



Pristina, 31 March 2017
ERO Code: V_903_2017

The Board of Energy Regulatory Office,

Based on:

- Provisions of Article 9, paragraph 1, subparagraph 1.7, Article 15, paragraph 1, subparagraph 1.5, Article 25, Article 26, paragraph 1, subparagraph 1.2, Article 46, paragraph 1, subparagraph 1.2, Article 47 and Article 48 of Law on Energy Regulator (Law no. 05/L-084);
- Provisions of Article 37 of Law on Electricity (Law no. 05/L-085);
- Provisions of Rule on Public Electricity Supplier Pricing (PES Pricing Rule);
- Provisions of Rule on Maximum Allowed Revenues of Distribution System Operator (Rule on DSO Revenues);
- Provisions of Rule on Maximum Allowed Revenues of Transmission System operator and Market Operator (Rule on TSO/MO Revenues); and
- Proposal for the New Tariff Structure, dated on 17 March 2017, issued by the Regulator, within the Electricity Tariff Review (ETR 11);

in its session held on 31 March 2017 issued the following:

DECISION

- I. The electricity retail tariffs for customers with universal service of supply, for relevant tariff year ETR11, which will be applied by the licensee KESCO JSC. starting from 1 April 2017, are hereby **APPROVED**.
- II. The electricity retail tariff structure for household customers with universal service of supply, which will be applied starting from 1 April 2017, for relevant tariff year ETR 11, is presented in the following table:



Tariff Group	Voltage Level of Supply	Tariff Element	Unit	Time-of-day	Tariffs
1	0.4kV Domestic- 2-rate meter	Standing Customer Charge	€/customer/month		1.80
		Active Energy (P), of which	€/kWh	High Tariff	7.00
			€/kWh	Low Tariff	3.00
2	0.4kV Domestic- 1-rate meter	Standing Customer Charge	€/customer/month		1.80
		Active Energy (P), of which	€/kWh		5.52
3	0.4kV (domestic-non metered)	Standing Customer Charge	€/customer/month		1.80
		Active Energy (P), of which	€/kWh	Average Tariff	7.00

High Tariff (day) is applied from 07:00-22:00, during the period 1 October to 31 March
High Tariff (day) is applied from 08:00-23:00, during the period 1 April to 30 September

Table 1: Electricity retail tariff for regulated household customers

III. The structure of electricity retail tariffs for non-household customers with universal service of supply, which will be applied starting from 1 April 2017, for relevant tariff year ETR11 is presented below:

Tariff Group	Voltage Level of Supply	Tariff Element	Unit	Time-of-day	Tariffs
1	35kV	Standing Customer Charge	€/customer/month		12.21
		Engaged Power	€/kW/month		6.40
		Active Energy (P), of which	€/kWh	High Tariff	5.37
			€/kWh	Low Tariff	3.45
		Reactive Energy (Q)	€/kVArh		0.73
2	10kV	Standing Customer Charge	€/customer/month		5.05
		Engaged Power	€/kW		5.51
		Active Energy (P), of which	€/kWh	High Tariff	6.25
			€/kWh	Low Tariff	4.02
		Reactive Energy (Q)	€/kVArh		0.73
3	0.4 kV Category I (Large Reactive Power Customers)	Standing Customer Charge	€/customer/month		2.86
		Engaged Power	€/kW		3.23
		Active Energy (P), of which	€/kWh	High Tariff	7.30
			€/kWh	Low Tariff	5.41
		Reactive Energy (Q)	€/kVArh		0.73
4	0.4kV Category II	Standing Customer Charge	€/customer/month		3.24
		Engaged Power	€/kWh	Single Tariff	9.63
		Active Energy (P), of which	€/kWh	High Tariff	11.68



			€/kWh	Low Tariff	5.78
5	Public Lighting	Standing Customer Charge	€/customer/month		3.50
		Active Energy (P), of which	€/kWh	Single Tariff	10.09
<p><i>High Tariff (day) is applied from 07:00-22:00, during the period 1 October to 31 March</i></p> <p><i>High Tariff (day) is applied from 08:00-23:00, during the period 1 April to 30 September</i></p> <p><i>The customer is charged for the reactive energy consumed over the allowed limit which corresponds with $(\Phi)=0.95$</i></p>					

Table 2: Electricity retail tariff for regulated non-household customers

REASONING

- ✚ On 17 March 2017, the Regulator published for public consultation the Proposal for the New Tariff Structure;
- ✚ In deciding the electricity retail tariffs for customers with universal service of supply, ERO considered documents issued and published on its website, as follows:
 - Consultation Paper - Calculation of TSO/MO MAR, published on 28 February 2017;
 - Consultation Paper – Calculation of DSO MAR, published on 28 February 2017;
 - Proposal for the New Tariff Structure, published on 17 March 2017;
 - Final Report on TSO/MO Maximum Allowed Revenues, published on 31 March 2017; and
 - Final Report on DSO Maximum Allowed Revenues, published on 31 March 2017;
- IV. The Board of the Regulator, following the analysis of the relevant reports and review of comments submitted by parties, as well as based on legal provisions mentioned in the introductory section of this Decision, decided as in the enacting clause of this Decision.
- V. In the event of possible deviations in revenues that may result from the application of tariffs, set out in the enacting clause under item II. of this Decision and reasonable costs that may be incurred by the licensee, the Regulator will carry out the required adjustments in the next relevant tariff year.
- VI. KESCO may bond a supply agreement with customers connected to the 110 kV voltage level, with prices not higher than the average prices realized during the period from 1 April 2016 to 31 March 2017.
- VII. The Decision is issued and published in official languages of the Republic of Kosovo.
- VIII. The Decision shall enter into force on the date of approval by the Board of the Regulator and will be implemented from the Supplier with the obligation of supply within the Universal Service, starting from 1 April 2017 and will be published on ERO's official website.



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:

Krenar Bujupi, Acting Chairman

Arsim Janova, Member

Besim Sejfijaj, Member

This Decision is sent to:

- The party, and
- ERO Archive