



*Tuesday, 2 August 2016*

## **ANNOUNCEMENT**

### **The visit of Parliamentary Committee for Economic Development, Infrastructure, Trade and Industry to ERO**

Members of Parliamentary Committee for Economic Development, Infrastructure, Trade and Industry, led by chairperson Mr. Muhamet Mustafa, today visited Energy Regulatory Office (ERO).

Representatives of the committee met with ERO Board members and the Managing Director, in order to be closely informed about the developments regarding the regulation of energy sector.

The chairperson of ERO, Mr. Enver Halimi, informed the members of the parliamentary committee with the obligations and challenges that ERO is facing and also with the Decisions issued by the current Board. Regarding this aspect, chairperson Halimi outlined the decision on electricity tariffs upon which the Board approved the decrease of tariffs for commercial and industrial customers up to 8%.

The committee was also informed that ERO has received and proceeded 49 applications for construction of new generation capacities from renewable energy sources. As stated, of these applications, 16 have already been granted with final authorizations for construction, 6 of these projects are finished and are generating electricity to an installed capacity of about 27 MW. While 10 other projects are in different stages of construction to an installed capacity of 53 MW.

The committee was also informed about the finalization of the Thermal Energy Pricing Rule, as well as the preparation of the Methodology for determination of Feed-in Tariffs for electricity generated from Biomass and Methodology for determination of electricity generation for self-consumption.

Representatives of the Parliamentary Committee were also interested for the recommendations of the Committee from the review of ERO Annual Report for 2015, regarding which the Board stated that they are being addressed and soon will deliver to the committee a report regarding these recommendations.

Representatives of the committee were interested to be further informed on future tariffs of thermal energy. The members of the Board notified that ERO has already begun the tariff review process for these services and is in the phase of data collection from the licensees for



calculation of their costs in order to be able to come up with a decision on new tariffs prior the beginning of heating season.

Representatives of ERO outlined the obligations deriving from the new legislative package on the energy sector which obliges ERO to harmonize the secondary legislation with the primary one, within a period of 9 months. Apropos, chairperson Halimi emphasized that “Implementation of third legislative package represents an extraordinary work, therefore the overall task of implementation shall not be seen only as a legislative compliance but as a fundamental renewal of commercialization of this essential sector, to enable Kosovo to resolve its status of electricity supply in a sustainable way for the future.”

The implementation of the agreement on energy, signed between the Governments of Republic of Kosovo and Republic of Serbia, which deals with the regulation of customers in the northern part of Ibar River and the recognition of the Transmission System Operator as a regulatory area/block, were outlined as major challenges. Another challenge outlined by ERO was the full removal of cross-subsidization between tariff categories of regulated customers.

Regarding the electricity market opening, ERO notified that it is in the process of preparing the guideline and Work Plan, which shall be harmonized with the Energy Strategy, following its adoption from the Assembly of the Republic of Kosovo. With respect to the Work Plan, it was emphasized that it shall be discussed with other stakeholders in the sector in order to come up with the best solutions in this aspect.

Representatives of the committee expressed their consideration regarding the work that ERO is conducting and required even higher devotion in execution of duties for the regulation of the energy sector as one of the most important sectors in the country.