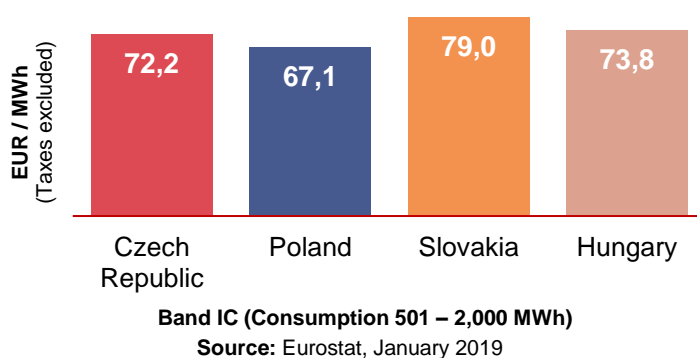


18. Utilities

ELECTRICITY

On 1 January 2006, the Czech electricity market was fully liberalised; households as the last customer segment became eligible customers and won the right to select their supplier. It is typical of the Czech open electricity market that there is no longer any regulation of activities in which competition is not feasible. Only activities of a monopoly nature continue to be regulated. That same day saw the completion of the restructuring of major players on the electricity market, which had been commenced in 2003 – the merging of distribution companies, outsourcing of certain services and splitting-off of assets related to these services into separate companies. Since 1 January 2006, three major entities have been operating in the Czech Republic: the ČEZ Group (formerly Středočeská energetická, a.s. – STE, Zapadočeská energetika, a.s. – ZČE, Severočeská energetika, a.s. – SČE, Východočeská energetika, a.s. – VČE and Severomoravská energetika, a.s. – SME); the E.ON Group (formerly Jihomoravská energetika, a.s. – JME and Jihočeská energetika, a.s. – JČE); and the PRE Holding Group.

Electricity prices for industry – comparison 2018 S1



Average quarterly prices for the consumption bands and supplies to industry

Standard consumption bands	Annual consumption (MWh)	Price in EUR / MWh (net of VAT and other taxes)	
		3Q 2018	4Q 2018
IA	< 20	177.61	178.20
IB	21 – 500	129.15	129.25
IC	501 – 2,000	71.43	71.53
ID	2,001 – 20,000	62.75	63.24
IE	20,001 – 70,000	63.82	64.97
IF	70,001 – 150,000	63.34	63.14
Total		81.18	81.68

Note: average exchange rate Q1 2019: 1 EUR = 25.595 CZK (Average exchange rate for Q1 2019, Czech National Bank)

Source: Czech Statistical Office, March 2019

Reliability – distribution system operators

Year	Criteria assessed	ČEZ	EON	PRE	Czech Republic
2017	SAIFI	3.41	2.34	0.57	2.76
	SAIDI	501.47	466.68	40.34	431.45
	CAIDI	146.88	199.17	70.21	156.18

Note: SAIFI – system average interruption frequency index – average number of electricity outages per end customer per year [outages/year/customer]

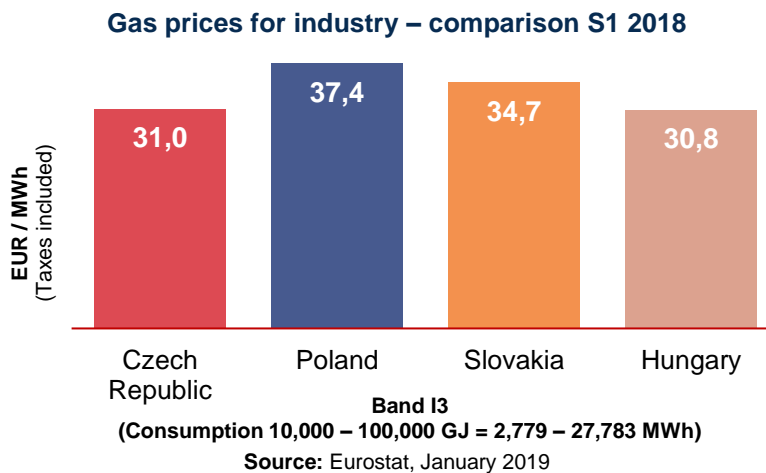
Note: SAIDI – system average interruption duration index – average summary duration of electricity outage in minutes per end customer per year [minutes/year/customer]

Note: CAIDI - Customer Average Interruption Duration Index – average duration of one (“typical”) electricity outage in minutes per end customer per year [minutes/year/customer]

Source: Czech Energy Regulatory Office, January 2019

NATURAL GAS

The liberalisation of the Czech gas market, started in 2005, was completed at the end of 2006. Under the Energy Act, on 1 January 2007 all natural gas customers got the chance to choose their supplier. The process of unbundling in the Czech Republic was commenced on 1 January 2006, when RWE Transgas, a.s. split into RWE Transgas, a.s., which stores and trades in gas, and its subsidiary RWE Transgas Net, s.r.o., which transports gas. The unbundling of the distribution system operator (DSO with more than 90,000 customers) was completed at the end of 2006 in accordance with the Energy Act.



The Czech Republic buys most of its natural gas from Russia and Norway and therefore the Czech Republic is not 100 percent dependent on supplies from Russia, as is the case with many other states of Central and Eastern Europe. Long-term contract on natural gas supply were signed with natural gas producers in Russia and Norway in the second half of the previous decade. Several underground gas storage facilities are at present available to secure winter gas supplies to Czech consumers or to bridge a supply outage, should it occur. As to the level of gas reserves, the Czech Republic is among the countries with the highest gas supply security in the EU. It is also important that the capacity of the storage facilities continues to increase, currently covering 35.4% of the total annual consumption.

Average quarterly prices for the consumption bands and supplies to industry

Standard consumption bands	Annual consumption (MWh)	Price in EUR / MWh (net of VAT and other taxes)	
		3Q 2018	4Q 2018
I1	< 278	32.59	33.49
I2	279 – 2,778	27.03	27.64
I3	2,779 – 27,783	25.23	25.95
I4	27,784 – 277,831	24.25	25.10
I5	277,832 – 1,111,323	24.12	25.13
Total		26.18	27.13

Note: average exchange rate Q1 2019: 1 EUR = **25.595 CZK** (Average exchange rate for Q1 2019, Czech National Bank)

Source: Czech Statistical Office, March 2019

Water/sewerage charges in 2019 (eur/cubic metre)

Prague	3.53	Liberec	3.92	Brno	3.13
Plzen	3.48	Hradec Kralove	4.16	Olomouc	3.35
Ostrava	3.18	Pardubice	3.52	Zlin	3.47
Usti nad Labem	3.92	Kromeriz	3.15	Opava	3.35

Note: Exchange rate: 1 EUR = **25.385 CZK**, year average according to Czech National bank

Source: www.pravdaovode.cz, January 2019