

Most countries of Southeastern Europe face with energy deficit. – It is far advanced in the regulation reform. – In Serbia, the action plan completion in full harmonization will be largely completed in 2017.

First of all, when winter approaches, the issue of providing enough energy for heating becomes more and more actual, especially of electricity, which is used by a large consumers' number. Power Plants in Serbia cannot meet the needs of winter consumption, which means that the lack is purchased in the market. Also, from 1st January of upcoming year the electricity customers at medium voltage, and there are about three thousand in Serbia, lose the right of public supply and will have to regulate its status by the market conditions. Preparations for that already start.

The significant role of the state

Liberalization of the internal market, and its real establishment within a particular country, the condition for the creation of regional markets, which is required under the Energy Community of South East Europe, which was signed in Athens in 2005th and which was ratified by the Parliament of Serbia in 2006th. The letter and spirit of the contract, where were categorized all EU directives related to energy availability, regular supply and market liberalization, are contained in the current Energy Law and also in the Energy Development Strategy until 2025. However, she draws attention to the fact that there is no market without production excess, so no electricity markets without excess of kilowatt - hours produced in our own power plants. Serbia is facing with electricity deficit in the winter, and most of the member countries of the Energy Community of South East Europe are more or less import -dependent. If you have this in mind, is the regional electricity market sure in the near future?

Establishment of a single regional market will determine the speed of removing those obstacles that now stand in his way, and these are , in addition to the aforementioned deficits in the production, extremely large electricity consumption per capita in all countries of Southeastern Europe except Albania, as well as insufficient use of renewable energy sources and low energy efficiency .

– Regardless of the challenges that countries in the region face with when it comes to the single energy market as a whole and that all countries in terms of oil and gas are highly import-dependent, there we should have in mind, when it comes to the electricity market, then there is a long tradition, which was acquired by mutual contractual relations, which have been built and developed for decades.

Referring to the tradition of contractual relationships in the electric power industry of the member states and that the process of regulation harmonization with EU documents advanced far more in all countries, to establish market in general , both internal and regional, crucial role has the state . It is particularly emphasized in joint work. It is expected from state to create an environment that will attract investors to invest in electricity

production, particularly in the production of renewable energy, as well as the construction of transmission facilities and distribution networks, in order to ensure secure and continuous supply of electricity and its availability without discrimination.

The state has a key role in creating the conditions for market and investment climate that will suit him. This means not only to facilitate the purchase of equipment for wind turbines, solar panels or small hydro power plants, but also to subsidize the electricity production from renewable sources, which is particularly expensive due to the initial large investment. The state could be a co-owner of these capacities, and it could have interest in use of all energy sources and environmental protection.

First step in creating an investment climate is to change the electricity prices:

It would be helpful if it would go with an increase in the consumption, and not as it is now linear for all customers. The ultimate long-term goal should be the introduction of variable pricing policy. It involves the introduction of several payment dimensions, such as the exact time of consumption during the day, a specific consumption date, quality and quantity, the opportunity to purchase at lower prices in advance, and similar. The very modern system of “smart” measurement in the distribution network , as well as general market liberalization, which would motivate dealers to offer creative service packages are required for such a mode of payment. Such competition among traders would bring benefit to households and businesses.

Source; Serbia Energy