



Pristina, 28 March 2019
ERO Code: V_1127_2019

The Board of Energy Regulatory Office,

Based on:

- Provisions of Article 9, paragraph 1, sub-paragraph 1.7, Article 15, paragraph 1, sub-paragraph 1.5, Article 25, Article 26, paragraph 1, sub-paragraph 1.2, Article 46, paragraph 1, sub-paragraph 1.2, Article 47 and Article 48 of Law on Energy Regulator (Law no. 05/L-084);
- Provisions of Article 16 of the Law on Electricity (Law No. 05/L-085);
- Rule on Determination of Revenues for Universal Service Supplier (USS Pricing Rule);
- Provisions of Rule on Maximum Allowed Revenues of Transmission System Operator and Market Operator (Rule on TSO/MO Revenues);
- Provisions of Rule on Maximum Allowed Revenues of Distribution System Operator (Rule on DSO Revenues);
- Decision of KOSTT no. V_1125_2019 on Maximum Allowed Revenues to be recovered by Transmission System Operator and Market Operator JSC. (KOSTT);
- Decision of DSO no. V_1126_2019 on Maximum Allowed Revenues to be recovered by the licensed Distribution System Operator (DSO); and
- Application/Request of KESCO/Universal Service Supplier for determination of Maximum Allowed Revenues, submitted on 21 January 2019, within Electricity Tariff Review, with the respective explanatory documentation,

in its session held on 28 March 2019 issued the following:

DECISION

- I. **APPROVAL OF MAXIMUM ALLOWED REVENUES** (hereinafter **MAR**) for Universal Service Supplier (USS/KESCO), for the relevant tariff year 1 April 2019- 31 March 2020, to be collected by KESCO/USS, through electricity retail tariffs for regulated customers.
- II. Maximum Allowed Revenues of the Universal Service Supplier, to be recovered from electricity retail tariffs, for the relevant tariff year, will be in an amount of **€ 248,823,503** .
- III. The Universal Service Supplier, according to this Decision, is instructed to prepare and submit to ERO the proposal for approval of the regulated retail tariff, before the relevant tariff year.



- IV. The tariff proposed by the license shall be subject to the principles set in the Rule on on Determination of Revenues for Universal Service Supplier (USS Pricing Rule);

REASONING

- Energy Regulatory Office (ERO), on 08 December 2018, initiated the annual adjustments of Maximum Allowed Revenues for USS.
- ERO, on 21 January 2018, received from KESCO- Universal Service Supplier, the request for Maximum Allowed Revenues, in order for Universal Service Supplier to be allowed to collect electricity retail tariffs for regulated customers.
- ERO, during the determination of Maximum Allowed Revenues that will be recovered by the Universal Service Supplier, has taken into consideration the documents issued and published on the official website of ERO.
 - Consultation Paper on Maximum Allowed Revenues of the Universal Service Supplier (April 2019-March 2020); published on 22 February 2019;
 - Consultation Paper- Annual Adjustments of Maximum Allowed Revenues for KOSTT (April 2019-March 2020), published on 22 February 2019;
 - Consultation Paper- Annual Adjustments of Maximum Allowed Revenues for KEDS (April 2019-March 2020), published on 22 February 2019;
 - Final Report on USS Maximum Allowed Revenues, Response to Comments (April 2019- March 2020);
 - Final Report on TSO/MO Maximum Allowed Revenues, Response to Comments (April 2019-March 2020); and
 - Final Report on DSO Maximum Allowed Revenues, Response to Comments (April 2019- March 2020).
- ERO Board, following the evaluation and analysis of relevant reports and review of comments received by parties, as well as based on legal provisions mentioned in the introductory section of this Decision, decided as in the enacting clause to this Decision.

V. The Decision is issued and published in official languages of the Republic of Kosovo.

VI. The Decision shall enter into force on the date of approval by the ERO Board and will be implemented by Universal Service Supplier (KESCO), starting from 1 April 2019 until the regular tariff review, and shall be published at 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:

Arsim Janova, Acting- Chairman

Besim Sejfijaj, Member

Selman Hoti, Member

Izet Rushiti, Member

This Decision is sent to:

- Universal Service Supplier (KESCO) and
- ERO Archive.