Tariffs for heat energy, its production, transportation and supply, services of centralized heating and hot water supply are calculated by the respective enterprises with the participation of local government authorities in accordance with annual plans and cost-based planned expenditures. Based on the calculations provided and following the respective procedures, the tariffs are set by the licensing authorities - regional state administrations or the regulator (NEURC).

Starting from May 19, 2017, the number of regulator’s licensees has significantly decreased since the NEURC now sets tariffs for those companies which produce more than 170,000 Gcal, transport heat to consumers equipped with meters by more than 70% (as of August 1, 2017), or supply more than 145,000 Gcal. Local government authorities considerably influence the formation of tariffs. They approve draft plans of the enterprises and organizations of communal ownership, local development programs in the field of heat supply, provide consent to the location of new heat supply facilities (or reconstruction of existing ones), investment programs, and determine the temperature activity schedules of the heating networks.

**STRUCTURE AND TRANSPARENCY OF THE TARIFF**

(e.g., MCU “Dnipropetrovsk Municipal Heating Networks” in 2017)

- **Production**: 95.70%
- **Transportation**: 3.97%
- **Supply**: 0.33%

**Sources of Information About the Tariff**

- **Tariff for Heat Energy (Broken Down into Components)**
  - The most complete information can be obtained from the NEURC resolutions published on its website. Subject of the resolutions is setting of the tariffs for either one or several enterprises. Data can also be available on the websites of local authorities, regional administrations (in the sections “Tariffs for Consumers”), as well as of the respective enterprises.
  - The information aggregated by key components of the tariff is updated annually on the NEURC website, including the change of tariffs.

- **Information on Cost-Based Tariffs for Heat Energy**
  - The information is available on the websites of local government authorities and companies providing services in production, transportation, and supply of heat energy, in the sections “Heat Energy for Consumer.”

- **Data on Components of the Tariff for Production, Transportation, and Supply of Heat Energy**
  - The information is available on the websites of local government authorities and companies providing services in production, transportation, and supply of heat energy, in the sections “Heat Energy for Consumer.”

**Tariffs on the Market**

(cost-based tariffs for households as of January 13, 2017, NEURC data)