

# **Legal Framework for Price Regulation in the Energy Sector**

## **Abstract**

The thesis deals with price regulation and price composition in the energy sector. Price regulation in the energy sector primarily pertains to capacity-related activities. These activities are characterized by the monopolistic position of operators, and therefore, the legislator regulates this area. The form of price regulation by the energy regulatory office is established through abstract legal acts, which complicates the defense of recipients of price decisions. The thesis analyzes European regulations and jurisprudence, which place certain requirements on member states and can serve not only as a guide for interpreting Czech law but also contribute to greater protection of recipients of price decisions. The European directives concerning the electricity and gas sectors impose certain requirements on decisions by the Energy Regulatory Office to ensure that its decisions are properly justified and can be judicially reviewed. A remedy against decisions of price-setting bodies should be available to an independent entity separate from the parties and the government. The thesis points out the inadequacy of fulfilling this requirement and proposes the opinion that, based on this, there can be a direct application and evaluation of price decisions as individual administrative acts. This would fulfill the requirements of the European Union directive and prevent the restriction of rights of decision recipients. The thesis also addresses the distinctiveness of the heat energy market, which is specific due to its locality and the method of price regulation characterized by a material orientation of prices compared to officially established prices in the field of electricity and gas. Heating is not regulated by European legislation, which is related to the local nature of the heating market. The thesis deals with price regulation in exceptional market situations, which was introduced as a response to extreme electricity price increases. Thanks to this institute, the government can issue regulations that introduce an upper price limit for customers.

**Keywords: price regulation, form of price decision, review of price decisions**