Dear Ladies and Gentlemen,

The Ministry of Energy of the Republic of Bulgaria has elaborated a REGULATION for the reduction of the burden related to expenditures on renewable energy, according to the guidelines on State aid for environmental protection and energy for the period 2014 - 2020 years (the Ordinance).

Upon preparing the texts of the Regulation the following questions has arisen regarding Section 3.7.2 of EEAG "Aid for reducing the financial support for renewable energy sources":

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| **Subject:** | **Regulation 659/1999** |
| **Question (BG):**  **2. According to Bulgarian Energy Act the new pricing period comes into force on 1st July after the Energy and Water Regulatory Commission has ruled out a Decision. Can entry § 3 of the Transitional and Final Provisions of the proposed for public hearing draft Regulation be considered as correct:**  § **3. (1) The Regulation comes into force on 1st July 2015 and the first annual pricing period, for which it will be applied starts on 1st July 2015.**  **(2) Applications under Art. 5 (stating the right to receive Aid) are submitted to the Ministry of Energy within 14 days as of the Regulation enforcement.**  **(3) Certificates under Art. 6 (permissions for Aid use) are issued for the first annual period under Paragraph 1 within 14 days from the approval of the Regulation by the European Commission, according to the Art. 4 of the Commission Regulation 659/1999.**  **The idea of the above mentioned proposed text is that companies eligible for Aid to be able to use the Aid from the beginning of the pricing period, but to use it only after the approval of the Regulation by the EC and a written response.** | |
| **Reply:**  According to Article 108(3) of the TFEU, Member States shall notify their plans to grant or alter aid and shall not put their proposed measures into effect until the Commission has taken a final decision on the compatibility of the aid in question. This is reflected in Article 3 of Regulation 659/1999 notifiable aid shall not be put into effect before the Commission has taken, or is deemed to have taken, a decision authorising such aid.  It follows that Member States´ legislation should ensure that no aid is granted before the latter has been formally approved by the Commission. | |