

**Prishtina, 07/05/2007**  
**ERO Code: D\_47\_2007**

## **The Board of Energy Regulatory Office**

Taking into account:

1. Its legal mandate as provided in Articles 45 to 48 of the Law No. 2004/9 “On Energy Regulator”;
2. Provisions of the Rule on “Principle of Calculation of Tariffs in Electricity Sector (Pricing Rule)” issued by ERO Board on 15/12/2005 and in particular items 30.2 a) & b) of above-mentioned Rule;
3. Provisions of the Tariff Methodology issued by ERO Board on 15/12/2005, as amended;
4. KEK JSC request as per their letter of 25<sup>th</sup> April 2007 addressed to ERO;
5. KOSTT JSC request as per their letter of 2<sup>nd</sup> May and modified request of 4<sup>th</sup> of May 2007 addressed to ERO;
6. New evidence concerning technical and economic data of the Price Review and in particular the removal of Kosovo A3, A4 capital expenditure for refurbishment in 2007 (€ 76mil.) as per item 4 above, the reduction in estimated “Non-Technical losses” by 1% as per item 4 above, the reduction of Personnel Expenses of KOSTT by € 150,000 reduction in Ancillary services by € 210,000 and reductions of maintenance by € 120,000 as per item 5 above;

**In the Board Session of 7<sup>th</sup> May 2007, has decided to:**

- 1. Reconsider the Decision D\_29\_2006 of 21/12/2006 on “Allowed Revenues for KEK JSC and KOSTT JSC for the Pricing Review Period 2007-2009” and reconsider the Decision no: D\_39\_2007 and D\_41\_2007 of 15/3/2007 on “Proposed new retail tariffs for KEK JSC and transmission tariff for KOSTT JSC.”**

**ERO invites both KEK JSC and KOSTT JSC to propose and submit to ERO until the 10<sup>th</sup> of May 2007 at the latest updated Retail and Transmission tariffs to be reviewed by ERO Board as part of the reconsideration process, with aim that updated tariffs take effect from 1<sup>st</sup> of May 2007.**

2. This Decision is issued in Albanian, English and Serbian language. In case of dispute between three versions, the Albanian version shall prevail.

3. This Decision comes into effect on the day of its issuance or on the day when it is published on the web site of ERO.



Board of ERO:

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Ali Hamiti, Chairman,

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Merita Kostari, member,

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Theranda Beqiri, member

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Nysret Avdiu, member

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Naim Bejtullahu, member

*This decision will be sent to KEK JSC and KOSTT JSC and*

*Copied to:*

*Prime Minister*

*Assembly Speaker*

*DSRSG Pillar IV*

*Committee for Economy, Trade, Industry, Electricity, Transport and Telecommunication*

*MEM*

*MLSW*

*MFE*

*EPO/Pillar IV*

*FAO/Pillar IV*

*KTA*