



On Activity A.T. 1.1: International comparison of national legal systems

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Survey of national regulations and legal system of the Slovak Republic from the aspect of energy communities

This summary is part of the development of a document on the current overview, status and application of legislation and legal norms in Slovakia that affect and are implemented for building energy communities and communities with an emphasis on energy renewable sources and environmental aspects.

Legislation in Slovakia is divided into three essential groups,

namely:

1. Generally applicable main regulations on energy, economy and environment in synergy with the regulations and resolutions of the European Union adopted by the National Council as the supreme legislative bod
2. Implementing rules and technical/organisational standards and guidelines
3. Regional documents, Energy planning and economic concepts and resolutions of regional and municipal authorities in the field of energy and environmental issues

The legislative system and regulations in Slovakia are characterized by an extensive set of documents at a high legal and professional level and with a tradition of more than 100 years of drafting. They cover all crucial social and economic areas of Slovakia's life.

While community energy is well - established and functioning concept in several European countries, it appears in Slovak legislation it appears only since 2022 in the form of the concepts of energy community and energy community producing energy from renewable energy sources. Their potential for implementation is thus at an early and untapped stage, and neither electricity sharing nor cooperation itself is yet feasible. There is also a lack of appropriate energy management and energy support tools for the application and decentralised deployment of energy communities and communities to ð local conditions.

Energy communities and communities generating energy from RES are a hot topic at the moment, where a lot of potential lies. We can therefore expect to see a boom in community energy in the coming years, which should contribute to increased energy efficiency and self-sufficiency.



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Energy communities and renewable energy communities are currently a hot topic with great potential. In the coming years, therefore, we can expect a boom in community energy, which should contribute to increasing energy efficiency and self-sufficiency.

Given that the regulation of energy communities and communities producing energy from RES defines only the basic conditions for their establishment and functioning, it can be expected that further mechanisms and processes will only be developed through practice.

Given that the regulation of energy communities and renewable energy communities defines only the basic conditions for their creation and functioning, it can be expected that other mechanisms and processes will be created only by practice.

The decisive legal regulation is the amendment to the Energy Act, which addresses the concepts and rules for sharing electricity or gas in decentralized systems and thus gives end customers the opportunity to reduce the amount of energy consumed and dependence on the central supplier and locally ensure a certain degree of autonomy with energy management, introducing a flexible energy mix at the community level. However, this has not been possible until now, as Slovakia from the 20th century has built extensive central energy supply systems (heat, domestic hot water and electricity) with relatively inefficient devices. This has an impact on preventing the wider application of renewable energy sources and at the same time on environmental parameters of the environment and nature.

A crucial piece of legislation is the amendment to the Energy Act, which addresses the concepts and rules for sharing electricity or gas in decentralised systems, giving end-users the opportunity to reduce the amount of energy consumed and dependence on a central supplier, and locally to secure a degree of autonomy with energy management, introducing a flexible energy mix at the community level. However, this has not been possible so far, as Slovakia has built up extensive central energy supply systems (heat, hot water ,and electricity) with relatively inefficient equipment from the 20th century. This has the effect of hindering the wider application of renewable energy sources and also the environmental parameters of the environment and nature.

Among the crucial supporting regulations in the field of energy with regard to energy communities are the following:

1. Act No. 251/2012 Coll. of 31 July 2012 on Energy and on Amendments to Certain Acts.

This law regulates:

- (a) conditions for doing business in the energy sector,
- (b) market access, rights and obligations of energy market participants;
- (c) measures aimed at ensuring security of electricity and gas supply and the functioning of the internal electricity and gas markets;
- (d) the rights and obligations of persons whose rights and obligations may be affected by energy market participants;
- (e) performance of state administration in the energy sector,
- (f) performance of state supervision and control over energy business.



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The definition of the two concepts of Energy Community and Energy Community examined is contained here in the new § 11a, which transposed into national legislation simultaneously two directives, namely Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity (the term 'energy community') and Directive (EU) 2018/2001 of the European

Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (the term 'Renewable Energy Community').

1. Act No. 251/2012 Coll. of 31 July 2012 Act on Energy and on Amendments to Additions to Certain Acts.

This law regulates:

- (a) the conditions for doing business in the energy sector,
- (b) market access, rights and obligations of market participants in the energy sector,
- (c) measures to ensure security of electricity and gas supply and the functioning of the internal electricity and the internal market for gas,
- (d) the rights and obligations of persons whose rights and obligations may be affected by energy market participants;
- (e) performance of state administration in the energy sector,
- (f) exercising state supervision and control over business in the energy sector.

The definition of the two terms under review here, Energy Community and Energy Community is contained in the new § 11a, which transposes two directives into national legislation at the same time, namely Directive (EU) 2019/944 of the European Parliament and the Council of 5 June 2019 concerning common rules for the internal market in electricity (the term "Energy Community") and Directive (EU) 2018/2001 of the European Parliament and the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (the term "Renewable Energy Producing Community").

2. Act No. 276/2001 Coll. on Regulation in Network Industries and on Amendments to Certain Acts, as amended (including Act No. 107/2007 Coll.)

This amended Regulation Act regulates:

- the subject, scope, conditions and manner of regulation in network industries,
- establishment, status and competence of the Regulatory Office for Network Industries,
- defines the functions of the President and Vice-President of the Office
- establishes a Regulatory Board
- lays down the terms of the price procedure,
- conditions for the exercise of regulated activities and rights and obligations of regulated entities,
- rules on the functioning of the electricity and gas markets,
- proceedings in cases under this Act,
- administrative offences for breach of the obligations laid down by this Law.

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This amended Regulation Act regulates:

- the subject matter, scope, conditions and manner of regulation in network industries,
- the establishment, status and powers of the Office for Regulation Network Industries,
- defines the functions of the Chairperson and Chairperson of the Authority
- establishes a the Regulatory Council
- lays down the conditions of the pricing procedure,



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- the conditions for carrying out regulated activities and the rights and obligations of regulated entities,
- rules for the operation of the electricity and gas markets,
- proceedings in cases under this Act,
- administrative offences for breach of the obligations laid down by this Act.

Act No. 657/2004 Coll. of 26 October 2004 on thermal energy

This law regulates:

- (a) conditions for doing business in the thermal energy sector,
- (b) rights and obligations of heat market participants;
- (c) the economics of operation of the thermal installation system;
- (d) restrictive measures related to the thermal energy emergency;
- e) competence of state administration bodies and municipalities and performance of state supervision in thermal energy,
- e) competence of state administration bodies and municipalities and performance of state supervision in thermal energy,
- (f) the rights and obligations of natural and legal persons whose rights, legally protected interests or obligations may be affected by the exercise of the rights and obligations of heat market participants;
- (g) rights and obligations of natural and legal persons in the production of heat in a decentralised heat source.

Act No. 657/2004 Coll. of 26 October 2004 on thermal energy

This law regulates:

- (a) conditions for doing business in the thermal energy sector/business conditions in the thermal energy sector
- (b) rights and obligations of heat market participants;
- (c) the economics of operation of the thermal installation system;
- (d) restrictive measures related to the state of emergency in the thermal energy sector;
- e) the competence of state administration bodies and municipalities and the exercise of state supervision in the thermal energy sector,
- (f) the rights and obligations of natural and legal persons whose rights, legally protected interests or obligations may be affected by the exercise of the rights and obligations of heat market participants;
- (g) the rights and obligations of natural and legal persons when producing heat in a decentralised heat source.

Act No. 321/2014 Coll. of 21 October 2014 on Energy Efficiency and on Amendments to Certain Acts (including Act No. 419/2020 Coll. of 1 December 2020).

This law provides:

- (a) measures to promote and improve energy efficiency;
- (b) obligations when developing concept papers in the field of energy efficiency;
- (c) the rights and obligations of persons in the field of energy efficiency;
- (d) rules for carrying out energy audits;
- (e) business in the provision of energy services,
- (f) provision of information under this Act.



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Act No. 363/2020 Coll. on the Promotion of Renewable Energy Sources

Act No. 363/2022 amending Act No. 309/2009 Coll. on the promotion of renewable energy sources and high-efficiency cogeneration and amending and supplementing certain acts, as amended, also defines the following renewable energy sources as non-fossil energy sources as follows: hydropower, wind power, solar energy, geothermal energy, ambient energy, biomass, biogas, landfill gas, sewage treatment plant gas, and tide, wave and other ocean energy.

Act No. 363/2022 amending Act No. 309/2009 Coll. on the promotion of renewable energy sources and high-efficiency Combined production and Amendments and Additions to certain acts, as amended, also defines the following renewable energy sources as non-fossil energy sources as follows: hydropower, wind energy power, solar energy, geothermal energy, ambient energy, biomass, biogas, landfill gas, gas from wastewater treatment plants and tidal, wave and other ocean energy.

Act No. 17/1992 Coll. Environmental Act (as amended by No. 127/1994 Coll., 287/1994 Coll., 171/1998 Coll., 211/2000 Coll., 332/2007 Coll., 388/2021 Coll.)

The Act defines the basic concepts and establishes the basic principles of environmental protection and the obligations of legal and natural persons in protecting and improving the state of the environment and in the use of natural resources; In doing so, it is based on the principle of sustainable development and defines the following principles:

- The territory must not be burdened by human activity beyond the carrying capacity.
- The permissible level of environmental pollution is determined by limit values laid down by special regulations; These values shall be determined in accordance with the state of knowledge and in such a way that human health is not endangered and other living organisms and other elements of the environment are not endangered.
- Limit values shall be determined taking into account the possible cumulative action or interaction of pollutants and activities. Where, in the light of all the circumstances, it can be assumed that there is a danger of irreversible or serious damage to the environment, there must be no doubt that such damage will actually occur as grounds for postponing measures to prevent it.
- It is forbidden to import for the purpose of incineration radioactive waste that was not produced in the territory of the Slovak Republic. Everyone may assert in a specified manner before the competent authority his rights under this Act and other regulations governing environmental matters.
- Education, education and training are carried out in such a way as to lead to thinking and action in accordance with the principle of sustainable development, to a sense of responsibility for maintaining the quality of the environment and its individual components, and to respect for life in all its forms.

Note: A detailed analysis of individual regulations will be further elaborated in the main document of analysis on activity AT 1.1.



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Energy Community (SE) and Energy Association (SME)

The definition of both terms is contained in the new § 11a, which transposed two directives into national legislation at once, namely Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity (the term 'Energy Community') and Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (the term 'renewable energy community'). The very concept of **Energy Community** and a renewable **Energy Association** is understood by Slovak legislation as (source SIEA):

The Energy Community shall be a legal entity

(a) which is established for the purpose of generating electricity, supplying electricity, sharing electricity, storing electricity, aggregating activities, distributing electricity, operating a recharging station or performing other activities or providing other services related to meeting the energy needs of its members or associates (hereinafter referred to as "Member") with a view to realising environmental, economic or social community benefits;

(b) which does not carry out the activities referred to in subparagraph (a) for profit,

(c) which may be joined, acquired or other way become a member, and from which participation may be withdrawn, terminated or the membership can be cancelled by decision of a member; and

(d) members, who alone or jointly with other members may exercise control in an energy community, are only individuals, small enterprises and higher territorial units or municipalities in the territorial self-administration district in which the Energy Community has its settlement.

It follows that the Energy Community ('the Community') will be arisen as soon as the abovementioned mandatory conditions have been fulfilled. The formation of a community entitles it to exercise the rights and obligations laid down in § 35a, i.e. to procure, produce, store and supply or share electricity to its members, to carry out aggregation activities for its members or to operate a charging station.

However, the Community may not carry on with the business for making profit; it must be express the services it provides to its members. Members of the community can be individual persons, small enterprises, municipalities or self-governing regions in the territorial district of the self-governing region in which the community has its seat. A community producing energy from renewable energy sources is also considered a community within the meaning of § 11a par. 3 of the Energy Act of the Slovak Republic.

A renewable energy association is a legal entity,

(a) which is based for the purpose of producing electricity from renewable energy sources or biomethane, and which may at the same time be established for the purpose of supplying electricity or gas, sharing electricity from renewable energy sources or biomethane, storing electricity from renewable energy sources, aggregation, electricity distribution, operating a recharging point or performing other activities or providing other services related to meeting the energy needs of its members, in order to with a view to realising environmental, economic or social community benefits;

(b) which does not carry out the activities referred to in subparagraph for profit,



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(c) which may be joined, acquired or otherwise become a member, and from which participation may be withdrawn, terminated or membership by decision of a member;

(d) whose members are only natural persons, small and medium-sized enterprises;28(b) higher territorial units or municipalities in the territorial self-administration district in which the renewable energy community is located; and

(e) whose members allowed, individually or jointly with other members, to exercise control in a renewable energy community, reside or have their permanent residence or seat in the territorial area in which the renewable energy installation or biomethane installation owned by the renewable energy community, or most of such installations, is located; if a renewable energy community If a superior territorial unit cannot be determined according to the previous sentence, it shall be determined by the location of the renewable energy community.

Thus, a renewable energy Association is based on the production of electricity from renewable energy sources and the production of biomethane, and at the same time can be established for the purpose of supplying, sharing or storing electricity or gas, aggregation, distribution or operation of a charging station. Like the Energy Community, the Energy Community cannot conduct business for profit.

Unlike the Community, members of a Association can be not only small but also medium-sized enterprises (as defined in Article 2(1) of Annex I to Regulation No 651/2014). At the same time, the same applies as for a community, i.e. that the formation of a community entitles it to exercise the rights and obligations laid down in Section 70a of the Energy Act.

The essential thing is that members of the Energy Community can only be members who have permanent residence or registered office in the territory of the regional area in which the electricity or biomethane production facility is located.

The decisive central professional and administrative legislative authorities in the Slovak Republic, competent in decision-making and management of processes relevant to energy management and environmental care, and especially for Energy Communities and Energy Communities, are, in particular:

- a) Ministry of Economy of the Slovak Republic
- b) Ministry of Environment of the Slovak Republic
- c) Slovak Innovation and Energy Agency
- d) Slovak Environment Agency
- e) Regulatory Office for Network Industries

with precisely defined competencies and activities in accordance with the Programme Declaration of the Government of the Slovak Republic for the given legislative period.

Detailed analysis and analysis of individual documents are prepared for Slovakia within the activities of the project partner PP12 and will be presented in the detailed report of the National Energy Cluster NEK itself after the joint meeting and consultations of the project in Budapest in March 2024.
