



Prishtinë, 31 March 2016

ERO Code: V_804_2016

The Board of Energy Regulatory Office,

Based on:

- Provisions of Article 8 paragraph 1 sub paragraph 1.6, Article 14 paragraph 2, sub paragraph 2.6 and 2.16, Articles 25, 32 and 43 of the Law on Energy Regulator (Law No. 03/L-185);
- Rule on Public Electricity Supplier Pricing (PES Pricing Rule);
- Rule on Regulated Generator Pricing (Generation Pricing Rule);
- Rule on Distribution System Operator Pricing (DSO Pricing Rule);
- Rule on Transmission System Operator and Market Operator Pricing (TSO/MO Pricing Rule);
- Decision V_800_2016 on Maximum Allowed Revenues (MAR) for the Public Electricity Supplier for the regulatory tariff year ETR10; and
- Application of KESCO, submitted on 29 March 2016, under the Tenth Electricity Tariff Review (ETR10) accompanied with the relevant clarifying documentation.

Following the review of relevant papers and documents, based on the legal provisions mentioned above, **in its session held on 31 March 2016, issued the following:**

DECISION

- I. Electricity retail tariffs and charges of regulated customers for the relevant tariff year ETR10, to be applied by the licensee from 1 April 2016, are hereby **APPROVED**

REASONING

- ✚ On 29 March 2016, the Energy Regulatory Office (ERO), received from KESCO the application for approval of retail regulated tariffs.



In deciding the electricity retail tariffs for regulated customers, ERO considered documents issued and published on its website as well as clarification meetings held with the Licensees.

These documents are as follows:

- Consultation Paper- Calculation of Wholesale Power Purchase Cost, published on 24 February 2016;
 - Consultation Paper- Calculation of KOSTT MAR, published on 24 February 2016;
 - Consultation Paper- Calculation of Maximum Allowed Revenues and Regulated Generator Charges, published on 24 February 2016;
 - Consultation Paper- Calculation of DSO MAR, published on 24 February 2016;
 - Consultation Paper- Calculation of PES MAR, published on 24 February 2016; and
 - Response to Comments- Tenth Electricity Tariff Review ETR10, published on 31 March 2016.
- II. Based on legal provisions mentioned in the introductory section and following the review of all relevant records and documents, ERO Board has decided as in the enacting clause of this decision.
- III. Structure of retail electricity tariffs for regulated customers, to be applied from 1 April 2016 respectively in relevant tariff year ETR10, is provided in the table below.

Tariff Group	Voltage level of supply	Tariff elements	Unit	Time-of-day	Approved 2016	
					High Season	Low Season
					1 October - 31 March	1 April - 30 September
0-1	220kV	Standing (customer) charge	€/customer/month		184.69	
		Power engaged	€/kW/month		15.09	
		Active energy (P)	€/kWh		2.27	
0-2	110kV	Standing (customer) charge	€/customer/month		92.35	
		Power engaged	€/kW/month		6.16	6.16
		Active energy (P), of which:	€/kWh	High tariff	7.22	2.14
			€/kWh	Low tariff	3.00	1.75



		Reactive energy (Q)	€/kVArh		0.00	0.00
1	35kV	Standing (customer) charge	€/customer/month		12.21	
		Power engaged	€/kW		6.40	6.40
		Active energy (P), of which:	€/kWh	High tariff	7.48	3.24
			€/kWh	Low tariff	3.96	2.92
		Reactive energy (Q)	€/kVArh		0.73	0.73
2	10kV	Standing (customer) charge	€/customer/month		5.05	
		Power engaged	€/kW		5.51	5.51
		Active energy (P), of which:	€/kWh	High tariff	8.38	3.74
			€/kWh	Low tariff	4.52	3.40
		Reactive energy (Q)	€/kVArh		0.73	0.73
3	0.4 kV Category I (large reactive power consumers)	Standing (customer) charge	€/customer/month		2.86	
		Power engaged	€/kW		3.23	3.23
		Active energy (P), of which:	€/kWh	High tariff	9.36	5.20
			€/kWh	Low tariff	5.90	4.90
		Reactive energy (Q)	€/kVArh		0.73	0.73
4	0.4kV Category II	Standing (customer) charge	€/customer/month		3.24	
		Active energy (P)	€/kWh	Single tariff	12.46	8.06
		Active energy (P), of which:	€/kWh	High tariff	15.00	9.83
			€/kWh	Low tariff	7.50	4.91
5	0.4kV Domestic 2-rate meter	Standing (customer) charge	€/customer/month		2.50	
		Active energy (P), for consumption:				
		<200kWh/month (First block):	€/kWh	High tariff	5.55	3.99
			€/kWh	Low tariff	2.79	1.99
		200-600kWh/month (Second block):	€/kWh	High tariff	7.70	5.51
€/kWh	Low tariff		3.86	2.76		



		>600 kWh/month (Third block):	€/kWh	High tariff	11.17	8.00
			€/kWh	Low tariff	5.58	4.01
6	0.4kV Domestic 1-rate meter	Standing (customer) charge	€/customer/month		2.50	
		Active energy (P), for consumption:				
		<200kWh/month (First block):	€/kWh	Single tariff	4.96	3.54
		200-600kWh/month (Second block):	€/kWh	Single tariff	6.86	4.91
		>600 kWh/month (Third block):	€/kWh	Single tariff	9.95	7.14
7	0.4kV (domestic unmetered)	Estimated consumption:				
		<200 kWh/month	€/customer/month		25.75	
		200-600 kWh/month	€/customer/month		46.60	
		>600 kWh/month	€/customer/month		78.53	
8	Public lighting	Standing (customer) charge	€/customer/month		3.50	
		Active energy (P), for consumption:	€/kWh	Single tariff	10.09	

Tariff applies 07:00-22:00 Monday-Saturday during the High Season and 08:00-23:00 Monday-Saturday during the Low Season

Customers are charged reactive energy over allowed, corresponding with $\cos(\Phi)=0.95$

IV. The Decision shall be issued in Albanian and will be translated into Serbian and English language. In case of any discrepancy between the versions, the Albanian version shall prevail.



- V. The Decision shall enter into force on date of approval by ERO Board and will be applied by Public Electricity Supplier, starting from 1 April 2016 until the regular review, and will be published on the official website of ERO.

Legal advice: The party dissatisfied with this decision can initiate an administrative dispute in the Competent Court, within thirty (30) days from the date of receipt of this Decision or the date of its publication in ERO's website, whichever occurs last.

ERO Board:

Enver Halimi, Chairman

Krenar Bujupi, Member,

Arsim Janova, Member,

Qemajl Mustafa Member,

Besim Sejfijaj Member.

The Decision is sent to:

- The party, and
- ERO Archive.