



30 March 2023

PRESS RELEASE

Third (III) Session of ERO Board

On 30 March 2023, the Board of the Energy Regulatory Office (ERO) held its third (III) session for this year.

In this session, the Board approved the tariffs for regulated operators (Transmission System and Market Operator/KOSTT; Distribution System Operator/KEDS and Universal Service Supplier USS/KESCO).

Through this decision-making process, ERO aimed to set the equilibrium between the interests of regulated operators and customers, by setting affordable prices for all categories of customers, allowing companies to carry out investments and recover the allowed revenues for carrying out their activities, in line with the legislation in force.

Electricity tariffs for final customers will be 15% higher for all customer categories. This is justified as follows:

- The electricity demand in Kosovo has increased for 30% in the last decade, therefore requiring new investments in network expansion and improvement of the system;
- Limited generating capacities in the country for fulfilling the increasing demand force Kosovo to purchase large amounts of electricity in the regional and international market;
- Electricity prices marked a drastic increase in Europe in the last year (due to the conflict between Ukraine and Russia), where the average price of import in Kosovo had an increase from 119.29 €/MWh in 2021 up to 254.51 €/MWh in 2022, an increase of 113%, which to a large extent was compensated with the subsidy provided by the Government of Kosovo in the last year.
- High rate of inflation, from 0.25% up to 1.75% in the period 2018-2022, to 8.39% in 2022, impacted the considerable increase of costs of electricity suppliers.

ERO informs that new electricity prices shall be applied for the amount of consumed energy, starting from 1 April 2023;

Energy Regulatory Office continues to be committed to protecting customers' rights and balancing the interests of licenses in the energy sector, in line with the legal principles implemented for different circumstances in the electricity market.

All decisions of the Board will be published in the electronic website of ERO www.ero-ks.org.