

Press release  
Prague 10<sup>th</sup> December, 2015

## **Market operator is responsible for the pure administration of the payment to producers from subsidized energy sources, but hasn't any influence on its extend.**

### **A joint stock company OTE, a.s., the Czech electricity and gas market operator, (OTE) can't pay any subsidy without the ERO's price decision.**

Market operator (OTE) can't pay subsidy to electricity producers from renewables and secondary sources that are not listed in the Energy Regulatory Office (ERO) price decision No. 5/2015 for electricity to be produced in the year 2016 in the same extend as in previous years.

Act No. 458/2000 Coll., on Business Conditions and Public Administration in the Energy Sectors and on Amendments to Certain Acts, Section 20a obliges OTE to pay green bonuses to electricity producers from renewable sources, secondary sources and from high efficiency combined heat and power production. OTE is also obliged to pay green bonuses to heat producers from renewable sources, to pay to mandatory purchasers the difference between the purchase price according to the relevant feed-in tariff and the market price represented by the hourly rate and also the charge for the covering of mandatory purchaser's cost.

OTE doesn't determine the rates of support but follows the price decision issued by the Energy Regulatory Office (ERO), specifically Act no. 165/2012 Coll., on supported energy sources and amending some laws, as amended, Section 4 (7). ERO determines the extend of renewable sources support and specifies according to Section 12 also values of green bonuses and purchase prices (feed-in tariffs).

OTE can't pay subsidy to electricity nor heat producers from renewables and secondary sources they are not listed in the ERO price decision No. 5/2005 for the energy to be produced in the year 2016 in the same extend as in previous years.

According to the price decision No. 5/2015 published on 19 November 2015 the support concern only renewable energy sources put into operation from 1 January 2013 to 31 December 2015 according to the Sections 4 and 12 of Act no. 165/2012 Coll.

Decision concerning the payment to producers with feed-in tariffs is duty of mandatory purchasers according to the Section 10 of Act no. 165/2012 Coll. and beyond the responsibility of OTE.

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#### **OTE, a.s.**

*OTE, a.s., the Czech electricity and gas market operator, (OTE) is a joint stock company established in 2001. OTE provides comprehensive services to individual electricity and gas market players. OTE commenced organizing trading in the day-ahead electricity market in 2002 and the intra-day and block electricity markets in later years. OTE has been the market operator on the gas market since 2010 including operation of day-ahead gas market and intraday gas market. Continuous data processing and exchange required for the accounting and settlement of imbalance between the contractual and actual volumes of electricity and gas supplied and received are among services offered by the OTE to players in the Czech electricity and gas markets, as well as administrative procedures associated with a switch of supplier. The OTE also administers the National Register of Greenhouse Gas Emissions. OTE is the holder of the license for market operator's activities, which includes activities in the electricity and gas market in the Czech Republic.*

*Additional information is available on [www.ote-cr.cz](http://www.ote-cr.cz).*

