ENERGY

ELECTRICITY PRICES FOR HOUSEHOLD AND FINAL NON-HOUSEHOLD CUSTOMERS

METHODOLOGICAL NOTES

National Statistical Institute carries out a regular half-yearly survey for natural gas prices charged to household and final non-household customers in compliance with the requirements of Regulation (EC) 2016/1952 of the European Parliament and of the Council of 26 October 2016 on European statistics on natural gas and electricity prices and repealing Directive 2008/92 / EC.

The invoiced average price of the supplied electricity for final non-household (until the first semester of 2017 only prices for end-users in the industry were observed) and household customers is surveyed.

Prices are representative for the country - data are provided by all suppliers of electricity and network services to final non-household and household customers for quantities delivered through transmission/distribution networks. Prices include electricity basic price, transmission, distribution, excise, VAT and others.

Prices exclude initial connection charges. Prices include all charges payable: network charges plus energy consumed, minus any rebates or premiums, plus any other charges (e.g. meter rental, standing charges).

According to the requirements of REGULATION (EU) 2016/1952 prices are collected on the basis of a system of standard annual consumption bands:

Consumption band	Annual electricity consumption in kWh	
	minimum	maximum
Band - D1	<1 000	
Band – D2	1 000	<2 500
Band – D3	2 500	<5 000
Band – D4	5 000	<15 000
Band – D5	≥15 000	

Household customers

Final non-household customers

Consumption band	Annual electricity consumption in 1000 kWh	
	minimum	maximum
Band - I1	< 20	
Band – I2	20	< 500
Band – I3	500	< 2 000
Band – I4	2 000	< 20 000
Band – I5	20 000	< 70 000
Band – I6	70 000	<=150 000
Band – 17	> 150 000	

The criterion for customers' assigning to the relevant groups is range of their annual gas consumption (supply).

The prices are calculated as a weighted average price by the actual supplied quantity of electricity (incl. network price) and their invoiced value of all end-customers surveyed for the relevant six months' period in the following two directions:

A) Components and sub-components - effective from the 2017 reference year

The electricity price including all taxes is the sum of the three main components and separate sub-components:

1. Component "Energy and supply"

This component includes the costs for generation, aggregation, balancing energy, supplied energy costs, customer services, after-sales management and other supply costs.

Until the 2-nd semester of 2020 incl., due to the specifics of the electricity market - liberalized and regulated for nonhousehold customers and fully regulated for household customers, this component for both types of customers includes the price for "Obligations to society" (POS), determined by decisions of the Energy and Water Regulatory Commission. From the 1st semester of 2021, with the full liberalization of the electricity market for non-household customers, the POS for non-household customers has been already referred to the component "Taxes, other payments, levies and fees". The POS for household customers remains to be part of the component Energy and supply.

The "Obligations to society" price includes:

- a component reflecting the costs of electricity produced from renewable sources;
- a cost-reflective component of electricity produced from high-efficiency cogeneration;
- a component reflecting the non-recoverable costs of electricity purchase agreements;
- a critical infrastructure component;
- a component revenues from the Electricity System Security Fund to reduce the POS.
- 2. Component "Network"

The network price shall include the following end-user costs: transmission and distribution tariffs, transmission and distribution losses, network costs, after-sale service costs, system service costs and meter rental and metering costs.

<u>2.1. Sub-component "Transmission network costs"</u> – average relative share of transmission costs for household customers and for final non-household customers, expressed as a percentage of total network costs.

<u>2.2. Sub-component "Distribution network costs"</u> – average relative share of distribution costs for household customers and for final non-household customers, expressed as a percentage of total network costs.

3. Component "Taxes, fees, levies and charges"

This component includes the sub-components defined in Annex 2 of Regulation (EU) 2016/1952 on European statistics on natural gas and electricity prices. Until the 2-nd semester of 2020 incl., the VAT and excise duty sub-components are taken into account. From the 1-st semester of 2021, the POS disaggregated by its individual components, as specified in *1.Energy and Supply Component*, is included too.

3.1. Sub-component VAT

3.2. Sub-component Promotion of RES – the components of the POS, respectively reflecting the costs for electricity produced from renewable sources and the costs for electricity produced from high-efficiency cogeneration are included;

3.3. Sub-component Capacity – the POS component reflecting the non-recoverable costs of electricity purchase agreements and the critical infrastructure component are included;

3.4. Sub-component Environmental taxes - includes excise duty;

3.5. Sub-component Nuclear energy – Taxes, fees, levies or charges relating to the nuclear sector, including nuclear decommissioning, inspections and fees for nuclear installations;

3.6. Sub-component Others – All other taxes, fees, levies or charges not covered by any of the previous categories: the component revenues from the Electricity System Security Fund to reduce the POS

These data are collected every semester, but are reported annually as arithmetic average prices.

B) Taxation - effective from the 2008 reference year

Prices are calculated into the following three levels:

- Prices excluding taxes and levies this price level includes only the energy and supply component and the network component;
- Prices excluding VAT and other recoverable taxes this price level includes the energy and supply component, the network component and taxes, fees, levies and charges considered as non-recoverable for final nonhousehold customers. For household customers this price level includes the energy and network components and taxes, fees, levies and charges but excludes VAT;
- Prices including all taxes, levies and VAT this price level includes the energy and supply component, the
 network component, and all recoverable and non-recoverable taxes, fees, levies and charges, including VAT.

These data are collected and reported twice per year - for the periods January to June and July to December.