



Energy Regulatory Office
Zyra e Rregullatorit për Energji
Regulatorni Ured za Energiju

On 25 October 2005 the TREATY establishing the Energy Community of SEE was SIGNED in Athens -Greece. Head of ERO participated on signing ceremony of the Treaty together with D/SRSG Mr Joachkim Ruecker and Deputy Minister of MEM Mr. Agron Dida. By signing the Treaty Kosovo commits itself to comply with European Legislation in the energy sector and to promote competition based on free-market principles.

Foreword by the Chairman

In my second year as Chairman I am delighted to report that ERO has delivered another excellent performance and moved a step closer to fulfill its mission to become the key driving factor in Kosovo, on the establishment of an efficient energy market based on the principles of transparency and free competition.

In all parts of ERO there were important achievements every day from delivering good service and enhancing value for energy customers to representing Kosovo in various international meetings and conferences.

The clarity of our core objective – to deliver a transparent and competitive energy market – means that we have a clear purpose and strong focus on what needs to be done.



Nick Frydas, Chairman of the Board of ERO



Role of ERO

Regulation plays an important role in economical development facilitating the appropriate institutional and organizational structure that needs to be in place in order to attract the massive private investments that are required to exploit rational natural resources.

The main task of ERO is to create conditions for reliable, safe and environmentally sound supply of energy, and to promote, establish and protect a competitive energy market based on principles of objectivity, transparency and non-discrimination in Kosovo.



Pursuant to Primary and Secondary Legislation (Law on the Energy Regulator, Rule on Licensing of Energy Activities in Kosova, Rule on General Conditions for Energy Supply, Rule on Principles of Calculation of Tariffs ect.) ERO has the powers, duties and functions to develop the conditions for issuing licenses to carry out energy

activities, the procedures for granting permits for construction of new generating capacity, the criteria for regulating prices, and the conditions of energy supply.



One of public sessions of the Board of ERO

Major Tasks of ERO for the year 2006

- Monitoring the Restructuring and incorporation of energy enterprises in line with the EU Directives.
- Development of liberalised energy market in accordance with treaty of Energy Community in South- East Europe (ECSEE) requirements. This will stimulate new private investment projects in energy sector of Kosova.
- Licensing of all Energy activities in Kosovo and developing the procedures for compliance monitoring of the licenses.

Secondary Legislation Developed and Approved by ERO (adopted by Board)

15th December '05 to 28 of June '06

- Statute of ERO
- Code of Ethic and Conduct
- Rule on Principles of Calculating of Tariffs in Energy Sector
- Tariff Methodology for the Electricity Sector
- Rule on Licensing of Energy Activities in Kosova
- Schedule of Fees
- Rule on Dispute Settlement Procedure
- Rule on Disconnection and Reconnection of the Customers in Energy Sector of Kosova
- General Terms and Conditions for Energy Supply
- Rule on Public Register

Drafts published and comments discussed in Public Hearings

- Rule on administrative Fines and Measures
- Rule on Confidentiality of Information
- Rule on Authorization
- Manual of Operation

Above Rules are planned to be adopted in August-September 2006

Decisions and Temporary Instructions issued by ERO

Decision D_12_2006,

Decision on withdrawal of the Consent given to KEK on 5 June 2006 on Export of Electricity during July and August 2006

Decision D_11_2006,

Decision on "Interim Tariff Application for ITSMO.

Decision D_10_2006,

Decision on "Guidelines on the Establishment of the Ownership and Commercial Boundary between Joint Stock Companies"

Decision D_09_2006,

Decision on Fee for reviewing and granting the Certificate of Eligibility.

Temporary Instruction I_03_2006,

On the Principles on Calculation of Tariffs and Prices in the District Heating Sector in Kosova for the heating Season 2006-2007.

Temporary Instruction I_02_2006,

On Regulatory Reporting of District heating Enterprises.

Temporary Instruction I_01_2006,

For Metering Requirements of Eligible Customers.

ERO ANNUAL REPORT for the year 2005

All ERO Rules and Decisions are available in: www.ero-ks.org





ERO Participation in International Conferences , Meetings, Workshop, Seminars, ect.

- Working visit to Albania, 17-19 *January 2006.*
- SETSO TF meeting in Zagreb-Croatia, 20 *January 2006.*
- *Regulatory Information and Public Participation Training* in Budapest-Hungary, 22-25 *January 2006.*
- *Workshop on Regulatory Monitoring of Electricity Sector in Kazakhstan*, 1-2 *February 2006.*
- *CEER Working Group SEEER Meeting in the Gas Regulatory Group Meeting in Milan*, 16 *February 2006.*
- *ERRA Licensing/Competition Committee Meeting in Skopje*, 23-24 *February 2006.*
- *Three (3) SEC TF Meetings (Vienna 9 March, Budapest 16 May, Athens 21 June 2006.*
- *Joint Work Group on Gas Industry and Infrastructure, Financing and Regulation, Belgrade 22-23 March 2006.*
- *ERRA Legal WG meetin, Budapest, 27-29 March 2006.*
- *Athens Mini Forum and 15th SEE WG Meeting, Dubrovnik, 27-28 March 2006.*
- *Workshop "Addressing Key Challenges of Network Utilities Reform & Regulation, London, 27-31.03.2006.*
- *Study Tour in Romania, 10-15 April 2006.*
- *SEETSO Meeting in Budapest, 12 May 2006.*
- *ERRA Investment and Annual ConferenceBalkan Power Conference in Budapest, 14-19 May 2006.*
- *Study Tour by SEETEC, Paris,Stocholm, 17-19 May 2006.*
- *Participation in SETSO SG, Zagreb, 8 June 2006.*
- *ERRA EU Integration WG meeting "Guaranties of Origin" Budapest 9 June*
- *Greater Mekong Subregion, Energy Sector Meeting, Siem Reap, Cambodia, 13-16 June 2006.*
- *Attendance of ERO Board Members to Athens Forum, 19-24 June 2006.*

Study tour in Romania, visit of ANRE.

