

NOTIFICATION

The following notification is being circulated in accordance with Article 10.6.

1.	Member to Agreement notifying: <u>NETHERLANDS</u> If applicable, name of local government involved (Articles 3.2 and 7.2):
2.	Agency responsible: Ministry of Economic Affairs Agency or authority designated to handle comments regarding the notification can be indicated if different from above: National Enquiry Point
3.	Notified under Article 2.9.2 [X], 2.10.1 [], 5.6.2 [], 5.7.1 [], other:
4.	Products covered (HS or CCCN where applicable, otherwise national tariff heading. ICS numbers may be provided in addition, where applicable): The technical regulations relate to electricity.
5.	Title and number of pages of the notified document: Bill Governing Rules with Regard to the Production, Distribution and Supply of Electricity (Electricity Law ...) (Available in English).
6.	<p>Description of content: The first aim of the bill is to regulate the operation of electricity networks. A network operator has to be designated (Articles 10-15), both for the high voltage grid and for the other networks. A supervisory body shall establish the tariff structure, the tariffs and technical conditions which network operators have to apply when they connect customers to the grid and transport electricity (Articles 24-26). If a certain quantity of electricity will be imported, the Minister for Economic Affairs must be informed. He can issue a decree in order to limit the import of electricity if this is necessary to avoid a disequilibrium in the opening of electricity markets (Articles 28-31). The rules regarding network operation serve to implement Directive No. 96/92/EC relating to community rules for the internal electricity market.</p> <p>The second aim of the bill is to regulate the supply of electricity to those customers who are not appointed as eligible customers (viz. Article 19 of Directive 96/92/Ec). Distribution companies are only permitted to supply to such consumers if they hold a licence for this purpose (Articles 36-37). If such consumers produce electricity themselves, the licence holders have to buy the excess amount of electricity, which they do not consume themselves, from them (Article 49). Tariffs for supply and resale of electricity are set by the Ministry for Economic Affairs. The third aim of the bill is to create measures for the promotion of production and consumption of electricity from renewable sources. Technical and financial measures are thereby set down for the purpose of promoting electricity production using renewable sources by introducing certificates for "green power" which consumers of electricity will be obliged to obtain (Articles 51-55).</p>

7.	Objective and rationale: The bill implements Directive 96/92/EC and leads to a liberalization of the production and supply of electricity. Regulation the remaining monopoly of network operators with regard to electricity transports is necessary in order to prevent any restrictions in competition. Liberalisation will occur gradually; as long as certain groups of consumers do not have free access to the electricity market, they are protected as electricity must be supplied to them against regulated tariffs. In order to reduce the need for the utilisation of fossil fuels as an energy source, to guard against harmful emissions and to conserve energy, the production of electricity using renewable sources is promoted whereby, <i>inter alia</i> , it will be stipulated that a proportion of the electricity consumed must have been produced with renewable energy sources.
8.	Relevant documents: Electricity Act 1989: Directive 96/92/EC
9.	Proposed date of adoption: 1 March 1998 Proposed date of entry into force: 1 April 1998
10.	Final date for comments: 13 October 1997
11.	Texts available from: National enquiry point [X] or address and telefax number of other body: