

Research RES LEGAL – Grid issues

Country: Netherlands

1. Overview of grid issues

Overview of grid regulations	Electricity generated from renewable energy sources shall be granted access to the grid according to the general legislation on energy and according to non-discriminatory principles. Statutory law does not give priority to renewable energy.
Connection to the grid	System operators are contractually entitled to be connected to the grid by the grid operator. The grid operator is obliged to enter into these contracts (Art. 23 par. 1 Electricity Act). There aren't any privileges for renewable energy systems, e.g. in terms of a right to priority connection.
Use of the grid	By agreement, the plant or system operator is entitled against the grid operator to use the grid. The grid operator is obliged to enter into a grid use agreement with the system operator (§ 24 par. 1 Electricity Act). Electricity from renewable energy sources is not given priority e.g. in terms of a purchase obligation.
Grid expansion	A grid use and access agreement may confer to the system operator the right to claim the expansion of the grid if the expansion is necessary to guarantee access to or use of the grid. However, apart from rights deriving from the agreement, the system operator is not entitled to the expansion of the grid by the grid operator. The grid operator is obliged to expand his grid according to general principles (Art. 16 par. 1 letter c) Electricity Act). Renewable energy systems are not given priority.
Statutory provisions	<ul style="list-style-type: none">• Electricity Act (Elektriciteitswet 1998 – general law on electricity)• Fee Code (TarievenCode Elektriciteit - Gewijzigd vastgesteld door de Raad van Bestuur van de NMa bij besluit van 10 december 2008, nr. 102490/23 – rules on the grid use charges)

2. Basic information on legal sources

Name of legal source (original language)	Elektriciteitswet 1998	TarievenCode Elektriciteit - Gewijzigd vastgesteld door de Raad van Bestuur van de NMa bij besluit van 10 december 2008, nr. 102490/23	
Full name			
Name of legal source (English)	Electricity Act	Fee Code	
Abbreviated form		Fee Code	
Entry into force	02.07.1998	30.09.1999	
Last amended on	01.03.2009	10.12.2008	
Future amendments			
Purpose	Regulating the generation, transmission and sale of electricity.	The Fee Code defines the elements and the method of calculation for the charges set by the authorities.	
Relevance for renewable energy	This Act introduces a feed-in tariff in the form of bonus payments for the generation of electricity from renewable sources (SDE scheme). Furthermore, it is the legal basis for legislation on the issue of certificates of origin for renewable energy.		
Link to full text of legal source (original language)	http://wetten.overheid.nl/cgi-bin/deeplink/law1/title=Elektriciteitswet%201998	http://www.nma.nl/regulering/energie/codes/tarievencode_e/default.aspx	
Link to full text of legal source (English)			

3. Further information

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
Nederlandse Mededingingsautoriteit - Energiekamer - Dutch regulatory authority	http://www.nma.nl/en/default.aspx		+31 70 330 33 30	
TenneT TSO - Dutch transmission grid operator	http://www.tennet.nl/english/tennet/index.aspx		+31 26 373 11 11	

4. Connection to the grid

Legal source	<ul style="list-style-type: none"> • Electricity Act • Fee Code 	
Overview	<p>The Dutch <u>grid operators</u> are obliged to provide a connection offer to every operator of a (renewable) energy system if the system operator has applied for such a connection (Art. 23 (1) Electricity Act). A system operator's contractual claim for connection by the <u>grid operator</u> arises when the connection agreement is concluded. The grid operator is obliged to enter into such an agreement on application (Article 23 (1) Electricity Act).</p> <p>Entitled party. Everyone, though as a rule a system operator, is entitled to connection to the grid, if he/she has concluded an agreement on connection to the grid with the grid operator.</p> <p>Obligated party. The party obligated to establish connection to the grid is the grid operator that has concluded an agreement with the system operator. The grid operator is obliged to enter into the agreement on application (Art. 23 (1) Electricity Act).</p>	
Procedure	Procedure	<p>The connection process for renewable energy systems comprises the following steps:</p> <ul style="list-style-type: none"> • The system operator applies to the <u>grid operator</u> for connection. • The grid operator makes a connection offer. • The grid operator and the system operator conclude an agreement on grid access and connection. • If necessary, the grid is extended or reinforced. • The system is connected to the grid.
	Deadlines	<p>Power generation systems shall be connected within a reasonable period of time, i.e. within 18 weeks after the connection offer is made (Article 23 (3) Electricity Act).</p> <p>Systems whose capacity exceeds 10 MW need not be connected within this time scale (Article 23 (3) Electricity Act). The time scale for the connection of these systems and plants is set out in the terms of the agreement concluded by the parties.</p>
	Obligation to provide information	
Priority to renewable energy (qualitative criteria)	<p>() Priority to renewable energy</p> <p>(x) Non-discrimination</p>	<p>Systems shall be connected according to non-discriminatory criteria (Article 23 (2) Electricity Act). By the same token, the grid operator is obliged to apply non-discriminatory criteria when he sets up a connection agreement (Art. 26a (1) and Art. 23 (2) Electricity Act). However, renewable energy systems are not eligible for priority connection to the grid.</p>
Capacity limits (quantitative criteria)		
Funding	<p>As stated by Tenne T (TSO), the charges for the connection of a system to the grid comprise two elements: on the one hand, the charge for establishing a connection and on the other hand, an annual maintenance fee. The charges to be</p>	

	paid are annually determined by the Dutch regulatory authority (Energiekamer) in accordance with the Fee Code.	
	State	
	Consumers	
	Grid operator	
	System operator	The costs of connection to the grid are borne by the system operator (Article 28 (2) Electricity Act). The connection charges must be objective, transparent and non-discriminatory (Article 28 (3) Electricity Act).
	Distribution mechanism	

5. Use of the grid

Legal source	<ul style="list-style-type: none"> • Electricity Act • Fee Code 	
Overview	<p>The system or plant operator is entitled to grid use to be granted by the grid operator by agreement. The grid operator is obliged to enter into this agreement according to non-discriminatory criteria (Article 24 (1) Electricity Act). The claim arises at the date of conclusion of the agreement. The grid operator may deny access to the grid if grid capacity is insufficient (Article 24 (1) Electricity Act).</p> <p>Entitled party. Every person who has concluded an agreement with the grid operator is entitled to use the grid (Article 24 (1) Electricity Act).</p> <p>Obligated party. The party obliged to grant use of the grid is the grid operator that has concluded an agreement with a system operator.</p>	
Procedure	Procedure	A system operator shall apply to the grid operator for use of the grid (Art. 24 (1) Electricity Act). The grid operators are obliged by law to make an offer for use of the grid (Art. 24 (1) Electricity Act). Where a system operator accepts this offer, he has the contractual right against the other contracting party to use the grid. Connection to and use of the grid are usually covered by a single agreement.
	Deadlines	The time scale within which use of the grid must be granted depends on the terms of the agreement.
	Obligation to provide information	
Priority to renewable energy (qualitative criteria)	<input type="checkbox"/> Priority to renewable energy <input checked="" type="checkbox"/> Non-discrimination	The grid operator is obliged to grant access according to non-discriminatory criteria (Article 24 (3) Electricity Act). Renewable energy is not given priority.
Grid stability	The grid operator must fulfil his obligation unless the capacity of the grid he manages is not sufficient (Article 24 (2) Electricity Act). The regulatory authority may prescribe that grid entry capacities shall preferably be granted to certain applicants to maintain the stability of the electricity market. However, even restricted access shall be granted according to non-discriminatory criteria and published in the Official Gazette of the Netherlands (Article 26 (1), (4) Electricity Act).	
Funding	<p>As stated by the Dutch transmission grid operator, the grid operators may impose several charges for use of the grid. The system operators are obliged to pay service charges to cover the costs arising from the operation of the grid (Art. 16b in conjunction with Art. 29 (6), (1) Electricity Act). In addition, they have to pay charges for the transmission of electricity via the national grid (Art. 29 Electricity Act). The charges to be paid are annually determined by the Dutch regulatory authority (Energiekamer) in accordance with the Fee Code.</p> <p>The costs listed in the electricity bills shall be objective, transparent and non-discriminatory. Furthermore, they shall reflect the costs actually incurred by the grid operators (Art. 27 (3) in conjunction with Art. 28 (3) Electricity Act).</p>	
	State	
	Consumers	The costs arising from the use of a grid are borne by the customers connected to this grid (users and system/plant operators) (Art. 29 (1), (2) Electricity Act).

	Grid operator	
	System operator	The costs arising from the use of a grid are borne by the customers connected to it (users and system/plant operators) (Art. 29 (1), (2) Electricity Act).
	Distribution mechanism	

6. Grid expansion

Legal source	Electricity Act	
Overview	The system operators are not specifically entitled to the development of the grid. The grid operator is rather obliged to expand his grid according to general principles (Art. 16 (1) (c) Electricity Act). The regulatory authority may inform the Minister of Economic Affairs if it suspects the grid operator to be unable or become unable to provide the grid capacity required to give access to new systems. The Ministry of Economic Affairs may subsequently request the grid operator to satisfy his duties (Art. 22 Electricity Law).	
Procedure for system operators	Procedure	The grid operator is generally obliged to develop the grid to provide sufficient capacity for the access and transmission of electricity (Art. 16 (1) (c) Electricity Act). Yet, this rule does not entitle individual system operators to the expansion of the grid by the grid operator (e.g. to connect a single system to the grid).
	Enforcement of claims	The system operators are not specifically entitled to the development of the grid.
	Deadlines	
	Obligation to provide information	
Incentives for grid expansion		
Funding	The development of the grids is covered by the transmission charge, which is paid by every end user via his/her electricity bill (Art. 27 (1), (6) Electricity Act). According to information from the transmission grid operator and several distribution grid operators, the system operators (i.e. the generators of electricity) do not have to pay for the development of the grid.	
	State	
	Consumers	The costs arising from the expansion of the grid are borne by the final consumers (Art. 27 (1), (3) Electricity Act).
	Grid operator	
	System operator	
	Distribution mechanism	
Grid studies		