



23 March 2023

PRESS RELEASE

Second (II) Session of ERO Board

On 23 February 2023, the Board of the Energy Regulatory Office (ERO) held the second (II) session for this year.

In this session, the Board decided to extend to the Supply Operator KESCO, the Obligation of the Universal Service of Supply to customers until 31 March 2024. The decision to impose this obligation was made based on the legal obligations of article 51 of the Law on Energy Regulator, the provisions of Articles 5, 33 and 37 of the Law on Electricity, the legal provisions of Articles 5 and 6 of the Rule on Determination of Revenues for the Universal Service Supplier, as well as the obligations arising from the criteria for evaluation of competition in electricity supply, which also includes the results of the index for the measurement of competition "Herfindahl Hirschman".

Also, the Board approved the Maximum Allowed Revenues for regulated operators (Transmission System and Market Operator/KOSTT; Distribution System Operator/KEDS and Universal Service Supplier USS/KESCO). The Maximum Allowed Revenues for the Universal Service Supplier USS/KESCO were approved in the amount of €398.40 million; for the Transmission System and Market Operator/KOSTT were approved in the amount of €59.697 million whereas for the Distribution System Operator/KEDS were approved in the amount of €133,808 million. These revenues will enable the operators to perform their operating functions under optimal conditions. With the approval of these revenues, ERO, among other things, has taken into consideration the increase in import prices which are beyond the control of the operators as well as the subsidy allocated by the Government of the Republic of Kosovo.

However, the increase in revenues will reflect in the increase of electricity prices of about 15% for final customers in the tariff year, which shall enter into force from 1 April 2023 until 31 March 2024.

In this session, the ten (10) and five (5) year Development Plans for the Transmission System Operator and the Distribution System Operator as well as the thermal energy balances were reviewed and approved. In addition to that (18) customer requests for authorization for self-consumption were also reviewed and approved, of which 11 were submitted from companies and 7 from individuals, with a total of 605kW.

Part of review from the Board were also disputes between licensees KOSTT and KEDS, KOSTT and KESCO and customer complaints, as well as some other issues related to the operation of the Energy



Regulatory Office. All decisions of the ERO Board will be published on the official website of ERO www.ero-ks.org.