Procedure	Procedure	
	Competent authority	
Flexibility Mechanism		
Funding	State	
	Consumers	
	System operator	
	Grid operator	
	Distribution mechanism	

4.2. Loan (Name of support scheme)

Abbreviated form of legal source(s)		
Country-specific support system		
Promoted technologies	General information	
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Biomass	
Hydro-electricity		
Amount		
Beneficiaries		
Procedure	Procedure	
	Competent authority	
Flexibility Mechanism		
Funding	State	
	Consumers	
	Grid operator	
	System operator	
	Distribution mechanism	

4.3. Price regulation I (Gelöscht!)

4.4. Premium Tariff (name of support scheme)

Abbreviated form of legal source(s)	Electricity Market Act (ES)	
Country-specific support system	Where an electricity producer sells electricity on the free market and exports it to the electricity grid, the transmission grid operator shall pay a bonus on top of the selling price (§ 59 par. 1, 2 ES).	
Promoted technologies	General information	All renewable electricity generation technologies are eligible; however, for some technologies eligibility is subject to compliance with certain requirements (§ 59.1 par. 2 ES).
	Wind energy	Eligible with the following restrictions: <ul style="list-style-type: none"> • The tariff scheme will be suspended for the current calendar year as soon as a total of 600 GWh of electricity from wind energy has already been supported (§ 59.1 par. 5 ES). • Electricity generated by a wind power plant is not eligible if the plant operator has received other investment subsidies (§ 59.1 par. 2 ES).
	Solar energy	Eligible
	Geothermal energy	Eligible
	Biogas	Eligible
	Biomass	Eligible under the following condition: The electricity must be generated by high-efficiency CHP plants (§ 59 par. 1, § 108 par. 1.2 ES). Electricity generated by conventional thermal power stations is not eligible (§ 59 par. 1 ES).
	Hydro-electricity	Eligible
Amount	General information	The bonus does not differ for the individual technologies. It amounts to 84 Senti per kilowatt hour (§ 59 par. 2 no. 1 ES).
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Biomass	
Degression	General information	Statutory law does not provide for an adjustment mechanism.
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Biomass	

Cap	The amount of electricity from wind energy to be supported is limited to a total of 600 GWh per calendar year (§ 59.1 par. 5 ES).	
Eligibility period	Eligibility to the bonus system is limited to a maximum of 12 years from the date of commissioning (§ 108 par. 1 ES). The commissioning date of a plant or system is the day on which it reaches 80% of its nominal capacity for the first time (§ 108 par. 3 ES).	
Beneficiaries	Entitled party: The persons entitled are the system operators (§ 59 par. 1 ES). Obligated party: The person obligated is the distribution grid operator (§ 59 par. 1 ES).	
Procedure	Procedure	System operators are statutorily entitled against the distribution grid operator to the payment of a guaranteed bonus for every kilowatt hour of electricity produced (§ 59 par. 1 ES).
	Competent authority	No authority is responsible for implementing the bonus scheme as the legal framework established by the ES applies to private individuals, system operators and grid operators and not to authorities. Obligation to provide information. Electricity generators are obliged to provide information on their income from and expenses for renewable energy on request of the energy market inspector.
Flexibility Mechanism		
Funding	State	
	Consumers	In the end, the costs arising from the premium tariff system are borne by the final consumers, who are obliged to pay an additional fee on top of their grid use charges (§ 59.2 par. 1, 3 ES).
	Grid operator	
	System operator	
	Distribution mechanism	Every December, the transmission grid operator shall publish an estimate of the costs of the bonus scheme . This estimate is the basis on which the transmission grid operator calculates the costs for the year to come. These costs are proportionally added to every single kilowatt hour of grid services and grid use. Thus, the price for grid services increases and the costs can be passed on to the consumers, who pay for the grid services (§ 59.2 par. 2, 3 ES).

4.4. Quota system (name of support scheme)

Abbreviated form of legal source(s)		
Country-specific support system		
Promoted technologies	General information	
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Biomass	
Amount	Hydro-electricity	
	Amount of quota and period of application	
	Adjustment of quotas	
	Number of certificates according to technology	
	Minimum price per certificate	
International applicability	Fees and penalty charges	
	International certificate trade	
Beneficiaries	Flexibility Mechanism	
Procedure	Procedure	
	Competent authority	
Funding	State	

	Consumers	
	Grid operator	
	System operator	
	Distribution mechanism	

4.5. Tax regulation mechanisms (name of support scheme)

Abbreviated form of legal source(s)		
Country-specific support system		
Promoted technologies	General information	
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Biomass	
Hydro-electricity		
Amount		
Beneficiaries		
Procedure	Procedure	
	Competent authority	
Flexibility Mechanism		
Funding	State	
	Consumers	
	Grid operator	
	System operator	
	Distribution mechanism	