



Pristina, 15.10.2018
ERO Code: V_1046_2018

The Board of Energy Regulatory Office,

Based on:

- Provisions of Article 26, paragraph 1, Article 47 and Article 48 of the Law on Energy Regulator No. 05/L-084;
- Provisions of Article 19 of the Law on Energy No. 05/L-081;
- Provisions of Article 18 and Article 19 of the Law on Thermal Energy No. 05/L-052;
- Thermal Energy Pricing Rule; and
- Request of Public Enterprise – District Heating (DH) Termokos, dated on 25 July 2016, for review of Maximum Allowed Revenues and thermal energy tariffs, along with relevant explanatory documentation.

Following the review of the request and based on the above-mentioned legal provisions, **in the session held on 15 October 2018, issued the following:**

DECISION

- I. APPROVAL** of thermal energy tariffs for final customers of the District Heating (DH) Termokos JSC, for the heating season 2018/2019, as presented in the table "II.1" which will be implemented from 15 October 2018.

Reasoning

1. On 8 July 2018, Energy Regulatory Office (ERO) has received a request from DH Termokos JSC for review of Maximum Allowed Revenues and Thermal Energy Tariffs.
2. For determination of thermal energy tariffs, ERO has taken into account various documents and relevant requests, as well as explanatory meetings held with DH Termokos. The relevant documents and requests are presented below:
 - Submitted data and information, attached to the Request for review of Maximum Allowed Revenues and thermal energy tariffs, dated on 8 July 2018;
 - Written comments, issued by ERO on 15 August 2018, specifying the requests for correction, improvement and supplement of the data and information submitted along with the request dated on 08 July 2018;
 - Corrected and supplemented data and information, in line with ERO's written comments, re-submitted by DH Termokos on 22 August 2018;



- The Report on Public Consultation- Preliminary Evaluations for Determination of Maximum Allowed Revenues for DH Termokos- heating season 2018/2019;
 - Written comments, received during the Public Consultation period (10-27 September 2018);
 - ERO's Response on the written comments received during the Public Consultation period;
 - Final Report; Determination of Maximum Allowed Revenues for DH Termokos- heating season 2018/2019; and
 - Report on Determination of Thermal Energy Tariffs for DH Termokos- heating season 2018-2019.
3. Taking into account the legal provisions stated in the introduction and based on the review of all relevant documents and requests, the Board of ERO has decided as in the enacting clause of this decision.
- II. The Structure of thermal energy tariffs for DH Termokos JSC for the heating season 2018/2019 is provided in the table II.1 below.

Table II.1: The Structure of thermal energy tariffs for DH Termokos JSC – season 2018/2019

| THERMAL ENERGY TARIFFS OF DH GJAKOVA - Season 2018/2019 | | | |
|---------------------------------------------------------------|------------------------------|---------------------|-------------------|
| A: THERMAL ENERGY TARIFFS- METERED | | | |
| Tariff Components | Unit | Value | |
| Monthly Tariff for Thermal Capacity (fixed comp.) | [€/kW/month] | 0.93 | |
| Tariff for Supply/Consumption of Thermal Energy (var. comp.) | [€/MWh] | 38.77 | |
| B: THERMAL ENERGY TARIFFS- UNMETERED | | | |
| Tariff Components | Unit | Household Customers | Com&Ins Customers |
| Monthly Tariff for Thermal Capacity (fixed component) | [€/m ² per month] | 0.12 | 0.15 |
| Tariff for Supply /Consumption of Thermal Energy (var. comp)) | [€/m ² per month] | 0.66 | 0.82 |
| Total Tariff for un-metered customers | [€/m2 per month] | 0.78 | 0.97 |

- III. Taking into account the current situation regarding the metering of supply/consumption of thermal energy, **the tariffs set in table II.1 are implemented for the three following cases:**
1. For facilities, whose substations are equipped with functional meters of thermal energy, and are under the ownership or use of a customer, the metered tariffs- are used for billing- Table II.1 A.
 2. For the collective housing facilities whose sub-stations are equipped with functional meters of thermal energy and who are under the ownership or use of several customers, ERO in cooperation with DH Termokos shall select 2-5 facilities to test the implementation of the two-levelled billing. The two-levelled billing includes: i)Basic billing at the sub-station level, for which the metered tariffs are



used- Table II.1 A and ii) Billing at the apartment level which is based on the billing on sub-station level and heating area of each apartment separately.

3. For facilities, whose sub-stations are not equipped with functional meters of thermal energy, and for the facilities described under item (2), the “normative” tariffs will be implemented, which are based on the customer heating area – Table II.1.B.

- IV. DH Termokos shall publish the thermal energy tariff structure, as set in the table II.1 of this Decision, within five (5) working days following the publication of this Decision in the electronic website of ERO, in at least one of the daily newspapers with wide circulation in Kosovo.
- V. Energy Regulatory Office (ERO) is entitled to audit the accounting registers and invoices of DH Termokos, to verify the realization of these revenues and costs presented by DH Termokos.
- VI. The Decision is issued in Albanian language and will be translated into Serbian and English. In case of any discrepancy between the versions, the Albanian version shall prevail.
- VII. The Decision shall enter into force on the date of approval by ERO Board and will be implemented by DH Termokos starting from 15 October 2018 until the next tariff review. This Decision is published on the official website of ERO.

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

ERO Board

Arsim Janova, Acting Chairman

Besim Sejfijaj, Member

Selman Hoti, Member

Izet Rushiti, Member

This Decision is sent to:

- The party; and
- ERO Archive