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PRESS RELEASE

VIIth Session of ERO Board in 2017

The Board of Energy Regulatory Office (ERO), in its VIIth session, held on 27 and 28 April 2017, has continued with the approval of the secondary legislation package that is being adjusted to new energy laws, which were approved last year by the Assembly of Kosovo, with the purpose of harmonizing them with the third package of EU Directives on energy.

In this session, the Board also approved Rule on Authorization Procedure for Construction of New Generation Capacities and Rule on Support Scheme for Renewable Energy Sources (RES). The Rule on Authorization Procedure sets forth the criteria and procedure related to the issuance of Authorizations for construction of new generation facilities, new systems for transport and distribution of gas, including interconnection lines, direct electricity lines and direct pipelines for distribution of natural gas in order to create conditions for efficient and cost-effective use of power, taking into account their limited size and possible environmental impact. Whereas, Rule on Support Scheme defines the criteria and procedure for application and admission to the Support Scheme in order to support the generation of electricity from RES. This Rule sets the application procedure for admission to the Support Scheme shall be implemented in compliance with objective, transparent and non-discriminatory criteria, and support the establishment of a competitive energy market by promoting investment and ensuring the security and stability of the energy sector in the Republic of Kosovo.

Board also has approved the Methodology on determination of tariffs for System Operator, Transmission System Operator and Market Operator. Based on these methodologies, the tariffs for transmission use of system, market operation and transmission operation were also determined.

As part of adjusting the sector with the new legislation, which obliges the liberalization of energy market, ERO, in accordance with requirements derived from the laws and pursuant to the Guideline on Market Liberalization, decided to impose the Public Service Obligation to KESCO JSC. for supplying final customers who are entitled for the universal service. In this regard, the Board also approved the Rule on Determination of Revenues and Prices for Universal Service Supplier and also amended the license of Supply Operator KESCO JSC., by adding Public Service Obligations. According to Law on Electricity, all household final customers and all non-household final customers with an annual turnover of less than ten (10) million Euros or not more than fifty (50) employees have the right of universal service of supply.

Another decision of ERO Board was the approval of templates of Power Purchase Agreements between operators in the power system in the country.