

Pursuant to Article 74 of the Energy Law (“Official Gazette of RS”, no. 145/14) and Article 42, paragraph 1 of the Law on Government (“Official Gazette of RS”, no. 55/05, 71/05 – corrigendum, 101/07, 65/08, 16/11, 68/12 – Constitutional Court, 72/12, 7/14 – Constitutional Court and 44/14),

the Government is hereby adopting the following

## REGULATION

ON THE REQUIREMENTS AND PROCEDURE OF ACQUIRING THE STATUS OF A PRIVILEGED PRODUCER, PRELIMINARY PRIVILEGED PRODUCER AND PRODUCER

FROM RENEWABLE ENERGY SOURCES

### I. INTRODUCTORY PROVISIONS

#### Article 1

The Regulation hereof prescribes in more detail the requirements and the procedure for the acquisition, duration and termination of the status of a privileged producer, preliminary privileged producer and a producer from renewable energy sources , the contents of the application and proof of eligibility for acquiring the status of a privileged producer, payment security instruments, the minimum level of utilization of primary energy in power plants for high-efficiency electricity and thermal energy cogeneration depending on the type of primary fuel and installed power, the maximum aggregate installed capacities of all wind power plants and solar power plants that may acquire the status of a privileged producer, and/or preliminary privileged producer, the contents and the method of keeping the registry referred to in Article 75 of the Energy Law and other issues in accordance with the law.

## Article 2

Certain terms, when used herein, shall have the following meanings:

- 1) A geothermal power plant is a power plant using groundwater and heat of rock masses;
- 2) The date of application is the date when the application for acquiring the status of a privileged producer, and/or preliminary privileged producer has been registered at the registry office of the Administration for Joint Services of the Republic Bodies;
- 3) A part of the power plant is an independently built part of the power plant facility, for which the preliminary privileged producer status has been acquired, with a separate use permit and which, after the construction, has a separate measuring device for reading the electrical power produced;
- 4) A power plant is a facility for the production of electrical power and has at least one transfer point for electrical power delivered into the system;
- 5) A biomass power plant is a power plant that uses biodegradable material, including:
  - (1) Plants, parts of plants and plant residues generated in agriculture (straw, corn stalks, branches, fruit stones, shells), manure from farms, etc.
  - (2) Plants, parts of plants and plant residues in forestry, residue resulting from forest logging, etc.
  - (3) Plants, parts of plants and plant residues from fast-growing energy plantations;
  - (4) Material from fishing and aquaculture;
  - (5) Biodegradable residues in food, wood and related industries;
  - (6) Separated biodegradable fraction of municipal waste;
  - (7) By-products of animal origin used in accordance with legislation regulating the

field of veterinary medicine;

(8) An energy source produced through a technological procedure from materials listed under this item.

6) A biogas power plant is a power plant with one or more generating units using gas generated in its own facilities (digesters), by means of anaerobic processes from biomass and waste products of animal origin used in accordance with legislation regulating the field of veterinary medicine;

7) A wind power plant is a power plant using the energy of wind;

8) A landfill gas power plant is a power plant that uses gas originating from municipal landfills;

9) A power plant running on gas from municipal wastewater treatment facilities is a power plant that uses gas originating from anaerobic processes in such facilities;

10) A solar power plant is a power plant that uses solar radiation energy;

11) A solar power plant on the facility is a power plant that uses solar radiation, installed on the facility constituting a physically distinct unit and clearly separated from other facilities, provided that only a single solar power plant may be installed on a single facility;

12) A solar power plant outside of the facility is a power plant that uses solar radiation, installed on land;

13) A waste power plant is a power plant that uses waste in accordance with legislation regulating waste management and use of waste for energy production;

14) A power plant with highly efficient electrical and thermal power cogeneration is a power plant simultaneously producing electrical and thermal power in the process of production with a high degree of efficiency using natural gas as the primary fuel;

15) The energy value of the consumed fuel is the sum of the products of consumed quantities of basic and supplementary fuels and their average lower calorific values;

16) The engaged capacity is the sum of installed capacities of power plants calculated separately for wind power plants, and separately for categories of solar power plants for which:

(1) The status of a privileged producer is valid;

(2) The status of a preliminary privileged producer is valid;

(3) The previous status of privileged producer or the status of preliminary privileged producer is not valid, and which meet the conditions to be calculated in the disengaged capacity until the date of assigning the disengaged capacity in accordance with the Regulation hereof;

17) The maximum capacity is the sum of installed capacities of power plants, separately established for wind power plants, and separately for categories of solar power plants, up to which the status of a privileged producer or the status of a preliminary privileged producer may be acquired;

18) A newly-built facility is a power plant or a part of the power plant that was commissioned after 1 January 2010;

19) Equipment is a set of basic components of the power plant, or a part of the power plant for the production of electrical power: a power generating set (turbine, generator), photovoltaic panels, inverter, boiler facility, etc.

20) Disengaged capacity is the sum of installed capacities of power plants from the engaged capacity, for which:

1) The status of a privileged producer is terminated;

2) The status of a preliminary privileged producer is terminated unless the preliminary producer has acquired the status of a privileged producer within the time limit prescribed by the law.

21) Available capacity is the difference between maximum capacity and engaged

capacity;

22) Primary fuels are the basic and supplementary fuels consumed for the production of electrical power or for high efficiency electricity and thermal energy cogeneration;

23) A generating unit is a generator, photovoltaic panel or other device in the power plant or a part of the power plant, converting other forms of energy into electricity;

24) The electricity produced at the power plant or a part of the power plant is the total electricity delivered to the transmission or distribution system at the place of delivery of electric power for a particular accounting period, expressed in kWh;

25) A reconstructed facility is a power plant built before 1 January 2010 where the reconstruction, in terms of the law governing planning and construction, served to replace the equipment, provided that the reconstruction has been completed after 1 January 2010;

26) A hydro power plant is a power plant that converts the power of natural watercourses into electricity;

27) A hydro power plant on the existing infrastructure is a hydro power plant that uses an existing dam, or a hydro power plant built on the pipelines in water-treatment plants under the natural pressure of falling water.

Other terms not used in paragraph 1 of the Article hereof shall have the meaning set forth under the Energy Law.

## II. REQUIREMENTS FOR ACQUIRING THE STATUS OF A PRIVILEGED PRODUCER,

### PRELIMINARY PRIVILEGED PRODUCER AND PRODUCER FROM RENEWABLE

#### ENERGY SOURCES

##### 1. Requirements for acquiring the status of a privileged producer for the power plant, and/or

part of the power plant

### Article 3

An energy entity and a natural person may acquire the status of a privileged producer (hereinafter: privileged producer) for a power plant, and/or part of a power plant that:

1) Uses renewable energy sources in the process of generating electrical power and meets the requirements in terms of installed capacity, namely in the following:

(1) Hydroelectric power plants with installed capacity of up to 30 MW;

(2) Hydroelectric power plants on existing infrastructure of installed capacity up to 30 MW;

(3) Biomass power plants;

(4) Biogas power plants;

(5) Power plants using landfill gas and gas from communal waste water treatment facilities;

(6) Wind power plants if, in accordance with the provisions of the Regulation hereof, they are established to have an installed capacity lower than or equal to the available capacity;

(7) Solar power plants if, in accordance with the provisions of the Regulation hereof, they are established to have an installed capacity lower than or equal to the available capacity;

(8) Geothermal power plants;

(9) Waste-to-energy plants;

2) Is built and suitable for use according to the law regulating construction of buildings;

3) Provides separate measurement of electricity generated and/or separate measurements of thermal energy delivered and received, separate from measurements in other technological processes, with clearly labelled measuring devices in accordance with the Energy Law and the

rules on the operation of the distribution, and/or transmission system;

4) Generates electrical power in newly-built or reconstructed facilities where new equipment has been installed;

5) Have a license to perform the activity of generating electrical power, issued in accordance with the Energy Law;

6) Connected to the distribution system, and/or transmission system in accordance with the Energy Law and the regulations adopted thereunder;

7) If the applicant is a natural person, that the installed power plant capacity is no higher than 30 kW and they do not have the status of a privileged producer for another power plant;

8) If the status has not been revoked for the energy entity, and/or natural person, or if the procedure for revoking the status of privileged producer has not been initiated for reasons prescribed under Article 73, paragraph 1, items 1) through 3) of the Energy Law or the status of the preliminary privileged producer for reasons prescribed in Article 73, paragraph 3 items 1), 2) and 4) of the Energy Law;

9) If there is no valid status of a producer from renewable energy sources for the power plant for which the status of privileged producer is requested;

10) If the status of privileged producer has not previously existed for the power plant the status of a privileged producer is requested for, unless it is the power plant referred to in the case under Article 19, paragraph 3 of the Regulation hereof.

11) In the case under Article 19, paragraph 4 of the Regulation hereof, if they were appointed by the Lender or the Lender's Agent.

The status of a privileged producer is granted for the installed capacity of the power plant or part of the power plant equivalent to the total capacity approved by the system operator for connection to the electricity system of the power plant, and/or part of the power plant.