

# NEURC

1994

NATIONAL ENERGY AND UTILITIES REGULATORY  
COMMISSION OF UKRAINE

# ANNUAL | 2025 REPORT



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# List of Abbreviations and Acronyms

- **ACER** – European Union Agency for the Cooperation of Energy Regulators
- **ADCS** – Automated Dispatch and Technological Control System
- **AIB** – Association of Issuing Bodies (Guarantees of Origin)
- **BCM** – Bilateral Contracts Market
- **BESS** – Battery Energy Storage System
- **BM** – Balancing Market
- **CAIDI** – Customer Average Interruption Duration Index
- **CEER** – Council of European Energy Regulators
- **CGU** – Cogeneration Unit
- **CHP** – Combined Heat and Power Plant
- **CWSS** – Centralized Water Supply and Sewerage Services
- **DAM** – Day-Ahead Market
- **DHC** – District Heating Company
- **DSC** – Distribution Systems Code
- **DSO** – Distribution System Operator
- **EBRD** – European Bank for Reconstruction and Development
- **ECRB** – Energy Community Regulatory Board
- **EIB** – European Investment Bank
- **EnC** – Energy Community
- **ENTSO-E** – European Network of Transmission System Operators for Electricity
- **FIP** – Feed-in Premium
- **FIT** – Feed-in Tariff
- **GB** – Guaranteed Buyer
- **GTS** – Gas Transmission System
- **GTSOU** – LLC “Gas Transmission System Operator of Ukraine”
- **HPP** – Hydropower Plant
- **HSO/HGO** – Heat Supply / Heat Generation Organization
- **IBRD** – International Bank for Reconstruction and Development
- **IDM** – Intraday Market
- **ITNDUW** – Individual Technological Standards for Drinking Water Use
- **ITC** – Inter-Transmission System Operator Compensation
- **JAO** – Joint Allocation Office
- **NPP** – Nuclear Power Plant
- **PSO** – Public Service Obligations
- **PSP** – Pumped Storage Plant
- **PV** – Photovoltaic Power Plant
- **REMIT** – EU Regulation on Wholesale Energy Market Integrity and Transparency
- **RES** – Renewable Energy Sources
- **SAIDI** – System Average Interruption Duration Index
- **SAIFI** – System Average Interruption Frequency Index
- **SoLR** – Supplier of Last Resort
- **TPP** – Thermal Power Plant
- **TSC** – Transmission System Code
- **TSO** – Transmission System Operator
- **UEEX** – LLC “Ukrainian Energy Exchange”
- **USC** – Unified Social Contribution
- **USS** – Universal Service Supplier
- **WB** – World Bank

# 1. About NEURC

## • VISION

**NEURC** is a modern, open, and independent regulator that drives the development of the energy and utilities sectors based on pan-European principles, promotes effective regulation amid wartime challenges and post-war recovery, maintains a balance between the interests of consumers, businesses, and the state, and enjoys the trust of society and international partners.

## • MISSION

To ensure the stable and efficient functioning and development of the energy and utilities markets through transparent and fair rules, fostering the accessibility and quality of goods and services, strengthening energy security, and advancing Ukraine's integration into the European energy sphere.

## • OPERATING PRINCIPLES

- legality, autonomy, and independence within the limits established by law
- competence, effectiveness, and fairness
- predictability and timeliness in decision-making
- targeted regulation, impartiality, and objectivity
- openness and transparency, and public access to the process of government regulation
- non-discrimination and accountability for decisions made

## • ORGANIZATIONAL STRUCTURE

NEURC is a collegial body that performs state regulation, monitoring, and oversight of business entities operating in the energy and utilities sectors.

**7**

Commissioners of NEURC, including the Chair, are appointed through open competitive selection procedures

**550**

NEURC employees (central office and territorial divisions) in 2025

NEURC's activities are financed through contributions from business entities operating in the energy and utilities sectors.

NEURC's expenditures in 2025 amounted to UAH 779 million. In addition, NEURC allocated **UAH 195 million** to support the Armed Forces of Ukraine.

## 2. NEURC-2025 in figures

**3 043** (↑10 %)

NEURC decisions  
adopted



**88** (↓28 %)

NEURC open  
meetings held



**7 247** (↑5 %)

tariffs set



**204** (↑42 %)

Investment programs and  
Development Plans approved



**334** (↑36 %)

licences issued and  
renewed



**34 164** (↑37 %)

consumer enquiries  
processed



**333** (↓28 %)

inspections completed



**92** mln UAH (↑156 %)

finances imposed



**14 814** (↓4 %)

connection fees in the  
electricity sector approved



**14,8** mln

guarantees of origin for  
electricity from renewable  
energy sources issued



# 3. Electricity sector

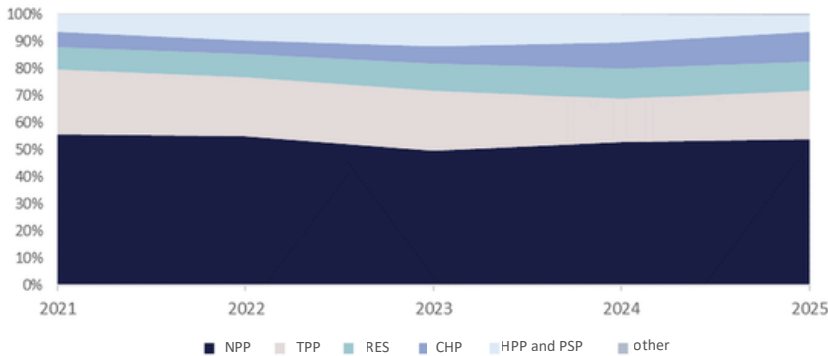
## • KEY DECISIONS AND EU-INTEGRATION MILESTONES

- 01.01.2025** • New **cost-reflective transmission tariffs** entered into force, ensuring 100% coverage of payments to renewable energy producers. **New distribution tariffs, standard and non-standard connection charges**, and charges for the linear component of network connections were also introduced.
- 25.02.2025** • UAH 10.7 billion in savings achieved by NPC Ukrenergo from dispatching activities was **allocated to settling outstanding liabilities in the balancing market** and to renewable energy producers, including residential solar PV owners (pursuant to Law No. 4213-IX).
- 15.04.2025** • The **Distribution Systems Code** was enhanced through the introduction of **European voltage standards (230/400 V)**, updates to consumption restriction schedules, and streamlined land allocation procedures for network connections.
- 06.05.2025** • The **Transmission System Code** was aligned with Regulations (EU) 2017/1485 and 2017/2196 on criteria for declaring a **system emergency** and requirements for the System Defence and Restoration Plan.
- 20.05.2025** • The **methodology for calculating marginal balancing energy prices** and compensating system constraints was enhanced, improving pricing accuracy in the balancing market and ensuring fair compensation for operation under network constraints.
- 18.06.2025** • The **Retail Electricity Market Rules** were amended to allow the **SLR to continue supplying critical infrastructure** and protected consumers beyond 90 days, subject to the use of dedicated accounts.
  - Measures were introduced **to prevent the misuse of electricity supplied at household tariffs for commercial or industrial purposes**, including procedures for suppliers and DSOs to identify and address such cases.
- 24.06.2025** • Rules governing **active consumers** were improved by preserving active consumer status where generation exceeds 50% of consumption (for facilities above 1 MW) and permitting the connection of third-party cogeneration units (up to 20 MW) to producers' networks **for self-supply and sale of surplus electricity**.
- 24.06.2025** • Opportunities for **electricity import and export** operations on the Ukraine–Moldova border were expanded through approval of intraday capacity allocation rules, congestion income distribution arrangements, and updated allocation rules.
  - **Non-discriminatory access** to electricity networks was strengthened through amendments to the Distribution Systems Code, clearly defining procedures for restricting or denying network access, DSO responsibilities, development planning requirements, and user notification obligations.
- 15.07.2025** • An **online monitoring system for grid connections** was launched, enabling real-time oversight of compliance by the TSO and DSOs with connection procedures and deadlines.
- 22.07.2025** • The **Temporary Procedure for Determining Electricity Purchase Volumes** was improved through enhanced commercial metering data quality and verification, smart meter incentives, stronger safeguards against data manipulation, and better information for consumption forecasting.
- 22.07.2025** • The **Commercial Metering Code** was amended to establish procedures for concluding information exchange agreements, regulate metering at shared connection points for multiple generating units, and introduce metering rules for energy storage facilities
- 29.07.2025** • The **Transmission and Distribution System Codes** were updated to introduce **capacity reservation for large wind power plants**, enable customer-led construction of network infrastructure for non-standard connections, and regulate **shared connection points** for different types of generation and BESS.
- 29.07.2025** • Rules for **long-term (monthly) transmission capacity allocation on the JAO platform** at the borders with Slovakia, Hungary, and Romania were approved. The first auction took place on 15 December 2025.
- 05.08.2025** • A mechanism was introduced for the transfer of **obligations to provide frequency containment and active power control ancillary services** between different ancillary service units, including between different service providers.
- 05.08.2025** • The principles for determining the **cost of standard connections, transmission system connections, and non-standard connections** (above 1 MW) were updated for customers who independently design and construct the linear part of the network infrastructure.
- 16.09.2025** • The TSO was required, from 1 January 2026, **to separately disclose in invoices the costs of supporting renewable energy generation (PSO)** and to maintain separate accounting records for the related revenues and expenditures.
- 28.10.2025** • The **simplified mechanism for the temporary connection** of generating facilities to electricity networks was extended, with applications accepted until 1 May 2026 and the provision of services to be completed by 1 October 2026.
- 02.12.2025** • The requirements for **commercial metering installation at generating facilities** were simplified, and exemptions from certain technical requirements were introduced. It was also made possible to include in connection technical conditions a phased implementation of generation facilities to ensure faster grid capacity availability.

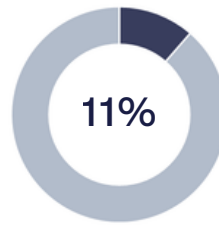
# 3. Electricity sector

## ELECTRICITY GENERATION

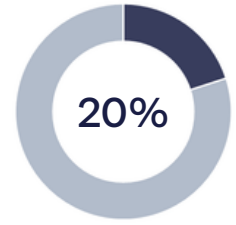
Energy mix, 2021-2025



RES share



in generation



in generating capacity

Structure of injection to the grids



**+ 551 MW**

new storages capacity

**+ 959 MW**

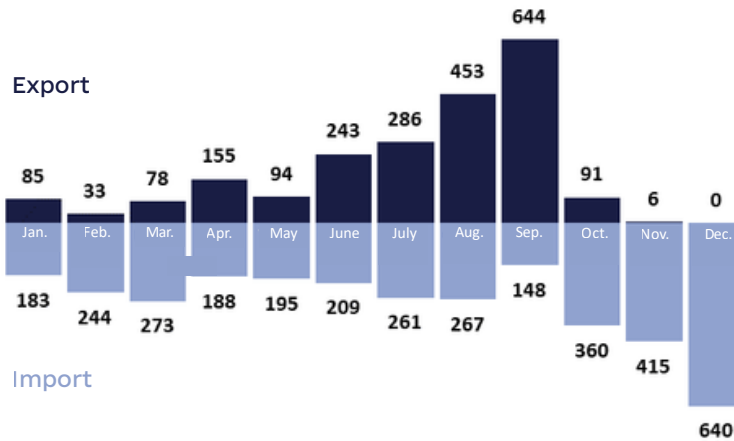
new RES capacity, including private households PV

The dominance of electricity injected into the TSO's grid indicates that the centralized generation model remains in place.

At the same time, the share of electricity supplied through the DSO network is quite high, indicating the growing role of distributed generation, particularly the increase the number of RES in private households.

## CROSS-BORDER TRADE

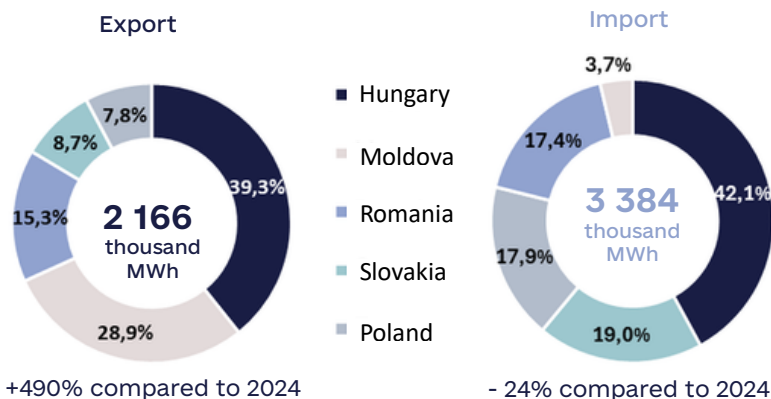
Monthly dynamics of export/import in 2025, in thousands of MWh



Highest export volumes during June - September 2025, including the highest export volume since synchronization with ENTSO-E: **644 thousand MWh** in September.

Following large-scale attacks in November, Ukraine completely stopped export (as of November 11, 2025) and ended the year with import of **640 thousand MWh** in December.

Export/Import structure by cross-border interconnections



Cross-border capacity allocation practices in 2025:

A joint, coordinated procedure for allocating transmission capacity at all of Ukraine's borders with neighboring European countries

- Interconnections with the EU – Daily Auctions
- Ukraine–Moldova cross-border markets—long-term, daily, and intraday auctions.

NEURC's decisions ensured the implementation of long-term auctions and set the stage for the launch of intraday auctions at interconnections with the EU in 2026.

The first long-term (monthly) auctions for the allocation of transmission capacity at the borders with Slovakia, Hungary, and Romania, conducted through the JAO, began on December 15, 2025.

# 3. Electricity sector

## INVESTMENTS IN THE TRANSMISSION SYSTEM

**90,9**  
bn UAH (excluding VAT)

Transmission System Development Plan (2025–2034)

### Implementation of the Investment Program



**3,05**  
bn UAH (excluding VAT)

Investment Program (2025)

### Sources of Financing for the Investment Program:



**1,93**  
bn UAH (excluding VAT)

Actual financing

The main financing volumes of the investment program were directed toward: new construction (50%); technical upgrading and reconstruction (30%); procurement of fixed assets (20%). In particular, the implementation of strategically important power facilities of the transmission system continued.

## INVESTMENTS IN THE DISTRIBUTION SYSTEM

**12,4**  
bn UAH (excluding VAT)

DSOs Investment Programs

### Implementation of the Investment Program



**10,4**  
bn UAH (excluding VAT)

Actual financing

### Sources of Financing for the Investment Program:



**7,3**  
bn UAH (excluding VAT)

3 Distribution System Development Plans (2025–2029)

**105,6**  
bn UAH (excluding VAT)

22 Distribution System Development Plans (2026–2030)

The main financing volumes of DSOs investment programs were directed toward: network development (64%); loss reduction (16%); development of ADCS (7 %), transport (5%); IT development (5%).

## SMART GRID DEVELOPMENT

To support Smart Grid deployment, NEURC facilitated DSOs investments in the automation of power networks, including the installation of telecontrol equipment, reclosers, and smart metering systems.

As a result of DSOs investment programs implementation by the end of 2025:

**(220)** electric substations and distribution points were equipped or upgraded with telecontrol equipment

**(133)** projects for the installation of reclosers on 10 kV power lines completed

**(583,7<sub>thous.</sub>)** smart meters installed for household consumers, which is **138.7 thousand (13.2%)** more than in 2024

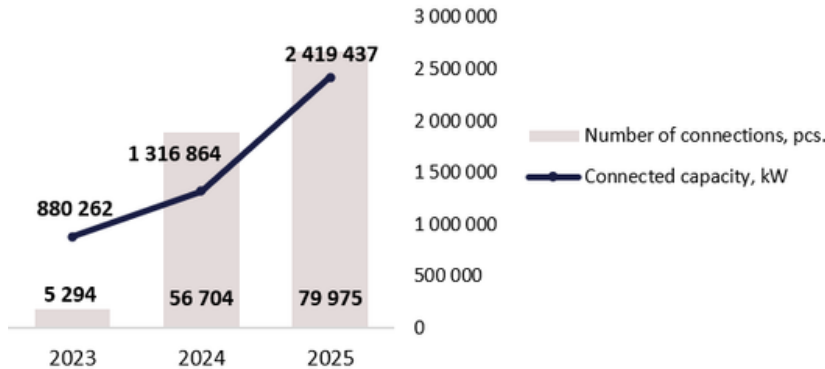
# 3. Electricity sector

## • CONNECTION TO THE GRIDS

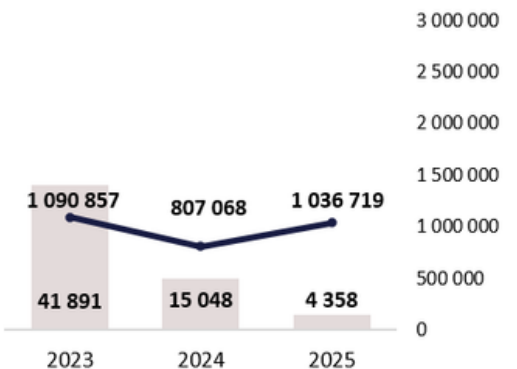
At the Regulator's requirement, all DSOs have implemented the electronic service "Connection Service Customer Personal Account", the minimum functional requirements for which have been established by the NEURC.

In 2025, the NEURC obliged TSO to ensure, no later than 1 July 2026, the operation of the "Connection Service Customer Personal Account" service. The NEURC also defined, at the level of the Transmission System Code, the functionality of this service and the list of documents that must be available and displayed within it.

**Number of services provided for standard and non-standard connection to distribution systems**

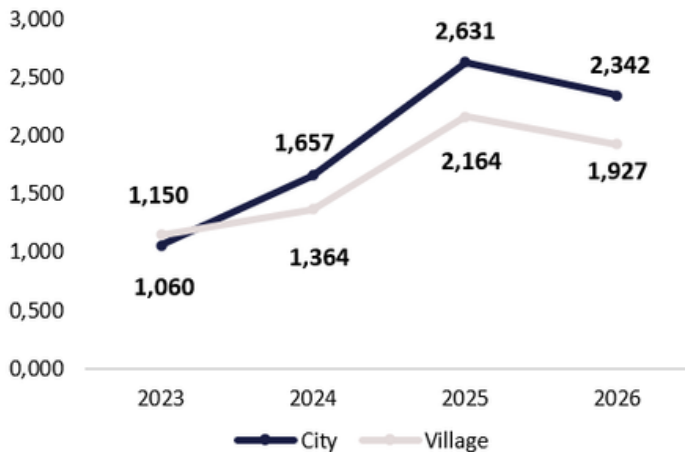


**Number of services provided for temporary connection to the distribution system**

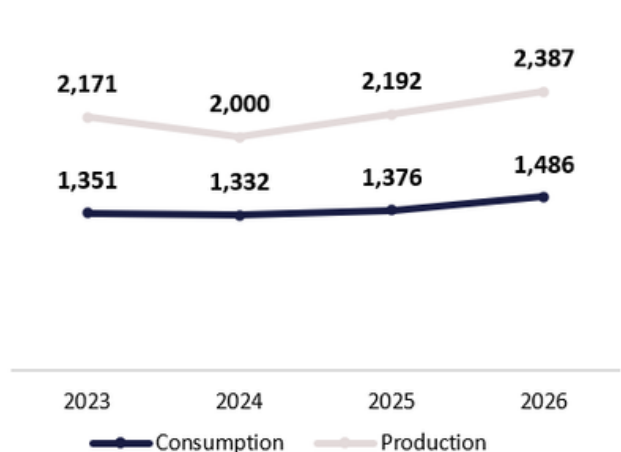


On 30 December 2025, the fees for standard and non-standard connections, as well as the fees for the line component of connection, were approved effective from Q2 2026, and the validity of the 2025 connection fees was extended to Q1 2026.

**Average approved fees for standard connection (1st category) to DSO networks, UAH/kW (excluding VAT) for 2026**



**Average approved fees for non-standard connection to DSO networks, UAH/kW (excluding VAT) for 2026**



## • AVERAGE TIME FOR CONNECTION TO DISTRIBUTION SYSTEM

**66**

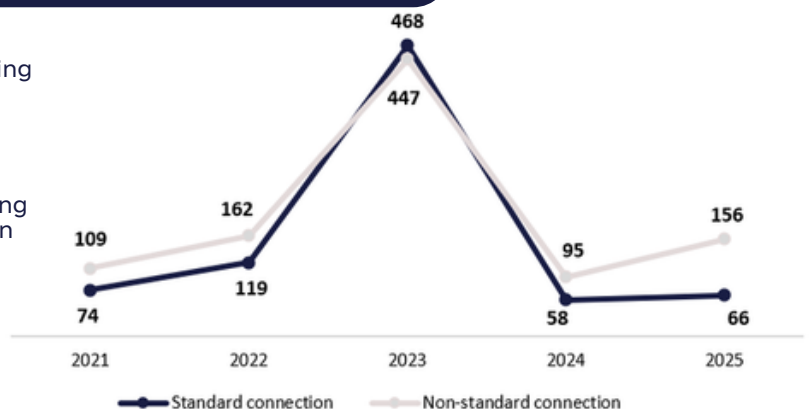
calendar days

Average time for providing **standard** connection services

**156**

calendar days

Average time for providing **non-standard** connection services



# 3. Electricity sector

## TARIFFS OF THE TRANSMISSION SYSTEM OPERATOR

Tariffs for electricity transmission services for 2025:

**686,23**

UAH/MWh (excluding VAT)  
+22.9% compared to 2024

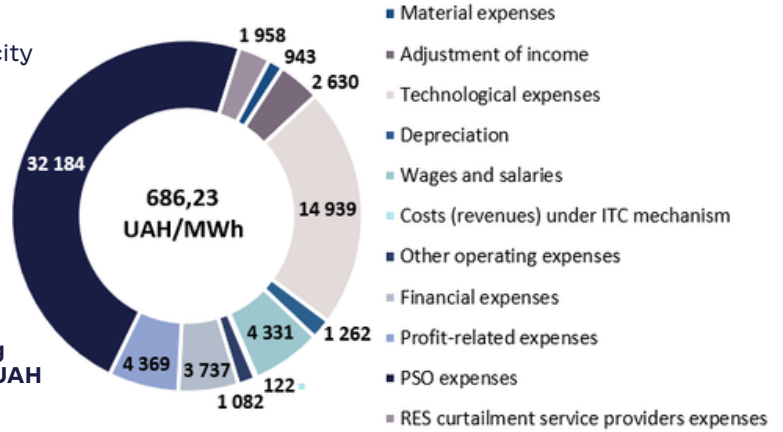
for system users (except green metallurgical electricity enterprises)

**359,55**

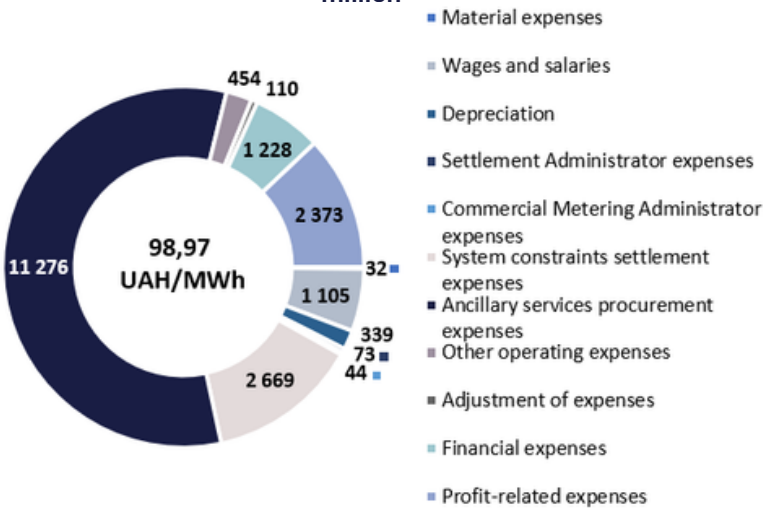
UAH/MWh (excluding VAT)  
-1.4% compared to 2024

for green metallurgical electricity enterprises

Weighted average structure of the tariff for electricity transmission services for 2025, UAH million



Weighted average structure of the tariff for dispatching (operational and technological) control services for 2025, UAH million



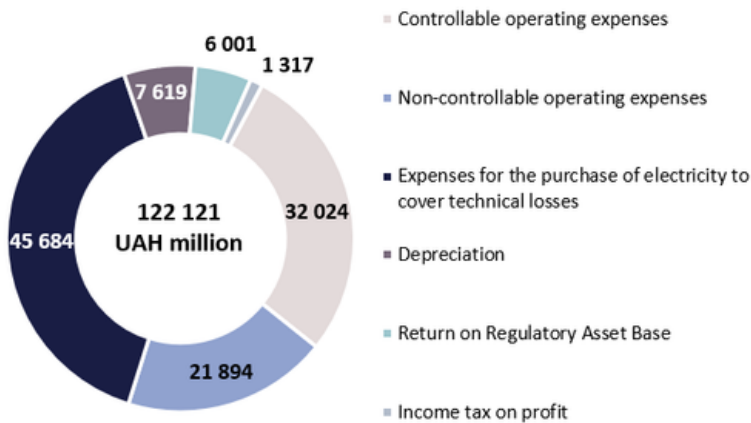
Tariff for dispatching (operational and technological) control services for 2025

**98,97**

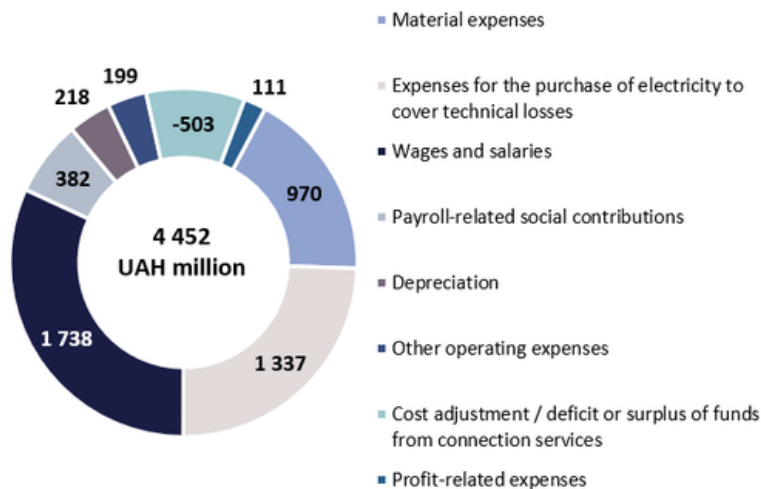
UAH/MWh (excluding VAT)  
-5.6% compared to 2024

## TARIFFS OF DISTRIBUTION SYSTEM OPERATORS

Weighted average structure of tariffs for electricity distribution services under incentive-based regulation for 2025, UAH million



Weighted average structure of tariffs for electricity distribution services during the transition period under the "cost+" methodology for 2025, UAH million



Weighted average level of electricity distribution service tariffs:

for voltage level 1

**306,18**

UAH/MWh

for voltage level 2

**1 882,19**

UAH/MWh

# 3. Electricity sector

## OVERVIEW OF THE WHOLESALE ELECTRICITY MARKET

In 2025, the electricity market demonstrated its resilience and ability to adapt to wartime conditions. Despite infrastructure losses, capacity shortages, and high price volatility, the market continued to operate in accordance with European rules, and integration with European markets strengthened due to increased imports and alignment of price trends.

## OVERALL TRENDS IN THE WHOLESALE MARKET

Total volume of electricity traded in 2025 was **191.8 million MWh**.

Share of the BCM has traditionally accounted for the highest volume of trading—about **80%**.

Market prices tended to rise compared with previous years. The price increase was driven by damage to generating capacity, the need to import electricity, and the significant role of expensive maneuverable generation.

The market remained quite concentrated, but the level of competition showed a gradual increase in 2025.

**54,4 %** Concentration ratio of the five largest participants in the wholesale market  
- 5.2 percentage points compared to 2024

**60,5 %** Share of the three largest sellers  
- 5.2 percentage points compared to 2024

### BILATERAL CONTRACTS MARKET (BCM)

BCM remained the largest market segment. Approximately **36%** of transactions were conducted through electronic auctions on the Ukrainian Energy Exchange.

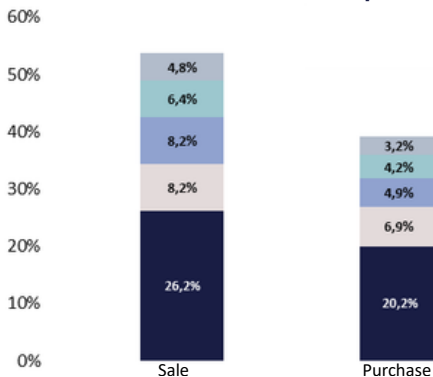
**151,1 million MWh** trade volume in the segment  
+8.8% compared to 2024

### INTRA-DAY MARKET (IDM)

Despite some decline in volume, the market showed a gradual decrease in concentration and slight increase in competition among market participants.

**2,4 million MWh** trade volume in the segment  
- 1.1% compared to 2024

#### Share of the 5 most active market participants by volume



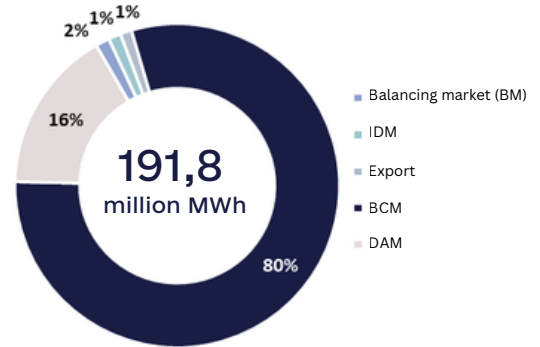
### ANCILLARY SERVICES MARKET

In 2025, the volume of required ancillary services amounted to **21 535,8 thousand MW**.

The total volume of ancillary services provided (activated) in 2025 amounted to **13 126,5 thousand MW**, with a total cost of **6 103,8 million UAH**.

It should be noted that there are no debts on this segment

#### Total volume of electricity trading



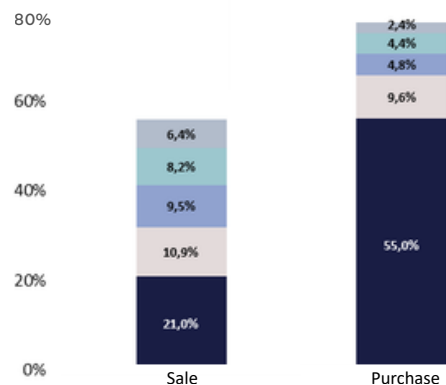
**1 721** Herfindahl-Hirschman Index  
- 417 points compared to 2024

### “DAY-AHEAD” MARKET (DAM)

Trading volume in DAM increased compared to the previous year. During the evening peak hours, prices in Ukraine exceeded those in neighboring EU countries for the first time.

**31,1 million MWh** trade volume in the segment  
+24% compared to 2024

#### Share of the 5 most active market participants by volume



### BALANCING MARKET (BM)

The balancing market played a critical role in maintaining power system stability under martial law conditions. The total volume of balancing energy sold (upward) amounted to **3,43 million MWh**, while the volume purchased (downward) reached **4,5 million MWh**.

Market participants' outstanding debts to NPC “UKRENERGO”

**35,3 billion UAH** 75% of the debt is incurred by 5 companies  
+17.6% compared to 2024

NPC “UKRENERGO” debt to market participants

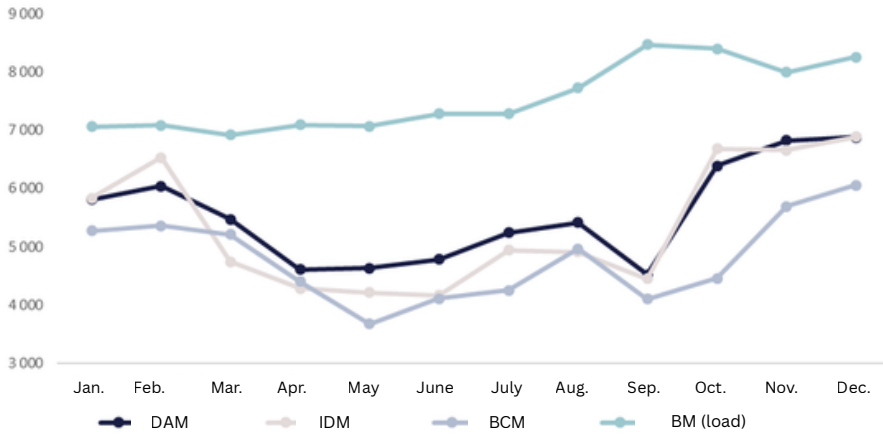
**21,5 billion UAH** 88% of the debt is incurred by 5 companies  
+27.9% compared to 2024

# 3. Electricity sector

## PRICE SITUATION IN THE WHOLESALE ELECTRICITY MARKET

### PRICE TRENDS FOR BCM, DAM, IDM and BM

Price trends in the electricity markets in 2025, UAH/MWh



**5 643,9**  
UAH/MWh  
+15.7% compared to 2024

Weighted average price in DAM

**5 522,8**  
UAH/MWh  
+10.8% compared to 2024

Weighted average price in IDM

**5 092,0**  
UAH/MWh  
+21.4% compared to 2024

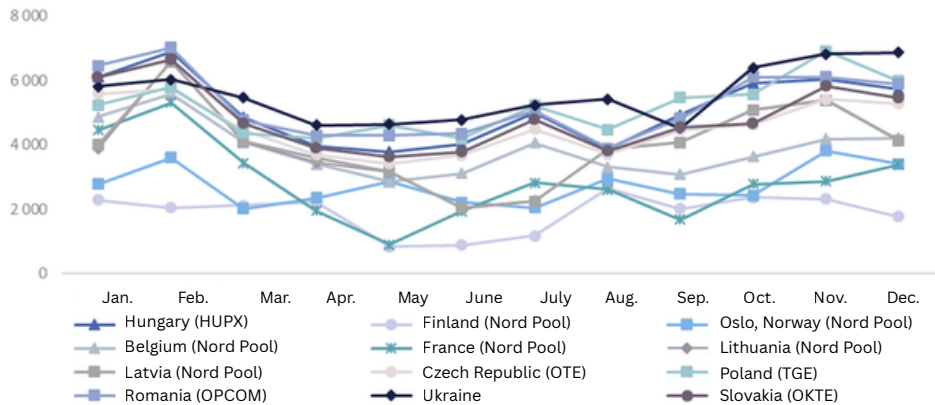
Weighted average price of base load in BCM at UEEX

### PRICE TRENDS IN UKRAINIAN DAM AND OTHER EUROPEAN COUNTRIES

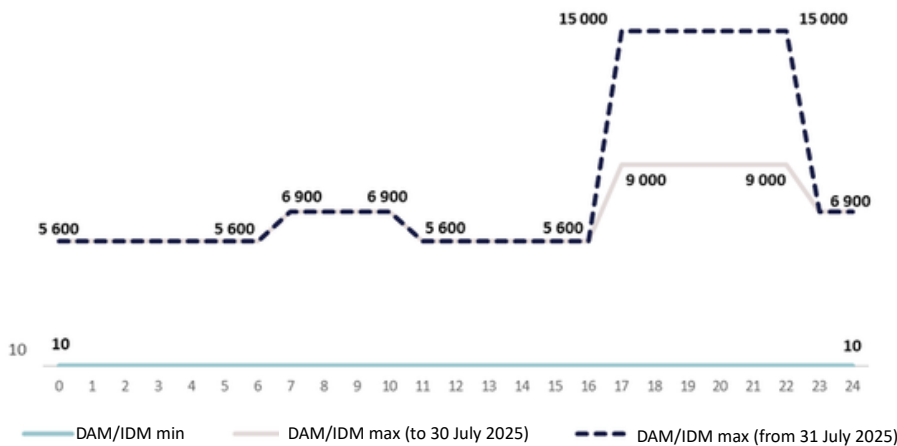
Weighted average DAM prices on energy exchanges in the EU and Ukraine throughout 2025

In 2025, the overall trends in DAM price changes in Ukraine were largely in line with the trends on EU energy exchanges.

The price increase is due to a shortage of power generation and the need to align price caps with EU market levels in order to maximize imports.



### PRICE CAPS IN DAM/IDM



The price caps in DAM/IDM were revised twice during the year. In May they remained at the level that had been in effect since November 2024, while in July 2025, a decision was made to raise the price caps during peak-hours to 15 000 UAH.

The price caps were revised to ensure import parity, with the aim of creating conditions to attract the maximum volume of commercial electricity import and ensure an uninterrupted supply of electricity to consumers in Ukraine.

This approach made it possible to partially balance the interests of market participants: on the one hand, to limit price fluctuations, and on the other, to increase the economic viability of production during peak demand hours.

# 3. Electricity sector

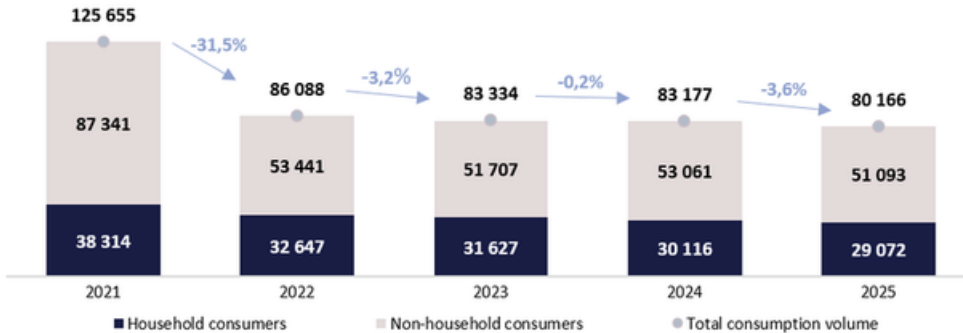
## VOLUMES & STRUCTURE OF THE RETAIL ELECTRICITY MARKET

**17,7** mln  
consumers

**356**  
suppliers\*

**80 166** thous. MWh  
supply volume

Dynamics of electricity consumption volumes in the electricity market in 2022–2025



From 2022 to 2025, there was a steady decline in electricity consumption due to the direct and indirect consequences of the full-scale invasion of Ukraine.

In 2023–2025, the rate of decline in consumption slowed down, indicating a gradual adaptation and stabilization of demand.

### Supply Structure (2025)

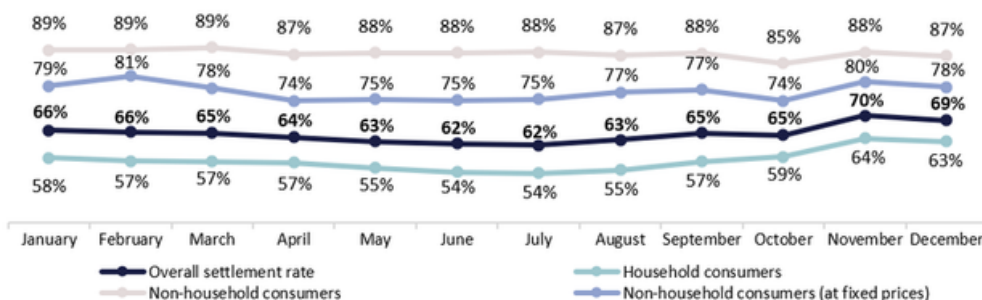


## PAYMENT STATUS

as of 20.01.2026  
mln UAH (excluding VAT)

	USPs	SoLR
Total amount of debt	14 419,4	12 676,2
Increase in debt in 2025	+8 518,5	+2 415,6

Consumer payment level to USS in 2025



The level of consumer payments to the Universal Service Suppliers (USSs) remained relatively stable throughout the year.

The overall payment level indicates the need to strengthen payment discipline.

\*Active electricity suppliers in the market (total number of licensed electricity suppliers – 1 410)

# 3. Electricity sector

## • RETAIL ELECTRICITY MARKET PRICING

### Price for household consumers (US\$)

### Free-market prices

**4,32**  
UAH/kWh (including VAT) for household consumers during 2025

**< 5 %** Trading margin of around 70% of the free-market price

**2,64**  
UAH/kWh (including VAT) Electric heating up to 2,000 kWh/month (October–April)

### Universal service price:

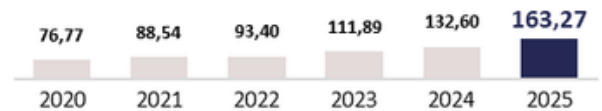
**8 299,58**  
UAH/MWh (including VAT)  
+19,5 % compared to 2024

### Components of the universal service:



### Dynamics of changes in the weighted average tariff for USS services, UAH/MWh (excluding VAT)

The tariff for universal service supplier services, as a component of the universal service price, has continued to grow since 2020, increasing by an average of 16% per year.



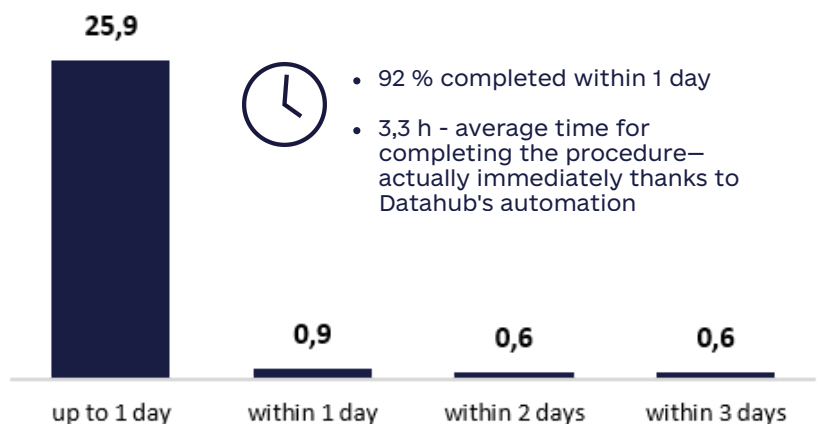
## • SUPPLIER SWITCHING AND COMPETITION

Consumers are guaranteed the right to a simple, free of charge, and fast change of electricity supplier as a core element of a competitive energy market.

### Number of implemented supplier switching procedures under the simplified rule (60% of all implemented procedures), thousand

**47,5** thous. notifications of intention to change supplier (via the Datahub platform)

**99,4 %** implemented supplier switching procedures



- 92 % completed within 1 day
- 3,3 h - average time for completing the procedure—actually immediately thanks to Datahub's automation

**CR5**

The concentration ratio of the five largest suppliers was **34.1 %**. Meanwhile, the combined market share of the three largest groups of electricity suppliers (DTEK Group, LLC "Energopostavka", and state-owned companies) amounted to **51.3 %**.

**HHI**

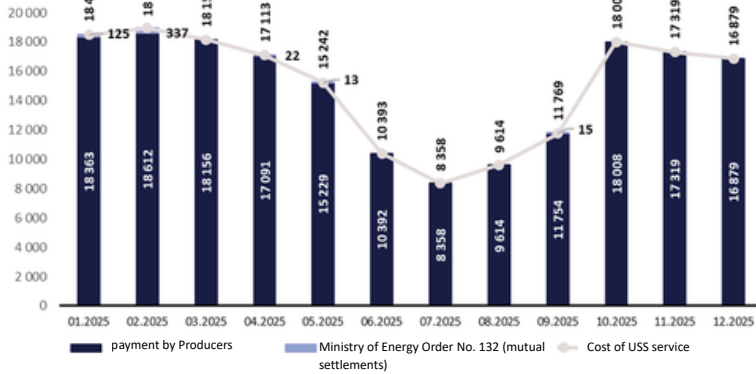
The Herfindahl–Hirschman Index (HHI) ranges from 1,259 to 1,430, indicating a medium level of market concentration (1,000–1,800). A slight increase of 1–3% compared to 2024 was observed.

# 3. Electricity sector

## PUBLIC SERVICE OBLIGATIONS (PSO)

### PSO FOR ENSURING THE AFFORDABILITY OF ELECTRICITY FOR HOUSEHOLD CONSUMERS

Payment structure for USS services in 2025, mln UAH (including VAT)



The cost of USS services in 2025 increased by **18%** (nearly 28 billion UAH (including VAT)) and amounted to **180 billion UAH** (including VAT). **90.51%** of this amount was covered by JSC “NEGC“Energohatom” and **9.49%** by “Ukrhydroenergo” (Producers).

As of early January 2026, there is **no outstanding debt** owed by Producers for the service of ensuring the affordability of electricity to household consumers, provided by the Guaranteed Buyer.

**30,5** mln MWh  
- 2.11% compared to 2024

Consumption by households and other consumers at fixed prices

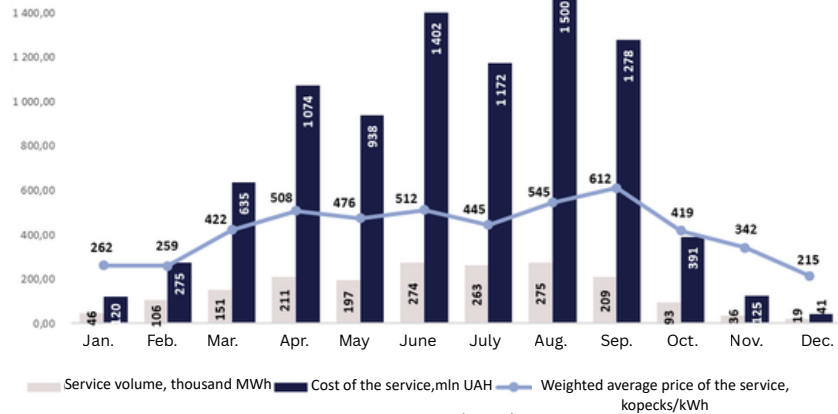
### PSO TO INCREASE THE SHARE OF RES IMPOSED ON THE USS

In 2025 USSs purchased **1 896,96 thousand MWh** of electricity from private households at a cost of **14 339, 01 million UAH** (excluding VAT).

The value of the RES service provided by USSs in 2025 amounted to **8 949,30 million UAH** (excluding VAT), which is **26.4%** more than in 2024.

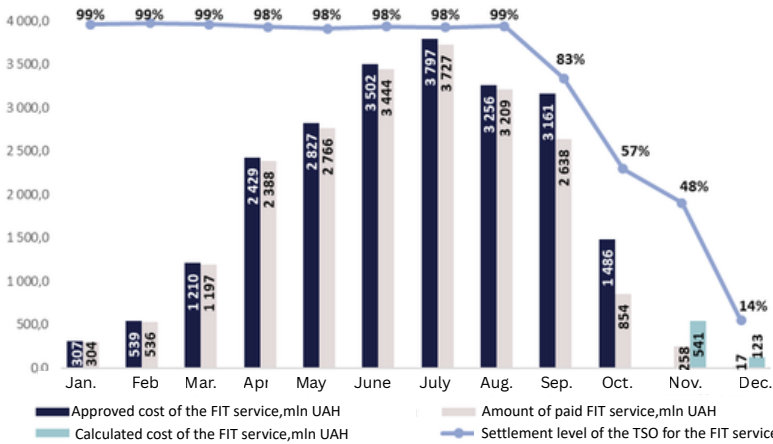
Total volume of service provided by the TSO in 2025 amounted to **1 880,55 thousand MWh**, which is **14.7%** more than in 2024.

The volume, cost, and weighted average price of the service provided by USS to ensure an increase share of electricity generated from RES



### PSO TO INCREASE THE SHARE OF RES, IMPOSED ON GUARANTEED BUYER (GB)

TSO payment rate for FIT Service in 2025



During 2025 GB purchased **6 520,9 thousand MWh** of electricity from from RES producers, for a total cost of **40 449,2 million UAH**.

The approved cost of the FIT service for January–October 2025 is **22 513,8 million UAH**, and FIP **375,7 million UAH**.

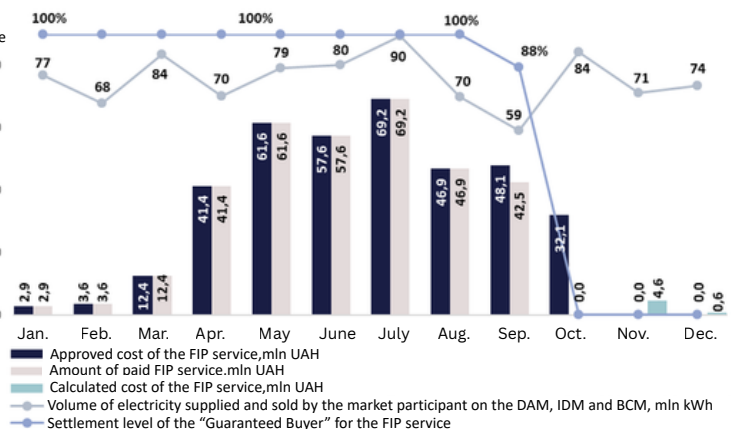
The weighted average “green” tariff was **6,203 UAH/kWh**, which is **8.5%** higher than in 2024.

### PSO FOR THE UNINTERRUPTED FUNCTIONING OF SUPPLIER OF LAST RESORT (SLR)

In accordance with Resolution No. 483 of the Cabinet of Ministers of Ukraine dated June 5, 2019, TSO procures services to ensure the operation of the SLR in an amount equal to 1/12 of the cost estimate submitted by the State Enterprise “Ukrinterenergo” for the SLR activity.

The total cost of the SLR service for 2025 amounted to **141,215 million UAH** (including VAT).

Key figures for the FIP service purchased by the GB in 2025



# 4. Oil and Gas Sector

## • KEY DECISIONS AND EU-INTEGRATION MILESTONES

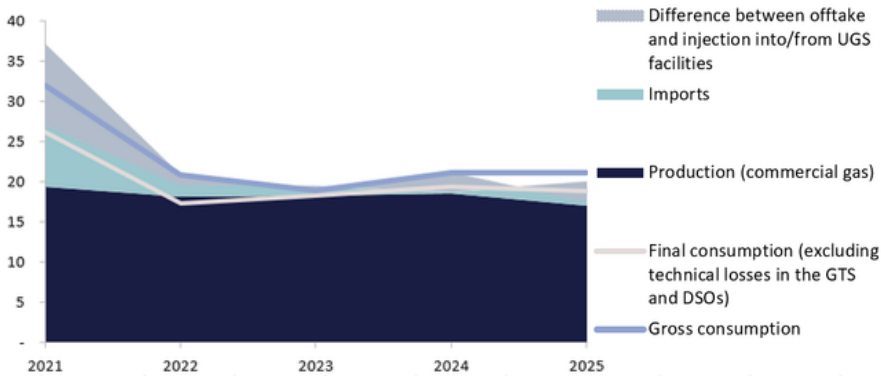
- 01.01.2025** • **Tariffs for natural gas transmission** for LLC “Gas Transmission System Operator of Ukraine” were enforced for the new regulatory period 2025–2029, covering both cross-border interconnection points and domestic entry/exit points.
- 14.01.2025** • The **procedure for the NEURC’s licensees control** was improved through the introduction of methodologies for determining additional revenue or revenue shortfalls from natural gas distribution, storage (injection/withdrawal), and transmission activities.
- 13.05.2025**
- 27.06.2025**
- 25.02.2025** • The approach to **cost allocation for natural gas storage services** (injection/withdrawal) was improved, and a mechanism for financing an emergency reserve of resources to ensure the rapid restoration of underground gas storage facilities was introduced.
- 20.05.2025** • The **Gas Transmission System Development Plan** for 2025–2034 of LLC “Gas Transmission System Operator of Ukraine” was approved.
- 27.05.2025** • The provision of a joint gas transmission service product by the Gas Transmission System Operator of Ukraine in cooperation with operators from Bulgaria, Greece, Moldova, and Romania was agreed. This decision introduces a single auction for **capacity allocation at all points of the Trans-Balkan Corridor** along the Greece–Ukraine route.
- 05.08.2025** • **Full transposition of the EU network codes** has been completed, including provisions identified during the official screening of Ukrainian legislation under Negotiating Chapter 15 “Energy” as not fully compliant.
- 12.08.2025** • A mechanism was introduced for directing additional funds, including those arising from non-compliance with gas quality parameters, towards **ensuring the safety, reliability, and quality of natural gas distribution** through gas distribution systems.
- 07.10.2025** • A mechanism was established **enabling a transitional period for the gradual increase of tariffs**.
- 21.10.2025** • The special capacity **allocation regime for the Trans-Balkan Corridor “Route 1”** (Greece–Bulgaria–Romania–Moldova–Ukraine) was extended until 1 September 2026, with updated auction schedules and a simplified procedure for transferring capacity rights at the “Grebnyky” interconnection point.
- 18.11.2025** • **Rules for capacity allocation at interconnection points with Moldova and Romania** were clarified for jointly provided transmission services under the Trans-Balkan Gas Corridor framework, including the addition of ICGB AD (Greece–Bulgaria Interconnector Operator) to the list of participating operators.
- 16.12.2025** • The **procedure for connecting distributed generation facilities to gas distribution systems** was simplified, including gas turbines, gas piston engines, cogeneration units, block-modular boiler houses, and gas generators.
- 23.12.2025** • The Gas Transmission System Code, Gas Distribution Systems Code, and Gas Storage Code were improved by **defining deadlines for updating development plans in case of exceptional circumstances (force majeure)** requiring urgent infrastructure restoration or ensuring safe operation.

# 4. Oil and Gas Sector

## OVERVIEW OF THE OIL AND GAS SECTOR

### NATURAL GAS SUPPLY AND CONSUMPTION

Natural gas supply and consumption, 2021–2025, billion m<sup>3</sup>



Final consumption in 2025 decreased by 2 % compared to the previous year.

**90,5 %**

of final natural gas consumption was covered by domestically produced gas

### BIOMETHANE PRODUCTION DEVELOPMENT IN UKRAINE

**16,3**  
mln m<sup>3</sup>

total volume of biomethane injected into Ukraine's gas distribution system

7 times higher than in 2024

For the first time Ukraine has exported biomethane to the European Union. The cumulative volume of biomethane exports amounted to **11.2 million m<sup>3</sup>**.

### CONNECTION TO THE NETWORKS

**11,9** mln

consumers connected to gas distribution networks as of the end of 2025

**19 660**

new connections to gas distribution networks in 2025

**3**

new connections to the gas transmission system

The procedure for connecting gas turbine and gas piston units, including cogeneration units and modular boiler houses, to gas distribution systems during martial law was simplified.

### INVESTMENTS IN NETWORK DEVELOPMENT

For 2025, Investment Programs of Development Plans for 2025–2034 have been approved:

**1 222,9**  
mln UAH

for GTSOU

**1 111,6**  
mln UAH

for JSC "Ukrtransgaz"

**1 635,6**  
mln UAH

for 15 gas DSOs

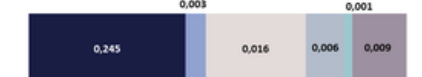
### SAFETY AND RELIABILITY OF GAS DISTRIBUTION SYSTEMS

Gas Supply Reliability (Continuity of Supply) Indicators in 2025

Average Duration of Gas Supply Interruptions



Average Frequency of Gas Supply Interruptions



Gas DSOs inspected **3 341 806** km of distribution gas pipelines and service lines under periodic inspection programs (taking into account the required inspection frequency);

**160 357** km of distribution gas pipelines surveyed through comprehensive instrumental inspections.

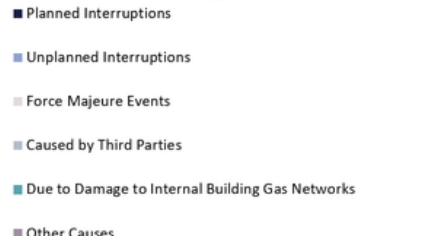
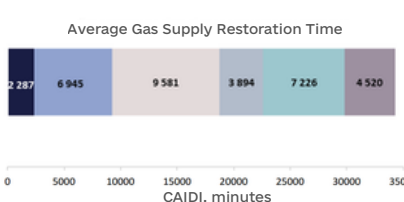
Technical maintenance was performed on: **47 680** gas facilities (gas regulating stations and gas regulating units).

Gas DSOs detected: **295 091** leaks during scheduled natural gas network inspections;

**112 593** leaks reported by third parties.

The following was recorded: **427 560** emergency calls to the emergency dispatch center regarding accidents.

Average Gas Supply Restoration Time

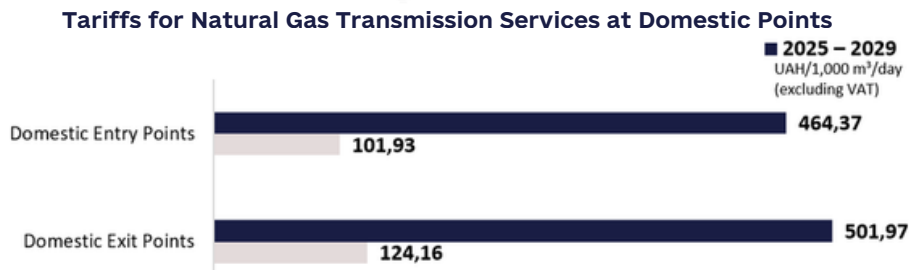
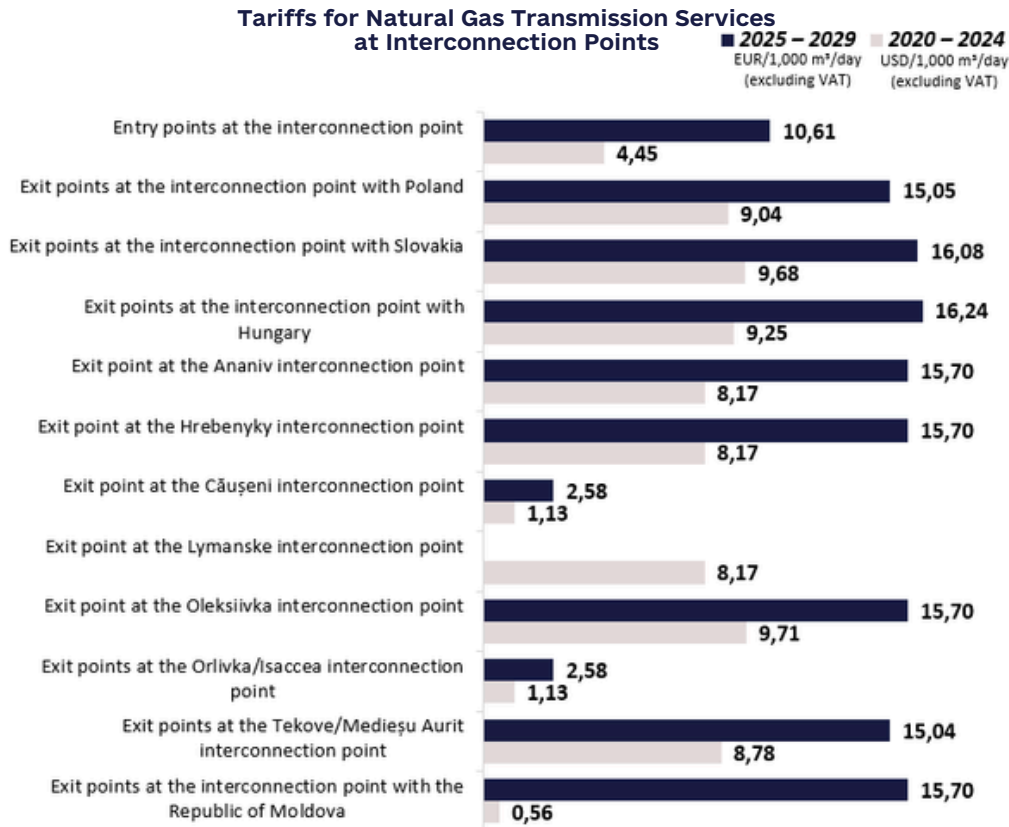


# 4. Oil and Gas Sector

## TARIFF REGULATION

### TARIFFS FOR NATURAL GAS TRANSMISSION SERVICES

Throughout 2025, the natural gas transmission tariffs for entry and exit points – established on January 1, 2025, for the subsequent regulatory period of 2025–2029 – were in effect for LLC “Gas Transmission System Operator of Ukraine.”



### TARIFFS FOR NATURAL GAS DISTRIBUTION SERVICES

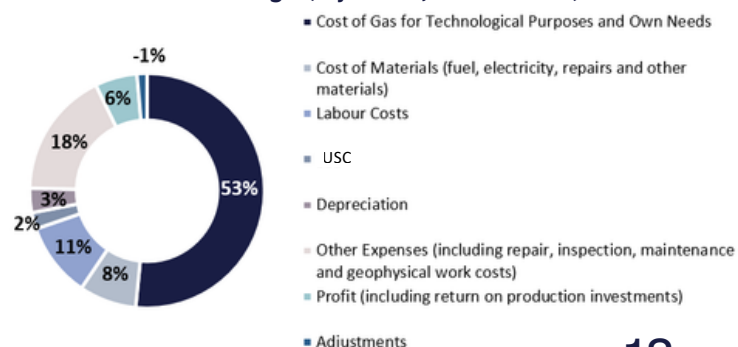
Throughout 2025, tariffs for natural gas distribution services remained unchanged (pursuant to the provisions of Article 1 of the Law of Ukraine “On the Peculiarities of Regulation of Relations in the Natural Gas Market and in the District Heating Sector during Martial Law and the Subsequent Restoration of Their Functioning”).

### TARIFFS FOR NATURAL GAS INJECTION, STORAGE AND WITHDRAWAL SERVICES FROM GAS STORAGE FACILITIES

During 2025, the following tariffs were in effect for the storage operator JSC “Ukrtransgaz” (excluding VAT):

- 243,52 UAH** per 1,000 m³/day injection tariff
- 0,40 UAH** per 1,000 m³/day storage tariff
- 253,03 UAH** per 1,000 m³/day withdrawal tariff

**Structure of Current Natural Gas Storage Tariffs for Storage (Injection, Withdrawal)**



# 4. Oil and Gas Sector

## • WHOLESALE NATURAL GAS MARKET

The wholesale natural gas market can be broadly divided into two segments: the regulated segment (which operates in accordance with Article 11 of the Law “On the Natural Gas Market”) and the unregulated segment with free pricing.

**9 312**  
UAH/1,000 m<sup>3</sup> (excluding VAT)  
+ 16 % compared to 2024

Average Weighted Wholesale Price

**6 722**  
UAH/1,000 m<sup>3</sup> (excluding VAT)  
+ 2 % compared to 2024

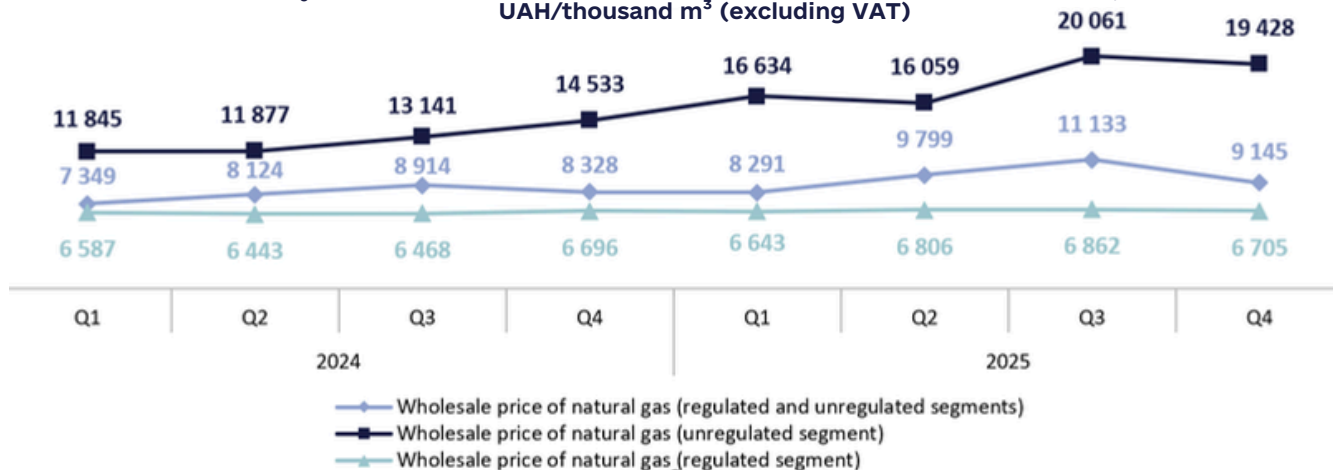
Average Weighted Regulated Wholesale Price

**17 978**  
UAH/1,000 m<sup>3</sup> (excluding VAT)  
+39 % compared to 2024

Average Weighted Unregulated Wholesale Price

In 2025, the regulated wholesale price was **UAH 11,256 per thousand m<sup>3</sup>** which is 63% lower than the price in the unregulated segment. In 2024 the respective difference amounted to UAH 6,394 per thousand m<sup>3</sup> (or 49%).

Dynamics of Wholesale Prices in the Natural Gas Market in 2024–2025, UAH/thousand m<sup>3</sup> (excluding VAT)



## • COMPETITION ON THE WHOLESALE MARKET

The Herfindahl – Hirschman Index in 2025 amounted to (out of a maximum of 10,000):

**(6 263)** a high concentration among wholesale buyers of natural gas abroad

**(815)** low concentration at the entry point to Ukraine’s wholesale market from foreign natural gas supply sources

**(5 337)** a high concentration among wholesale sellers who are also natural gas producers

**(4 025)** a high concentration of all sources of natural gas supply (purchased from abroad and domestically produced)

## • RETAIL NATURAL GAS MARKET

### • PRICING IN THE RETAIL NATURAL GAS MARKET

**(7,96)**  
UAH/m<sup>3</sup>

the minimum price for natural gas supplied to household consumers under the terms of the base annual offer

**(8,46)**  
UAH/m<sup>3</sup>

the maximum price for natural gas supplied to household consumers under the terms of the base annual offer

**(12,178)**  
UAH/m<sup>3</sup> (excluding VAT)

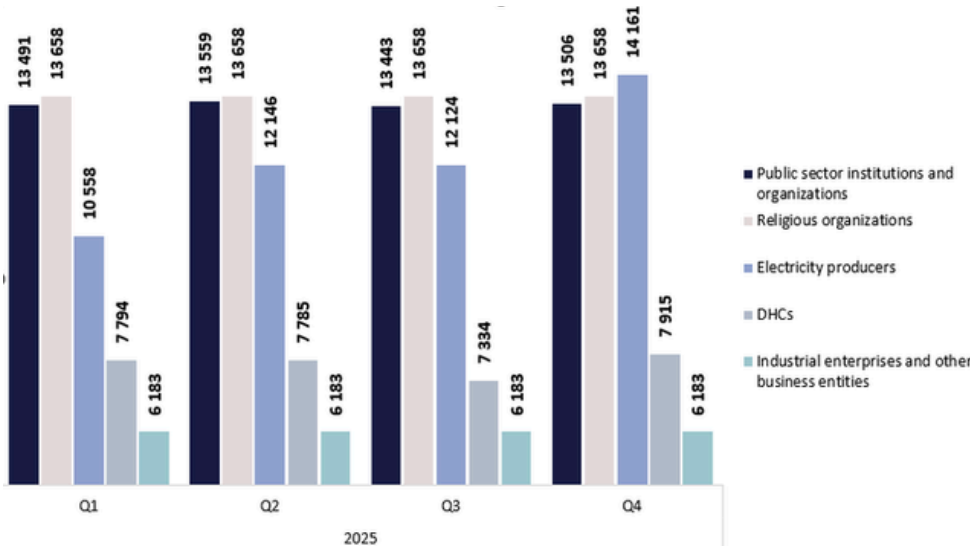
natural gas prices for non-household consumers (regulated and unregulated segments)

The highest weighted average price for non-household consumers was in the third quarter of 2025, and the lowest was in the first quarter of 2025.

# 4. Oil and Gas Sector

## • REGULATED SEGMENT OF THE RETAIL NATURAL GAS MARKET

Price Dynamics in the Regulated Segment of the Natural Gas Market (excluding transmission and distribution tariffs and VAT), UAH/1,000 m<sup>3</sup>



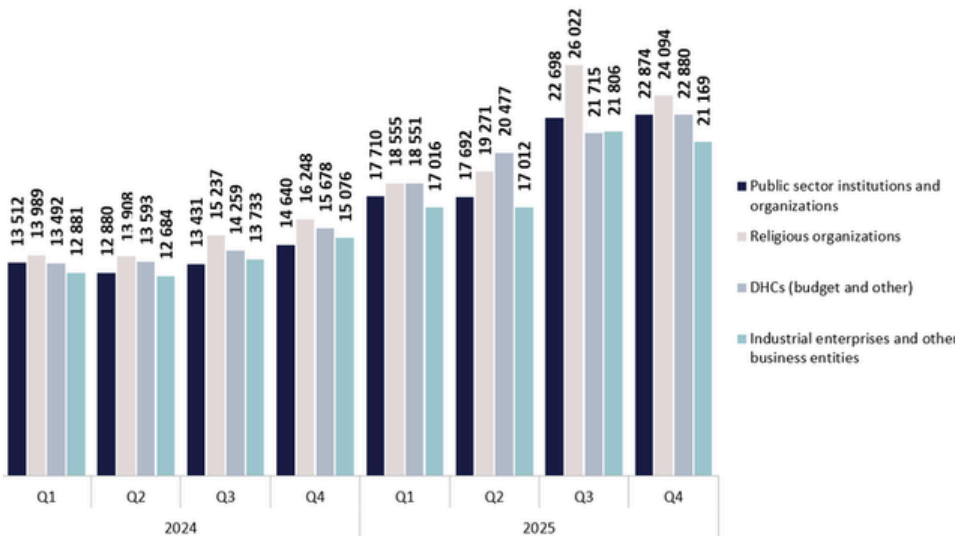
Weighted average retail price for non-household consumers

**9 561**  
UAH/1,000 m<sup>3</sup> (excluding VAT)  
+ 10 % compared to 2024

Throughout 2025, the weighted average prices in the regulated segment for religious organizations, industrial consumers, and other business entities remained unchanged, while the highest prices for DHCs and electricity producers were observed in Q4, and for public sector organizations – in Q2 of 2025.

## • UNREGULATED SEGMENT OF THE RETAIL NATURAL GAS MARKET WITH FREE PRICING

Price Dynamics in the Unregulated Segment of the Natural Gas Market (excluding transmission and distribution tariffs and VAT), UAH/1,000 m<sup>3</sup>



Weighted average retail price for non-household consumers

**19 478**  
UAH/1,000 m<sup>3</sup> (excluding VAT)  
+ 41 % compared to 2024

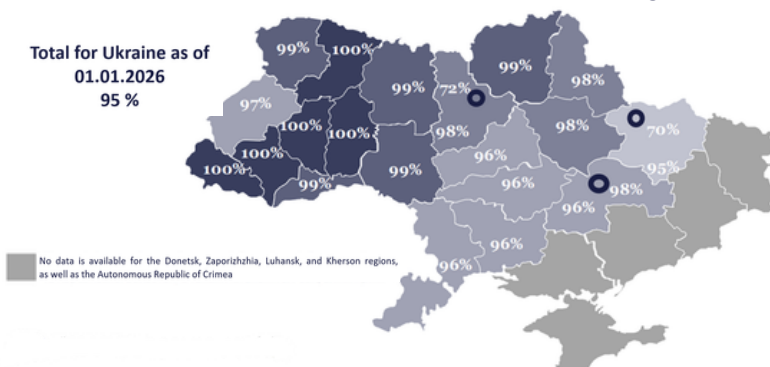
Throughout 2025, prices for non-household consumers in the unregulated segment fluctuated, reaching their highest levels for industrial enterprises, other business entities, and religious organizations in the Q3, while for public sector organizations and DHCs (for consumption needs excluding households and religious organizations) the peak was observed in the Q4 of 2025.

## • COMPETITION LEVEL IN THE RETAIL MARKET

**425** The Herfindahl – Hirschman Index in the unregulated segment in terms of volumes of natural gas supplied to non-household consumers in 2025 indicates a **low level** of market concentration.

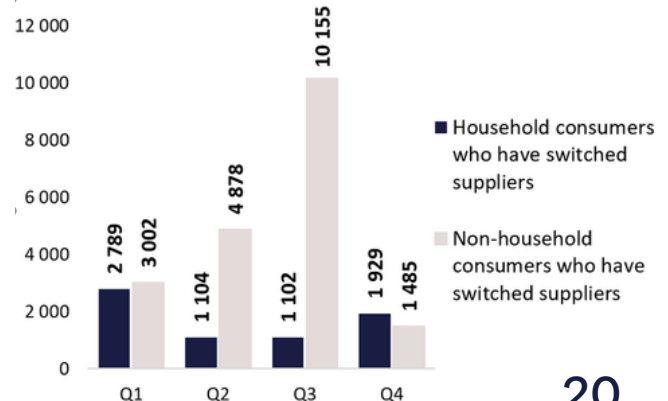
## • NATURAL GAS METERING

Share of consumers with commercial metering



## • CONSUMER SWITCHING OF SUPPLIER

Number of consumers who switched suppliers in 2025



# 5. District Heating Sector

## KEY DECISIONS

- 18.02.2025**
  - Extended the scope of the Procedure for the Development of Investment Programmes to entities engaged in electricity generation and/or thermal energy generation at thermal power plants and nuclear power plants, and improved certain provisions thereof
- 18.06.2025**
  - approved the Rules for the Use of Thermal Energy
- 15.07.2025**
  - Introduced amendments to the Procedure for Monitoring the Allocation and Use of Funds by Heat Supply and Heat Generation Companies.
- 12.08.2025**
  - improved certain provisions of the Methodology for the Formation, Calculation and Setting of Tariffs for thermal energy produced by CHPs, TPPs and Cogeneration Units, with the aim of enhancing the transparency and cost-reflectiveness of tariff setting.
- within the year**
  - established the necessary conditions to promote the deployment of small-scale distributed cogeneration, including through the introduction of a simplified procedure for setting tariffs for thermal energy produced by cogeneration units with an individual thermal capacity not exceeding 4.3 Gcal/h; and dedicated procedure for connecting to the networks.

## TARIFF AND INVESTMENT POLICY

### IMPLEMENTATION OF INVESTMENT PROGRAMS IN 2025

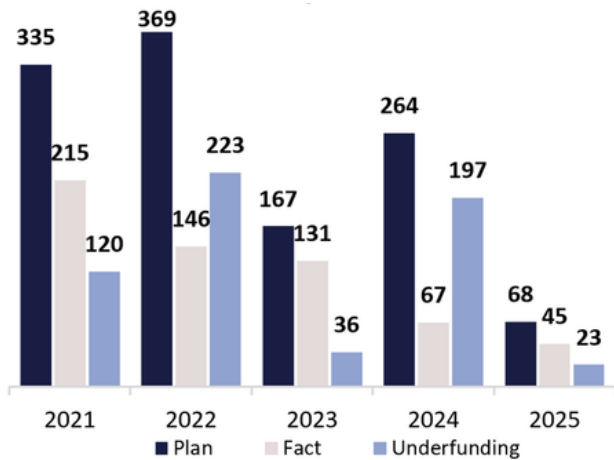
**68,4** bn UAH

NEURC approved investment programmes for 2025 for 3 CHPs

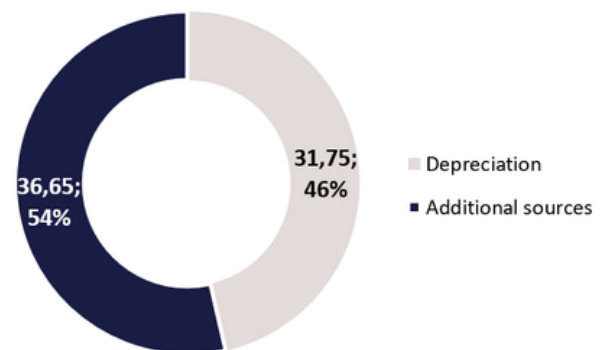
**15,68** bn UAH

Funds allocated by international financial organizations for financing investment projects

Dynamics of financing of investment programs of CHPs plants and NPPs for 2021–2025, UAH million

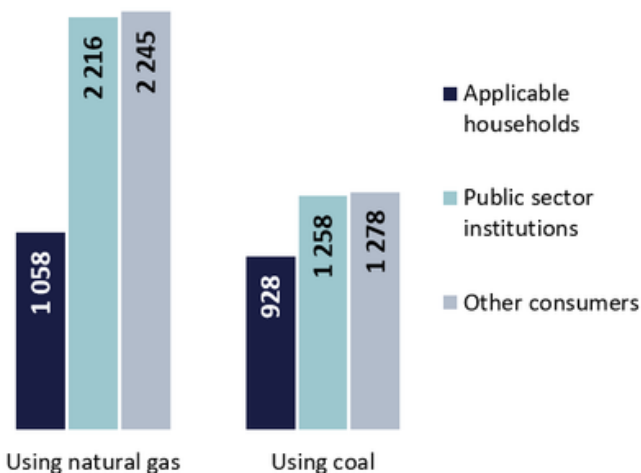


Sources of Financing for CHPs Investment Programs in 2025

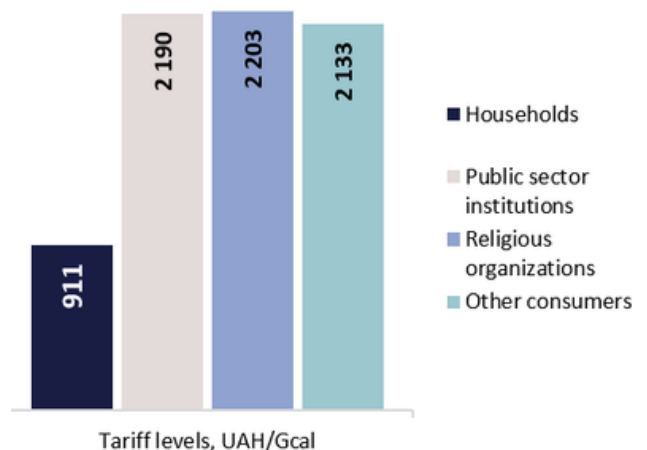


### HEAT GENERATION TARIFFS

Average weighted tariffs for heat energy production generated by NEURC's licensees at CHPs, CGUs, and TPPs as of 01.01.2026, UAH/Gcal excluding VAT



Average weighted tariffs (set under simplified procedure) for heat energy production generated by NEURC's licensees at CGUs as of 01.01.2026, UAH/Gcal excluding VAT



# 5. District Heating Sector

## DISTRICT HEATING SECTOR MONITORING

During 2025, NEURC carried out monitoring of the heat energy market.

**34,8** mln Gcal

Total heat energy production, including by:

- boiler houses – 22 mln Gcal (natural gas share – 97%);
- CHPs, TPPs, CGUs, NPPs – 12,8 mln Gcal (natural gas share – 80 %).

**29,4** mln Gcal

Total heat energy sales

Structure of heat energy sales is: 81 % – households; 13 % – public sector institutions; 0,04 % – religious organizations; 6 % – other consumers.

**41** bn UAH

Consumer debt as of the end of 2025

+ 5,5 % per year

**92,4** bn UAH

Utilities' accounts payable for fuel and energy resources and water supply and sewerage as of the end of 2025

+ 5,3 % per year

## HEAT ENERGY TARIFFS FOR HOUSEHOLDS

**1 452** UAH/Gcal (excl. VAT)

Average weighted applied tariff

**2 381** UAH/Gcal (excl. VAT)

Average weighted cost-reflective tariff

**21,7 %**

Average heat energy loss rate

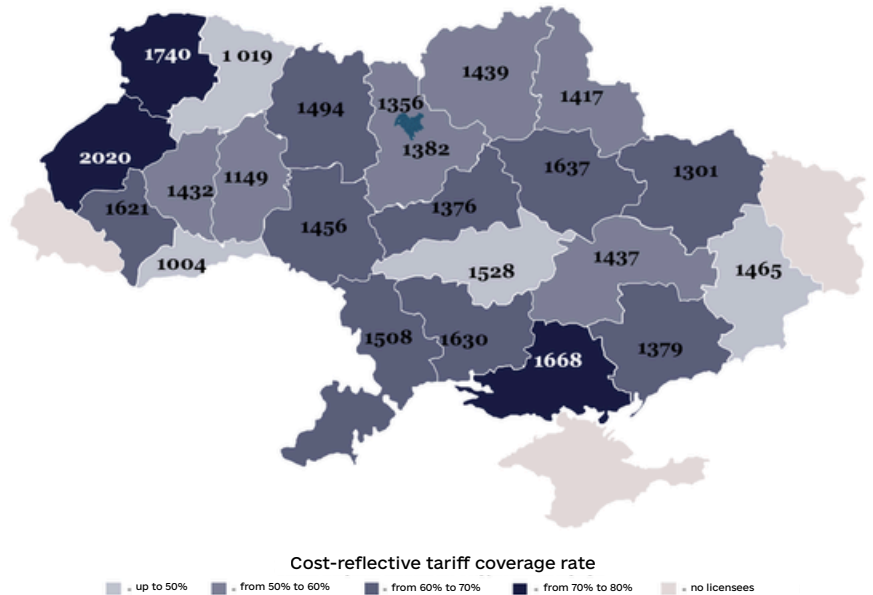
**61 %**

Average level of cost-reflective tariff coverage

**95 %**

Average consumer payment rate

Average weighted heat energy tariffs applied for households as of 01.01.2026 (excluding VAT), UAH/Gcal



## MONITORING OF THE DISTRIBUTION AND USE OF FUNDS RECEIVED IN NON-BUDGETARY ACCOUNTS OF HEAT SUPPLY AND HEAT GENERATION COMPANIES (HSO/HGOS)

To ensure sustainable operation during the heating season, PSO Regulation on the supply of natural gas to heat producers and public sector institutions establishes a mechanism under which funds received by heat producers are transferred to non-budgetary accounts opened by those heat producers with the State Treasury authorities.

**40,1** bn UAH

The total amount of funds received in 2025 in the non-budgetary accounts of HSO/HGOs for distribution, including: to the accounts of LLC "Naftogaz Trading" – **UAH 24,842 million**, and **UAH 15,250 million** to the accounts of HSO/HGOs.

**5,79** bn UAH

Expenditures of HSO/HGOs from non-budgetary and operating accounts in 2025 for payments related to preparations for the heating season.

# 6. Centralized Water Supply and Sewerage Sector

## STATE REGULATION

In line with the recommendations of the Government of Ukraine, NEURC did not increase tariffs for centralized water supply and sewerage (WSS) for households.

To address the financing challenges faced by WSS sector, such mechanisms as subsidies from the state budget and local budget funds were developed to cover the difference in tariffs and cover the actual, justified expenses of water utilities.

**37**

for which NEURC set tariffs for WSS for 2026, excluding the household consumer category.

**8,4** bn UAH

of assistance from international partners was received by 32 licensees

**75 %**

of utilities' costs were covered through tariffs established by NEURC

**4,54** bn UAH

total amount of approved investment programs for 33 licensees

## GENERAL TRENDS IN WSS SECTOR

**70 %** of WSS volumes are regulated by NEURC (53 licensees)

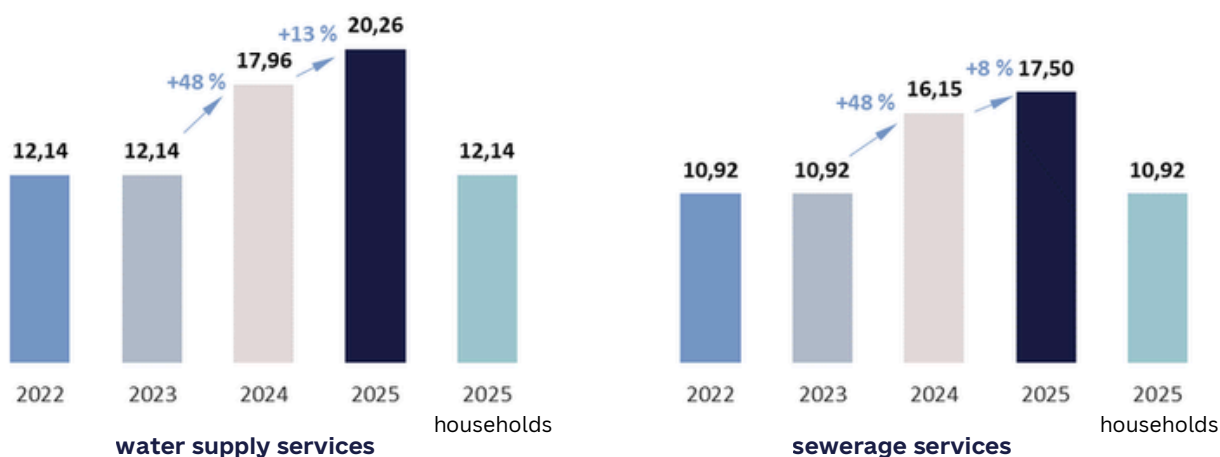
The volume of services provided by NEURC licensees in 2025 decreased compared to 2024:

- water supply services – by **2,8 %**;
- sewerage services – by **1,2 %**.

The actual costs incurred by licensees exceed the costs included in tariffs, primarily due to an increase in electricity costs by 35–36%.

Service reliability and quality indicators remain stable; however, some licensees demonstrate deviations caused by deteriorating infrastructure and the impact of military actions.

Average Weighted Water Supply and Sewerage Tariffs (excluding VAT), 2022–2025, UAH/m<sup>3</sup>



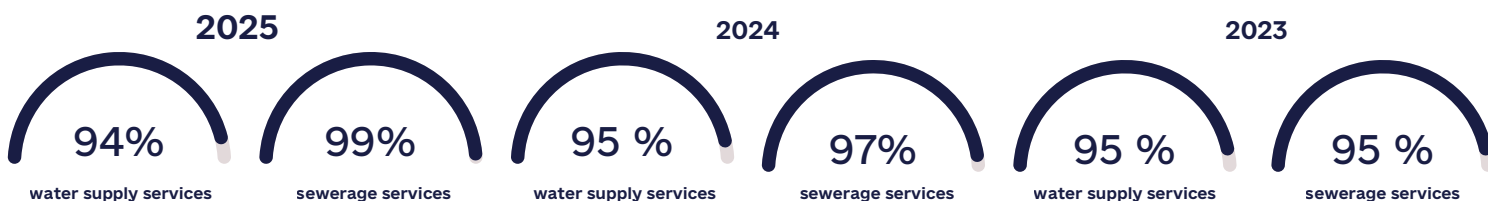
Financial result from the provision of WSS services:  
- 9,74 billion UAH (based on reporting licensees)

The negative financial result is attributable to:

- provision of services to households at tariffs established in 2022;
- excessive operating costs and water losses in water supply systems;
- reduced volumes of WSS services provided.

## CONSUMER PAYMENT RATE

- 31 water utilities maintained a high level of payments for electricity (over 95%).
- 85 % of the total debt of water utilities for electricity is attributable to Kharkivvodokanal and Voda Donbasu.



**13,1** bn UAH

consumer debt, 61 % of which generated by households

**10,12** bn UAH

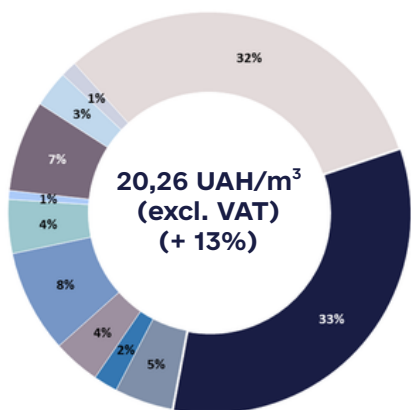
total debt of water utilities for electricity

# 6. Centralized Water Supply and Sewerage Sector

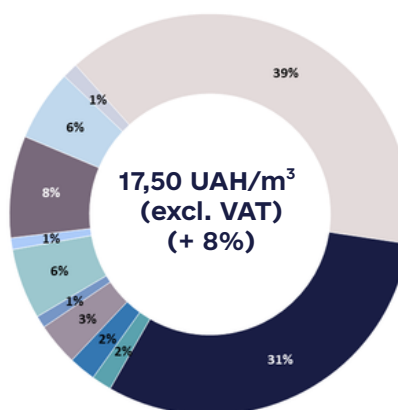
## TARIFFS FOR WSS

The significant increase in tariffs for WSS services compared with 2024 is a natural consequence of their having been forced to remain at the same level against a backdrop of high inflation and a decline in consumer demand. In 2025, there was a further gradual recovery in demand for WSS services.

The average water supply tariff structure in 2025



The average water sewerage tariff structure in 2025



- Labour costs (net of deductions)
- Electricity
- Wastewater treatment by other companies
- Purchasing water from other companies
- Fuels and Lubricants
- Repairs (materials)
- Reagents
- Depreciation
- Financial Expenses
- Other expenses, including taxes, fees, occupational safety
- Profit
- Cost adjustment pursuant to NEURC decision

## INVESTMENT ACTIVITY

Planned investment volumes and sources of financing for NEURC licensees in the WSS sector for 2025

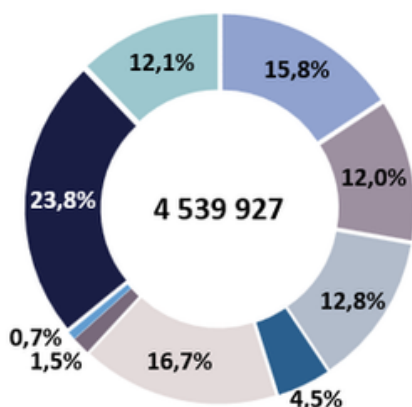
Sources of investment financing	Investment volume, thousand UAH	Investment structure by source of financing, %
Depreciation	1 527,04	33,6 %
Profit for repayment of borrowings (loans and credits)	1 079,83	23,8 %
Borrowed funds subject to repayment	1 343,61	29,6 %
Unused funds from previous periods	46,94	1,0 %
Other sources	542,51	12,0 %
<b>Total for 33 investment programs (investment projects)</b>	<b>4 539,93</b>	<b>100,0 %</b>

NEURC participates in attracting external investments under the IBRD Second Urban Infrastructure Development Project.

As of the end of 2025, 8 NEURC licensees had utilized **USD 190.9 million** under this project, while the total amount of sub-loan agreements concluded by NEURC licensees within the project amounted to USD 202.8 million.

NEURC is also involved in the implementation of THE projects financed by EIB and the KfW Development Bank.

Planned financing of investment programs in 2025, by priority area, thousand UAH



- Reduction of specific resource consumption and losses (including network rehabilitation)
- Improvement of service quality
- Enhancement of environmental safety
- Modernization of vehicles and specialized equipment
- Reduction of water consumption for technological needs
- Implementation and development of information technologies
- Provision of technological and/or commercial metering
- Repayment of borrowings (loans and credits)
- Other measures

13

utilities (34%) operated within the established technical norms of water losses

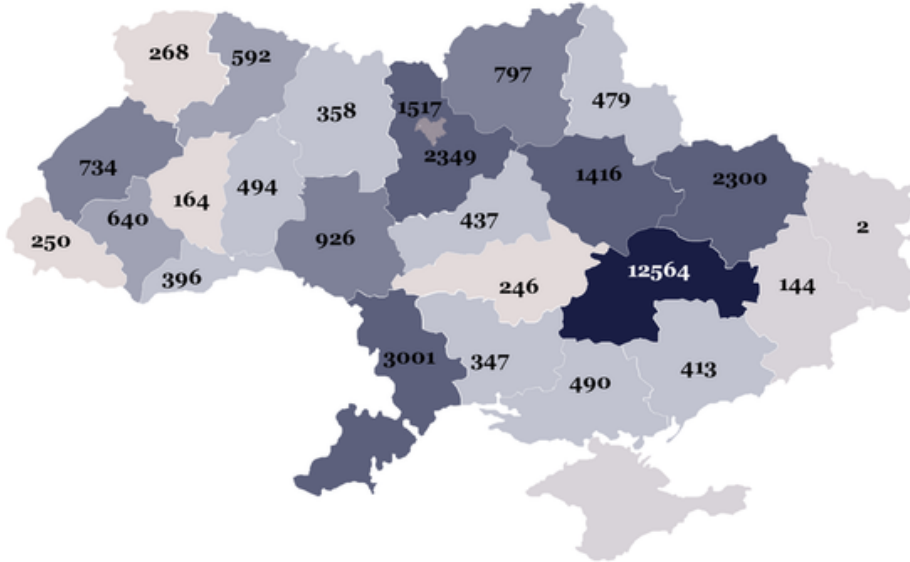
1,1 bn UAH

value of above-normative losses

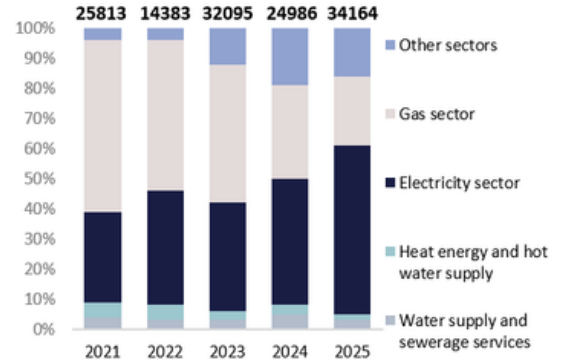
# 7. Protection of Consumer Rights

## • CONSIDERING COMPLAINTS TO NEURC

Regional distribution of complaints submitted to NEURC



Breakdown of consumer complaints submitted to the NEURC for 2021–2025 by regulatory areas



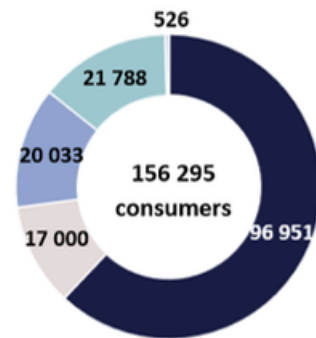
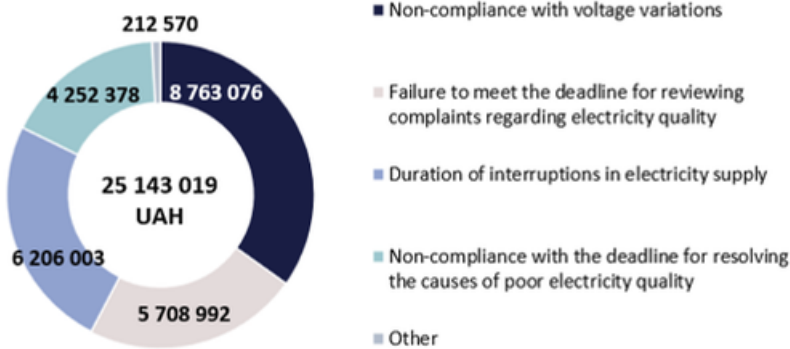
In 2025, approximately 35,000 complaints from citizens were submitted to the NEURC regarding regulated sectors.

The highest number of complaints was received from residents of the Dnipropetrovsk, Odesa, Kyiv, and Kharkiv regions.

## • COMPENSATIONS TO CONSUMERS

In 2025, NEURC strengthened distribution system operators' (DSOs) liability for non-compliance with guaranteed quality-of-service standards regarding the duration of restoration of electricity supply quality, including an increase in the level of compensation paid to consumers.

Information on the total amount of compensation paid by DSOs for non-compliance with guaranteed standards and the number of consumers who received such compensation in 2025



## • INSPECTIONS OF LICENSEES

14 inspections

carried out based on consumer complaints regarding violations of their rights and interests by business entities in regulated sectors.

Sector	Unscheduled (on-site)	Unscheduled (desk-based)	Total identified violations	Penalty sanctions, UAH
Electricity	3	2	11	459 000
Oil and gas sector	9	0	25	1 644 410
<b>Total</b>	<b>12</b>	<b>2</b>	<b>36</b>	<b>2 103 410</b>

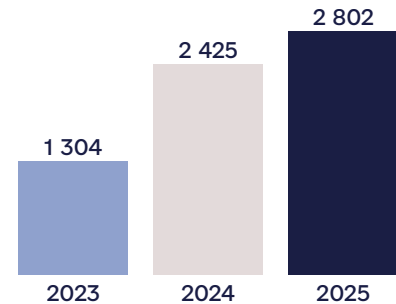
# 8. REMIT Implementation

## REMIT PRACTICAL IMPLEMENTATION

Key stakeholders under REMIT as of the end of 2025:

- 2 802** registered wholesale energy market participants
- 4** registered reporting mechanisms (RRMs)
- 4** PPATs (persons professionally arranging transactions)
- 3** inside information platforms (IIPs)

Number of registered wholesale energy market participants in 2023-2025



## ENHANCING THE REMIT MECHANISM IN 2025

- Adoption of the Procedure for the aggregation and disclosure of inside information in the wholesale energy market and its publication
- Adoption of Methodological Recommendations on ensuring integrity and transparency in the wholesale energy market
- Amendments to the Procedure for the operation of inside information platforms, including the harmonisation of the term “disclosure of inside information”, definition of disclosure methods, and updated requirements for submission in line with EU REMIT standards
- Introduced verification mechanisms for reporting by wholesale energy market participants on executed commercial transactions in order to ensure compliance with applicable requirements

Continued cooperation with the EBRD on the procurement of the Energy Market Surveillance System (REMIT) for Ukraine



## MARKET ABUSE INVESTIGATIONS

In 2025, NEURC received **66** notifications of possible market abuse in the wholesale energy market concerning the actions of **26** wholesale energy market participants, which showed indications of market manipulation and/or attempted market manipulation.

### Sources of notifications on possible market abuse in the wholesale energy market

- Market Operator
- NPC Ukrenergo
- Wholesale energy market participant
- NEURC (monitoring)

### Practices of market abuse and other violations identified in the notifications

- Wash trades (fictitious transactions)
- Capacity withholding
- Creating a floor or a ceiling in the price pattern
- Momentum ignition and/or economic capacity withholding

Following preliminary studies conducted in 2025, the NEURC adopted a number of decisions:

**3** decisions to initiate investigations

**1** decisions to close investigations

**3** decisions to refuse to initiate investigations

Preliminary studies were conducted on the actions of 23 market participants, including practices such as wash trades, capacity withholding, and momentum ignition.

### The first penalty in Ukraine under the REMIT framework

**1** decision following the investigation imposing a fine for a breach by a market participant of Part 1 of Article 11-2 of the Law of Ukraine “On the Electricity Market”.

**1 079 976** UAH

# 9. Licensing and Control

## LICENSING BY SECTORS

**334** licenses issued, over 70% of which in electricity sector  
+ 36 % compared to 2024

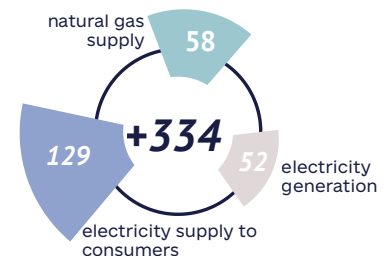
**6** issued licenses for aggregation  
↑ 3,5 times compared to 2024

**26** energy storage licensees  
↑ 13 times compared to 2024

**64** canceled licenses  
+ 28 % compared to 2024

**4 176** active licenses as of the end of 2025  
+ 7 % compared to 2024

Number of new licenses issued in 2025 by type of activity



In 2025, a positive trend was observed in the growth of the number of licensees in the electricity, gas supply, and heat generation sectors.

## OPTIMIZATION AND SIMPLIFICATION OF LICENSING PROCEDURES

- Alignment of licensing conditions with the Law of Ukraine “On Administrative Procedure”
- Introduction of an obligation for licensees, within 5 business days, to inform in writing the Regulator and counterparties about the application, cancellation, or modification of sanctions imposed on the company itself or its ultimate beneficial owners
- Optimization of licensing requirements for private partners and concessionaires in cases of corporate reorganisation (merger, accession, or transformation)
- Exemption of cogeneration units from mandatory licensing, provided that heat energy is sold to heat supply organizations under a regulated tariff
- The introduction of the declaratory principle – submitting a notification to the Ministry of Regional Development, NEURC, and local authorities within 3 business days
- Abolition of the requirement to submit a full set of documents required to confirm readiness for electricity generation facilities (gas piston, gas turbine units, and modular boiler houses with capacity from 1 MW)
- Streamlining and optimization of the list of documents required to obtain a license for heat production

## MONITORING COMPLIANCE OF LICENSEES WITH LEGISLATION

NEURC carried out:

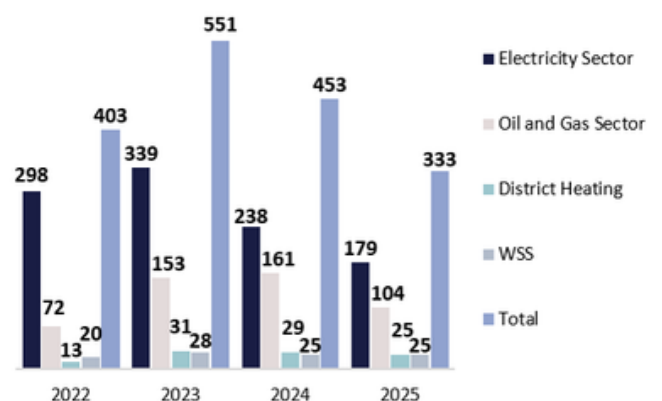
**306** scheduled inspections

**25** unscheduled on-site inspections

**2** unscheduled off-site inspections

Based on the inspection results, penalties amounting to over **UAH 92 million** were imposed.

Dynamics of the NEURC inspections in 2022–2025, units



# 10. European Integration



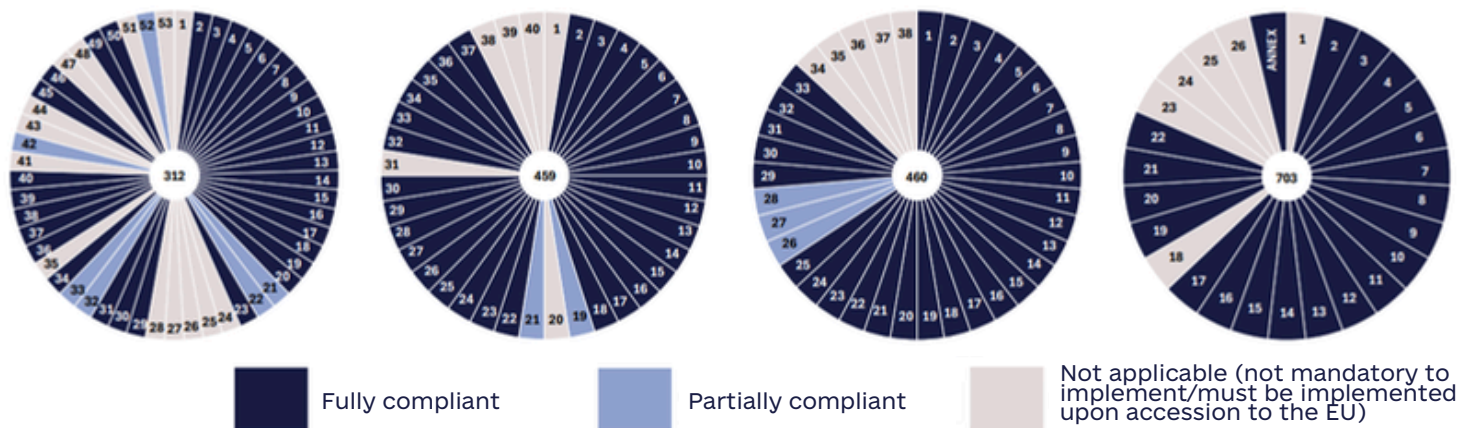
- Official screening of the legislation under Sections 15 “Energy” and 21 “Trans-European Networks” of Cluster 4 “Green Agenda and Sustainable Connectivity” (July 2025)

## • THE GAS SECTOR ACQUIS

By 2025, most provisions of the EU network codes in the gas sector had been transposed and implemented into national legislation, including those set out in EU Regulations No. 312/2014, No. 703/2015, No. 2017/459, and No. 2017/460.

In August 2025, NEURC adopted a decision aimed at completing the transposition of certain provisions of the aforementioned EU regulations.

Implementation Status of EU Regulation by Articles

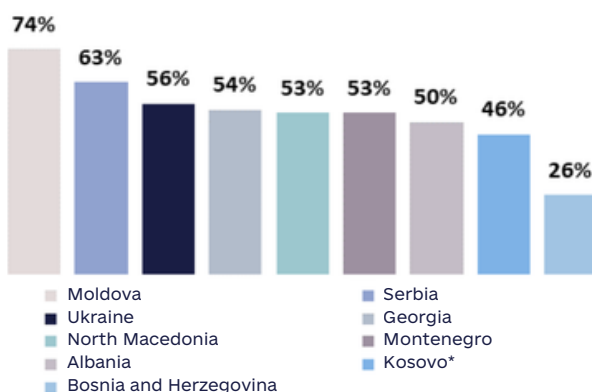


## • THE ELECTRICITY SECTOR ACQUIS

- The regulatory framework of the electricity market is partially aligned with the requirements of Directive (EU) 2019/944 and Regulations (EU) 2019/943 and 2019/942.
- The implementation of REMIT (Regulation (EU) No. 1227/2011) is ongoing, including the development of market monitoring tools and mechanisms to prevent market abuse.
- The implementation of EU network codes in electricity supply security is also ongoing, particularly with regard to emergency and restoration procedures and system operation (Commission Regulation (EU) 2017/2196). Protection and restoration plans for the power system, developed by the TSO, have been adopted.

## • THE ENERGY COMMUNITY ANNUAL REPORT

Despite the challenges of war, Ukraine continues to rank among the top three Contracting Parties of the Energy Community in the adaptation of its national legislation to European energy sector obligations.



- The ranking encompasses such areas as market integration, decarbonisation, the enhancement of energy security, environmental protection, and the effectiveness of public institutions.

# 11. International Cooperation



- Dialogue and consultations on the implementation of the EU acquis and the adoption of European integration reforms in the energy sector



- Consultations and technical assistance (implementation of the EU acquis, REMIT, PSO, market integration, etc.)
- Representation and participation at the ECRB and in EnC working groups



**10+**  
ongoing international partnerships and programmes

- **Securing Power, Advancing Resilience and Connectivity (SPARC) programme (USA)**  
expert support for market-based reforms in the energy sector
- **Better Services for Consumers in Reformed Energy Markets (EU)**  
retail markets strengthening the institutional capacity of NEURC
- **EU4Energy Governance**  
assistance in implementing key EU acquis
- **Ukrainian–Danish Energy Partnership**  
exchange of experience and promotion of key reforms
- **Ukrainian-German Energy Partnership**  
exchange of experience and advancement of key reforms
- **WB, EBRD**  
facilitating the green transition and the recovery of the energy sector
- **International Monetary Fund (IMF)**  
advancement of structural reforms
- **Organization for Economic Cooperation and Development (OECD)**  
enhancement of competition and investment attractiveness of markets
- **International Energy Agency (IEA)**  
high-quality analytics for decision-making
- **Green Deal Ukraine**  
green transition

**9**  
European regulators and their associations

- **EU regulators**  
Exchange of regulatory experience  
Cooperation in the implementation of the EU acquis  
Coordination of cross-border trade and infrastructure development

- AT  E-Control
- GR  Regulatory Authority for Energy, Waste and Water (RAAEY)
- EE  Estonian Competition Authority (ECA)
- HU  Hungarian Energy and Public Utility Regulatory Authority (MEKH)
- LT  National Energy Regulatory Council (VERT)
- MD  National Agency for Energy Regulation of the Republic of Moldova (ANRE)
- PL  Energy Regulatory Office (URE)
- RO  Romanian Energy Regulatory Authority (ANRE)
- SK  Regulatory Office for Network Industries (URSO)

- **Council of European Energy Regulators (CEER)**  
review of best European practices in energy regulation



**3**  
Membership in organizations in which NEURC represents Ukraine

- **Regional Association of Energy Regulators (ERRA)**  
expert assistance and knowledge exchange



- **Association of Issuing Bodies (AIB)**  
development of a system of guarantees of origin for renewable electricity in line with EU standards



- **European Water Regulators Association (WAREG)**  
expert support and exchange of experience in water supply and wastewater services



# 12. Operational priorities

## • PRIORITY TASKS FOR 2026

### 1 Energy and Utilities Sector Resilience

- Enhancing reliability, flexibility, and risk preparedness
- Implementation of the Law No. 4777-IX on improving the functioning of energy markets, promoting renewable energy development, and strengthening energy resilience
- Updating connection mechanisms for new generation facilities and storage capacity to the networks, ranging from cable pooling arrangements to flexible connection solutions

### 2 European Integration and Market Coupling

- Implementation of the Law No. 4834-IX as of 7 April 2026 on energy market integration
- Delivery of more than 200 planned measures in preparation for the future coupling of the Ukrainian and EU electricity markets
- Implementation of the National Programme for Approximation to EU law
- Development of cross-border trade and access to infrastructure in line with the EU acquis
- Further harmonisation with European rules
- New NEURC obligations regarding cooperation with ACER

### 3 Competitive and Transparent Energy Markets

- Enhancement of the REMIT framework
- Deregulation and simplification of operating conditions for market participants
- Strengthening market monitoring

### 4 Consumer Rights Protection & Empowerment

- Expanding consumer opportunities to participate in energy markets
- Improving consumer protection mechanisms

### 5 Effective and Independent Regulator

- Ensuring transparency and consistency of regulatory policy
- Maintaining independence in the exercise of statutory duties and powers
- Expansion of powers and functions related to market coupling in accordance with legislation

## • NEURC STRATEGY - 2030

In order to strengthen strategic planning in a context of heightened uncertainty in both the external environment and internal challenges, the NEURC's Strategy 2030 was approved in December 2025, establishing the Regulator's priorities and strategic directions.



# NEURC

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