



In order to adjust with regulations from EU and Energy Community but also to prepare for new Energy law implementation managers from EPS started preparation for electricity market opening. This means that all consumers, except households, starting from 1st of January next year will have to choose their supplier of electricity. EPS will offer 40% of electricity on domestic market. EPS also announces opening of subsidiaries in Sarajevo, Budapest, Bucarest and Brussels.

First step toward market opening is the reorganization of distribution companies, DSO level. As of October all five distribution companies will be divided in two divisions, one dealing with trade and second with distribution of electricity..

Despite the fact that formal market opening starts 1st of January 2013 all big consumers, factories and companies could sign a contract by end of this year with their future supplier. Any big consumer, production company from Belgrade area will be supplied from Belgrade Distribution company but can buy electricity from some electricity trader which does not have to be EPS, says Liljana Hadzibabic from Energy Agency of Serbia.

Agency expects big competition. They are saying that electricity traders will fight for their clients like cable or mobile operators and providers. The price will be essential for market and customer behavior. Even now the consumers are not obliged to buy electricity from EPS but current price, one of lowest in the region, dictates the consumer behavior. The electricity price reform is also one of the market liberalization steps, the official energy stakeholders announced the price increase into several phases until end of 2014, in order to establish market conditions the price will be increased.

Serbia has more than 50 licensed electricity traders, but only 10 being active in some level. Factories and foreign companies doing business in Serbia are still buying electricity from EPS as current price is double lower than the market price in the region.

Energy community of South East Europe approved Serbia to have short term back up supply for all consumers which don