

AD-HOC TECHNICAL ASSISTANCE PROJECT

AHEF No. UA 34 – Component A

Project Title

Treatment of technical losses in the Ukrainian High Voltage system with reference to the EU practice

Country (s) Ukraine

Timescale for implementation September 2010 – March 2011

Beneficiary(s)

NPC Ukrenergo

Main and specific objectives

The overall objective of the assignment was to assist the National Power Company (NPC) Ukrenergo in preparing proposals to the National Electricity Regulatory Commission of Ukraine (NERC) with respect to methodologies for the estimation and charging to technical losses in the Ukrainian electricity market. The specific objectives of the project are:

- Understand how the technical losses are treated under the proposed new market model and what would be the requirements imposed on the Transmission Systems Operator (TSO) with regards to methodologies and relevant actions for their calculation and settlement.
- To review of the EU practices with respect to the treatment of technical losses at the HV network taking into account the similarities of the electricity market of Ukraine with those of the EU member states
- To propose, on the basis of the above review, appropriate principles and guidelines for the calculation of losses, their pricing and allocation to the users- side. These may be used as the basis for the development of secondary legislation to be submitted to NERC for consultation.

Results achieved

The project showed that there are certain issues to be resolved in Ukraine that affect the treatment of losses and do not explicitly correspond to the procedure and methodology. These include the clarification of the transmission asset base, the availability of industry-accepted simulation models and the creation of a reliable losses baseline against which future losses' values may be compared.

Useful information/ relevant documents

The report and background documents are available from the SEMISE project office via contact to Mr. A. Antonenko.

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