



National Residual Mix Annual Report for Serbia for 2020

Belgrade, May 2021

1 The methodology of determining the origin of electricity

Pursuant to Article 87, paragraph 5 of the Energy law ("Official Gazette of RS", No. 145/14), the Ministry of Mining and Energy brings the Disclosure regulation ("Official Gazette of RS" No. 96/2017) (hereinafter referred to as "Disclosure regulation"). The Disclosure regulation prescribes the way in which the share of all types of energy sources of the sold electricity is calculated and shown to the end consumer, as well as the calculation control and verification.

The Transmission system operator, in accordance with Article 87, paragraphs 1 and 2 of the Energy law, calculates and publishes share of all types of energy sources in the electricity sold to end consumers in the Republic of Serbia.

In this calculation the Transmission system operator shall take into account, in particular, the cancelled and expired guarantees of origin.

The shares of energy sources are divided in accordance to the following 12 attributes (types):

- 1) Solar energy
- 2) Wind energy
- 3) Hydropower
- 4) Geothermal energy
- 5) Energy from biomass
- 6) Energy from renewable sources which source is not specified (Unspecified renewable energy sources)
- 7) Energy from hard coal
- 8) Energy from brown coal and lignite
- 9) Energy from the natural gas
- 10) Energy from oil
- 11) Energy from fossil fuels which source is not specified (Unspecified fossil energy sources)
- 12) Nuclear energy

2 Registry of guarantees of origin for Serbia in 2020

The Energy law stipulates that the Transmission system operator shall issue a guarantee of origin, at the request of a producer from renewable energy sources, and shall be responsible for its accuracy, reliability and protection from misuse. The Transmission system operator shall keep the Registry of guarantees of origin in an electronic form and publish the data from the Registry on its website. In 2020, 5 market participants and 8 production units were registered in guarantees of origin system in the Republic of Serbia. Total number of issued Guarantees of Origin for electricity produced in 2020 is 228,247 while the total number of cancelled Guarantees of Origin for the electricity consumption in 2020 is 337,779.

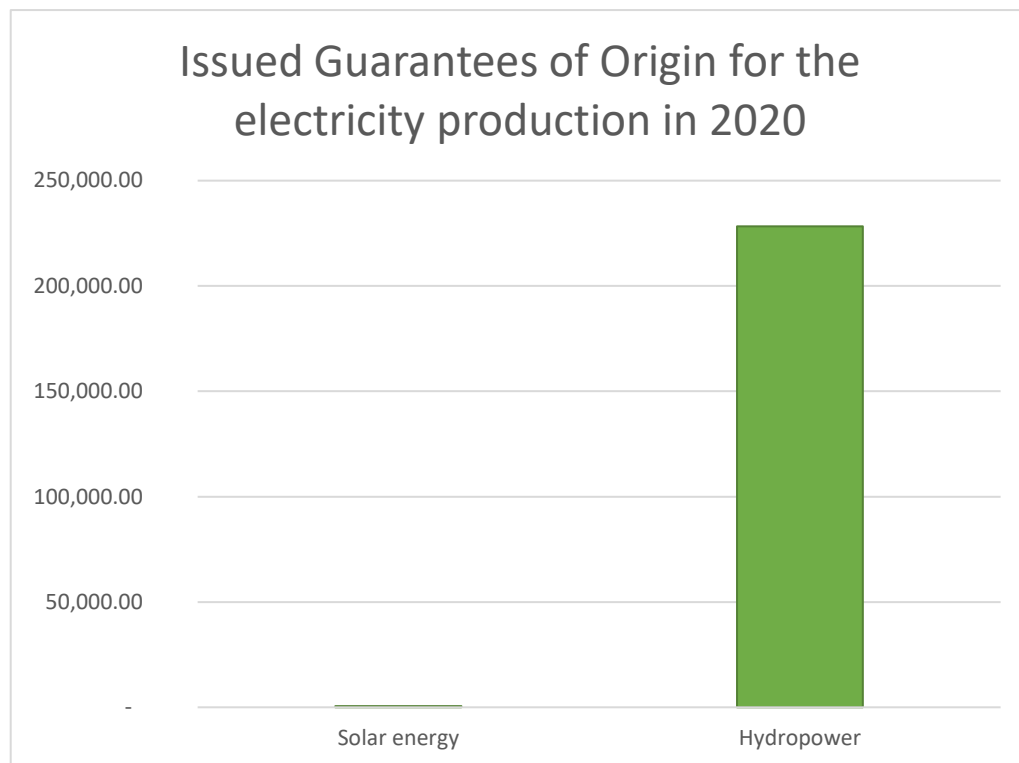


Chart 1 – Issued Guarantees of Origin for the electricity production in 2020, by source type

Further information on registered market participants, production units and Issued, Transferred, Cancelled and Expired Guarantees of Origin can be found on public web-address on following link: <https://cmo.grexel.com/Lists/PublicPages/Statistics.aspx>.

3 Calculation of the share of all types of energy sources in total sold electricity

In accordance with the Disclosure regulation, the Annual Report on the National Residual Mix in the Republic of Serbia for 2020 contains the following data:

- 1) data on production and consumption of electricity in the Republic of Serbia, import and export of electricity, taking into account the structure of electricity,
- 2) data on issued, expired and cancelled guarantees of origin for electricity in the Republic of Serbia,
- 3) data on the structure of the national residual mix and the data used in determining the structure of the national residual mix,
- 4) the share of each particular energy source in the national residual mix.

3.1. Electricity production in the Republic of Serbia

Based on the data of the Transmission system operator and the distribution system operator, the structure of electricity produced in the Republic of Serbia in 2020 is:

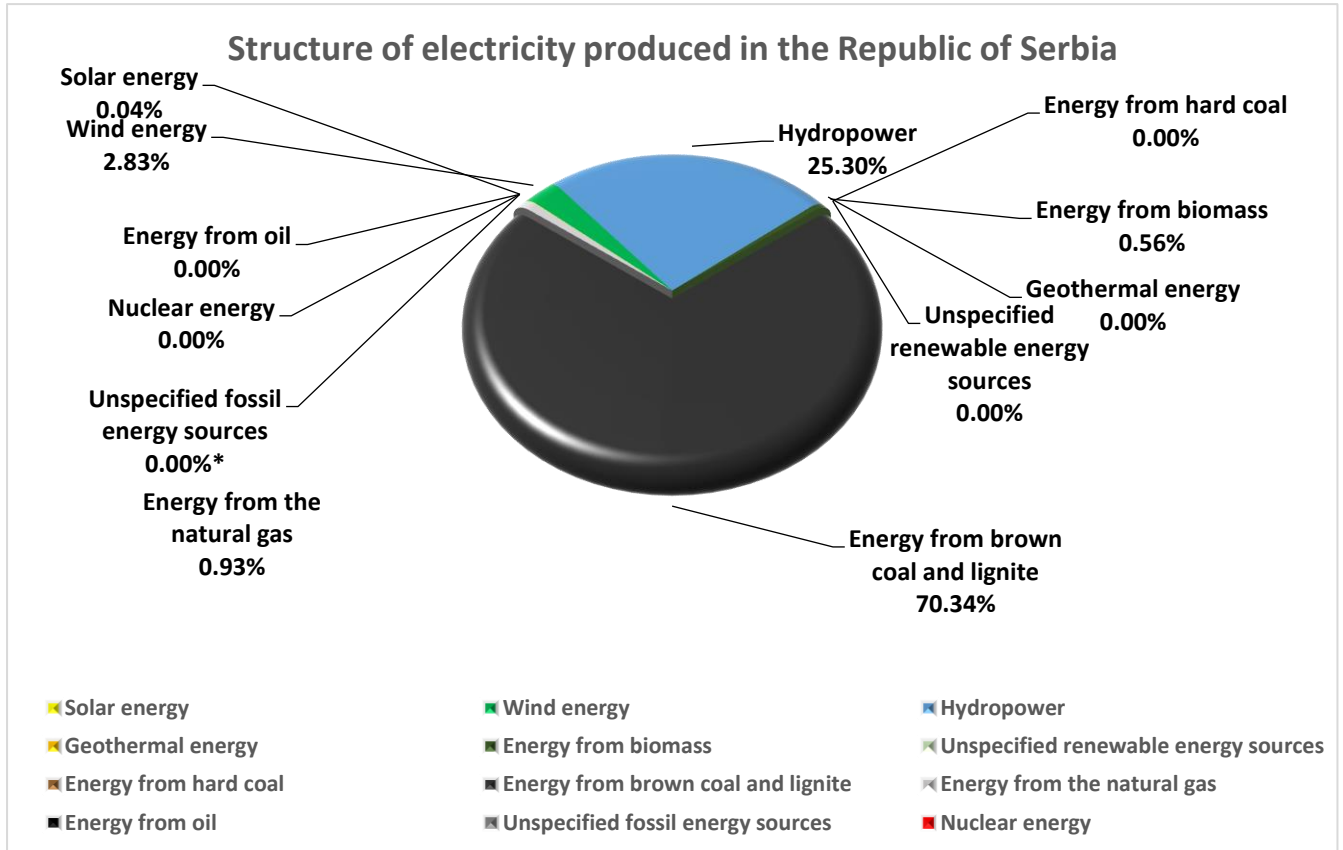


Chart 2 – Structure of electricity produced in the Republic of Serbia

The following table shows the production of electricity in 2020 in MWh per type.

Type of electricity source	MWh
Solar energy	13,262.075
Wind energy	963,243.750
Hydropower	8,609,798.228
Geothermal energy	-
Energy from biomass	189,905.240
Unspecified renewable energy sources	-
Energy from hard coal	-
Energy from brown coal and lignite	23,935,029.000
Energy from the natural gas	317,078.784
Energy from oil	-
Unspecified fossil energy sources	625.233
Nuclear energy	-
Total:	34,028,942.310

Table 1 – Structure of electricity produced in the Republic of Serbia

3.2. Exchange of electricity with third areas

On 27.09.2019. EMS AD Belgrade gained full membership in the European Association of Guarantees of Origin (AIB), making Serbia the first member state of the Energy Community to become part of the Association of Guarantees of Origin. From the day of joining the AIB (September 27, 2019), in accordance with the Ordinance, the third areas are considered only countries, i.e. regulatory areas whose attribute structure is not included in the calculation of the European attribute mix. The European Attribute Mix (EAM) includes 32 European countries, among which are Serbia, Hungary, Romania, Bulgaria and Croatia.

Based on the data of transmission and distribution system operators, the total exchange of electricity of the Republic of Serbia with third areas in 2020 was:

The area with which Serbia has the import/export of energy	Energy direction (from the position of Serbia)	Quantity (MWh)
North Macedonia	Import	28,808.000
	Export	1,217,287.486
Montenegro	Import	521,362.000
	Export	420,263.000
Bosnia and Herzegovina	Import	1,380,640.977
	Export	532,122.125
Autonomous Province of Kosovo and Metohija ¹	Import	221,072.717
	Export	1,370,460.952

Table 2 – Exchange of electricity

After 27.09.2019. countries whose attribute structure is included in the calculation of the European attribute mix (Hungary, Romania, Bulgaria and Croatia) are not considered third areas.

The following figure shows the exchange of electricity of the Republic of Serbia with third areas in 2020 - the direction of taking over electricity:

¹ transferred electricity over the administrative line with the Autonomous Province of Kosovo and Metohija

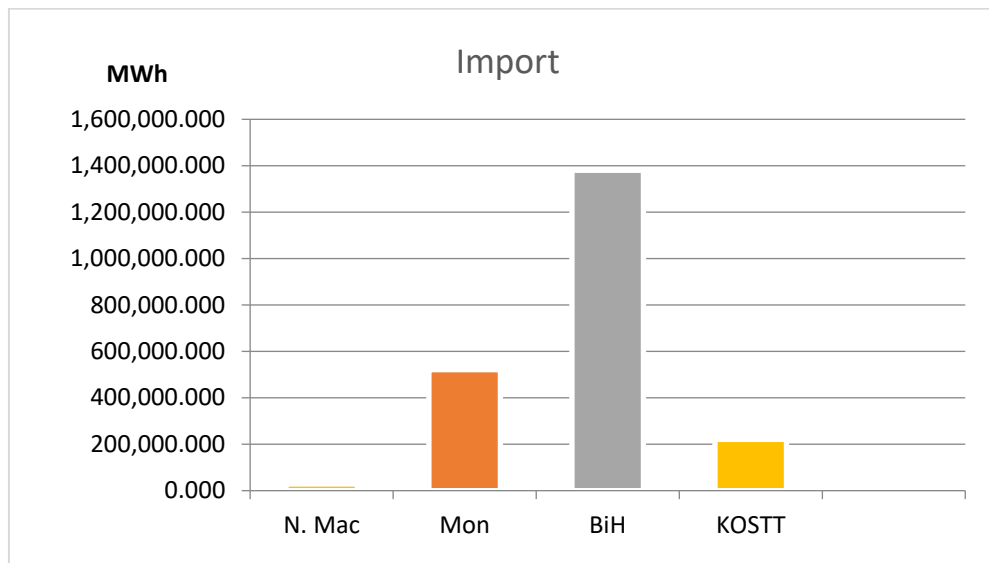


Chart 3 – Electricity exchange of the Republic of Serbia with third areas - import

The following chart represents the exchange of electricity of the Republic of Serbia with third areas - export:

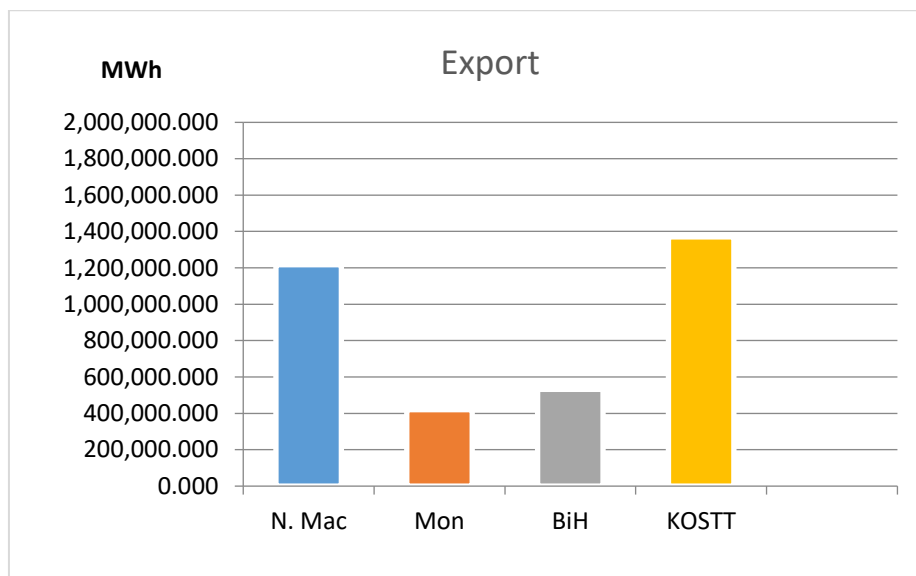


Chart 4 – Electricity exchange of the Republic of Serbia with third areas - export

Electricity imported from third areas is imported in the shares of the electricity generation structure in this field. The following table shows the production structure of these areas.

Structure of electricity production in %				
Type of electricity source	ME	BiH	MK	KOSTT
Solar energy	-	-	-	-
Wind energy	9.83	1.01	2.61	-
Hydropower	42.37	28.24	20.28	-
Geothermal energy	-	-	-	-
Energy from biomass	-	-	-	-
Unspecified renewable energy sources	-	-	-	-
Energy from hard coal	-	57.29	-	-
Energy from brown coal and lignite	47.80	13.46	77.11	-
Energy from the natural gas	-	-	-	-
Energy from oil	-	-	-	-
Unspecified fossil energy sources	-	-	-	100.00
Nuclear energy	-	-	-	-

Table 3 – Structure of electricity generation from third areas

3.3. Structure of produced electricity in the incentive system

The structure of electricity produced in the incentive system is determined for the total electricity generated by the privileged electricity producers in the previous calendar year.

The Guaranteed Supplier determines and publishes on its website a report on the quantities and structure of electricity produced in the incentive system by the end of February of the current year, for the previous year.

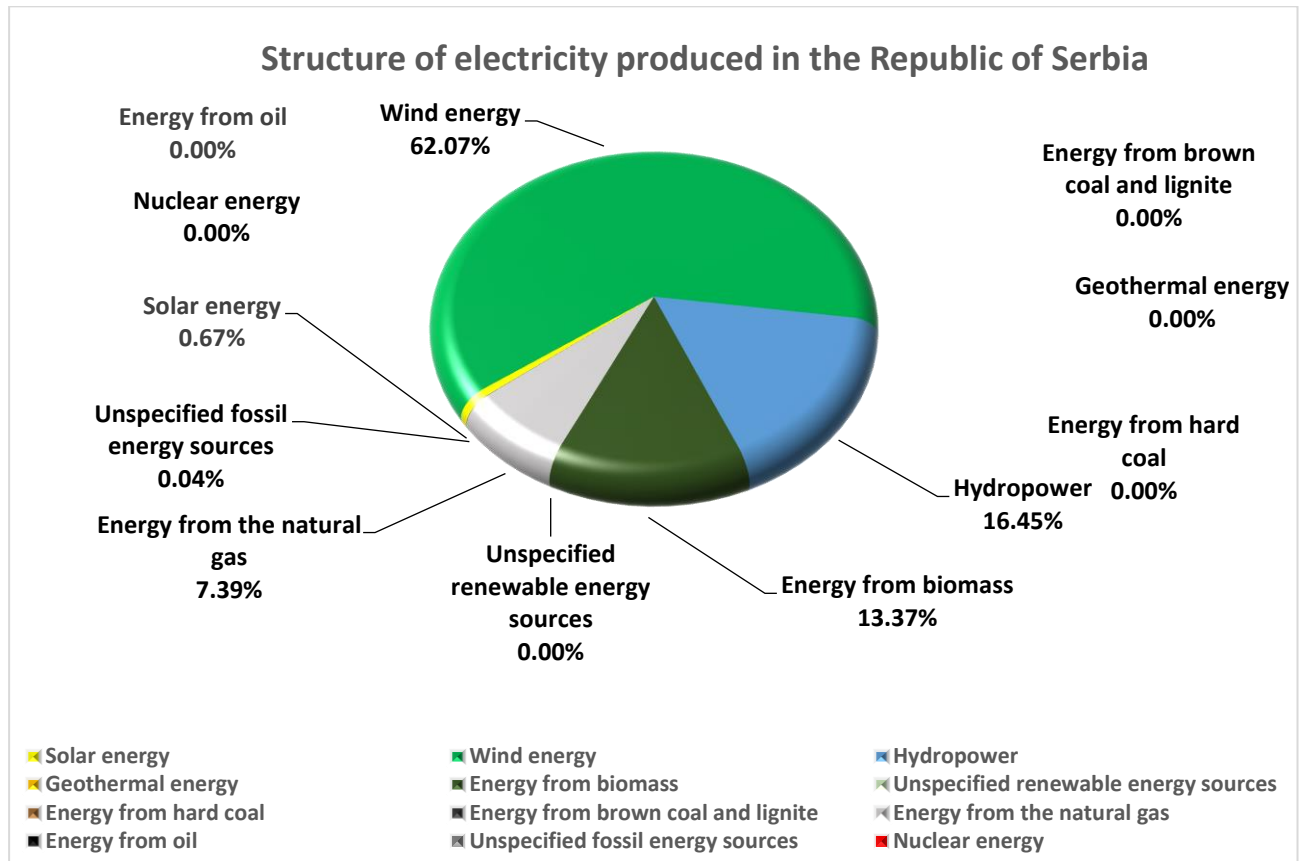


Chart 5 – Structure of generated electricity in the incentive system

Incentive system		
Type of electricity source	MWh	%
Solar energy	9,043.33	0.67
Wind energy	835,168.34	62.07
Hydropower	221,282.82	16.45
Geothermal energy	-	-
Energy from biomass	179,897.16	13.37
Unspecified renewable energy sources	-	-
Energy from hard coal	-	-
Energy from brown coal and lignite	-	-
Energy from the natural gas	99,480.81	7.39
Energy from oil	-	-
Unspecified fossil energy sources	581.66	0.04
Nuclear energy	-	-
Total:	1,345,454.12	100.00

Table 4 – Structure of electricity production in the incentive system

3.4. Consumption of electricity of unknown origin in the Republic of Serbia

The amount of consumed electricity of unknown origin is determined based on the amount of total electricity sold to end consumers in the Republic of Serbia and electricity for covering losses in the transmission and distribution system, cancelled guarantees of origin for consumption in the 2020 calendar year and total produced electricity in the incentive system in Serbia.

Consumption of electricity	MWh
Total consumption in the Republic of Serbia	33,423,724.590
Cancelled guarantees of origin for consumption in the 2020 calendar year	337,779.000
Total production in the incentive system in the Republic of Serbia	1,345,454.120
Total consumption of electricity of unknown origin	31,740,491.470

Table 5 – Consumption of electricity of unknown origin in the Republic of Serbia

3.5. Exchange of electricity attributes with the European attribute mix

The Transmission system operator shall calculate the National Residual Mix in accordance with the Disclosure Regulation and the Methodology for the Calculation and Disclosure of the Share of all types of energy sources in the electricity sold to the end consumers, based on:

- 1) data on the producer's produced electricity for each production unit that is connected to the transmission, distribution or closed distribution network,
- 2) data on total electricity sold to all end consumers in the transmission, distribution or closed distribution network,
- 3) data on electricity losses in the transmission, distribution or closed distribution network,
- 4) data on the realized electricity exchange by individual borders,
- 5) data on the exchange of attributes with the European mix of attributes (EAM) in accordance with the Ordinance,
- 6) data on cancelled and expired guarantees of origin.

The National Residual Mix without correction with the European attribute mix is shown in the following graph:

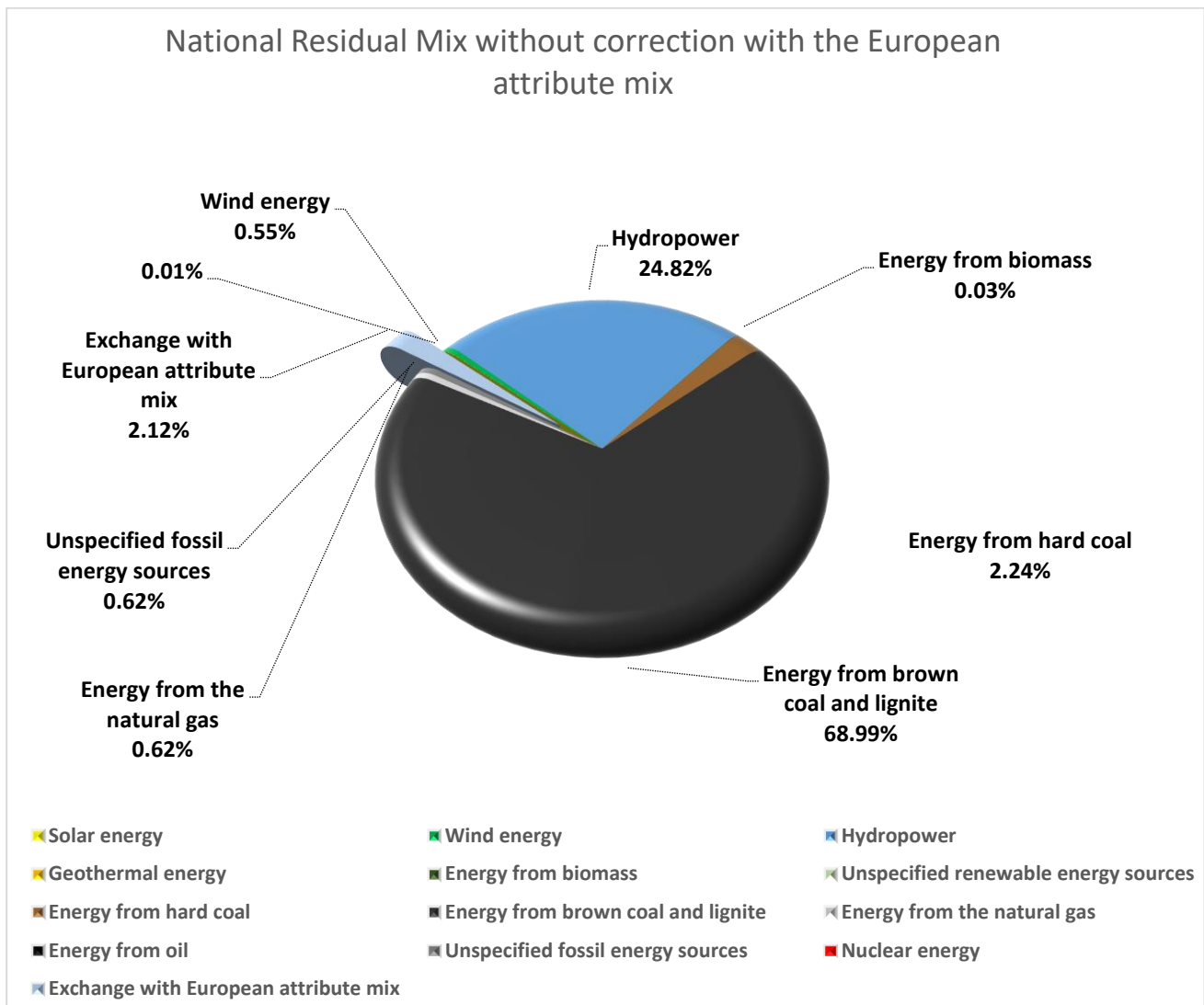


Chart 6 - National Residual Mix without correction with the European attribute mix for 2020

National Residual Mix of Serbia without correction with the European mix of attributes		
Type of electricity source	[NRMbE] (MWh)	%
Solar energy	3,397.59	0.01
Wind energy	174,922.20	0.55
Hydropower	7,879,058.69	24.82
Geothermal energy	-	-
Energy from biomass	9,049.85	0.03
Unspecified renewable energy sources	-	-
Energy from hard coal	710,088.90	2.24
Energy from brown coal and lignite	21,897,085.49	68.99
Energy from the natural gas	195,339.09	0.62
Energy from oil	-	-
Unspecified fossil energy sources	198,497.51	0.62
Nuclear energy	-	-
Total:	31,067,439.32	97.88

Table 6 - National residual mix of Serbia without correction with the European mix of attributes

In accordance with the Ordinance, the National Residual Mix respects the structured exchange energy with the European Attribute Mix (EAM), which can either be delivered to the European Attribute Mix or taken over to the National Residual Mix.

Attribute exchange with European attribute mix	MWh	%
Electricity consumption of unknown origin (1)	31,740,491.47	100.00
National residual mix of Serbia without correction with European mix of attributes (2)	31,067,439.32	97.88
EM - Energy exchange with European attribute mix (1) - (2)	673,052.15	2.12

Table 7 - Exchange of electricity attributes with the European attribute mix

The exchange with the European attribute mix that we are harmonizing is:

$$EM = 673,052.15 \text{ MWh (EM > 0),}$$

i.e. the national residual mix takes attributes from the European attribute mix.

AIB publishes the calculation of the European residual mix and the structure of the European attribute mix (EAM) for 2020 on its official website. More information on the budget methodology itself as well as data from previous years can be found at the following link: <https://www.aib-net.org/facts/european-residual-mix>.

Type of electricity source	EAM (%)
Solar energy	2.70
Wind energy	3.54
Hydropower	1.10
Geothermal energy	0.00
Energy from biomass	1.00
Unspecified renewable energy sources	0.00
Energy from hard coal	20.49
Energy from brown coal and lignite	1.47
Energy from the natural gas	33.92
Energy from oil	1.05
Unspecified fossil energy sources	3.60
Nuclear energy	31.13
Total:	100.00

Table 8 - European Attribute Mix for 2020 * source AIB (<https://www.aib-net.org/facts/european-residual-mix>)

The structured exchange energy with the European mix of attributes [EM] (import) is calculated in accordance with the Ordinance and is given in the following table:

Type of electricity source	[EM] = EM * EAM (MWh)
Solar energy	18,172.41
Wind energy	23,826.05
Hydropower	7,403.57
Geothermal energy	-
Energy from biomass	6,730.52
Unspecified renewable energy sources	-
Energy from hard coal	137,908.39
Energy from brown coal and lignite	9,893.87
Energy from the natural gas	228,299.29
Energy from oil	7,067.05
Unspecified fossil energy sources	24,229.88
Nuclear energy	209,521.13
Total:	673,052.15

Table 9 - Structured energy exchange with the European mix of attributes

3.6. National Residual Mix

The national residual mix of Serbia is calculated, in accordance with the Ordinance, based on the structured energy of the national residual mix of Serbia without correction with the European attribute mix [NRMbE] (Table 6) taking into account the structured energy exchange with the European attribute mix [EM] (Table 9) according to the following formula:

$$[NRM] = [NRMbE] + [EM]$$

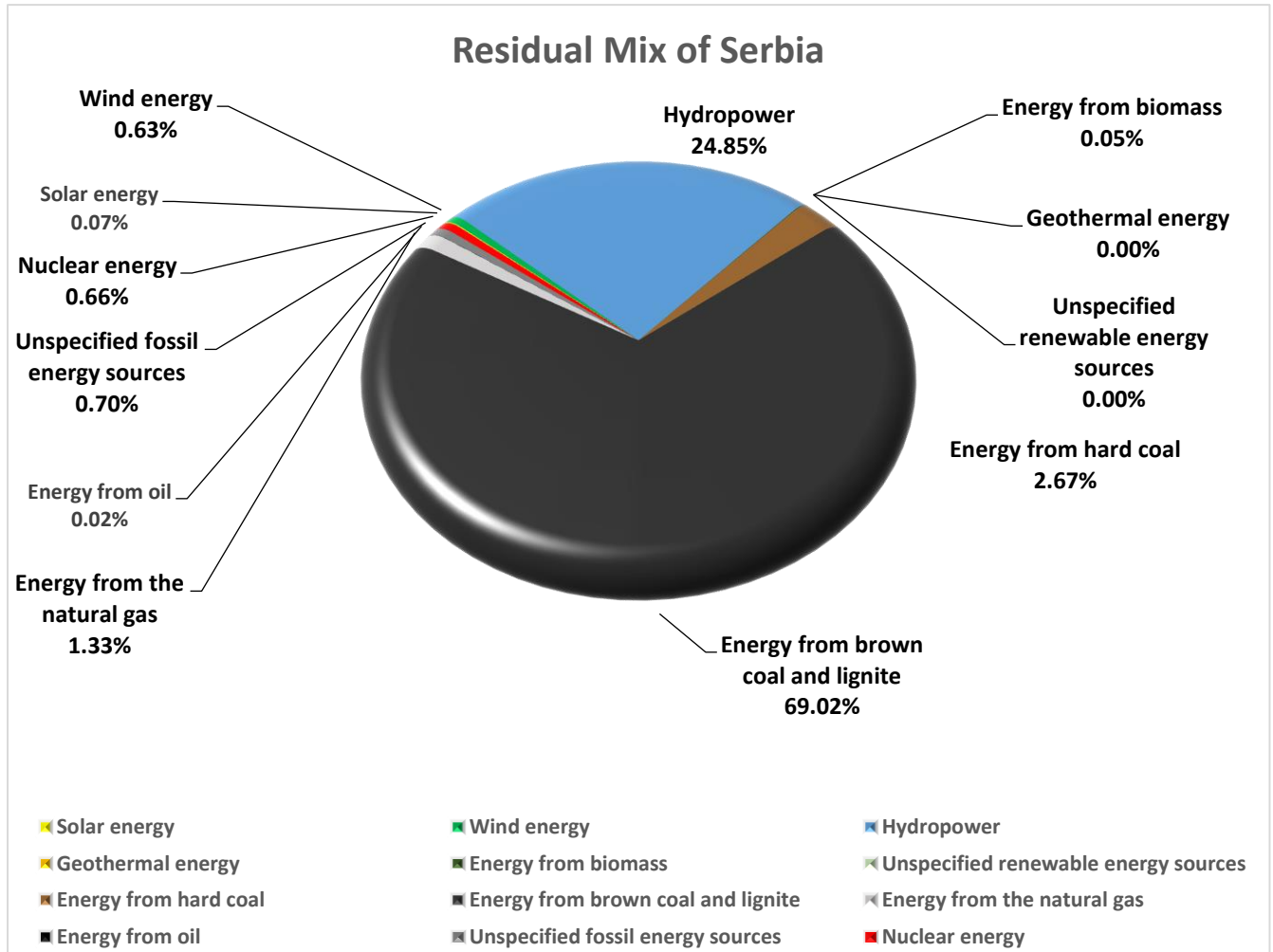


Chart 7 - National residual electricity mix after correction with the European attribute mix for 2020

National Residual Mix for the Republic of Serbia		
Type of electricity source	[NRM] (MWh)	%
Solar energy	21,570.00	0.07
Wind energy	198,748.24	0.63
Hydropower	7,886,462.27	24.85
Geothermal energy	-	-
Energy from biomass	15,780.37	0.05
Unspecified renewable energy sources	-	-
Energy from hard coal	847,997.29	2.67
Energy from brown coal and lignite	21,906,979.36	69.02
Energy from the natural gas	423,638.38	1.33
Energy from oil	7,067.05	0.02
Unspecified fossil energy sources	222,727.38	0.70
Nuclear energy	209,521.13	0.66
Total:	31,740,491.470	100.00

Table 10 - National residual mix of Serbia after correction with European attribute mix

4 Conclusion

All the data used for the purpose of calculating and compiling this report are collected from the following sources:

- Distribution system operator
- Transmission system operator
- ENTSO-E Transparency platform
- Report and the data from the Guaranteed Supplier
- Relevant institutions at European Union level
- Association of issuing bodies (AIB)

In accordance with Article 87, paragraph 3 of the Law on Energy, suppliers are obliged to calculate and present to end customers data on the share of each source of electricity in total electricity sold, using data on used guarantees of origin, data on electricity from incentive systems and data on the national residual mix from Table 10.

Suppliers are obliged to present the shares of all types of energy sources in electricity sold to their end consumers in 2020, in the form of reports, in accordance with the Disclosure Regulation, from 1st of July till 31st of July 2021.