RECENT DEVELOPMENTS IN ENERGY SECTOR

51st Energy Community Regulatory Board Meeting

13th April 2022
Recent developments
December 2021

✓ ERO Board in the meeting held in December:

➢ has decided to issue to the company SOWI two licence for production of electricity from renewable energy sources, from the Wind "Selac 2" and "Selac 3", in a capacity of 69.4 MW. So in total this generator now has the installed capacity of 105 MW.

➢ has decided to impose a fine on the HPP "Ibër Lepenc" in the amount of 110,705.00 €, due to legal violations of the Procedure for Electricity Trading.

➢ has issued 9 authorizations for self consumption generators for the production of electricity from photovoltaic, in a capacity of 644.94 kW.
Government of Republic of Kosova on the 24th of December 2021 has issued a Decision on Emergency Measures for Electricity Supply, which was sent to Parliament for Approval according to the Law on Electricity;

Parliament of Republic of Kosova on the 29th of December 2021 has approved the Decision on Emergency Measures for Electricity Supply.

Emergency measures for restriction of energy supply, were for a duration of up to 60 (sixty) days.

Emergency measures included:
- Establishing restrictions on energy supply to consumers
- Establishment of special obligations for energy enterprises

According to the Emergency Measures for electricity supply, it was established a Emergency Technical Committee, in order to identify and recommend measures that were necessary to overcome the energy crises.

Government of Republic of Kosova in February 2022 has decided to subsidize in the amount of 90 million Euros the consumers to purchase of electricity through import,
Recent developments
January 2022

✓ ERO Board in the meeting held in January:

- has decided on the values of the parameters that directly affect the determination of Allowed Revenues of the Universal Service Provider (USS) for the period 2022 - 2024. These parameters include Operating Expenses, Efficiency Factor, Asset Lifespan, Debt Bad, Retail Margin and Separation Factor of Imbalances.

- has issued 5 authorizations for self consumption generators for the production of electricity from photovoltaic, in a capacity of 262.61 kW;

- has approved the Annual Balance of Electricity for 2022;

- has appointed the Kosovo Energy Corporation (KEK), within the Supply License, to exercise temporarily, but not longer than six (6) months the function of Supplier Last Resort.

✓ Government of Republic of Kosova in January 2022 has decided to subsidize in the amount of 10 million Euros the consumers to purchase of electricity through import;
ERO Board in the meeting held in February:

- has taken a decision on the tariffs of the company District Heating of Gjakova for the season 2021/2022.
- has issued 7 authorizations for self consumption generators for the production of electricity from photovoltaic, in a capacity of 440.4 kW;
- has reviewed the request from the Universal Service Supplier and approved the new Electricity Invoice Design;
ERO Board in the meeting held in March:

- according to legal requirements of Article 10 of the Law on Energy Regulator, has submitted the Annual Report to the Assembly of the Republic of Kosova.
- has reviewed the Competition Assessment Report, in which case based on this assessment has taken the decision to impose a Public Service Obligation on the Supplier KESCO;
- has reviewed the request of company MCM Commodities for licensing of electricity supply activity, and approved the request;
- has issued 9 authorizations for self consumption generators for the production of electricity from photovoltaic, in a capacity of 300.15 kW;

The Government of the Republic of Kosova on February 2022 has proposed to the Assembly of the Republic of Kosovo, the extension of emergency measures in energy supply, on duration required of thirty (30) days, which Assembly has approved the extension.
Recent developments
Extraordinary tariff review

✓ Requests for extraordinary tariff review from USS, DSO and TSO in end of November;

✓ ERO on the 13.12.2021 according to the legislation in force and the requirements of the licensees has initiated the process of extraordinary tariff review:

✓ In mid January 2022 ERO has published two Consultative Reports:
  o Maximum Allowed Electricity for Regulated Operators
  o Tariff Structure Review for Regulated Household Consumers served under USS;

✓ We have received a lot of comments form all stakeholders;

✓ In begging of February ERO has published Final Reports;

✓ On the 7th February Board of ERO has approved the Maximum Allowed Revenues for for regulated entities the Transmission System and Market Operator (KOSTT); Distribution System Operator (KEDS) and Universal Service Supplier (KEESCO).
Recent developments
Extraordinary tariff review

✓ Government of Republic of Kosova in February 2022 has decided to subsidize in the amount of 90 million Euros the consumers to purchase of electricity through import, so in total subsidy from Government are 100 million Euros.

✓ Board of ERO on the 9th February 2022 approved electricity tariffs for year 2022, for regulated entities the Transmission System and Market Operator (KOSTT); Distribution System Operator (KEDS) and Universal Service Supplier (KESCO).

✓ Board of ERO also on the 9th February 2022 has approved the retail electricity tariffs for Universal Service Supplier (USS):
  o Retail electricity tariffs for non-household customers within the Universal Service will remain the same as last year.
  o Tariffs for household customers, for the level of consumption up to 800 kWh per month, will remain the same,
  o Tariffs for household customers with the consumption over 800 kWh per month, will be billed with a low tariff (overnight) of 5.9 and a high tariff (during the day) of 12.52 cents
Thank you!

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