



Renewable energy policy database and support – RES-LEGAL EUROPE

National profile: Montenegro

Client: DG Energy

Contact author: Ivana Naydenova, pt6@eclareon.com

Berlin, 31 December 2015





eclareon GmbH

Albrechtstraße 22
10117 Berlin
Germany
Phone: +49 30 88 66 7400
Fax: +49 30 88 66 74010
www.eclareon.com

Öko-Institut

P.O. Box 1771
79017 Freiburg
Germany
Phone : +49 761 45295-30
Fax: +49 761 45295-88
www.oeko.de

ECN

P.O. Box 1
1755 ZG Petten
The Netherlands
Phone : +31-224-564450
Fax: +31-224-568486
www.ecn.nl



TABLE OF CONTENTS

MONTENEGRO – SUMMARY	4
RES-E SUPPORT SCHEMES	5
<i>Summary of support schemes</i>	5
<i>Basic information on legal sources</i>	6
<i>Further information</i>	12
<i>Support schemes</i>	14
RES-E GRID ISSUES	22
<i>Overview</i>	22
<i>Basic information on legal sources</i>	23
<i>Further information</i>	27
<i>Grid issues</i>	28





Montenegro – summary

In Montenegro, the production of electricity from renewable energy sources is mainly promoted through a feed-in tariff. Despite the introduction of feed-in tariffs, the share of installed renewable energy capacity in the total installed electricity capacity is stagnant at around 1%.

The access to the grid is regulated by the general legislation on legislation and renewable energy sources are given priority.



RES-E support schemes

Summary of support schemes

Overview	In Montenegro, the generation of electricity from renewable energy sources is mainly promoted through a feed-in tariff. Despite the introduction of feed-in tariffs, the share of installed renewable energy capacity in the total installed electricity capacity is stagnant at around 1 percent.
Summary of support system	The owners of renewable energy power plants that have acquired the status of „Privileged Producer“ can sign a contract with the Montenegrin Energy Market Operator (COTEE) in order to receive a fixed price per kWh for the supplied electricity.
Technologies	Montenegro has a Feed-in Tariff scheme for wind, biomass, solar energy, solid waste, landfill and sewage gas, biogas, small hydropower plants and high efficiency co-generation plants. However, in some technologies distinctions apply.
Statutory provisions	<ul style="list-style-type: none"> • Energy Law • Tariff System Decree • Privileged Producer Decree • Guarantee of Origin Decree • Energy Licence Criteria Rulebook • Classification Rulebook • Incitement Fee Decree • Incitement Fee Rulebook

**Basic information on legal sources**

Name of legal source (original language)	Zakon o energetici	Uredba o tarifnom sistemu za utvrđivanje podsticajne cijene električne energije iz obnovljivih izvora energije i visokoeфикаsne kogeneracije	Uredba o načinu sticanja statusa i ostvarivanja prava povlašćenog proizvođača električne energije
Full name	Zakon o energetici (Službeni list CG, br. 28/2010 i 6/2013)	Uredba o tarifnom sistemu za utvrđivanje podsticajne cijene električne energije iz obnovljivih izvora energije i visokoeфикаsne kogeneracije (Službeni list CG, broj 52/2011)	Uredba o načinu sticanja statusa i ostvarivanja prava povlašćenog proizvođača električne energije (Službeni list CG, broj 37/2011)
Name (English)	Energy Law (Official Gazette of Montenegro, no. 28/2010 and 6/2013)	Decree on tariff system for determining the incentive price for electricity produced from renewable energy sources and high efficient cogeneration (Official Gazette of Montenegro, no. 52/2011)	Decree on acquiring the status and accomplishing entitlements of the privileged producer of electricity (Official Gazette of Montenegro, no. 37/2011)
Abbreviated form	Energy Law	Tariff System Decree	Privileged Producer Decree
Entry into force	21.05.2010	12.11.2011	05.08.2011
Last amended on	31.01.2013		
Future amendments			



RES-LEGAL EUROPE – National Profile Montenegro



<p>Purpose</p>	<p>This Law specifies energy activities and regulates terms and conditions for their carrying out in order to ensure quality and secure energy supply to final customers and public services. It also regulates the procedure for the organization and functioning of the electricity and gas market and the manner and conditions for the use of renewable energy sources and cogeneration. Moreover it prescribes energy efficiency measures in the sector of energy generation, transmission and distribution. Finally the Energy Law also regulates other matters of relevance for the energy sector in general.</p>	<p>This Decree regulates the tariff system for the incentive prices for electricity produced in power plants using renewable energy sources and power plants for high efficiency cogeneration.</p>	<p>This Decree regulates the method and the procedure, that is necessary for acquiring the status and obtaining the entitlement of a privileged producer of electricity.</p>
<p>Relevance for renewable energy</p>			
<p>Link to full text of legal source (original language)</p>	<p>http://www.sluzbenilist.me/PravniAktDetalji.aspx?tag=%7BB92135A5-8184-4021-ABA0-CFCA82C263CE%7D</p>	<p>http://www.sluzbenilist.me/PravniAktDetalji.aspx?tag=%7B285329EE-EF8F-4E05-AD23-E5CE34B9E8F5%7D</p>	<p>http://www.sluzbenilist.me/PravniAktDetalji.aspx?tag=%7B574FA8D8-CA7C-43C9-AC11-750108C88D82%7D</p>
<p>Link to full text of legal source (English)</p>	<p>http://www.oie-res.me/uploads/archive/E_Energy-Law_final.pdf</p>	<p>http://www.oie-res.me/uploads/archive/News%202010/E_Decree%20on%20the%20tariff%20system.pdf</p>	<p>http://www.oie-res.me/uploads/archive/News%202010/E_Decree%20on%20privileged%20producer.pdf</p>



RES-LEGAL EUROPE – National Profile Montenegro



Name of legal source (original language)	Uredba o načinu izdavanja, prenošenja i povlačenja garancije porijekla proizvedene iz obnovljivih izvora energije i visokoefikasne koegenracije	Pravilnik o kriterijumima za izdavanje energetske dozvole, sadržini zahtjeva i registru energetskih dozvola	Pravilnik o vrstama i klasifikaciji postrojenja za proizvodnju energije iz obnovljivih izvora i visokoefikasne kogeneracije
Full name	Uredba o načinu izdavanja, prenošenja i povlačenja garancije porijekla proizvedene iz obnovljivih izvora energije i visokoefikasne koegenracije (Službeni list CG, broj 37/2011)	Pravilnik o kriterijumima za izdavanje energetske dozvole, sadržini zahtjeva i registru energetskih dozvola (Službeni list CG, br. 49/2010 i 38/2013)	Pravilnik o vrstama i klasifikaciji postrojenja za proizvodnju energije iz obnovljivih izvora i visokoefikasne kogeneracije (Službeni list CG, br. 28/2011)
Name (English)	Decree on means of issuance, transfer and cancellation of guarantees of origin for energy generated from renewable energy sources and high efficient cogeneration (Official Gazette of Montenegro, no. 37/2011)	Rulebook on criteria for issuance of energy licence, content of a request and registry of energy licences (Official Gazette of Montenegro, no. 49/2010 and 38/2013)	Rulebook on types and classification of power plants for the electricity generation from renewable energy sources and high efficient cogeneration plants (Official Gazette of Montenegro, no. 28/2011)
Abbreviated form	Guarantee of Origin Decree	Energy Licence Criteria Rulebook	Classification Rulebook
Entry into force	05.08.2011	21.08.2010	17.06.2011
Last amended on			
Future amendments			
Purpose	This Decree defines the way of issuance, transfer and cancellation of	This Rulebook defines the criteria for the issuance of energy licenses, the	The Rulebook prescribes types and classification of plants for production



RES-LEGAL EUROPE – National Profile Montenegro



	guarantees of origin, the data needed for a request for issuance of guarantee of origin. It defines more clearly the content of guarantee of origin and the way of deliverance of quantity of delivered electricity through the transmission or the distribution system.	content of a request and the registry for energy licenses.	of electricity from renewable sources of energy and plants for high efficiency cogeneration per groups.
Relevance for renewable energy			
Link to full text of legal source (original language)	http://www.oie-res.me/uploads/archive/E-Uredba_o_garancijama_porijekla.pdf	http://www.oie-res.me/uploads/archive/Pravilnik_o_energetskejoj_dozvoli_objavljeno.pdf	http://www.sluzbenilist.me/PravniAkt_Detalji.aspx?tag=%7BF8A85A91B-68FD-4DE0-82E0-38F066534F02%7D
Link to full text of legal source (English)	http://www.oie-res.me/uploads/archive/News%202010/E_Decree%20on%20guarantees%20of%20origin.pdf	http://www.oie-res.me/uploads/archive/Rulebook%20for%20Energy%20licence.pdf	http://www.oie-res.me/uploads/archive/News%202010/E_Rulebook%20on%20types%20and%20classification%20of%20RES.pdf



Name of legal source (original language)	Uredba o naknadi za podsticanje proizvodnje električne energije iz obnovljivih izvora i kogeneracije (Službeni list CG, broj 8/2014)	Pravilnik o visini naknade za podsticanje proizvodnje električne energije iz obnovljivih izvora i kogeneracije u 2014. Godini (Službeni list CG, broj 18/2014)
Full name	Uredba o naknadi za podsticanje proizvodnje električne energije iz obnovljivih izvora i kogeneracije	Pravilnik o visini naknade za podsticanje proizvodnje električne energije iz obnovljivih izvora i kogeneracije u 2014. godini
Name (English)	Decree on the incentive fee for the promotion of electricity from renewable energy sources and cogeneration	Rulebook on the amount of the incentive fee for the promotion of electricity from renewable energy sources and cogeneration for the year 2014
Abbreviated form	Incentive Fee Decree	Incentive Fee Rulebook
Entry into force	22.02.2014	19.04.2014
Last amended on		
Future amendments		



RES-LEGAL EUROPE – National Profile Montenegro



Purpose	This Decree describes the method of calculation and the allocation of the incentive fee.	This Rulebook determines the amount of the incentive fee for the year 2014.
Relevance for renewable energy		
Link to full text of legal source (original language)	http://www.fbihvlada.gov.ba/bosanski/zakoni/2014/uredbe/22.htm	http://www.sluzbenilist.me/Pravnik/Detalji.aspx?tag=%7B975A05A7-F7A9-4957-9599-704264CF0229%7D
Link to full text of legal source (English)		

**Further information**

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
Ministarstvo ekonomije (Direktorat energetike) – Ministry of Economy (Energy Department)	http://www.mek.gov.me/organizacija/energetika	Anton Ljucović	+382 20/48 22 51	anton.ljucovic@mek.gov.me
Regulatorna agencija za energetiku –Energy Regulatory Agency	http://regagen.co.me/	Novak Medenica	+382 20/22 96 15	novak.medenica@regagen.co.me
Crnogorski operator tržišta električne energije d.o.o. (COTEE) – Electricity Market Operator of Montenegro	http://cotee.me/		+382 20/22 37 03	info@cotee.me
Elektroprivreda Crne Gore (EPCG)	http://www.epcg.com/		+382 20/31 00 11 21	pr@epcg.com



RES-LEGAL EUROPE – National Profile Montenegro





Support schemes

Feed-in tariff

<p>Abbreviated form of legal source(s)</p>	<ul style="list-style-type: none"> • Energy Law • Tariff System Decree • Privileged Producer Decree • Guarantee of Origin Decree • Energy Licence Criteria Rulebook • Classification Rulebook • Incitement Fee Decree • Incitement Fee Rulebook 	
<p>Country-specific <u>support system</u></p>	<p>In Montenegro, electricity from renewable sources is supported through a feed-in tariff (Art. 20 § 2 Energy Law). The operators of plants that generate electricity from renewable energy sources can obtain the status of a „Privileged Producer/Generator“ („povlašćeni proizvođač“) and thereupon acquire the right to a price support for the generated electricity under the legal requirements (Privileged Producer Decree and Art. 3 Tariff System Decree). The Energy Market Operator (COTEE), who is legally obliged to buy the electric energy from privileged producers, pays the incentive for a period of 12 years after having concluded a formal agreement (Art. 95 Nr. 7 Energy Law). The exact amount is determined in the Tariff System Decree and mainly depends on the type of RES technology.</p> <p>The first (and so far only) such contract was concluded with Hidroenergija Montenegro d.o.o. Berane with effect from 1 May 2014 (See under: http://regagen.co.me/obnovljivi-izvori-energije/registar-povlascenih-proizvodjaca/).</p>	
<p>Promoted technologies</p>	<p>General information</p>	<p>In general all renewable electricity generation technologies, except of geothermal energy, are eligible. However, in some technologies</p>



RES-LEGAL EUROPE – National Profile Montenegro



		distinctions between the capacity and the amount of produced energy apply.
	Wind energy	Eligible (Art. 4 Tariff System Decree).
	Solar energy	Eligible for residential and commercial rooftop systems (Art. 4 Tariff System Decree) not exceeding 1 MW (Art. 2 Privileged Producer Decree in conjunction with Art. 4 Classification Rulebook).
	Geothermal energy	
	Biogas	Eligible, if not exceeding 10 MW (Art. 4 Tariff System Decree and Art. 2 Privileged Producer Decree in conjunction with Art. 4 Classification Rulebook). The Tariff System differentiates between biogas and waste gas.
	Hydro-power	Small hydropower plants not exceeding 10 MW (Art. 2 Privileged Producer Decree in conjunction with Art. 4 Classification Rulebook) are eligible (Art. 5 Tariff System Decree).
	Biomass	Eligible for solid biomass from forestry and agriculture and from the wood-processing industry, if not exceeding 10 MW (Art. 4 Tariff System Decree and Art. 2 Privileged Producer Decree in conjunction with Art. 4 Classification Rulebook). Besides a special tariff applies for solid waste (Art. 4 Tariff System Decree).
Amount	General information	Based on Art. 73 § 2 Energy Law the Government adopted the Tariff System Decree, that determines the amount of the feed-in tariff, which depends on the renewable energy source or the produced



		<p>amount of energy (hydro power). The particular incentive prices are revised annually in accordance with the inflation indexes reported during the previous year (Art. 8 § 2 Tariff System Decree).</p> <p>If the electricity is produced from reconstructed plants, the incentive price for all technologies is set to 7 ct€/kWh (Art. 7 Tariff System Decree). This incentive price is paid for the amount of electricity that surpasses the average quantity of the annual electricity production in the 5 preceding years before the commissioning. However, Art. 7 does not apply, if the reconstructed plant produces twice the average amount that was produced after the first (initial) construction. In this case, the incentive price is calculated in accordance with Art. 4 and 5 Tariff System Decree.</p>
	Wind energy	The tariff amounts to 9.61 ct€/kWh (Art. 4 Tariff System Decree).
	Solar energy	The tariff amounts to 15 ct€/kWh (Art. 4 Tariff System Decree) for power plants using solar energy on buildings and engineering constructions equally (Art. 4 Tariff System Decree).
	Geothermal energy	
	Biogas	<p>The level of incentive depends on the used gas type:</p> <p>For power plants using waste gas the tariff amounts to 8 ct€/kWh.</p> <p>For power plants using biogas the tariff amounts to 15 ct€/kWh (Art. 4 Tariff System Decree).</p>



	<p style="text-align: center;">Hydro-power</p>	<p>The amount of the incentive price varies according to the quantity of produced energy (Art. 5 Tariff System Decree):</p> <p>For produced electricity of up to 3 GWh the tariff amounts to 10.44 ct€/kWh.</p> <p>For produced electricity from 3 up to 15 GWh the tariff amounts to 7.44 ct€/kWh.</p> <p>For produced electricity of more than 15 GWh the tariff amounts to 5.04 ct€/kWh.</p> <p>If the small hydropower plant has been built on an existing pipeline or dam, the incentive price is reduced to 80% of the above mentioned value (Art. 5 § 3 Tariff System Decree).</p>
	<p style="text-align: center;">Biomass</p>	<p>The Tariff System distinguishes between the different types of biomass (Art. 4 Tariff System Decree):</p> <p>For power plants using biomass from forestry and agriculture the tariff amounts to 13.71 ct€/kWh.</p> <p>For power plants using biomass from wood-processing industry the tariff amounts to 12.31 ct€/kWh.</p>
<p style="text-align: center;">Degression</p>	<p style="text-align: center;">General information</p>	<p>The duration of feed-in tariffs for all types of renewable is 12 years.</p>



	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Hydro-power	
	Biomass	
Cap	Pursuant to Art. 73 § 3 Energy Law the government is entitled to limit support schemes, if a negative impact on the economy or on the electricity price can be expected. At present there is no cap in place.	
Eligibility period	According to Annex 1 Tariff System Decree the duration of the contract on the purchase of electricity from RES is 12 years.	
Addressees	<p>Entitled party: This support scheme is addressed to producers of electricity from renewable energy sources, who obtained the status of “privileged generators” pursuant to Art. 78 Energy Law.</p> <p>Obligated party: The Energy Market Operator is obliged to purchase the entire electricity from renewable sources produced by the privileged generator. The respective price is set out in the Tariff System Decree and depends on the technology and the amount of the produced electricity.</p>	
Procedure	Procedure	On application the Energy Regulatory Agency confers the 12 years lasting status of „Privileged Generator/Producer“ upon Energy producers, who fulfil the criteria set out in Art. 78 § 1 Energy Law (grid connection, recognised RES facility, metering place, network security). Art. 4 Privileged Producer Decree defines the more specific



		<p>prerequisites for the application, such as a concluded contract on the connection of the power plant with the distribution/transmission system, an energy licence or a contract on the concession for the land use and a use permit for the energy plant (see also Energy Licence Criteria Rulebook).</p> <p>The Energy Regulatory Agency adds the chosen candidates to the register of privileged generators, which is available online: http://regagen.co.me/category/obnovljivi-izvori-energije/registar-povlascenih-proizvodjaca/</p> <p>The Agency is also responsible for the maintenance of the register of issued guarantees of origin, which the privileged generator needs in order to prove to the purchaser (Market Operator) the electricity's origin from RES.</p> <p>Once the status of privileged generator is acquired through the decision adopted by the Energy Regulatory Agency, the energy producer concludes a contract with the Market Operator on the guaranteed purchase of electricity from RES at the incentive price. The contract also sets out details such as the estimated yearly production, the amount of the incentive price and the balance responsibility.</p> <p>The TSO and DSO convey the data on the power transmission from privileged generators to the Market Operator in order that he can carry out the transfer of the funds from the final consumers to the privileged generators once a month. Prior to the payment the privileged producer needs to submit to the market operator</p>
--	--	---



RES-LEGAL EUROPE – National Profile Montenegro



		guarantees of origin for the total electricity production, for which the incentive prices have been obtained (Art. 9 Tariff System Decree).
	Competent authority	The Energy Regulatory Agency (Regulatorna agencija za energetiku) and the Electricity Market Operator of Montenegro (Crnogorski operator tržišta električne energije).
Flexibility Mechanism	According to Art. 23 Energy Law a joint support scheme for the use of renewable energy sources can be implemented, if an international agreement is settled. So far Montenegro did not conclude international treaties of this sort.	
Distribution of costs	State	
	Consumers	The support scheme is funded by a fee that is charged on each kWh purchased by the final consumers (Art. 21 § 1 Energy Law). The fee is subject to the provisions of the Incentive Fee Decree and currently (2014) amounts to €ct 0.00652 per kWh (Art. 2 Incentivet Fee Rulebook).
	Plant operator	
	Grid operator	
	European Union	
	Distribution mechanism	The distribution mechanism of the funds generated through the incentive fee is specified in the Incentive Fee Decree from 2014. It provides that the Market Operator (COTEE) purchases the entire energy produced by privileged generators at the price defined by the Tariff System Decree and sells it to the energy suppliers (Art. 12



RES-LEGAL EUROPE – National Profile Montenegro



		Incentive Fee Decree). The financial resources, with which the energy supplier pays, ultimately consist of the electricity price and the additional contribution that the final consumers have to pay for the promotion of RES.
--	--	---



RES-E grid issues

Overview

Overview of grid issues	In Montenegro, the connection of power plants from renewable sources to the grid is regulated by the general legislation on energy. The grid operator provides generally non-discriminatory access to the grid (Art. 99 and 101 Energy Law). Renewable energy plants are given priority to connect to the grid, if technical conditions allow (Art. 151 Energy Law).
Connection to the grid	All RES-plant operators are entitled to connection, if they meet all the requirements set out in the grid issue related provisions. The system user therefore mainly needs to obtain the consent of the grid operator and to conclude a contract for connection.
Statutory provisions	<ul style="list-style-type: none">• Energy Law• Market Rules• Transmission Grid Code• Transmission Grid Methodology• Distribution Grid Code• Distribution Grid Methodology



Basic information on legal sources

Name of legal source (original language)	Zakon o energetici	Tržišna Pravila	Pravila za funkcionisanje prenosnog sistema električne energije
Full name	Zakon o energetici (Službeni list CG, br. 28/2010 i 6/2013)	Tržišna Pravila (Službeni list CG, broj 44/2012)	Pravila za funkcionisanje prenosnog sistema električne energije (Službeni list CG, broj 5/2012)
Name (English)	Energy Law (Official Gazette of Montenegro, no. 28/2010 and 6/2013)	Market Rules	Transmission Grid code
Abbreviated form	Energy Law	Market Rules	Transmission Grid code
Entry into force	21.05.2010	17.08.2012	30.01.2012
Last amended on	31.01.2013		
Future amendments			
Purpose	This Law specifies energy activities and regulates terms and conditions for their carrying out in order to ensure quality and secure energy supply to final customers and public services. It also regulates the procedure for the organization and functioning of the	These rules set out the organisation and management of the electricity market. The rights, duties and responsibilities of the market participants and institutions (e.g. TSO/DSO and the Market Operator) as well as issues related to renewable energy sources and high	This Code establishes the minimum of technical, planning and operational requirements for the connection to the transmission system and the interconnection with other systems as well as the transmission system operation and management.



RES-LEGAL EUROPE – National Profile Montenegro



	electricity and gas market and the manner and conditions for the use of renewable energy sources and cogeneration. Moreover it prescribes energy efficiency measures in the sector of energy generation, transmission and distribution. Finally the Energy Law also regulates other matters of relevance for the energy sector in general.	efficiency cogeneration are outlined therein.	
Relevance for renewable energy			
Link to full text of legal source (original language)	http://www.sluzbenilist.me/PravniAkt/Detaili.aspx?tag=%7BB92135A5-8184-4021-ABA0-CFCA82C263CE%7D	http://www.oie-res.me/uploads/08.30.2012._Odobrena_TRZISNA_PRAVILA.pdf	http://www.sluzbenilist.me/PravniAkt/Detaili.aspx?tag=%7B8EC96146-B40A-4A20-9BB7-B1AE0871A544%7D
Link to full text of legal source (English)	http://www.oie-res.me/uploads/archive/E_Energy-Law_final.pdf		http://www.tso-epcg.com/nono/epravilnici.php



RES-LEGAL EUROPE – National Profile Montenegro



Name of legal source (original language)	Metodologija za utvrđivanje cijena, rokova i uslova za priključenje na prenosni sistem električne energije	Pravila za funkcionisanje distributivnog sistema električne energije	Metodologija za utvrđivanje cijena, rokova i uslova za priključenje na distributivni sistem električne energije
Full name	Metodologija za utvrđivanje cijena, rokova i uslova za priključenje na prenosni sistem električne energije	Pravila za funkcionisanje distributivnog sistema električne energije (Službeni list CG, broj 50/2012)	Metodologija za utvrđivanje cijena, rokova i uslova za priključenje na distributivni sistem električne energije (Službeni list CG, broj 50/2012)
Name (English)	Methodology for the determination of prices, terms and conditions for the connection to the transmission system for electricity	Distribution Grid code	Methodology for the determination of prices, terms and conditions for the connection to the distribution system for electricity
Abbreviated form	Transmission Grid Methodology	Distribution Grid code	Distribution Grid Methodology
Entry into force	06.01.2011	08.10.2012	01.10.2012
Last amended on			
Future amendments			
Purpose	The methodology determines the method of pricing as well as the terms and conditions for the connection to the transmission grid.	This Code regulates the functioning, maintenance and expansion of the distribution grid, technical requirements for the connection to the distribution system, the interconnection with other systems, the functioning	The methodology determines the method of pricing as well as the terms and conditions for the connection to the distribution grid.



RES-LEGAL EUROPE – National Profile Montenegro



		during emergency situations and general requirements for the use of the distribution grid.	
Relevance for renewable energy			
Link to full text of legal source (original language)	http://www.oie-res.me/uploads/preuzeta_dokumenta/tso-epcg-metodologija-1301573612.pdf	http://www.oie-res.me/uploads/Pravila_o_funkcionisanju_DSO.pdf	http://www.sluzbenilist.me/PravniAktDetalji.aspx?tag={5EC6958E-AEFA-43FD-AACB-3795785188A7}
Link to full text of legal source (English)			

**Further information**

Institution (name)	Website	Name of contact person (optional)	Telephone number	E-mail
Crnogorski elektroprenosni sistem AD (CGES) – Montenegrin Transmission System Operator	http://cges.me/		+382 20/40 76-82	
Regulatorna Agencija za energetiku – Regulatory Energy Agency	http://regagen.co.me/	Novak Medenica	+382 20/22 96 15	novak.medenica@regagen.co.me



Grid issues

Connection to the grid

<p>Abbreviated form of legal sources</p>	<ul style="list-style-type: none"> • Energy Law • Market Rules • Transmission Grid Code • Transmission Grid Methodology • Distribution Grid Code • Distribution Grid Methodology 	
<p>Overview</p>	<p>A facility can be connected to the distribution or transmission system after the consent of the DSO or the TSO. The consent has to be issued, if there are no technical constraints in the transmission or distribution system and if the devices and installations of the facility comply with the general and technical requirements provided by the law (Art. 141 Energy Law). The Regulatory Energy Agency approved a methodology for the setting of prices, terms and conditions for the connection to the transmission and distribution systems for electricity (Art. 39 § 1 Nr. 1 Energy Law) and approved charges for the costs for the connection to the transmission and distribution systems for electricity (Art. 40 § 1 Nr. 4 Energy Law).</p>	
<p>Procedure</p>	<p>Process flow</p>	<p>In general, the procedure for the connection to the grid works as follows:</p> <p>Transmission Grid</p> <p>The specific requirements for the connection to the Transmission Grid are outlined in the Transmission Grid Code. The TSO prepared several documents, which establish the required approvals in the connection procedure:</p> <ol style="list-style-type: none"> 1. Opinion on connection (Art. 42 Transmission Grid Code): The TSO evaluates on the request of the competent Ministry, whether a connection is possible from its point of view.



		<ol style="list-style-type: none">2. Consent for connection (Art. 43 Transmission Grid Code): This consent specifically includes requirements for the connection, such as the location, technical conditions, the contractual period and a cost assessment for the connection (see also Art. 143 Energy Law). The construction of new connection points to the transmission grid needs the approval by the TSO. A Connection Report examining the technical requirements described in Art. 49-94 Transmission Grid Code builds the ground for the decision of the TSO (Art. 44 Transmission Grid Code).3. Project documentation approval (Art. 45 Transmission Grid Code): The TSO needs to approve the project with respect to its investment plan and the technical realisation.4. Interim connection permit (Art. 46 Transmission Grid Code): The system user can request an interim connection permit that is valid during the trial operation of the facility. <p>In addition to the general technical requirements (Art. 50 to 89 Transmission Grid Code) the operator of renewable energy facilities is obliged to fulfill specific requirements concerning the participation in generation management and frequency stability (Art. 90 et seq. Transmission Grid Code).</p> <p>Distribution Grid</p> <p>The Distribution Grid Code foresees corresponding provisions for the connection of small power plants (not exceeding 10 kVA, Art. 48 § 2), such as the technical requirements (Art. 28 and 35 et seq.), protection measures (Art. 32) or the manner and the type of connection (Art. 29).</p> <p>The procedure is described in Art. 57 Distribution Grid Code (for explanations see the description above analogously):</p> <ol style="list-style-type: none">1. Opinion on Connection (Art. 58)
--	--	---



		<p>2. Consent for Connection (Art. 41 § 1 Distribution Grid Code): Pursuant to Art. 40 § 1 Distribution Grid Code the DSO adopted the Procedure for the Issuance of Documents for the Connection of Small Power Plants to the Distribution Network (“Procedura za izdavanje dokumenata za priključenje malih elektrana na distributivnu mrežu”), which defines the content of the request for the Consent for Connection (Art. 40) in detail. It can be found online: http://www.oie-res.me/uploads/archive/Gradjevinske_dozvole/EPCG%20procedura%20za%20mHE.pdf</p> <p>3. Prerequisites for the connection are issued by the DSO (Art. 60).</p> <p>4. Before connecting the facility, the system user needs to have already concluded an electricity supply contract and a power purchase agreement (Art. 57 § 6).</p> <p>Contract on Connection</p> <p>Eventually the TSO/DSO concludes a Contract for Connection (TSO: Art. 47 Transmission Grid Code; DSO: Art. 45 Distribution Grid Code) with the plant operator in order to regulate the technical, legal and economic conditions, future ownership relations as well as the relations between the contracting parties concerning the operation and the maintenance of the power plant (Art 7 § 2 Nr. 47 Market Rules). Art. 144 § 2 Energy Law lays down a list of 14 concrete elements that need to be included therein (e.g. technical characteristics of the facilities, quality of the electricity generation, safety and protection measures, liability issues, the duration of the contract, etc.).</p>
	<p>Deadlines</p>	<p><u>Transmission System Operator/Distribution System Operator:</u> The TSO and the DSO have to decide about the request for connection for general projects within 30 days and for more complex facilities within 120 days after it’s receipt (Art. 142 §§ 2, 3 Energy Law and Art. 45 Transmission Grid Code resp. Art. 41 § 1 Distribution Grid Code).</p>



RES-LEGAL EUROPE – National Profile Montenegro



		<p>If all requirements are met, the TSO/DSO has to connect the facility within 30 days (Art. 12 Methodology for the determination of prices, terms and conditions for the connection to the distribution system for electricity).</p> <p><u>Plant Operator:</u> The plant operator can lodge a complaint against the decision on the Consent for Connection within 15 days after its receipt (Art. Art. 142 § 5 Energy Law).</p>
	Obligation to inform	Mutual notification obligations are laid down in the Connection Contract between the TSO/DSO and the plant operator (Art. 144 § 2 Nr. 9 Energy Law).
Priority to renewable energy (qualitative criteria)	<p>(x) Priority to renewable energy</p> <p>() Non-discrimination</p>	Facilities for the generation of electricity from renewable energy sources are given priority by the transmission or distribution system operator, if the technical conditions permit (Art. 151 Energy Law).
Capacity limits (quantitative criteria)		
Distribution of costs	State	
	Consumers	Pursuant to Art. 146 Energy Law the system user bears all the costs and pays the connection charges to the transmission or distribution system operator (see also Art. 57 § 8 Distribution Grid Code and Art. 28 Transmission Grid Code). The particular amount is calculated according to the (two) Methodologies for the determination of prices, terms and conditions for the connection to the (transmission/distribution) system for electricity (Art. 88 § 1 Nr. 9 Energy Law in connection with Art. 39 § 1 Nr. 1 Energy Law).



RES-LEGAL EUROPE – National Profile Montenegro



		Moreover, the system user has to pay the construction of the required infrastructure, if due to technical constraints it is not possible to connect the power plant to the transmission or distribution system (Art. 149 Energy Law). This newly built infrastructure however becomes a part of the existing grid and has to be compensated by the TSO/DSO after having been handed over (Art. 149 § 7 Energy Law).
	Grid operator	If necessary, the TSO/DSO has to bear the costs of any development of system studies and the preparation of connection reports (Art. 142 § 4 Energy Law).
	Plant operator	
	European Union	
	Distribution mechanism	