

VÝROČNÁ SPRÁVA
ANNUAL REPORT

2019



ÚRAD PRE REGULÁCIU SIEŤOVÝCH ODVETVÍ
REGULATORY OFFICE FOR NETWORK INDUSTRIES

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CHAIRMAN'S MESSAGE

2019 meant for URSO, in particular, a demanding process of dealing with what the world energy exchanges had prepared for the energy sector. Energy commodity prices climbed to dizzying heights, and we had to face a difficult task at the Office - to withstand public pressure, whether from the media, politicians or regulated entities, and to set energy prices independently for 2020 that were fair and reasonable for all market participants in the Slovak Republic. Experience shows that the Office fulfilled this role and defended its professional mandate provided by the current regulatory framework. 2019 also showed that, against a backdrop of combating the effects of climate change, the importance of sound regulatory frameworks in energy is becoming more apparent than ever before. Responsible regulation and decisions of the Office are essential if the economy of the Slovak Republic is to function efficiently and at the same

time meet significant social and environmental goals. Also in 2019, the Office placed emphasis on ensuring transparent, non-discriminatory and effective competition in network industries. We created conditions for the promotion and increase of competition, and ensured security of energy supply and a reasonable return on investment in infrastructure. At the same time, we emphasized consumer empowerment, as well as made efforts to improve the position of the business sector, optimize the quality of supply and services, meet environmental objectives, and develop international cooperation. Therefore, from the point of view of the national regulator, I regard the year 2019 as successful.

Prof. Ing. Ľubomír Jahnátek, CSc.
Chairman

REGULATORY BOARD IN 2019

Ing. Radoslav Naništa
chairman (to 20/06/2019)

Ing. Ján Ďuriš
member
chairman (since 30/07/2019)

Ing. Milan Krajčovič
vice-chairman

JUDr. Ing. Ján Híjj, PhD.
member (to 24/12/2019)

Ing. Ján Horkovič
member (to 03/09/2019)

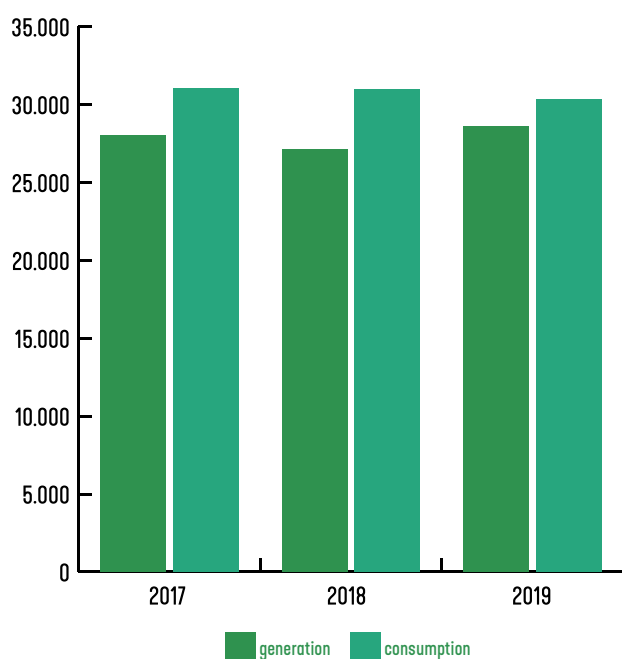
Ing. Juraj Doležal
member (since 13/05/2019)



1. ELECTRICITY

2019 was the third year of the 2017-2021 regulatory period. It was defined by increased commodity prices on world power exchanges, impacting also end-user electricity prices for all Slovakia's consumers in 2019. On the other hand, this downside had a slightly positive effect, as the rise of commodity prices was reflected in decreased costs of promotion of renewable electricity sources (RES) and high-efficiency combined heat and power (CHP) generation.

Electricity generation and consumption in Slovakia (GWh)



TEN-YEAR NETWORK DEVELOPMENT PLAN

The responsibility for technical functionality of the transmission system lies with the transmission system operator (TSO) which regularly submits network development plans to the Regulatory Office for Network Industries (hereinafter "URSO" or "the Office") and the Ministry of Economy of the Slovak Republic. The most significant document in this respect is the Ten-Year Network Development Plan (TYNDP) which the TSO submits to the Office for approval. TYNDP includes assessment of implementation of the previously approved plan and key intentions for the network development in order to ensure the primary objectives of the single electricity market development are fulfilled and grid stability and security are maintained.

Results of the consultation process are published on URSO's website. Slovenská elektrizačná prenosová sústava, a. s. (SEPS), the Slovak TSO, updated the TYNDP for the 2020 - 2029 period. The communication on the consultation outcomes, including requirements of the existing and potential network users for investments in the transmission system under the 2020 - 2029 TYNDP, was published by the Office on 23 October 2019.

ANCILLARY AND SYSTEM SERVICES

Ancillary services are services the transmission system operator procures in the open market and, with their assistance, provides network users with system services necessary to maintain the quality of power supply and secure operational reliability of Slovakia's power grid. The result of their activation is that balancing energy can be supplied.

Upon the TSO's request for the volumes of specific types of ancillary services, total planned costs of procuring all types of ancillary services from certified ancillary service providers were set by the Office for the TSO. The Office also set maximum tariffs for providing primary and secondary active power control and tertiary active power controls in EUR per unit of balancing capacity, and maximum annual costs of providing remote voltage control, reactive power and black start in EUR. Maximum tariff of offered positive balancing energy and minimum tariff of offered negative balancing energy at the activation of the respective ancillary service type were also set by the Office.

The price for procured balancing energy in EUR per unit of electricity volume was set in a transparent manner on the basis of bid prices of used installations of ancillary service providers as:

- the highest price of the generation source providing balancing energy on a quarter-hourly basis, if the balancing energy is positive, but not more than the maximum tariff set in URSO price decision in EUR per unit of electricity volume,
- the lowest price of the generation source providing balancing electricity on a quarter-hourly basis, if the balancing electricity is negative, but not less than the minimum price set in URSO price decision in EUR per unit of electricity volume.

The TSO procured various types of ancillary services required to secure system services from ancillary services providers. The goal was to achieve minimum costs of securing ancillary services while organising the purchase in an open, transparent and non-discriminatory manner towards all providers. The transmission system operator made preferable use of bids from installations within a defined area while following the principle of minimization of procurement costs. Technical qualifications of ancillary service providers were demonstrated by certified measurements as specified in the technical requirements.

Ancillary services provision

Indicator/year	2017	2018	2019
No. of ancillary service providers	25	25	24
No. of bids submitted by ancillary services providers	3 637	2 809	2 429
No. of contracts on ancillary services provision	32	29	52

Balancing energy supply (MWh)

Type of balancing energy/year	2018	2019	change 2019/2018 (%)
Primary power control +	6 553	6 284	-4.10
Primary power control -	-6 567	-6 245	-4.90
Secondary power control +	112 853	67 522	-40.17
Secondary power control -	-95 954	-133 695	39.33
Tertiary power control 3 min. +	2 097	1 552	-26.00
Tertiary power control 3 min. -	-745	-1 074	44.21
Tertiary power control 10 min. +	334	539	61.28
Tertiary power control 10 min. -	-120	-265	120.87
Tertiary power control 15 min. +	702	543	-22.58
Tertiary power control 15 min. -	-699	-875	25.15
Demand reduction	285	511	78.99
Demand increase	-6 795	0	-
Emergency energy import	0	0	-
Non-guaranteed balancing energy +	0	0	-
Non-guaranteed balancing energy -	0	0	-
e-GCC+	40 209	31 170	-22.48
e-GCC-	-38 969	-59 383	52.39
Positive balancing energy	163 032	108 121	-33.68
Negative balancing energy	-143 060	-201 537	40.88

ELECTRICITY TRANSMISSION AND DISTRIBUTION

In 2019, price cap method was applied in the electricity sector in compliance with the approved 2017 – 2021 regulatory policy. This incentive-based price regulation method gave system operators, provided they behave efficiently and optimize their costs, an opportunity to retain reasonable profits.

In 2019, the following network tariffs were set by URSO for the TSO that the operator could apply towards customers connected directly to the transmission system:

- tariff for reserved capacity (€/MW/year),
- tariff for transmitted electricity (€/MWh),
- tariff for transmission losses (€/MWh),
- tariff for system services (€/MWh).

In electricity distribution, for customers directly connected to the distribution system at high and extremely high voltage levels, the following network tariffs set by URSO were applied:

- tariff for electricity distribution without losses including transmission – component for reserved capacity (€/MW/month),
- tariff for electricity distribution without losses including transmission – component for distributed electricity (€/MWh),
- tariff for distribution losses (€/MWh),
- tariff for system services (€/MWh).

For electricity customers or generators connected directly to the distribution system at low voltage levels, the following network tariffs set by the Office were applied:

- tariff for electricity distribution without losses including transmission – component for reserved capacity (€/A/month),
- tariff for electricity distribution without losses including transmission – component for distributed electricity (€/MWh),
- tariff for distribution losses (€/MWh),
- tariff for system services (€/MWh).

Prices were regulated also for local distribution system operators by setting method of calculation of the maximum tariff of electricity supply and the tariff for access to the local distribution system and electricity distribution.

In 2019, under price regulation of the concerned activities URSO issued:

- 301 price decisions on access to the transmission system and electricity transmission, access to the distribution system and electricity distribution, grid connection, electricity supply to households and small enterprises and the last resort electricity supply,
- 82 decisions on electricity price setting the support payment paid to CHP producers,
- 63 decisions on electricity price setting the support payment paid to RES producers.

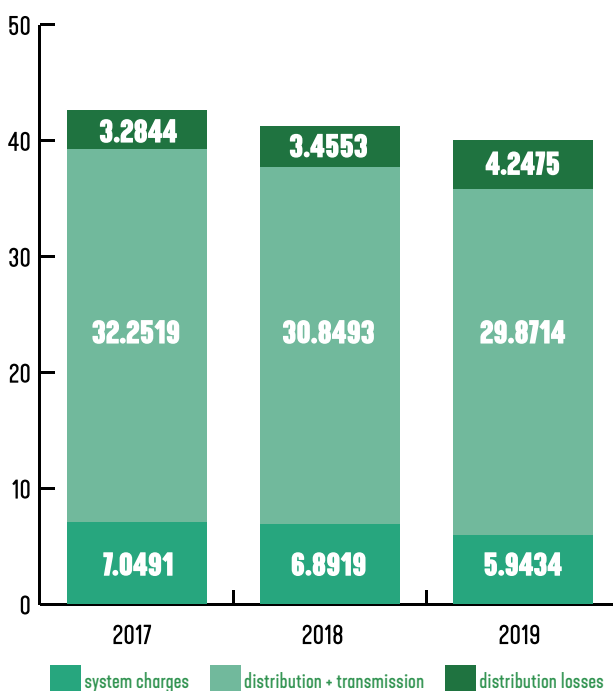
Transmitted electricity (GWh)

Year	2017	2018	2019
Transmitted electricity volume	31 975	28 619	31 395

Distributed electricity (GWh)

Year	2017	2018	2019
Distributed electricity volume	19 755	19 973	19 783

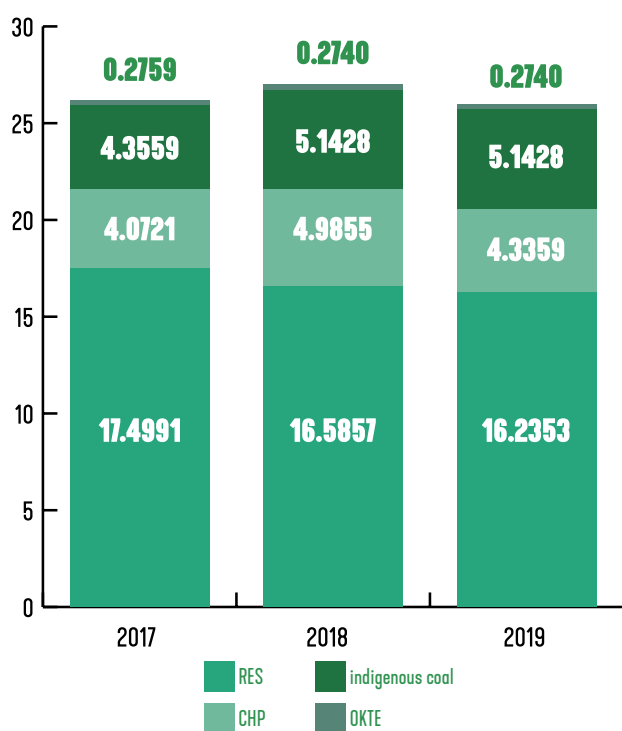
Overview of regulated charges in €/MWh



SYSTEM OPERATION TARIFF

System operation tariff is a fixed price for electricity volume which includes costs of electricity generation from indigenous coal, renewable energy sources, high-efficiency co-generation and activities of the short-term electricity market operator (OKTE). The tariff was applied to end consumption. The Office set fixed prices of electricity generated from renewable energy sources and high-efficiency co-generation, depending on the electricity generation's technological process, generation facility commissioning date, installed capacity and financing method.

Overview of system operation tariff components (€/MWh)



GUARANTEES OF ORIGIN OF ELECTRICITY

Guarantees of origin (GOs) of electricity were issued by URSO based on a request of producers from renewable energy sources. Guarantees of origin of electricity represent a certificate confirming that the electricity was generated from renewable energy sources.

Issued guarantees of origin

Year	No. of GOs	Electricity volume generated (MWh)	No. of producers
2012	455	3 882 413	194
2013	908	2 147 542	326
2014	802	2 235 047	371
2015	1924	4 108 046	714
2016	5570	5 358 174	801
2017	4484	4 727 379	712
2018	6406	6 352 903	724
2019	6546	5 608 585	776

Transferred guarantees of origin

Year	No. of GOs	Electricity volume transferred (MWh)	No. of producers
2012	0	0	0
2013	0	0	0
2014	25	190 401	1
2015	84	690 441	1
2016	27	604 242	1
2017	34	1 187 525	2
2018	182	2 175 554	2
2019	119	3 202 977	2

Imports of guarantees of origin

Year	No. of GOs	Volume of GO imports (1 GO = MWh)	No. of requesters
2012	0	0	0
2013	0	0	0
2014	2	100	1
2015	160	1 390 884	6
2016	453	3 099 336	8
2017	514	3 412 199	7
2018	470	2 945 050	8
2019	291	2 342 697	9

Transfer of guarantees of origin imports

Year	No. of transfers	Volume of GO imports (1 GO = MWh)	No. of requesters
2012	0	0	0
2013	0	0	0
2014	0	0	0
2015	45	110 576	2
2016	146	302 194	5
2017	111	229 855	4
2018	67	150 292	5
2019	110	1 012 211	4

Amendment to Act no. 309/2009 Coll. on the Promotion of Renewable Energy Sources and High-Efficiency Cogeneration as amended (hereinafter as Act 309/2009) brought the shifting of the competence to issue and register guarantees of origin of electricity from URSO to OKTE (the short-term electricity market operator) from 1 January 2020. Therefore, OKTE, in the last quarter of 2018, started accession negotiations with the Association of Issuing Bodies (AIB), in which the company successfully obtained observer status and on 27 September 2019 also became a member.

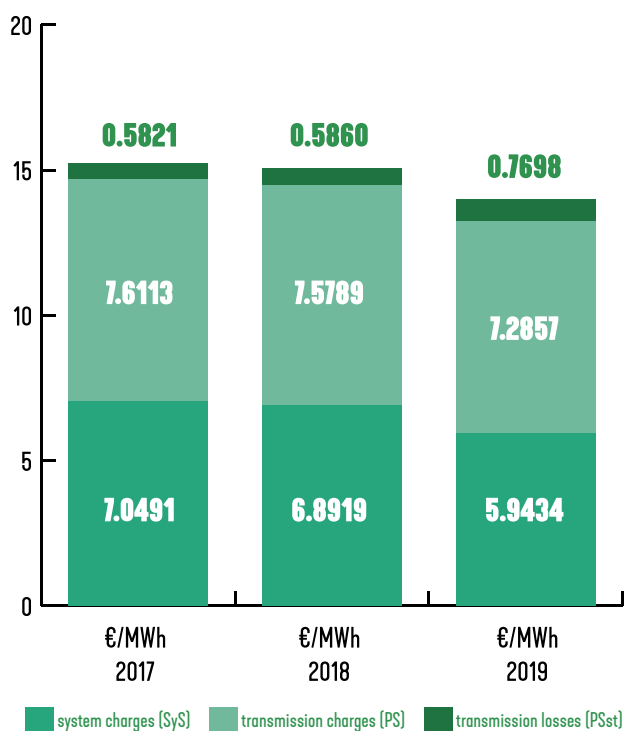
SLOVENSKÁ ELEKTRIZAČNÁ PRENOSOVÁ SÚSTAVA (SEPS)

URSO is the responsible authority to approve SEPS', the Slovak TSO's grid code, governing the operator's capacity allocation and congestion management procedures on cross-border interconnectors. Throughout 2019, the capacity of cross-border interconnectors of Slovakia's transmission grid provided sufficient stability and security of the system not only in the Slovak Republic, but also in the context of the European Union (EU).

Available resources and investments made by SEPS

Year	2018	2019
Available resources (€)	109 906 527	119 096 692
Investments (€)	51 355 867	54 367 053
Investments share (%)	46.73 %	45.65 %

Regulated fees charged by SEPS



MARKET COUPLING

The market coupling (4M MC) project (coupling of Czech, Slovak, Hungarian and Romanian day-ahead markets) is one of the ways employed to contribute to the creation of the pan-European electricity market. In the 4M MC project, systems are already in place which were designed for the target model of the single European day-ahead electricity market. This model of European price coupling simultaneously determines volumes and prices in each bidding zone based on the marginal pricing principle pursuant to the Commission Regulation (EU) on capacity allocation and congestion management (CACM).

In 2019, operation, evaluation, clearing and settlement was performed by OKTE in the short-term day-ahead market. OKTE reported a decrease in the volume of electricity traded in the 4M MC day-ahead market in 2019 as compared to the previous year. Total volume traded in the 4M MC day-ahead market reached 11.08 TWh, down 2.677 TWh against 2018.

GCC

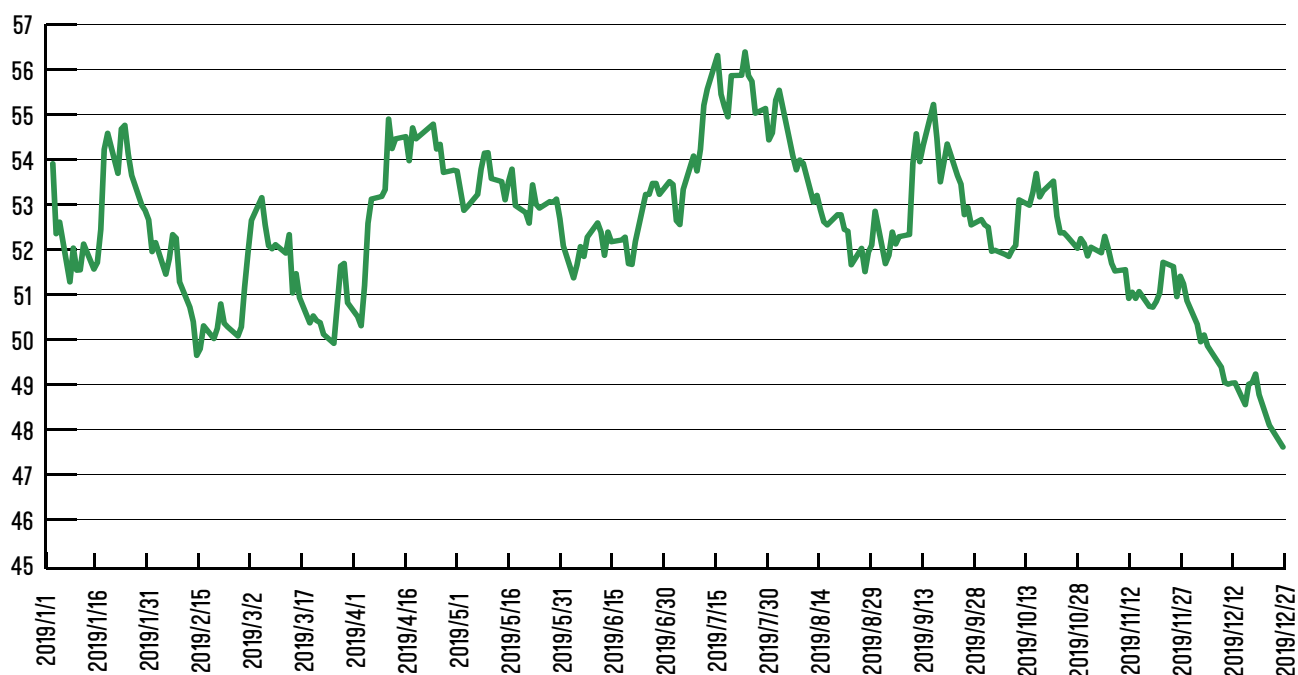
Balancing energy procured by the TSO under contracts concluded with ancillary service providers or balancing energy suppliers in the GCC system was, in the framework of imbalance evaluation, clearing and settlement, billed as secondary control balancing energy at a specific price set by the Office. The allocation of revenue from the implementation of the GCC was specified by the Office in a price proceeding. Part of the revenue was left to SEPS and another part was used to reduce the system services tariff. The actual result of balancing energy purchases in the GCC system in 2019 became a revenue of the TSO in the amount of € 5 292 111.60.

WHOLESALE MARKET

In the wholesale electricity market, URSO powers lay only in the creation of the legislative framework and monitoring compliance.

Evolution of the commodity price

PXE Prague,
Product: F PXE SK BL CAL-t
Period: 01/2019 to 12/2019; average price: 51.93 €/MWh



MAJOR ELECTRICITY MARKET PARTICIPANTS IN SLOVAKIA WERE:

- Slovenské elektrárne (SE) – the most significant producer providing 65.94% of Slovakia's power generation from its own sources. The company's generation of 18 865 GWh covered 62.24 % of the country's electricity demand. The installed capacity of power generation facilities owned by Slovenské elektrárne (SE) was 4 081 MW.
- supported producers of electricity from renewable energy sources and high-efficiency cogeneration (CHP). For 2019, the volume of electricity produced from RES and CHP eligible for the support payment was 2 619 GWh and 2 458 GWh, respectively
- SEPS - the sole license holder for electricity transmission and the national transmission system operator, fulfilling also the energy dispatching control tasks (securing energy balance in Slovakia's territory),
- OKTE – the short-term electricity market operator as the entity operating and evaluating the short-term electricity market on Slovakia's territory including imbalance clearing, evaluation and settlement,
- Západoslovenská distribučná, Stredoslovenská distribučná and Východoslovenská distribučná – sole operators of regional distribution systems in the defined areas of Slovakia, each exceeding 100 000 supply points connected.

Apart from the three major DSOs, there were another 142 electricity distribution licence holders running local distribution systems in manufacturing and non-manufacturing compounds with fewer than 100 000 supply points connected,

- additional 386 entities licenced to do business in the electricity market.

RETAIL MARKET

Act No. 250/2012 Coll. on Regulation in Network Industries (hereinafter as "Act 250/2012" or the "Regulatory Act") introduced price regulation of electricity supply to vulnerable customers - households and small enterprises.

In 2019, price regulation was applied to:

- supply to households,
- supply to small enterprises,
- the last resort supplier regime.

SUPPLY TO HOUSEHOLDS

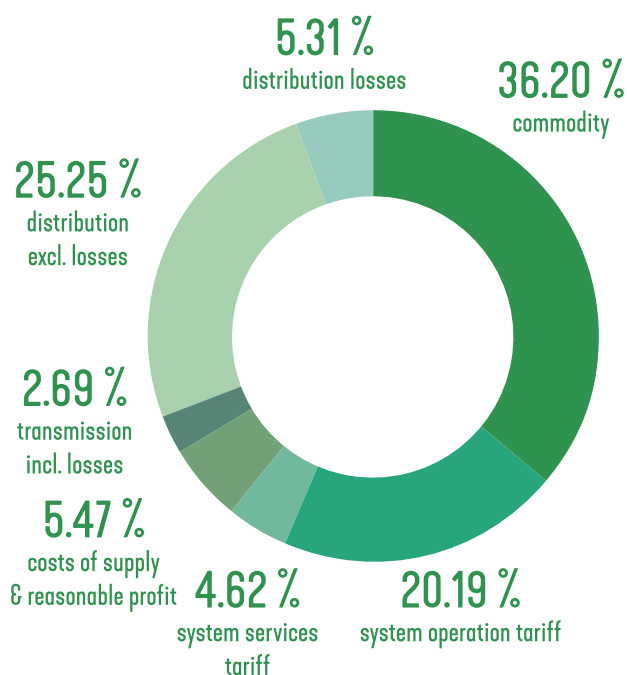
The default parameters for setting the maximum tariff of electricity supply to households were: arithmetic average of day-ahead prices published in the official price list of PXE (POWER EXCHANGE CENTRAL EUROPE) on its website, of F PXE SK BL Cal-t product for the period between 1 January and 30 June 2018; the percentage coefficient of up to 10 % to cover the forecasted profile of electricity supply to households; and costs of imbalance related to electricity supply to households.

In addition to the tariff for supply, electricity suppliers charged price for electricity distribution including electricity transmission and transmission losses, distribution losses, system services tariff and system operation tariff pursuant to URSO price decision approving or setting prices for access to the distribution system and electricity distribution for the DSO, to whose network the household consumer was connected.

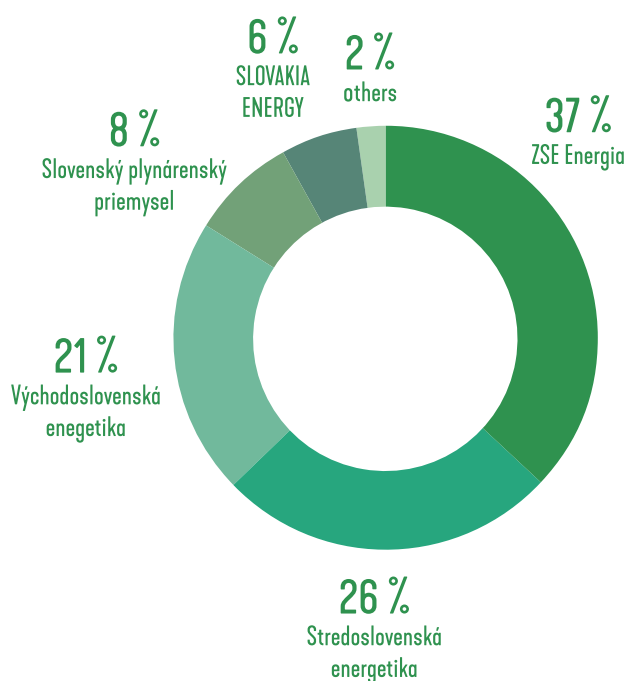
List of electricity suppliers to households

No.	Regulated entity
1.	A.En. Slovensko
2.	ATALIAN SK
3.	BBF energy
4.	BIOELEKTRO ENERGY 3
5.	Bratislavská teplárenská
6.	BUKÓZA ENERGO
7.	BUSINESS COMMERCIAL FINANCE (or "BCF")
8.	ČEZ Slovensko
9.	Development In Slovak Investments
10.	ELGAS
11.	Energie2
12.	Energy Europe, SE
13.	ENSTRA
14.	EP ENERGY TRADING, organizačná zložka
15.	GEON
17.	HORNONITRIANSKE BANĚ zamestnanecká, akciová spoločnosť (or HBz)
18.	I. S. Servis
19.	Istrochem Reality
20.	KOMTERM Slovensko
21.	KORDSERVICE SK PLUS
22.	Kremnická banská spoločnosť
23.	Letisko M.R.Štefánika - Airport Bratislava (BTS)
24.	MAGNA ENERGIA
25.	MEOPTIS
26.	Pow-en
27.	Slovenské elektrárne – energetické služby
28.	SK Energy
29.	SLOVAKIA ENERGY
30.	Slovenská energetika
31.	Slovenský plynárenský priemysel (or "SPP")
32.	SLOVNAFT
33.	Stredoslovenská energetika (or "SSE")
34.	TMC Servis
35.	TWINLOGY
36.	UTYLIS
37.	V-Elektra Slovakia
38.	Východoslovenská energetika (or "VSE")
39.	ZSE Energia
40.	Železnice Slovenskej republiky

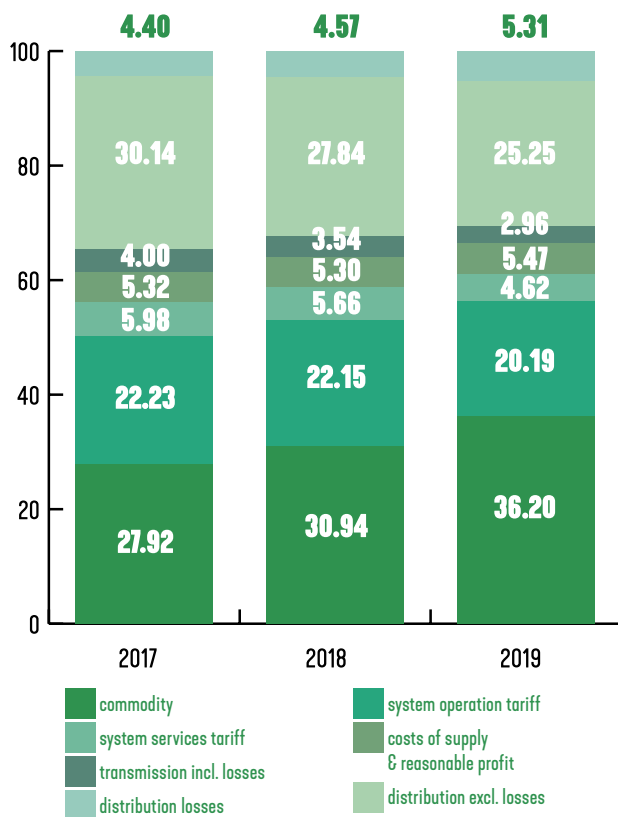
Breakdown of electricity price for households



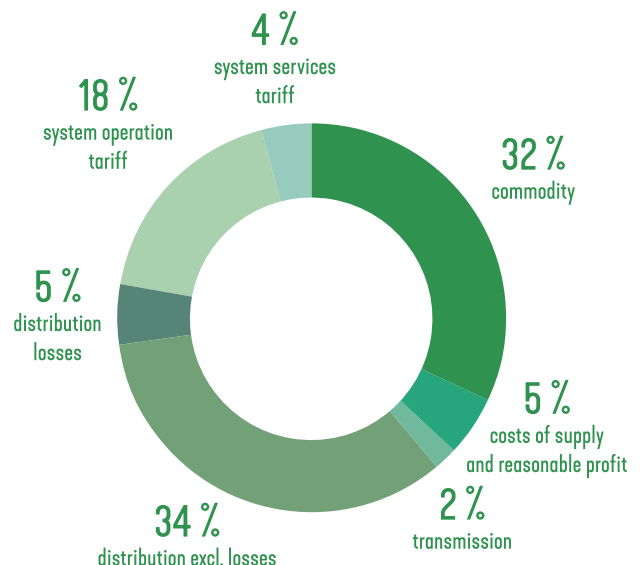
Market shares of electricity suppliers to households



Breakdown of electricity end consumer price for households – comparison (%)



Breakdown of electricity end consumer price for small enterprises

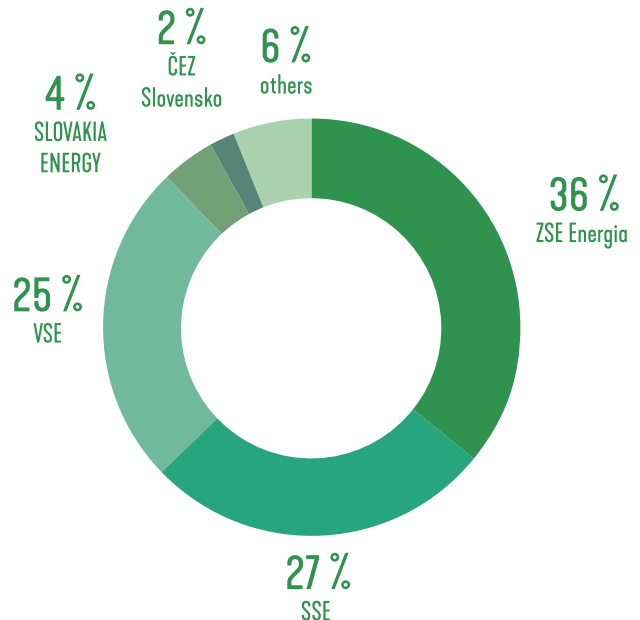


SUPPLY TO SMALL ENTERPRISES

A small enterprise is an end customer with total annual electricity consumption in all of their supply points of up to 30 000 kWh for the year preceding the year for which the respective price proposal is submitted. Electricity supply to small enterprises was divided into eleven tariffs. In 2019, the Office issued 95 price decisions on electricity supply to vulnerable consumers (households and small enterprises).

The default parameters for setting the maximum tariff for electricity supplied to small enterprises were: arithmetic average of day-ahead prices published in the official price list of PXE (POWER EXCHANGE CENTRAL EUROPE) on its website, of F PXE SK BL Cal-t product for the period between 1 January and 30 June 2018; percentage coefficient of up to 10 % to cover the forecasted profile of electricity supply to small enterprises; and costs of imbalance related to electricity supply to small enterprises.

Market shares of electricity suppliers to small enterprises



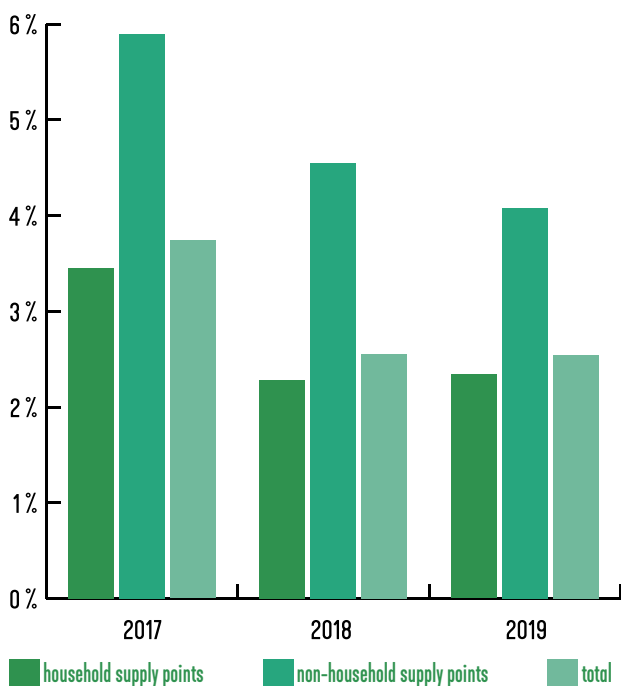
THE LAST RESORT SUPPLIER

During 2019, no notification of the application of the last resort supplier regime was reported to the Office. The last resort suppliers were ZSE Energia, Východoslovenská energetika and Stredoslovenská energetika, supplying energy after the original supplier had lost the ability to supply electricity to customers under the Act 251/2012 on the Energy Sector, as amended.

SWITCHING

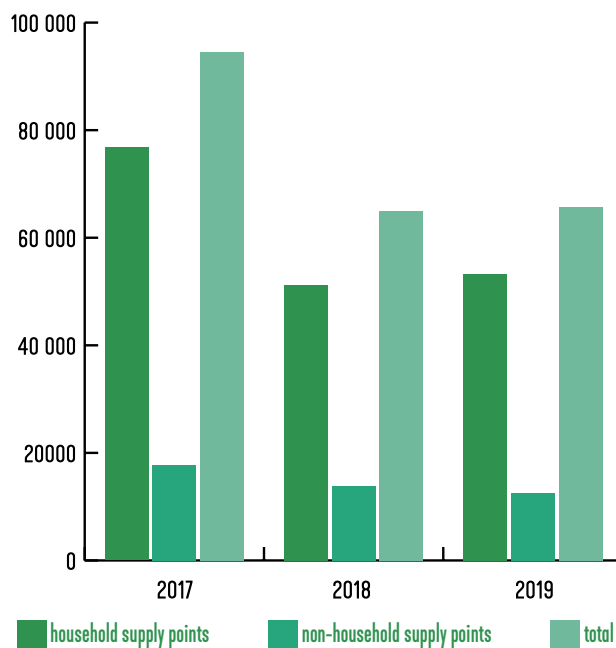
In order to assess the level of electricity market liberalization, a per cent ratio ("switching") is used, which is the share of the number of supply points with a change of electricity supplier, to the total number of supply points in a given year.

Switching



Consumer category	2017	2018	2019
household supply points	3.45 %	2.28 %	2.34 %
non-household supply points	5.90 %	4.55 %	4.08 %
total	3.74 %	2.55 %	2.54 %

No. of supply points with switching

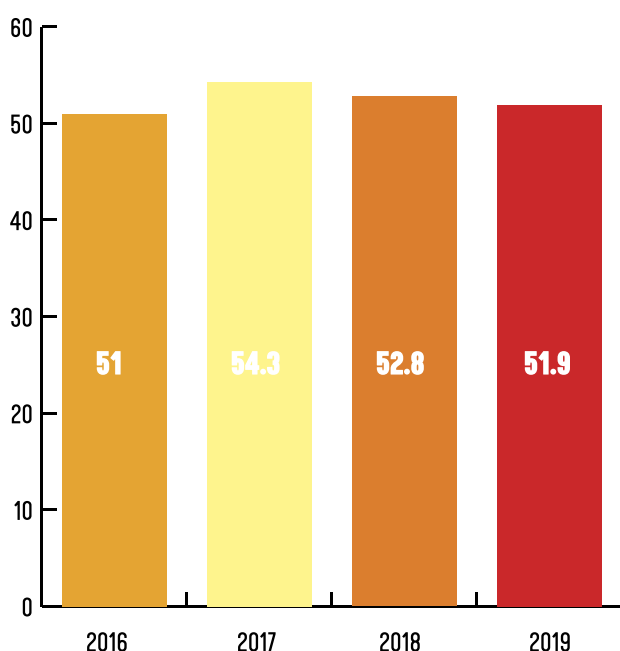


Consumer category	2017	2018	2019
household supply points	76 781	51 136	53 227
non-household supply points	17 769	13 796	12 473
total	94 550	64 932	65 700

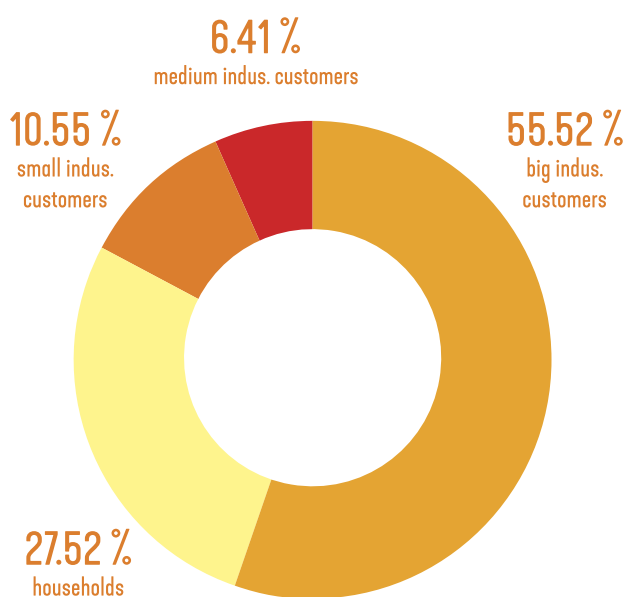
2. GAS

Gas consumption in Slovakia was 51.9 TWh, down 1.7 % compared to 2018.

Gas consumption in TWh



Gas consumption by customer categories



GAS MARKET PARTICIPANTS:

- the transmission system operator (Eustream),
- the distribution system operator in the territory of the Slovak Republic (SPP - distribúcia),
- 39 local distribution system operators,
- two underground storage operators (NAFTA, POZAGAZ),
- 26 active gas suppliers,
- gas consumers.

NETWORK REGULATION

Regulatory policy for the 2017 - 2021 period and URSO Decree no. 223/2016 Coll. establishing price regulation in the gas sector were also in 2019 the regulatory framework for price regulation of the following regulated activities in gas networks:

- access to the transmission system and gas transmission
- access to the distribution system and gas distribution
- connection to the transmission and distribution systems,
- provision of ancillary services in gas,
- repurchase of gas installations

UNBUNDLING

Transmission System

Slovakia's transmission network is owned and operated by Eustream. Interconnection of the transmission network with neighbouring EU countries is provided through the following entry/exit points:

- Lanžhot (entry/exit point from/to the transmission network of the Czech Republic),

- Baumgarten (entry/exit point from/to the transmission network of Austria),
- Veľké Zlievce (entry/exit point from/to the transmission network of Hungary),
- Výrava (entry/exit point from/to the transmission network of Poland - under construction).

Entry/exit points from/to the transmission networks of gas installations in the territory of third countries (outside the EU):

- Veľké Kapušany (entry/exit point from/to the transmission network of Ukraine),
- Budince (exit point to the transmission network of Ukraine).

Entry/exit point from/to distribution networks and underground storage:

- domestic point (entry/exit point from/to distribution networks and underground storage facilities in the Slovak Republic).

Data on the volumes of technical, available and contracted capacities at individual entry/exit points are available on Eustream's website.

Distribution Network

As of 31 December 2019, the distribution network of SPP - distribúcia (DSO) had 33 324 km in total length, of which high-pressure gas pipelines had 6 277 km in length and mid-pressure and low-pressure pipelines were 27 047 km long.

Investments in upgrade and reconstruction of the DSO's network

Investments in mil. €	2017	2018	2019
	26.36	28.16	33.6

NETWORK BALANCING

In 2019, the greatest need for daily balancing of the distribution system in case of gas shortage reached 1.5 mil. m³/day, and in case of gas surplus, 1.3 mil. m³/day.

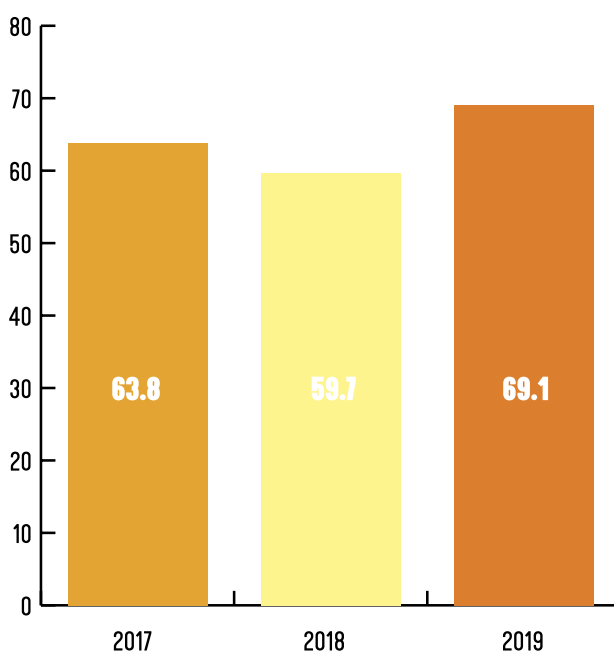
TRANSMISSION SYSTEM OPERATOR - EUSTREAM

The price decision for access to the transmission system and gas transmission issued by the Office in 2016 is valid for the entire 2017–2021 regulatory period.

However, in accordance with Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures for gas, the Office issued price decision for access to the transmission system and gas transmission on 29 May 2019, which will, according to the above regulation, become effective in the new regulatory period starting from 1 January 2022.

The Office did not issue any price decision for connection to the transmission system, as no new gas installation was connected to the transmission network in 2019.

Gas transmission volume (bcm)



DISTRIBUTION SYSTEM OPERATOR (DSO) - SPP-DISTRIBÚCIA

No. of supply points and volume of gas distributed by SPP–distribúcia

Year	2017	2018	2019
No. of supply points	1 514 282	1 518 200	1 522 710
Distributed gas in m ³	4 901 064 256	4 777 815 776	4 841 280 704

Out of the total number of supply points, there are 14 CNG stations with 7 897 412 m³ of distributed gas.

LOCAL DISTRIBUTION SYSTEM OPERATORS

In 2019, the Office maintained in its registry 39 operators of local distribution networks, which distributed gas in 53 LDS (large company premises, industrial parks, shopping centers, residential complexes) in the total volume of 851 456 460 m³.

For 2019, the Office issued nine price decisions for access to a distribution system and gas distribution for LDS - seven for new networks and two decision amendments for access to a distribution system and gas distribution for LDS.

The Office issued four price decisions for connection to a local distribution system. No LNG facility was operated in Slovakia's territory in 2019.

UNDERGROUND STORAGE SYSTEM OPERATORS SSOS

In Slovakia's territory, underground storage facilities are operated by NAFTA and POZAGAS. Access to the storage system and underground gas storage were not subject to price regulation in 2019.

NAFTA concluded 54 contracts with storage system users, of which two contracts were for interruptible storage capacity and 52 contracts for firm capacity. POZAGAS concluded ten contracts with storage system users for firm capacity and one contract for interruptible capacity.

TEN-YEAR NETWORK DEVELOPMENT PLAN

Responsibility for the technical functioning of the transmission network lies with Eustream, the Slovak TSO. Eustream submitted to the Office for approval their proposal for Ten-Year Network Development Plan for the 2019-2028 period ("TYNDP") together with the Implementation Report on the Ten-Year Network Development Plan for the 2018-2027 period.

Information on the results of consultations with existing and potential users of the transmission network on the TYNDP together with information on the evaluation of the Implementation Report were published by the Office on 1 April 2019. The TYNDP was prepared on the basis of long-term forecasts of gas transmission through the territory of Slovakia while the legal requirements of environmental protection into account. The TSO's TYNDP and the projects contained in it promote all three pillars of the current EU energy policy.

Underground gas storage operators' capacities

Underground storage operator	Technical working volume (mil.m ³ /year)			Technical injectability (mil.m ³ /day)			Technical deliverability (mil.m ³ /day)		
	2017	2018	2019	2017	2018	2019	2017	2018	2019
NAFTA	2 931	3 061	3 357	31.87	31.87	31.87	36.96	36.96	39.51
POZAGAS	655	655	655	6.85	6.85	6.85	6.85	6.85	6.85
Total	3 586	3 716	4 012	38.72	38.72	38.72	43.81	43.81	46.36

The proposed projects aim to:

- a) enable and facilitate a liquid and competitive environment of the internal gas market,
- b) enable and strengthen the diversification of routes and sources and thus increase the security of natural gas supply through increased flexibility of the gas network,
- c) contribute to improving sustainable development in Europe, as natural gas plays a key role in EU's energy mix, in particular with regard to the economic development and environmental protection.

The national TYNDP is together with the European TYNDP and the Regional Investment Plans, an integral part of Eustream's strategic planning.

CROSS-BORDER COOPERATION

Polish-Slovak gas interconnector

The interconnection agreement on the project implementation was signed in April 2018 by Eustream and GAZ-SYSTEM S.A., the Polish TSO. The building permit was issued for the construction of the line section and for the compressor station section in 2018. The works and supply of piping materials and components continued in 2019. The projected transmission capacity is 6.1 bcm/year in SK- PL direction and 5.1 bcm/year in PL-SK direction.

Increase of firm transmission capacity at Lanžhot entry point

Planned total capacity of the entry point after project finalization should reach 151 mil. m³/d in the project's first phase and 168 mil. m³/d in the second phase. Project works continued in 2019 and testing operation was planned for early 2020.

Reverse gas flow in the direction to Ukraine

Through the Budince exit point, Eustream provides for the natural gas flow in the direction to Ukraine in the volume of 15.5 bcm/year.

In connection with the potential increase in gas transmission in the Slovakia - Ukraine direction, in 2018 Eustream finished design and engineering activities of the "Reverse gas flow in the direction to Ukraine" project. The project advanced to the next phase with the adoption of the final investment decision, however, with an unclear completion date for now. As Eustream had not received any request to increase transmission capacity in the direction to Ukraine, the project was suspended in 2019.

Eastring

Eastring is a project to build a new bi-directional gas pipeline connecting Central and South-Eastern Europe with a planned annual transmission capacity of 225 500 GWh (20 bcm) in the first phase, with the potential to increase it to up to 451 000 GWh (40 bcm) in the final phase of the project. In 2019, internal analyses of the project continued.

Increasing technical capacity of the transmission network in the east-west direction

The project consisted of the "Installation of new turbo sets (TuS) at Ivanka near Nitra KSO4 compressor station" project. The purpose of the planned project was to increase fixed capacity of the transmission network in the east - west direction. The reason for the increase in transport capacity was the planned implementation of the Eastring project. The implementation of the "Installation of new TuS at Ivanka near Nitra KSO4" project was conditioned by the final solution and implementation of the Eastring project.

HU-SK

Based on the preliminary non-binding indicative interest of transmission network users for incremental capacity at Hungary - Slovakia - Austria interconnection points, as well as

in accordance with the requirements laid down in Article 26 of Commission Regulation (EU) 2017/459, a non-binding survey of the market's interest in incremental capacity for the HUSKAT project was carried out in 2017. The aim was to assess market demand for cross-border transmission system capacities in a transparent and non-discriminatory manner. The HUSKAT project was closed on the basis of a mutual agreement of the involved TSOs (Eustream, Magyar Gáz Tranzit ZRt. and Gas Connect Austria GmbH) due to a negative economic test result in bidding round IV, for which no transmission capacity had been allocated due to economic and legal uncertainties associated with the Black Sea natural gas production project. Nevertheless, market participants expressed renewed interest in capacity in the HU-SK direction during the process of indication of non-binding market demand for transmission capacities in 2019, which will result in the relaunch of the incremental capacity bidding process at Veľké Zlievce.

TRANSMISSION CAPACITY

The annual capacity of the transmission network is 90 bcm. In 2019, Eustream transported 69.1 bcm of gas, of which 5.07 bcm was for domestic users (7.4 % of the total volume).

Transmission network – overview of Nos. of requests and contracts

Indicator/year	2017	2018	2019
No. of requests for transmission network access	1 418	1 212	2 639
No. of requests for transmission network connection	0	0	0
No. of concluded contracts on transmission network connection	0	0	0
No. of concluded contracts on gas transmission with firm transmission capacity	994	995	2 276
of which: long-term	0	1	0
yearly	74	24	27
short-term, of which:	920	970	2 249
quarterly	–	–	53
monthly	–	–	83
daily	–	–	2 013
intraday	–	–	100
No. of concluded contracts on gas transmission with interruptible transmission capacity	407	213	–
of which: long-term	3	0	0
yearly	0	0	1
short-term, of which:	404	213	362
quarterly	–	–	9
monthly	–	–	23
daily	–	–	315
intraday	–	–	15
No. of concluded contracts on gas transmission with combined transmission capacity	17	4	–
of which: long-term	0	0	0
yearly	1	0	0
short-term, of which:	16	4	19
quarterly	–	–	0
monthly	–	–	0
daily	–	–	19
intraday	–	–	0
No. of transmission system users	33	27	45

Share of network users by country of origin in transmitted gas volume

Transmission network domestic users (transmission to the network's domestic point)	2017 (%)	2018 (%)	2019 (%)
Slovakia	5.30	5.20	7.40
Transmission network transit users			
Russia	69.27	72.23	66.80
Germany	5.17	5.97	4.00
Czech Republic	4.73	5.72	7.10
Hungary	0.00	0.00	0.10
Switzerland	1.44	0.73	1.60
UK	0.27	0.03	1.10
Austria	0.00	0.03	0.80
Denmark	0.00	0.00	0.00
France	0.02	0.17	0.10
Luxembourg	0.39	0.27	0.30
Ukraine	13.41	9.65	10.10
Poland	0.18	0.03	0.00
Romania	0.00	0.00	0.40
Netherlands	0.00	0.00	0.20
Total	100.00	100.00	100.00

COMPETITION PROMOTION

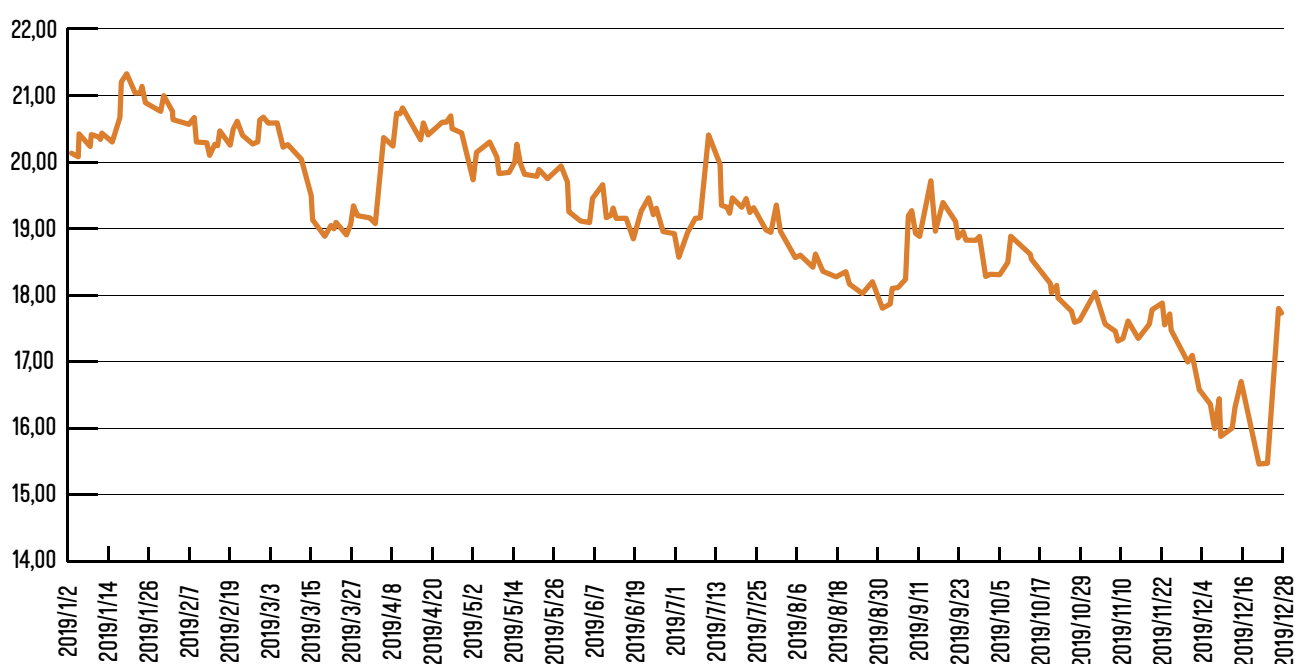
Wholesale Market

Slovakia's wholesale gas market is characterized by:

- gas purchases under long-term contracts,
- gas purchases on commodity exchanges,
- gas purchases from another shipper – gas supplier (11 153 GWh in 2019, up about 10 % compared to 2018),
- trading at TSO's (Eustream's) virtual trading point in total volume of 228 585 GWh, which is 46 % more than in 2018,
- trading, or change in ownership of gas in underground storage facilities, with 11 093 GWh of gas having changed its owner.

Evolution of the commodity price

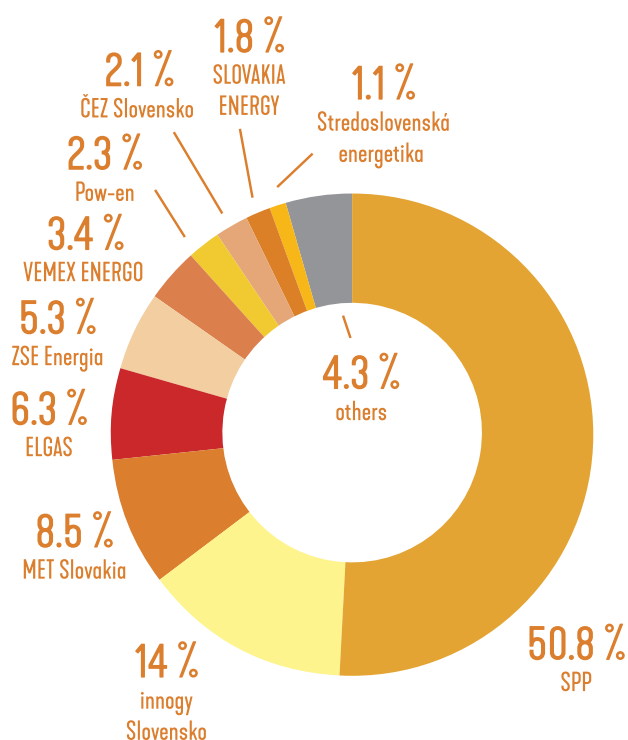
Burza EEX (www.powernext.com) NCG Calendar + 1
Period: 01/2019 to 12/2019; average price: 18.76 €/MWh



Retail Market

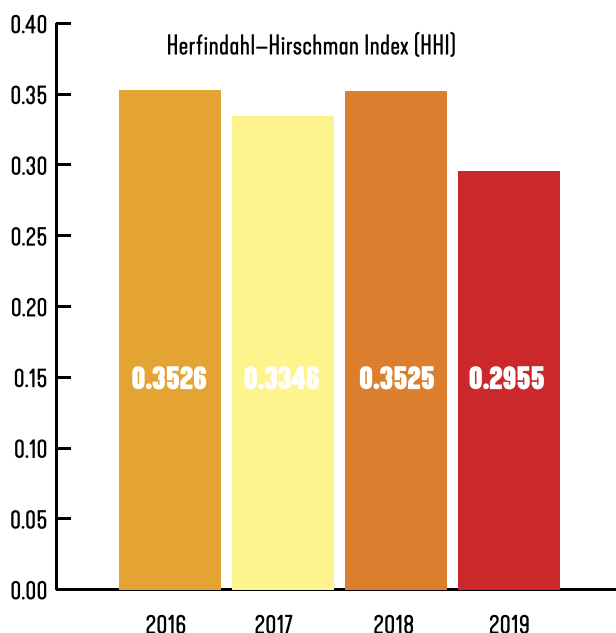
In 2019, there were 26 active suppliers in Slovakia's gas market.

Gas suppliers to end consumers

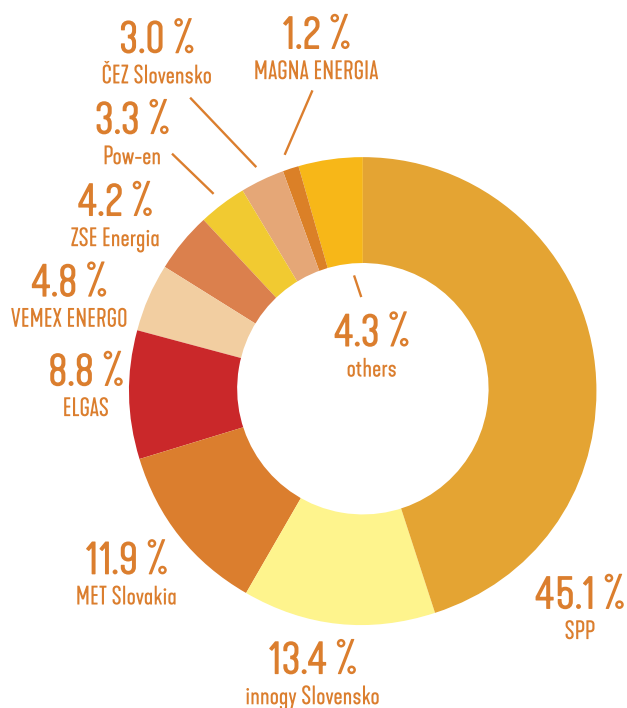


The purpose of the HHI (Herfindahl-Hirschman Index) is to measure the level of market concentration of regulated companies. The Office reviewed market positions of regulated companies supplying gas to all consumers. The market is considered concentrated if the HHI is higher than 0.1 and highly concentrated if it exceeds 0.2. Decreased HHI, compared to a previous year, signifies increased market competition. However, also in 2019, the value stood above the high concentration threshold.

HHI evolution



Gas suppliers to industrial customers excl. small enterprises



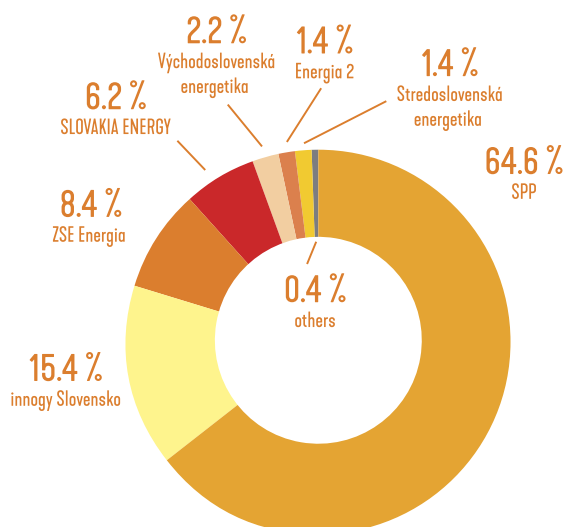
GAS SUPPLY TO VULNERABLE CONSUMERS

Pursuant to the Regulatory Act, price decisions issued in 2016 for gas suppliers supplying gas to vulnerable consumers, i.e. households and small enterprises with annual consumption of no more than 100 000 kWh for the previous year, remain in force throughout the 2017 – 2021 regulatory period provided there has been no amendment to the decision initiated either by the regulated company or by the Office.

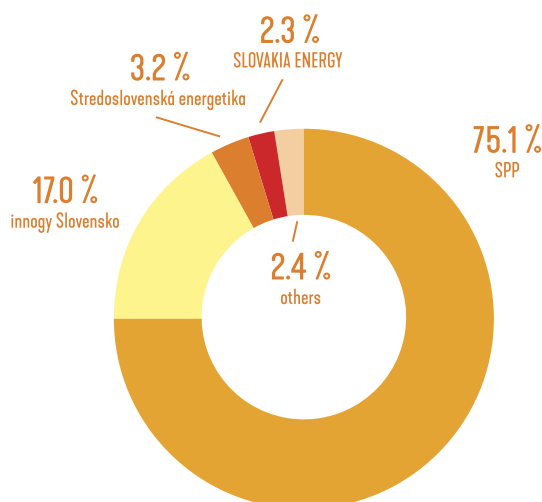
For 2019, the Office approved maximum prices of gas supply to vulnerable customers (households and small enterprises) for one new supplier in a local distribution network. Additionally, the Office made 16 amendments to price decisions for gas supply to vulnerable consumers due to a change in economic parameters on which the approval or setting of the price had been based. Ten of these were decisions for country-wide suppliers and six amendments for suppliers in their local distribution systems.

In 2019, in total 15 nation-wide suppliers supplied gas to vulnerable gas consumers - households.

Gas suppliers to households



Gas suppliers to vulnerable consumers - small enterprises



Overview of maximum gas supply prices for households incl. network fees

Tariffs (by annual volume of supplied gas in kWh)	Fixed monthly rate (€/month)			Rate for consumed gas (€/kWh)		
	2017	from 01.12.2018	2019	2017	from 01.12.2018	2019
1 (up to 2 138 kWh)	1.96	2.78	2.78	0.0434	0.0453	0.0453
2 (above 2 138 up to 18 173 kWh)	5.76	5.76	5.76	0.0325	0.0333	0.0333
3 (above 18 173 up to 42 760 kWh)	8.64	8.64	8.64	0.0310	0.0332	0.0332
4 (above 42 760 up to 69 485 kWh)	13.36	13.36	13.36	0.0304	0.0320	0.0320
5 (above 69 485 up to 85 000 kWh)	42.45	42.45	42.45	0.0399	0.0420	0.0420
6 (above 85 000 up to 100 000 kWh)	51.78	51.78	51.78	0.0398	0.0419	0.0419

LAST RESORT GAS SUPPLY

The supplier of the last resort was, based on URSO decision, also in 2019 Slovenský plynárenský priemysel (SPP). In the same year, the Office received nine notifications of the application of the last resort supplier regime, when the original gas supplier had lost the ability to supply gas to consumers under the Energy Act.

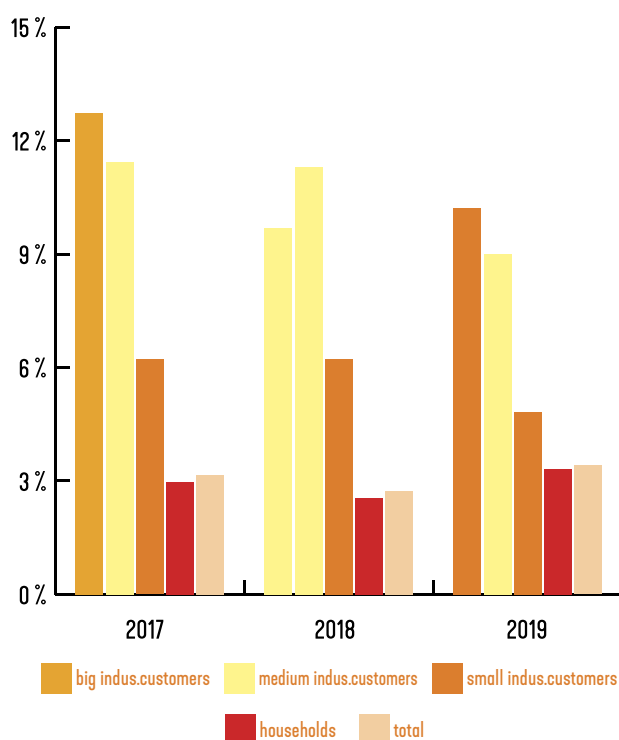
GAS SUPPLY TO OTHER CONSUMERS

Gas supply to customers other than vulnerable consumers specified by the Regulatory Act is not subject to price regulation.

SWITCHING

The level of gas market liberalization is measured by means of switching, a percentage coefficient reflecting the share of number of supply points with a gas supplier change to total number of supply points in a given year.

Switching



Overview of issued decisions

Price regulation related decisions		31
of which	Gas supply to vulnerable consumers – country-wide suppliers - decision amendment	10
	Gas supply to vulnerable consumers - local distribution systems (LDS)	1
	Gas supply to vulnerable consumers - local distribution systems (LDS) - decision amendment	6
	Access to distribution network and gas distribution (LDS - § 10 (8))	1
	Access to distribution network and gas distribution (LDS - § 10 (6))	2
	Access to distribution network and gas distribution (LDS - § 10 (6)) - decision amendment	2
	Access to distribution network and gas distribution (LDS - § 11 (1))	4
	Connection to distribution network (LDS)	4
	Access to transmission network and gas transmission	1
Terminated price proceedings		0
Suspended price proceedings		5

3. DISTRICT HEATING

In 2019, 351 heating suppliers were active in heat generation, distribution and supply. Seven suppliers closed their business in heating and thirteen new regulated companies received a license and started heat generation and distribution.

Heat suppliers

Year	2017	2018	2019
No. of heat suppliers	340	347	351
No. of heat suppliers which terminated heat production, distribution and supply	7	12	7
No. of heat suppliers which started heat production, distribution and supply	9	7	13

HEAT SUPPLY

Heat from district heating systems was supplied to approximately 25 000 supply points for 13 000 end customers.

Total heat supply in 2019 reached 15 173 GWh, which is 0.2% less than in 2018. The total heat supply includes supply for central heating and domestic hot water production for residential and non-residential buildings, supply for technological consumption in technological processes and also the heat suppliers' own consumption in their facilities.

Actual heat supply figures

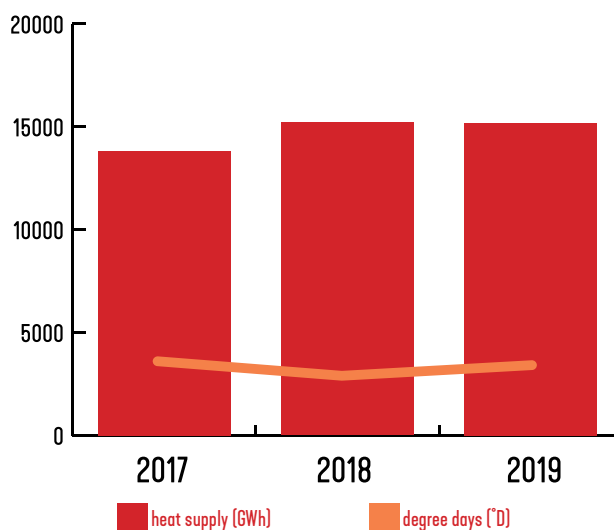
Year	degree days	supply to residential buildings [GWh]			supply to non-residential premises [GWh]	supply for technological processes [GWh]	in-house consumption [GWh]	total supply [GWh]
		central heating	hot water	total				
2017	3 667	3 297	1 633	4 930	5 279	1 881	1 736	13 826
2018	3 224	2 881	1 502	4 383	4 348	5 540	933	15 204
2019	3 329	2 916	1 502	4 418	4 305	5 500	950	15 173

Approximately half of the total heat supply is used only for heating buildings. This volume is directly dependent on climatic conditions and energy efficiency measures on the part of final consumers. The year 2019 was about 3.3% colder than 2018, as evidenced by the difference in degree days in these years. This fact necessitated an increased heat supply for central heating.

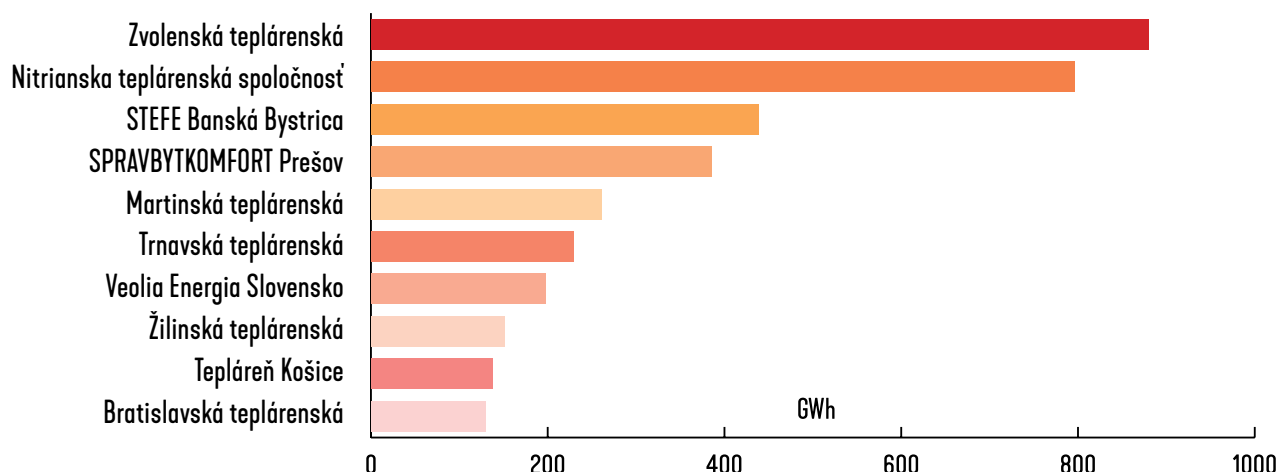
Of the total heat supply, 29.1% was consumed for central heating and domestic hot water production in households, 28.4% in non-households, 36.2% for technological processes and 6.3% was the suppliers' own (in-house) heat consumption.

Evolution of heat supply

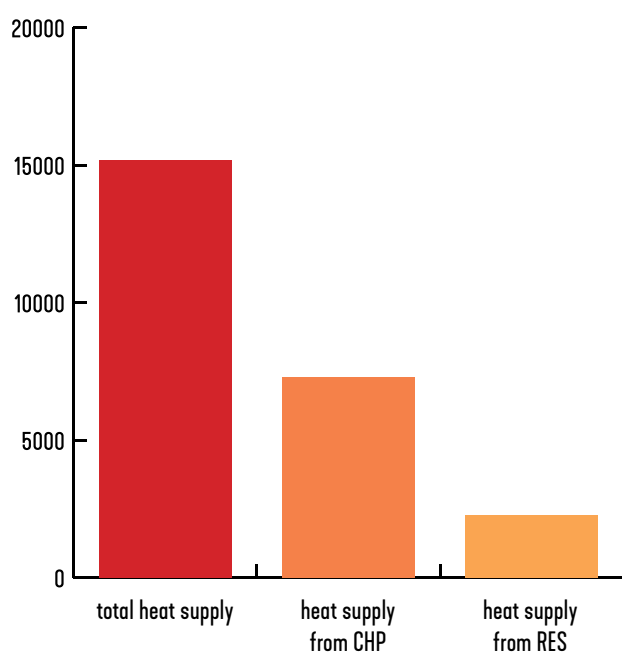
Degree days data source: SHMU



Major heat suppliers



Heat supply sources



Fuel consumptions in heat generation

Year	natural gas [GWh]	biomass [ths.t]	coal [ths.t]	biogas [GWh]	fuel oil [ths.t]
2017	8 141	845	577	326	128
2018	8 637	877	586	326	128
2019	8 597	1 062	595	326	127

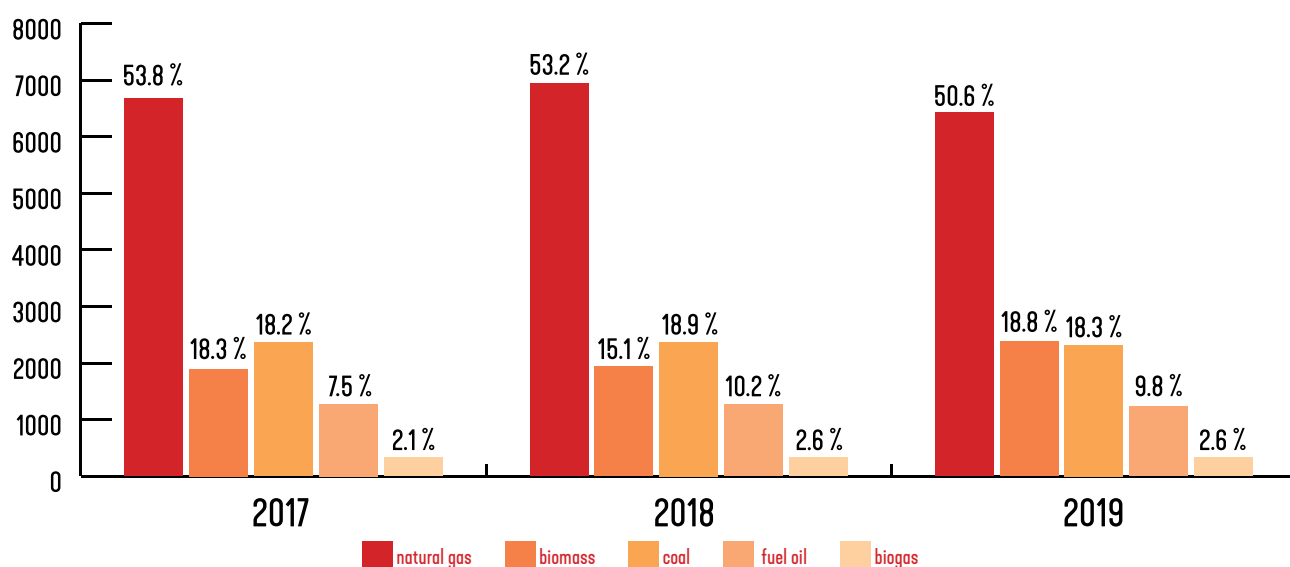
SCOPE AND FORM OF PRICE REGULATION

2019 was the third year of the 2017-2021 regulatory period. Regulation of heating prices (tariffs) in 2019 was based on URSO Decree 248/2016 Coll. establishing price regulation in the heating sector as amended by Decree 205/2018 Coll. Heat generation, distribution and supply were subject to price regulation, and tariffs were regulated by the defined method of calculating maximum heating price based on the cost method utilising some elements of price cap.

PRICE LEVEL MONITORING

Pursuant to Act 250/2012, price decisions issued for 2017 are valid through 31 December 2021, unless an amendment to the decision, initiated either by a regulated entity or by the Office, has been approved. The heating price is approved as single maximum tariff for each supplier for their whole heat network supplying heat within a city or city district. As a result of this, the number of approved tariffs is twice the number of issued decisions.

Fuel shares in heat generation



No. of decisions issued

Rok		decisions	tariffs
2017	No. of new decisions issued for regulatory period 2017 - 2021	382	757
	No. of decision amendments issued during 2017	41	41
2018	No. of new decisions issued for new suppliers or new locations	15	15
	No. of decision amendments issued during 2018	162	228
2019	No. of new decisions issued for new suppliers or new locations	20	21
	No. of decision amendments issued during 2019	211	301

Requests for amendments to heating tariffs for 2019 were mainly due to changes in economic parameters which were used as a basis for the approvals of heating prices for 2017 or approvals of price amendment proposals during 2017 and 2018. The changes that affected the variable component of the heating price mainly concerned the price of natural gas from which 50.6% of heat is produced, the price of electricity and CO₂ emission allowances. The price of natural gas commodity on the EEX (European Energy Exchange) rose year-on-year by about 40%, emission allowances by about 200% and electricity by about 30%. All these negative factors were considered and reflected in the approved tariffs in 2019.

Average heating price

Year	2017	2018	2019
variable component €/kWh	0.0407	0.0413	0.0453
fixed component €/kW	186.52	188.80	196.93
end heating price €/kWh	0.0759	0.0769	0.0824

Amendment to the heating tariff's fixed component was requested only by suppliers who had planned to make new investments in 2019 focusing on upgrade or reconstruction of their existing heating facilities, construction of a new one or "greening". According to current legislation governing price regulation, eligible costs of new investments are only those inducing increase in energy efficiency of the heating equipment or reduction in operating costs for heat generation or distribution. Another reason for submitting a request for amendment of the fixed component was a year-on-year decrease of the supplied heat volume and thus also of the regulatory input, which was used as a default parameter for setting the heating tariff's fixed component.

Investments by purpose (ths. €)

Purpose of investments	2017	2018	2019
Heat generation equipment	12 830	1 664	20 241
Heat distribution equipment	9 557	18 717	12 035
Green technologies	3 942	-	10 120
RES installations	5 100	467	265
Total	31 429	20 848	42 661

Average heat prices across the country's regions



District heating (DH) costs

Year	2017	2018	2019
Heat consumption (kWh/apartment)	6864	6287	6091
Heating price in €/kWh	0.0759	0.0769	0.0824
Costs of DH incl. VAT (€/apart.)	625	580	608

The average heat consumption for central heating and domestic hot water production of an apartment in Slovakia in a monitored sample of 40 000 apartments was 6 091 kWh, which is down 3.2 % as compared to 2018. Annual costs of one household for heating and hot water production (incl. VAT) reached 608 €, which is a year-on-year increase by 4.8 %. This was due to the rise of annual district heating price by 7.1 %.

4. WATER

DRINKING WATER AND WASTEWATER

A total of 655 regulated entities operating public water supply systems or public sewers were registered as of 31 December 2019. Of that number, 14 were water utility companies, one city, 39 municipalities and 75 small-scale companies operating a public water supply system or public sewer of 1st and 2nd category. Public water supply systems or public sewers of 3rd category were operated by 526 small-scale municipalities.

Overview of issued decisions

	Počet		
	2017	2018	2019
Price decisions	258	7	7
Price decision amendments	7	11	17
Price confirmations	996	22	20
Decisions on price proceeding termination	19	3	6
Decisions on price proceeding suspension	43	21	21
Decisions on price decision revoking	1	1	3
Total	1324	65	74

PRICE LEVEL MONITORING

Under applicable legislation, price decisions and price confirmations issued in 2017 are valid until the end of the 2017-2021 regulatory period unless the Office approves a price decision amendment.

In 2019, 19 price decision amendment proposals were submitted, of which seven were submitted by water utility companies. In five cases the price proposals were amended by the Office, in two cases the procedure was terminated.

Based on price changes in two water utilities, the average price for the production and supply of drinking water in Slovakia increased by 0.1% to 1.0530 €/m³. Price changes in wastewater collection and treatment in six water utilities were mainly due to investments in the construction of public sewers and wastewater treatment plants, therefore the average price for wastewater collection and treatment by public sewers in Slovakia rose by 2.0% to 1.0199 €/m³. The total average price of drinking water supply and wastewater collection, excluding VAT, charged by water utility companies in the Slovak Republic reached 2.0728 €/m³, up 1% year-on-year.

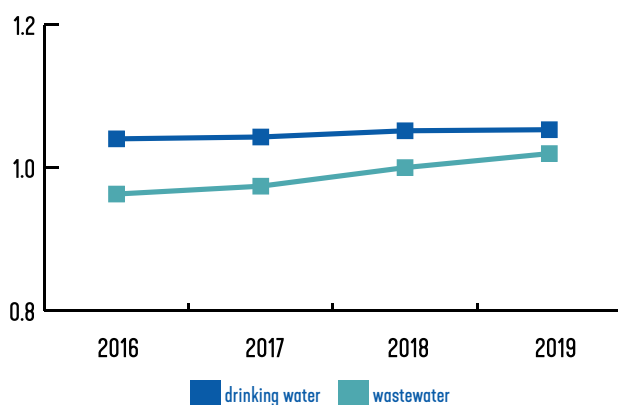
Drinking water production and supply tariffs – water utilities (€/m³, excl. VAT)

	2017	2018	2019
Bratislavská vodárenská spoločnosť	0.9359	0.9359	0.9359
Trnavská vodárenská spoločnosť	0.7286	0.7286	0.7398
Západoslovenská vodárenská spoločnosť	1.0802	1.0802	1.0802
Trenčianske vodárne a kanalizácie	0.9494	0.9684	0.9684
Považská vodárenská spoločnosť	0.9741	0.9741	0.9741
Severoslovenské vodárne a kanalizácie	0.9126	0.9765	1.0094
Turčianska vodárenská spoločnosť	0.7302	0.7427	0.7427
Oravská vodárenská spoločnosť	1.0353	1.0353	1.0353
Vodárenská spoločnosť Ružomberok	0.7460	0.7460	0.7460
Liptovská vodárenská spoločnosť	0.9102	0.9102	0.9102
Stredoslovenská vodárenská prevádzková spoločnosť	1.2010	1.2010	1.2010
Podtatranská vodárenská prevádzková spoločnosť	1.0884	1.0884	1.0884
Východoslovenská vodárenská spoločnosť	1.3100	1.3362	1.3362
Vodárne a kanalizácie mesta Komárna	0.9162	0.9162	0.9162

Wastewater collection and treatment tariffs – water utilities (€/m³, excl. VAT)

	2017	2018	2019
Bratislavská vodárenská spoločnosť	0.9216	0.9216	0.9216
Trnavská vodárenská spoločnosť	1.0758	1.0758	1.1251
Západoslovenská vodárenská spoločnosť	0.8918	0.8918	0.9721
Trenčianske vodárne a kanalizácie	0.9554	0.9554	1.0509
Považská vodárenská spoločnosť	1.0700	1.1235	1.1235
Severoslovenské vodárne a kanalizácie	1.0483	1.0669	1.0947
Turčianska vodárenská spoločnosť	0.9591	0.9907	0.9907
Oravská vodárenská spoločnosť	1.0570	1.1416	1.2075
Vodárenská spoločnosť Ružomberok	0.9603	0.9603	0.9603
Liptovská vodárenská spoločnosť	1.1068	1.1068	1.1978
Stredoslovenská vodárenská prevádzková spoločnosť	1.1615	1.1615	1.1615
Podtatranská vodárenská prevádzková spoločnosť	1.0904	1.0904	1.1164
Východoslovenská vodárenská spoločnosť	0.9000	0.9870	0.9870
Vodárne a kanalizácie mesta Komárna	0.8643	0.8643	0.8643

Average price of drinking water production and wastewater collection and treatment in €/m³ (excl. VAT)



In 2019, the Office issued seven new price decisions, 12 price decision amendments and 20 price confirmations for small-scale utilities and municipalities supplying drinking water or collecting and treating wastewater, especially in smaller municipalities and smaller city suburbs.

In 2019, the average price of drinking water supply in this group of regulated entities went up by 1.1%, the average price of wastewater collection by 0.6%. However, these average prices are lower than the average prices of water utility companies.

Average tariffs – small regulated entities (€/m³, excl. VAT)

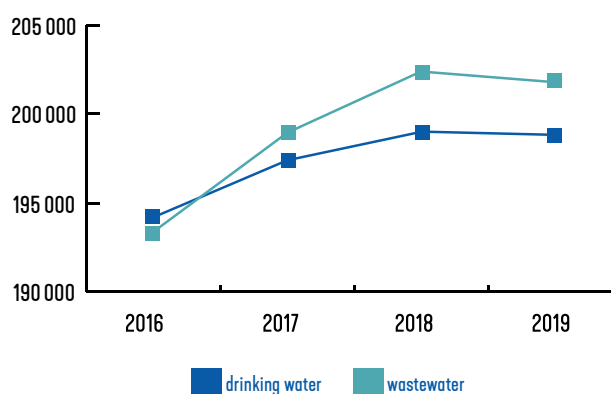
	2016	2017	2018	2019
Drinking water	0.7524	0.7770	0.7843	0.7912
Wastewater	0.8644	0.8865	0.8966	0.9014

WATER SUPPLY AND WASTEWATER COLLECTION

After years of increase, volume of drinking water supply went down by 190 000 m³ (-0.1%) in 2019, thus also bringing the volume of wastewater discharged through public sewers down by 604 000 m³ (-0.3%). In most water utilities, the volumes of water increased slightly. The overall decrease occurred mainly due to the reduced volumes of drinking water supply and wastewater collection by almost one million m³ in Bratislavská vodárenská spoločnosť (Bratislava Water Utility Company).

By reducing the volumes of supplied and discharged water, the utilisation level of water utility assets used for the supply of drinking water went down on average to 94% and of assets used for wastewater collection and treatment to 84%.

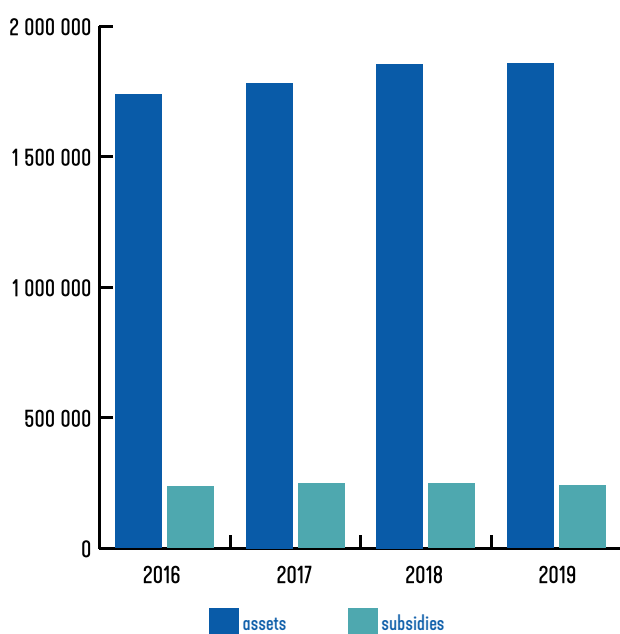
Drinking water supply and wastewater collection in ths. m³



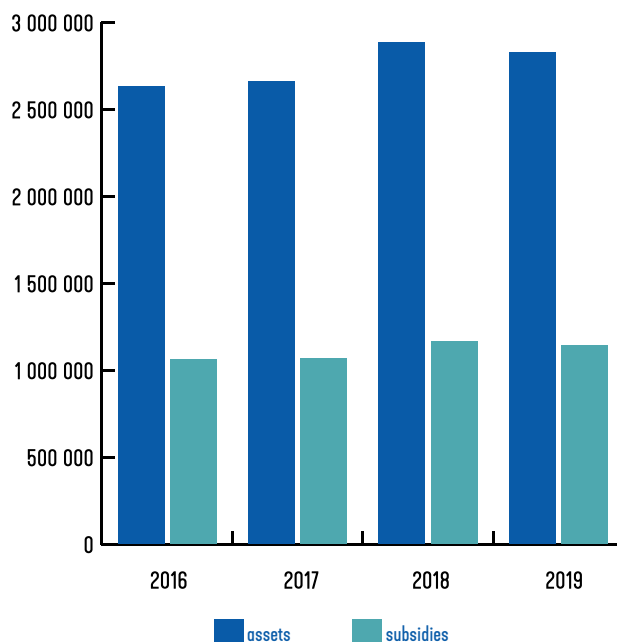
INVESTMENTS

The value of assets used for drinking water supply remained at the level of 2018 (+ 0.03%), while the value of assets procured from subsidies, EU funds and the state budget decreased by 3%. While until 2018, in the area of wastewater collection and treatment, the total value of assets had been rising due to the construction of lacking sewers and wastewater treatment plants, in 2019 the value of assets used for wastewater collection and treatment went down by 2% and the value of assets acquired from subsidies decreased by 2%.

Water utility assets and subsidies - public water supply systems (ths. €)



Water utility assets and subsidies - public sewers and wastewater treatment plants (ths. €)



Indicators of water utilities' regulated activities

Drinking water	2016	2017	2018	2019	change 2019/2018	%
Revenues from regulated activities in ths. €	201 728	205 081	208 113	209 210	1 097	1
Eligible costs in ths. €	194 671	199 202	202 859	204 659	1 800	1
Profit/loss in ths. €	7 057	5 880	5 254	4 551	-703	-13
Water assets in ths. €	1 738 825	1 781 867	1 855 599	1 856 088	489	0.03
from subsidies in ths. €	237 339	248 347	247 160	240 026	-7 133	-3
Water assets repairs in ths. €	35 501	31 199	31 210	32 344	1 134	4
Water volume in ths. m ³	194 202	197 418	199 006	198 816	-190	-0.1
Water assets capacity utilisation	95%	96%	96%	94%	-2%	-2

Wastewater	2016	2017	2018	2019	change 2019/2018	%
Revenues from regulated activities in ths. €	184 288	189 993	199 202	202 194	2 992	2
Eligible costs in ths. €	198 245	203 320	210 658	209 751	-907	-0.4
Profit/loss in ths. €	-13 958	-13 327	-11 456	-7 557	3 899	34
Water assets in ths. €	2 628 952	2 659 629	2 881 220	2 824 438	-56 782	-2
from subsidies in ths. €	1 063 712	1 067 500	1 163 094	1 139 018	-24 076	-2
Water assets repairs in ths. €	21 937	19 025	21 531	20 641	-889	-4
Water volume in ths. m ³	193 437	198 972	202 395	201 791	-604	-0.3
Water assets capacity utilisation	74%	84%	84%	84%	0%	0

SURFACE WATER USE

Price regulation in the area of surface water use applies to the collection (consumption) of surface water and the collection (consumption) of energy water from watercourses and to the use of the hydropower potential of watercourses.

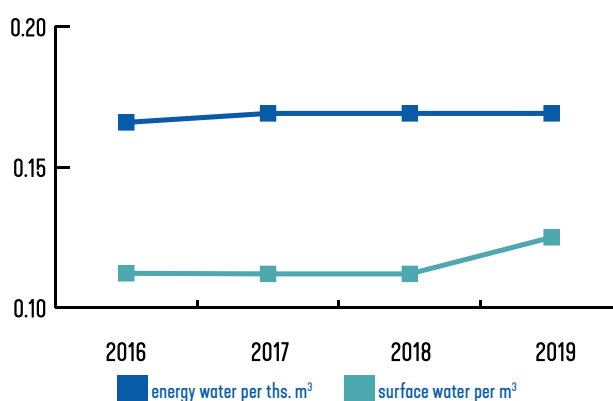
The regulated entity performing regulated activities in this area with a monopoly position in Slovakia is the state-appointed company managing the country's watercourses, Slovenský vodohospodársky podnik, š. p., Banská Štiavnica.

Due to a significant change in eligible costs, the tariff of surface water collection from watercourses rose by 11.6% and also the average tariff for the use of hydropower potential from watercourses by 15%. The tariff for the collection of energy water from watercourses did not change.

Tariffs for surface water use in € (excl. VAT)

	2016	2017	2018	2019
Tariff for surface water collection per m ³	0.1122	0.1120	0.1120	0.1250
Average tariff for the use of hydropower potential per MWh	14.1681	13.8796	13.8796	15.9615
Tariff for energy water collection per ths. m ³	0.1659	0.1691	0.1691	0.1691

Tariffs for water consumption in € (excl. VAT)



5. LEGISLATIVE ACTIVITIES

Pursuant to Act 250/2012 Coll., URSO powers include, inter alia, issuing generally binding legislation which take the form of decrees. On the basis of empowering provisions, in 2019 URSO drafted, submitted to the legislative process and then issued:

- URSO Decree 178/2019 amending Decree 18/2017 which establishes price regulation in electricity and certain conditions for the performance of regulated activities in electricity, as amended by Decree 207/2018,
- URSO Decree 309/2019 amending Decree 18/2017 which establishes price regulation in electricity and certain conditions for the performance of regulated activities in electricity, as amended,
- URSO Decree 291/2019 amending Decree 490/2009 which lays down details on the promotion of renewable energy sources, high-efficiency cogeneration and biomethane as amended.

The Office prepared and submitted to the legislative process a draft decree amending its Decree 24/2013 which lays down the rules for the functioning of the internal electricity market and the rules for the functioning of the internal gas market, as amended.

URSO's Legal Department was also responsible for the issuance of prior consents by the Office, representation of the Office before courts and the General Prosecutor's Office, documents for the chairman in deciding on objections, supervision, providing opinions, legal advice, statements and consultations to other departments.

6. CONSUMER PROTECTION

SUBMISSIONS AND COMPLAINTS

The Office Department processed in total 373 consumer submissions and complaints.

A large part of them related to the manner of concluding energy supply contracts, or changes in energy supplier (switching). Also in 2019, consumers continued to turn to the Office as a result of errors in electricity and gas consumption metering, connection to the distribution network and quality of supply. As in the past, the Office received some submissions which did not fall within its competences and which were consequently referred to the authorities responsible for handling them.

Compared to the previous year, the number of complaints handled by the Consumer Protection Department remained stable (in 2018 it was 358 complaints).

ALTERNATIVE DISPUTE RESOLUTION AND DISPUTE RESOLUTION

Since 2016, the Office has been the authority for alternative resolution of consumer disputes according to the specific arrangement for consumer disputes resulting from Act 391/2015 on alternative consumer dispute resolution. A total of 19 proposals for alternative dispute resolution were received by the Office. All related to consumer disputes between customers in households and apartment buildings.

In 2019, the Office received one proposal for an alternative dispute resolution pursuant to Section 37 of the Regulatory Act.

No. of out-of-court resolved disputes

No. of received proposals for alternative consumer dispute resolution	No. of proposals for alternative dispute resolution according to Section 37 of Act 250/2012	No. of proposals for alternative dispute resolution according to Act 391/2015	No. of non-settled disputes
19	1	18	0

It can be stated that alternative dispute resolution in the area of regulation of network industries is not widely used, despite promoting education by the Office among consumers. This is probably due to the fact that it is easier for most consumers to lodge a simple, often incomplete complaint with the Office than to complete a simple but formalized proposal and go through a standardized ADR procedure.

7. PRICE REGULATION SUPPORT AND REGULATED ACTIVITIES MONITORING

In 2019, the Office continued to monitor activities of regulated entities in order to obtain necessary information and sufficient tools for verification of the structure and level of costs incurred in regulated activities, with the objective to set up transparent and non-discriminatory regulation and prevent abuse of vertical integration.

The Office also monitored selected economic indicators of regulated entities assessing the impact of price regulation on their achieved financial results and economic efficiency in the electricity and gas sectors.

Overview of quality standards evaluations from regulated entities and recorded events

Electricity	transmission	distribution	supply
No. of submitted evaluations	1	136	168
No. of recorded events	3	9 220 100	1 838 165
No. of recorded events with a breach of quality standard	0	25 173	671
Share of recorded events with a breach of quality standard to recorded events	0.00 %	0.27 %	0.04 %

District heating	supply
No. of submitted evaluations	326
No. of recorded events	92 751
No. of recorded events with a breach of quality standard	903
Share of recorded events with a breach of quality standard to recorded events	0.97 %

Water	supply	wastewater
No. of submitted evaluations	386	376
No. of recorded events	77 475	48 489
No. of recorded events with a breach of quality standard	572	210
Share of recorded events with a breach of quality standard to recorded events	0.74 %	0.43 %

Gas	storage	transmission	distribution	supply
No. of submitted evaluations	2	1	39	67
No. of recorded events	976	984	93 874	1 011 776
No. of recorded events with a breach of quality standard	0	2	8	518
Share of recorded events with a breach of quality standard to recorded events	0.00 %	0.20 %	0.01 %	0.05 %

Compensation payments for failure to comply with quality standards

	regulated activity	amount
Electricity	transmission	0.00 €
	distribution	445 404.77 €
	supply	35 620.81 €
	total	481 025.58 €
Gas	storage	0.00 €
	transmission	0.00 €
	distribution	340.00 €
	supply	33 314.58 €
	total	33 654.58 €
District heating	supply	30 532.08 €
	total	30 532.08 €
Water	drinking water supply	12.60 €
	wastewater collection	34.78 €
	total	47.38 €

A total sum of € 545 259.62 was paid to consumers in compensation payments in 2019.

COMPLIANCE WITH SECTION 29 (2, 3, 4 AND 5) OF ACT 250/2012

A regulated entity that carries out a regulated activity in the electricity or gas sectors and is part of a vertically integrated undertaking shall submit to the Office for approval a service level agreement (SLA) or its amendment. SLAs concluded within a group of vertically integrated undertakings which have as their subject matter the provision of services with an estimated value of more than € 100 000 shall be invalid without prior approval by the Office. In 2019, the Office approved 22 service level agreements. This has resulted in optimizing the adequacy of the costs of performing regulated activities and consolidating the content of contractual relationships.

Pursuant to Section 29 (3 and 5), the Office monitored transparent methods of goods and services procurement necessary for the performance of regulated activities by entities that are part of vertically integrated undertakings.

Pursuant to Section 29 (3) of Act 250/2012, the Office registered 752 public tenders announced by 17 regulated entities. Of the public tenders announced in 2019 and in the previous period, 632 were closed and 47 were canceled in 2019. Eight public tenders were closed with no winner. As of 31 December 2019, 205 commercial public tenders were ongoing.

Pursuant to Section 29 (4) of Act 250/2012, 113 regulated entities reported to the Office 730 completed orders with a value exceeding € 300 000.

COMMERCIAL AND FINANCIAL AGREEMENTS

Pursuant to Section 57 (2) (c), the transmission system operator is obliged to submit draft commercial and financial agreements with a vertically integrated undertaking to the Office for approval. In 2019, four commercial agreements were approved by the Office.

8. INSPECTION

The Office performed onsite inspections in 73 regulated entities, of which in 14 entities on the basis of received submissions and in 59 entities on the basis of the onsite inspection activity plan. Of the above number, 46 inspections in regulated entities were completed by making a report on the inspection results, i.e. with a detected breach of the applicable legislation. 27 inspections were completed just by making minutes (record) of the inspection, i.e. without finding a breach of the valid legislation. The inspections focused on compliance with applicable legislation in the performance of regulated activities in network industries in the years 2015 - 2019. In this context, the inspections were focused on compliance with the scope of price (tariff) regulation, technical (non-tariff) regulation and regulation of quality standards as approved by the Office.

In 2019, onsite inspections were carried out in 40 entities doing business in the electricity sector - in 20 of them, up to 72 breaches of Act 250/2012 and of Act 251/2012 were found. In the gas sector, the Office carried out onsite inspections in 17 companies - in eight of them, 21 violations of Act 250/2012 and Act 251/2012 were found. The most frequent breach of Act 250/2012 by electricity and gas companies were failures to perform the regulated activity in accordance with a valid decision or confirmation of the Office, and non-compliance with price regulation requirements according to generally binding legislation issued by the Office.

In the case of entities performing regulated activities in the heating sector, the Office carried out onsite inspections in 48 entities, while in 24 of them 48 violations of Act 250/2012, Act 251/2012 and Act 657/2004 on the Heating Energy Sector were found. The most frequent were breaches of Act 250/2012 related to the failure to settle costs of heat generation, distribution and supply, which are not considered eligible costs, within the time limit and in the manner specified by a decree of the Office. In the water sector, the Office inspected compliance with legislation in ten entities and found ten violations of Act 250/2012 in six of them. The entities operating in the water sector committed the most violations of the obligation to submit true and complete information and data to the Office.

In addition to carrying out onsite inspections in regulated entities, the Office found additional breaches of provisions of Act 250/2012 and Act 251/2012 directly by its administrative activities. The result was the imposition of a fine on ten entities in the total amount of € 6 800. In nine cases, the entities did not notify the Office by the end of February of the calendar year 2018 of discontinuing a regulated activity under issued license or confirmation of fulfilment of the notification duty and one entity did not deliver the full text of the Articles of Association to the Office within 15 days of their amendment.

The Office received 33 complaints from natural and legal persons, nine of them were subsequently included in the inspection plan and in three cases a breach of the valid legislation was found.

OVERVIEW OF INSPECTION FINDINGS

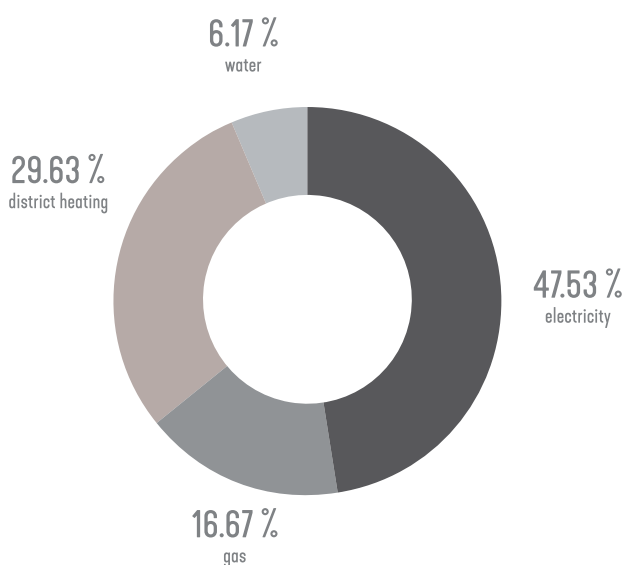
The overview shows the number of different breaches of Act 250/2012, Act 251/2012 and Act 657/2004 found by Inspection Department during their onsite inspections and/or by their administrative activities.

1. breach of Section 29 (1) (b) of Act 250/2012 - failure to conduct regulated activity in accordance with the Office's valid decision or confirmation and failure to comply with price regulation requirements according to generally binding legislation issued by the Office - 41 findings, of which in:
 - electricity 31
 - gas 4
 - district heating 5
 - water 1
2. breach of Section 29 (1) (c) of Act 250/2012 - failure to settle the costs of heat generation, distribution and supply, which are not considered as eligible costs, within the time limit and in the manner established by the Office - 30 findings in district heating.
3. breach of Section 29 (1) (k) of Act 250/2012 - failure to provide to the Office free of charge complete and truthful data, documents and any other information necessary for the purposes specified by this Act and for the exercise of the Office's powers in the scope, manner and time limits set forth by the Office - 16 findings, of which in:
 - electricity 2
 - district heating 6
 - water 8
4. breach of Section 29 (1) (o) of Act 250/2012 - failure to comply with the market rules - 12 findings, of which in:
 - electricity 9
 - gas 3
5. breach of Section 29 (1) (j) of Act 250/2012 - failure to notify the Office by the end of February of the calendar year of discontinuing a regulated activity under issued license or confirmation of fulfilment of the notification duty - 11 findings, of which in:
 - electricity 5
 - gas 5
 - district heating 1
6. breach of Section 13 (4) of Act 250/2012 - failure to comply with the DSO grid code - two findings in electricity.
7. breach of Section 22 (4) (h) of Act 250/2012 - failure to submit to the Office by the end of February of the calendar month an assessment of quality standards for the previous year and failure to publish this assessment on the regulated company's website or in another usual form if the regulated company does not have a website in place - one finding in district heating.
8. breach of Section 29 (1) (a) of Act 250/2012 - failure to perform regulated activity according to and within the scope of the license, confirmation of fulfilment of the notification duty or confirmation of registration - one finding in gas.
9. breach of Section 29 (1) (l) of Act 250/2012 - failure to put in place the measure imposed by the Office pursuant to Section 9 (1) (e) within the specified time limit - one finding in district heating.
10. breach of Section 34 (2) (b) of Act 250/2012 - failure to provide the Office's staff with the required co-operation corresponding to their rights in the performance of the inspection pursuant to Section 33 (1) (a) and (b) - one finding in water.
11. breach of Section 6 (1) of Act 251/2012 - doing business in the energy sector without license or not in compliance with the license or confirmation of fulfilment of the notification duty - seven findings, of which in:
 - electricity 3
 - gas 4

12. breach of Section 34 (3) of Act 251/2012 - failure to comply with the obligation to provide information pursuant to Section 34 (2) (c), (d) and (h) of Act 251/2012 on the electricity supply bill or in the material sent simultaneously with the bill and in the promotional materials sent to end electricity consumers - six findings in electricity.
13. breach of Section 34 (2) (c) of Act 251/2012 - failure to fulfill the obligation towards electricity consumer to provide information on the share of the types of primary energy sources - four findings in electricity.
14. breach of Section 34 (2) (d) of Act 251/2012 - failure to fulfill the obligation towards electricity consumer to provide information on the impact of electricity generation - four findings in electricity.
15. breach of Section 34 (2) (h) of Act 251/2012 - failure to fulfill the obligation towards electricity consumers to provide information on their rights related to available means for dispute resolution - four findings in electricity.
16. breach of Section 4 (5) of Act 251/2012 or breach of Section 4 (6) of Act 251/2012 - failure to fulfill the notification duty within 30 days of discontinuing to do business in the energy sector - five findings, of which in:
 - electricity 2
 - district heating 1
 - gas 2
17. breach of Section 31 (2) (u) of Act 251/2012 - failure to publish the terms and conditions of grid connection and the terms and conditions of distribution system access and electricity distribution on the DSO's website - two findings in electricity.
18. breach of Section 6 (5) of Act 251/2012 - failure to fulfill the notification duty within 30 days when performing activities not required to be licensed pursuant to Section 6 (4) - one finding in electricity
19. breach of Section 17 (12) of Act 251/2012 - failure to deliver final settlement of payments for electricity supply to the household electricity consumer no later than four weeks after the consumer has switched their supplier - one finding in electricity.
20. breach of Section 31 (2) (y) of Act 251/2012 - failure on the part of DSO to fulfill the obligation to submit to the Office by 31 January list of consumers connected to the distribution network who changed their supplier in the previous year - one finding in electricity.
21. breach of Section 51 (4) of Act 251/2012 - failure on the part of the TSO to deliver to the Office a copy of the complete wording of the Articles of Association within 15 days of their amendment - one finding in gas.
22. breach of Section 64 (7) (p) point 1. of Act 251/2012 - failure of the DSO to fulfill the obligation to publish a request template for distribution system access on its website - one finding in gas.
23. breach of Section 64 (7) (p) point 2.1. of Act 251/2012 - failure of the DSO to fulfill the obligation to publish a request template for distribution system connection on its website - one finding in gas.
24. breach of Section 64 (7) (p) point 2.2. of Act 251/2012 - failure of the DSO to fulfill the obligation to publish the procedure on concluding a contract on distribution system connection on its website - one finding in gas.
25. breach of Section 64 (7) (p) point 2.3. of Act 251/2012 - failure of the DSO to publish a model contract on distribution system connection on its website - one finding in gas.
26. breach of Section 64 (7) (p) point 2.5. of Act 251/2012 - failure of the DSO to publish on its website a request template for distribution system connection and installation of a meter for a gas non-household customer - one finding in gas.

27. breach of Section 64 (7) (p) point 2.6. of Act 251/2012 - failure of the DSO to publish deadlines on its website for connection to the distribution network, unless they are determined individually depending on the technical conditions of gas consumption required by the gas customer - one finding in gas.
28. breach of Section 76 (7) of Act 251/2012 - failure to provide information on the energy bill (indicate separately the amount for regulated supply and services and the amount for non-regulated supply and services plus the supply point identification code) – gas supplier's billing obligations - one finding in gas.
29. breach of Section 5 (1) of Act 657/2004 – doing business in the heating sector without license or not in compliance with the license - two findings in district heating.
30. breach of Section 8 (1) of Act 657/2004 - failure of the license holder to request the Office in writing to update the license within 30 days of a change - one finding in district heating.

Share of breaches by sectors



MEASURES IMPOSED TO REMEDY FAILURES

The Office imposed 26 measures to remove and remedy failures found in the framework of its inspection activities, in:

• electricity	2
• district heating	23
• water	1

The Office ordered 16 regulated entities to return to heat and water consumers amounts representing the difference between the price charged and the price that was to be charged under applicable legislation, in total amount of € 134 836.62, of which to/for:

• heat consumers (variable part of the maximum price)	60 735.15 €
• heat consumers (fixed part of the maximum price)	73 116.86 €
• wastewater collection and treatment by public sewerage systems	984.61 €

In one regulated entity, the Office imposed measures to submit to the Office for approval grid code with special conditions of the distribution grid operation being incorporated into the model grid code and terms and conditions of electricity supply with special conditions of supply incorporated into the model terms and conditions of supply.

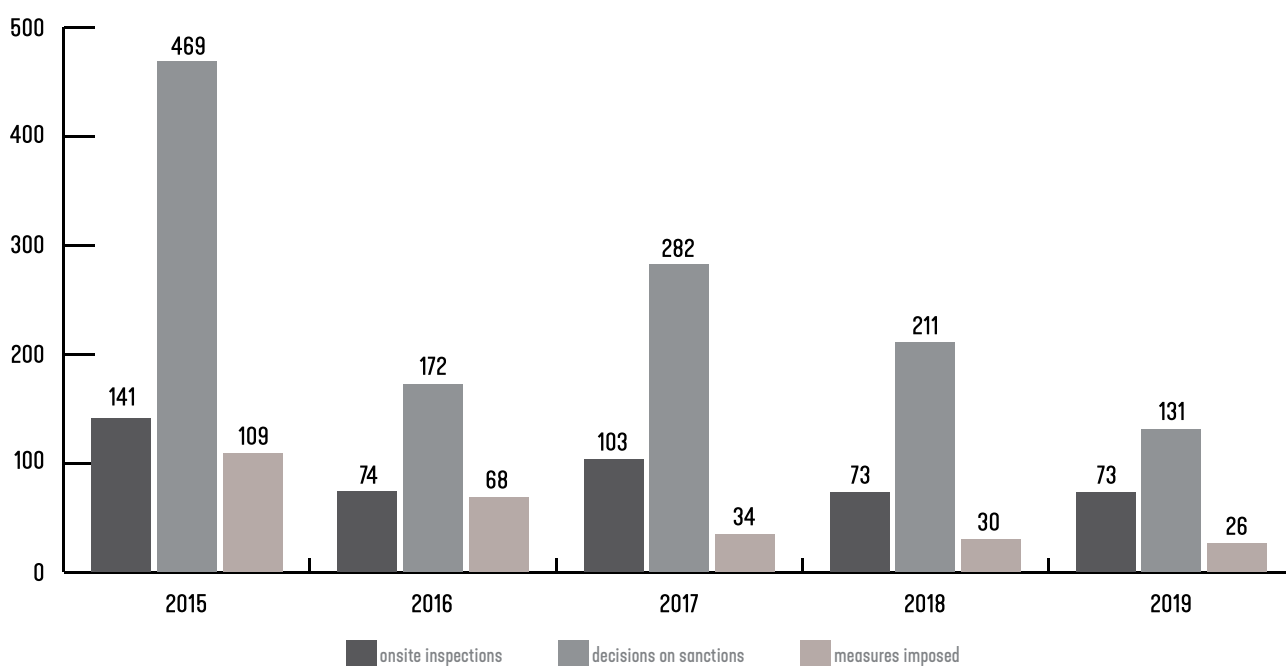
In one regulated entity, the Inspection Department did not impose a measure to remove and remedy failures found during the inspection, as the unduly charged costs in the fixed component of the heating price in the amount of € 18 468.03 had already been returned to the consumers during the inspection.

SANCTIONS IMPOSED AT THE 1ST LEVEL OF ADMINISTRATIVE PROCEEDING

Fines for breaches of statutory obligations

ADMINISTRATIVE PROCEEDING		DECISIONS ISSUED	
		Quantity	Fine (€)
I. Resulting from onsite inspection findings		71	247 4000
II. Resulting from breaches found in regular administrative procedures	- failure to comply with notification obligation towards the Office	9	4 800
	- non-compliance with the TSO's obligation to submit a copy of the full wording of the Articles of Association to the Office within 15 days of their amendment	1	2 000
	- failure to submit actual costs (heat)	9	4 500
	- failure to submit quality standards	35	20 000
	- failure to submit rules for assets/liabilities and/or costs/revenues allocation	6	3 000
TOTAL		131	281 700

Onsite inspections, measures imposed and decisions on sanctions



9. LICENSES IN NETWORK INDUSTRIES

In technical (non-tariff) regulation, the Office decides, inter alia, on the issuance, amendment and revocation of licenses to perform regulated activities. In the electricity and gas sectors, legal and natural persons may do business on the basis of a license or confirmation of compliance with the notification obligation issued pursuant to Act 251/2012. According to Section 6 (2) h) of Act 251/2012, energy business license is also required for the activity of electricity purchaser. The electricity purchaser was selected by the Ministry of Economy of the Slovak Republic through an auction in accordance with Section 2 (3) m) of Act 309/2009 Coll., as amended.

A total of 13 licenses were revoked (8 in electricity and 5 in gas). All were revoked at the request of the licensee.

Overview of issued energy business licenses

	supply	generation and supply	distribution	distribution and supply	purchaser
electricity	14	1	1	3	1
gas	25	-	1	-	-

Overview of received requests and issued decisions

	new licenses	revoked licenses	license amendments	suspended proceedings	terminated proceedings
electricity	20	8	80	23	4
gas	26	5	28	19	4
fuels and oil	1	0	3	4	1
total	47	13	111	46	9

Overview of valid licenses

Overview of valid electricity licenses pursuant to Section 6 (2) (a) and (b) of Act 251/2012

electricity generation	2
electricity transmission	1
electricity distribution	12
electricity generation and supply	103
electricity generation, distribution and supply	26
electricity distribution and supply	112
electricity supply	140
short-term electricity market operator	1
electricity purchaser	1
total	398

Overview of valid gas licenses pursuant to Section 6 (2) (c) of Act 251/2012

gas production	1
gas transmission	1
gas distribution	4
gas distribution and supply	40
gas storage	2
gas supply	125
total	173

Overview of valid energy licenses - fuels and oil pursuant to Section 6 (2) (d), (e), (f) and (g) of Act 251/2012

fuel transmission pipeline operation	1
pressure vessel filling facility operation	14
oil transmission pipeline operation	2
operation of liquefied gaseous hydrocarbon distribution facility	0
pressure vessel filling facility operation and operation of liquefied gaseous hydrocarbon distribution facility	1
total	18

Overview of district heating licenses

Overview of received requests and issued decisions in district heating	
new licenses	13
revoked licenses	7
license amendments	116
suspended proceedings	44
terminated proceedings	6
received requests in total	186

Overview of valid district heating licenses	
heat generation and distribution	329
heat generation	8
heat distribution	14
total	351

REGISTRATION CONFIRMATIONS IN WATER

Based on requests from regulated entities, the Office issued pursuant to Section 23 of Act 250/2012 a total of 43 confirmations of registration.

As of 31 December 2019, the Office maintained a total of 660 valid registration confirmations.

Confirmations of compliance with the notification obligation

Confirmations of compliance with the notification obligation pursuant to Section 6 (5) of Act 251/2012	No. of confirmations issued for new entities/ installations	No. of valid confirmations as of 31 Dec 2019	No. of issued confirmations - amendments
a) electricity generation and supply from power generating units with total installed output up to 1 MW			
– small hydropower plants	1	177	18
– wind power plants	0	1	0
– photovoltaic installations	32	1935	86
– biogas stations and wastewater treatment plants	2	122	10
– CHP plants	5	85	10
c) gas production and supply from biogas	1	1	0
d) sale of compressed natural gas for motor vehicles propulsion	7	112	0
e) oil transport from extraction site to refinery			
f) sale of liquefied gaseous hydrocarbons in pressure vessels			
g) sale of liquefied gaseous hydrocarbon for motor vehicles propulsion, including the filling of motor vehicle fuel tanks with liquefied gaseous hydrocarbons intended for motor vehicles propulsion, with the exception of pressure vessels filling			
h) transport of liquefied gaseous hydrocarbon in pressure vessels			
total	48	2463	106
confirmations of activity termination	26		
confirmations of activity termination in total since 2008	239		
all issued confirmations in 2019 – for new entities + amendments + confirmations of activity termination	180		

activities overlap

CERTIFICATES OF ELECTRICITY GENERATION IN A LOCAL SOURCE

URSO's powers in the area of issuing certificates were extended with the adoption of the amendment act 309/2018.

In 2019, the Office issued a total of ten certificates of electricity generation in a local source, of which eight are connected to the distribution system of Západoslovenská distribučná, one is connected to the distribution system of Stredoslovenská distribučná and one is connected to the distribution system of Východoslovenská distribučná.

According to Section 4b (19) of Act 309/2009 Coll. the system operation tariff shall not be applied to electricity generated in a local source and consumed in a supply (off-take) point identical to the delivery point of the local source, from the calendar month following the calendar month in which the certificate of electricity generation in the local source was issued.

10. INTERNATIONAL ACTIVITIES AND REMIT

The Office regularly participated in the meetings of the Agency for the Cooperation of Energy Regulators (ACER) Board of Regulators, having had the opportunity to provide opinions in the development and approval of EU binding common rules for internal electricity and gas markets. The Office also participated in parallel meetings of the Council of European Energy Regulators (CEER), having renewed its membership in July 2019. CEER is a platform bringing together national energy regulators in the European Union. It enables mutual cooperation and the exchange of best regulatory practices, complementing the work of ACER. The Office thus regained an opportunity to comment at the highest level on the vision and direction of the energy sector in the EU, especially with regard to the forthcoming new legislation on the single gas market or future sector integration.

Representatives of the Office made several foreign business trips to hold discussions with partner regulatory authorities on the design and implementation of methodologies resulting from electricity network codes in the CORE capacity calculation region. As criteria for the assessment of projects of public interest (PCIs) eligible for co-financing by the EU were set, the participation of the Office representatives in several meetings of the European Commission with Member States, regulators and stakeholders was important since there were also projects of Slovak stakeholders among the candidate PCIs.

The Office continued to participate in the discussions and express support for the interim project of the MRC and 4M MC electricity market coupling based on the NTC (net transmission capacity) method. As a member of the Energy Regulators Regional Association (ERRA), the Office participated in the annual general meeting of the association and also in the international ERRA energy investment and regulation conference mapping current trends in this field. In May, the Office welcomed the delegation of E-Control, the Austrian regulator, when both national regulators shared their views and experiences on specific topics of the gas and electricity sectors. Representatives of the Office also took part in a meeting of the Energy Community with Ukraine, in which a coordinated regime for calculating capacity for cross-border exchanges of electricity between Ukraine and some EU Member States (Slovakia, Hungary, Poland, Romania) was discussed.

The Office continued to fulfill its obligations under Regulation (EU) 1227/2011 on wholesale energy market integrity and transparency (REMIT) which lays down rules for market participants trading in wholesale energy markets and prohibits insider trading and market manipulation. The Office investigated several suspected breaches of the obligation to disclose inside information pursuant to Article 4 of REMIT, and to this end also successfully completed the establishment of a dedicated and secured workplace on its premises and obtained access to the Case Management Tool (CMT) from ACER. In the future, CMT will enable more efficient and secure communication between the Office, EU partner regulatory authorities and ACER during REMIT investigation. In September, representatives of the Office participated in the Agency's EMIT Forum focusing on REMIT implementation and enforcement. As of 31 December 2019, a total of 116 market participants were registered in the national register of market participants, which is administered by the Office and is part of the Centralized European Register of Energy Market Participants (CEREMP). After market participants are registered in the national register, a unique identifier, so-called ACER code, is assigned to them which is then used to report their trading data through a registered reporting mechanism (RRM). In Slovakia, companies OKTE and Solien fulfill the role of the RRM.

11. FINANCIAL FIGURES AND HUMAN RESOURCES

The Office fulfilled binding state budget indicators and handled the allotted financial resources in the following way:

REVENUES

As at 31 December 2019, total revenues reached € 165 964, of which fines imposed by the Office to regulated entities in accordance with the law amounted to € 160 230 and other tax revenues were in the amount of € 5 734, which represents the fulfillment of this binding indicator at 107.77%.

EXPENSES

The approved budget of total expenditures for 2019 represented € 4 472 072. As at 31 December 2019, the approved budget was adjusted by the budget measures of the Ministry of Finance to € 5 025 488. The actual spending as at 31 December 2019 reached € 5 025 290, which in percentage terms represents 100.00% (saving € 198).

HUMAN RESOURCES

As at 31 December 2019, URSO had a total of 118 employees (94% of the planned headcount of 125), of which 99 were in the civil service relationship and 19 in the standard employment relationship. Out of the above total number of staff, 21 employees were based in local offices outside URSO's Bratislava headquarters, i.e. at the Inspection Department's offices in Trenčín, Košice, Martin and the Strategy and Analysis Department's office in Martin.

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