



The Board of Energy Regulatory Office,

Based on:

- Article 8 paragraph 1 sub-paragraph 1.6, Article 14 paragraph 2 sub-paragraph 2.14 of the Law on Energy Regulator (No.03/L-185);
- Articles 17 and 18 of the Rule on Resolution of Complaints and Disputes in the Energy Sector;
- Decision of ERO CPD: **ZRRE/DMK_V_1493_035_16**;
- KESCO's complaint dated on **01.07.2016**

in its session held on 15 July 2016, issued the following:

DECISION

- I The complaint of KESCO- Supply Division, towards ERO's Decision on the complaint of the customer B. Q., with code DGL-16739, is hereby **REFUSED** upon reasons presented in justification of this decision.
- II The Decision of ERO Customer Protection Department no. **ZRRE/DMK_V_1493_035_16**, dated on **31.05.2016**, shall remain in force.

Justification

On 01.07.2016, ERO received a complaint from KESCO-Supply Division upon which the Decision of ERO Customer Protection Department was contradicted due to the following reasons: in its complaint KESCO contradicted ERO CPD Decision based on the report on electric meter change, dated on 26.03.2015, which emphasized that KESCO's employees, authorized for electric meter change, inspected the metering point of the customer and removed from metering the electric meter no.7077018, status HV=50866 kWh (high tariff) and LV=61499 kWh (low tariff), and placed the new electric meter no.16079623, status HV=000000 kWh and LV=000000 kWh.

In its complaint, KESCO was also based on the report of Calibration Center which states that, *"producer seals of the electric meter are functioning, the electric meter is not damaged outwardly whereas inside the electric meter was noticed that "T" phase system is burned and as a result the electric meter has registered 33.33% less energy"*.

On this basis and based on the flow of electricity billing obtained from CCP, KESCO considers that it has righteously made the supplementing correction to the amount of 243.14 €, since according to KESCO this correction was in conformity with Article 4.11.1 of Distribution System Operator Metering Code.

In its complaint, KESCO did not agree with CPD Decision which states that costs of electricity with the new meter are significantly lower compared to the old meter and according to KESCO this is possible since the customer has the possibility of changing and replacing the equipment in order to decrease



electricity costs with the new meter. According to KESCO, another reason is that there exists a tendency that upon the change of the meter from analog to digital, the general consumption of electricity is lower.

In its complaint, KESCO also required from ERO Board that upon the review of the complaint to consider the fact that in such cases where the measurement is not precise, then while calculating the correction the average of power with the new meter cannot be considered since there can be no information on the future. Also, KESCO did not agree with the conclusions of CPD Decision regarding the registration of equipment in the case of electric meter change, reasoning that this case does not have to do with unauthorized use of electricity, therefore the calculation was made based on the engaged power.

The Board of Energy Regulatory Office, in its session held on 15.07.2016, analyzed all documents presented by KESCO on this issue as well as the decision of Customer Protection Department as a first instance decision and verified that CPD Decision is a decision based on concrete evidence.

Following the analysis of the report on change of electric meter no. 050493 dated on 26.03.2015, ERO Board confirmed that the first instance decision body CPD has rightly concluded that the authorized employees of KEDS have not registered the equipment that the customer owned when the electric meter change took place. Regarding this, the Board ascertained that the registration of equipment was necessary even for the complainant KESCO, due to the fact that in one of the contentious issues in the complaint it emphasized that a possible indicator for the decrease of the average of expenses with the new meter could have been the change of equipment or their replacement following the change of electric meter from the customer. Therefore, if KEDS team would have registered the equipment as they are obliged in such cases, the doubts of the complainant for change/replacement of the equipment in this metering point would have been removed.

Following the analysis of the data presented in the calibration report 49/19, dated on 19.05.2015, ERO Board concluded that it is unreasonable from KESCO's side to ascertain irregularities from the laboratory and not to ask for a review of measurements accuracy for electric meter no. 7077018, since such an action was necessary.

ERO Board analyzed the electricity flows of the customer as well, and verified that CPD has precisely analyzed the average of electricity cost with the old meter and the new one. Also, the Board analyzed the contentious point emphasized in the complaint, that when placing the new meter CPD did not want to consider the average of electricity cost, reasoning that the electricity costs with the new meter are low due to the short time following the meter change. Regarding this contentious point, the Board ascertained that these justifications of the complainant KESCO do not stand, due to the fact that the meter change took place on 26.03.2015 whereas CPD analyzed the average of electricity approximately 9 months following the meter change, since the decision was issued on 31.05.2016.

The Board has also evaluated as reasonable the first instance decision which precisely presented the data on electricity costs with the old meter and the new meter. The Board analyzed the flow of electricity with the electric meter **no.7077018** for the period from 04/2014 to 04/2015 which was **1,171 kWh/month** and the consumption of the electric meter **no. 16079623** during the period from 04/2015 until 04/2016 which resulted to be **616 kWh/month**. It was noticed that despite what was emphasized by the complainant KESCO, the customer had a decrease of electricity consumption for 90% during this period. Furthermore, the average of electricity consumption for the electric meter no.16079623 from **07/2002** to **04/2015** resulted to be **953.11/month**, whereas the monthly average



of electricity consumption of electric meter no.16079263 from 04/2015 to 04/2016 was **616.15 kWh/month**, which results in a decrease of **54.69%** of customer's electricity consumption with the new electric meter.

The Board concluded that the first instance body verified the factual situation in a righteous and full manner, since the flows of electricity for this metering point and other reports issued by KEDS/KESCO on this issue were analyzed in details and concluded that KESCO did not provide any convincing evidence to prove that the CPD Decision as a first instance body is not righteous and not based on laws.

Following the analysis of what was stated above, in its session held on 15.07.2016, ERO Board decided as in the enacting clause of this decision.

- III. The Decision shall be issued in Albanian language and shall be translated into Serbian language. In case of any discrepancy between the versions the Albanian version shall prevail.
- IV. This Decision shall enter into force on the date of approval by the Board and shall be published on ERO's official website.

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

ERO Board

Enver Halimi, Chairman

Krenar Bujupi, Member

Arsim Janova, Member

Qemajl Mustafa, Member

Besim Sejfijaj, Member

This Decision is sent to:



- KESCO- Supply Division,
- Customer B. Q. and
- ERO Archive .