



**Board of the Energy Regulatory Office,**

Based on:

- Provisions of Article 8 paragraph 1 sub paragraph 1.6, Article 14 paragraph 2, sub paragraph 2.6 and 2.16, Articles 25, 32 and 43 of the Law on Energy Regulator (Law No. 03/L-185);
- Rule on Public Electricity Supplier Pricing (PES Pricing Rule);
- Rule on Regulated Generator Pricing (Generation Pricing Rule);
- Rule on Distribution System Operator Pricing (DSO Pricing Rule);
- Rule on Transmission System Operator and Market Operator Pricing (TSO/MO Pricing Rule);
- Decision V\_719\_2015 on Maximum Allowed Revenues (MAR) for the Public Electricity Supplier for the regulatory tariff year ETR9; and
- Application of KESCO, submitted on 31 March 2015, under the Ninth Electricity Tariff Review (ETR9) accompanied with the relevant clarifying documentation.

Following the review of relevant papers and documents, based on the legal provisions mentioned above, **in its session held on 03 April 2015, issues the following:**

## DECISION

- I. Electricity retail tariffs and charges of regulated customers for the relevant tariff year ETR9, to be applied by the licensee from 1 April 2015, are hereby **APPROVED**.

## REASONING

- ✚ On 31 March 2015, the Energy Regulatory Office (ERO), received from KESCO the application for approval of retail regulated tariffs.
- ✚ In deciding the electricity retail tariffs for regulated customers, ERO considered documents issued and published in its website as well as clarification meetings held with the Licensees. These documents are as follows:
  - Consultation Paper - Wholesale Power Costs Calculation, published on 09 March 2015;
  - Consultation Paper - Calculation of KOSTT MAR, published on 09 March 2015;
  - Consultation Paper on Calculation of Maximum Allowed Revenues and Charges of the Regulated Generator, published on 09 March 2015;
  - Consultation Paper - Calculation of DSO MAR, published on 09 March 2015;



- Consultation Paper - Calculation of PES MAR, published on 09 March 2015; and
  - Response to Comments - Ninth Electricity Tariff Review ETR9, published on 03 April 2015.
- II. Pursuant to the legal provisions mentioned in the introductory section and following the review of all relevant records and documents, the ERO Board has decided as in the enacting clause of this decision.
- III. Structure of retail electricity tariffs for regulated customers, to be applied from 1 April 2015, respectively in the relevant tariff year ETR9, has been provided in the following table:



Tariff Group	Voltage level of supply	Tariff element	Unit	Time-of-day	Approved 2015	
					High season	Low season
					1 October - 31 March	1 April - 30 September
0-1	220kV	Standing (customer) charge	€/customer/month		200.75	
		Standing (demand) charge	€/kW/month		15.88	
		Active energy (P)	€/kWh		2.45	
0-2	110kV	Standing (customer) charge	€/customer/month		100.38	
		Standing (demand) charge	€/kW/month		6.70	6.70
		Active energy (P), of which	€/kWh	High Tariff	7.78	2.30
			€/kWh	Low Tariff	3.23	1.89
		Reactive energy (Q)	€/kVArh			
1	35kV	Standing (customer) charge	€/ customer/month		13.27	
		Standing (demand) charge	€/kW		6.96	6.96
		Active energy (P), of which	€/kWh	High Tariff	8.13	3.52
			€/kWh	Low Tariff	4.30	3.17
		Reactive energy (Q)	€/kVArh		0.79	0.79
2	10kV	Standing (customer) charge	€/ customer/month		5.49	
		Standing (demand) charge	€/kW		5.99	5.99
		Active energy (P), of which	€/kWh	High Tariff	9.11	4.06
			€/kWh	Low Tariff	4.91	3.70
		Reactive energy (Q)	€/kVArh		0.79	0.79
3	0.4 kV Category I (Large reactive power costumers)	Standing (customer) charge	€/ customer/month		3.09	
		Standing (demand) charge	€/kW		3.49	3.49
		Active energy (P), of which	€/kWh	High Tariff	10.12	5.62
			€/kWh	Low Tariff	6.38	5.30
		Reactive energy (Q)	€/kVArh		0.79	0.79
4	0.4kV Category II	Standing (customer) charge	€/ customer/month		3.50	
		Active energy (P)	€/kWh	Single Tariff	12.46	8.06
		Active energy (P), of which	€/kWh	High Tariff	15.00	9.83
			€/kWh	Low Tariff	7.50	4.91
5	0.4kV domestic 2 rate meter	Standing (customer) charge	€/ customer/month		2.50	
		Active energy (P) for consumption:				
		<200kWh/month (First block):	€/kWh	High Tariff	5.55	3.99
			€/kWh	Low Tariff	2.79	1.99
		200-600kWh/month (Second block):	€/kWh	High Tariff	7.70	5.51
			€/kWh	Low Tariff	3.86	2.76
		>600 kWh/month (Third block):	€/kWh	High Tariff	11.17	8.00
€/kWh	Low Tariff		5.58	4.01		
6	0.4kV domestic 1 rate meter	Standing (customer) charge	€/ customer/month		2.50	
		Active energy (P) for consumption:				
		<200kWh/month (First block):	€/kWh	Single Tariff	4.96	3.54
		200-600kWh/month (Second block):	€/kWh	Single Tariff	6.86	4.91
		>600 kWh/month (Third block):	€/kWh	Single Tariff	9.95	7.14
7	0.4kV (domestic unmetered)	Estimated consumption:				
		<200 kWh/month	€/ customer/month		25.75	
		200-600 kWh/month	€/ customer/month		46.60	
		>600 kWh/month	€/ customer/month		78.53	
8	Public lighting	Standing (customer) charge	€/ customer/month		3.50	
		Active Energy (P) for consumption:	€/kWh	Single Tariff	10.09	

High tariff applies from 07:00 - 22:00 during the High season and 08:00 - 23:00 during the Low season.

The customer is charged for the reactive energy consumed over the allowed limit, which corresponds with  $\cos(\phi)=0.95$



- IV. The Decision shall be 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.
- V. This Decision shall enter into force on the date of approval by the ERO Board and will be applied by the Public Electricity Supplier, starting from 1 April 2015 until the regular tariff review, and shall be published in the official website of ERO.

**Legal advice:** The party dissatisfied with this Decision may initiate an administrative dispute with 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**

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Enver Halimi, Chairperson

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Merita Kostari, Member

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Krenar Bujupi, Member.