

ALERT | COVID-19 | SHIELD



Anti-Crisis Shield and energy sector

Extension of deadlines to enter the auction system

- The Act of 31 March 2020 amending the law on special arrangements for the prevention, counteracting and combating of COVID-19, other infectious diseases and crisis situations caused by them and certain other laws (further, the "Anti-Crisis Shield") introduced certain amendments to the Law on Renewable Energy Sources. These amendments allow for the extension of the deadline by which an auction participant is obliged to first begin selling electricity within the auction system as a result of circumstances beyond the producer's control (i.e. the COVID-19 epidemic). To this end, interested parties may submit applications to the President of the Energy Regulatory Office (*URE*) to extend such deadlines (for a period of no more than 12 months from the original deadline of this obligation).
- In examining applications for a deadline extension, the President of the URE shall favour the producer when taking into account circumstances in which the delay:
 - > in the supply of equipment comprising a renewable energy source (RES) installation or
 - > in the supply of components necessary for the construction of RES installations, or
 - > in the construction of RES installations and connections to the power grid, or
 - > occurring during the acceptance or commissioning of RES installations, or
 - > occurring when obtaining a concession or entry in the registers specified by law

is caused by a state of epidemic threat or a state of epidemic declared by way of a Regulation issued by the minister competent for health matters.

Prohibition on the suspension of energy supplies

- Given the emerging liquidity problems faced by energy consumers, the **legislature decided to introduce** amendments aimed at preventing power companies from suspending the supply of electricity, heat or gaseous fuels in the event that their recipients fail to pay their bills.
- The Anti-Crisis Shield introduces amendments to the Energy Law by introducing a restriction on the ability to suspend the supply of gaseous fuels or energy during a state of epidemic threat and a state of epidemic
- These amendments create a situation in which a **power company** undertaking business activities consisting of the transmission or distribution of gaseous fuels or energy, **may not suspend the supply of gaseous fuels** or energy if the recipient has delayed and failed to make payment for the services provided for a period of at least 30 days after the payment deadline. Similarly, such a company **may not suspend the supply**, even if requested by a seller of gaseous fuels or energy.