

REPUBLIC OF ALBANIA



ENERGY REGULATOR AUTHORITY

DECISION

No.12 Date, February.06.2015

ON

APPROVING THE ELECTRICITY SALE-PURCHASE AGREEMENT BETWEEN KESH (ALBANIAN POWER CORPORATION) AND OSHEE (DISTRIBUTION SYSTEM OPERATOR) COMPANIES FOR ELECTRICITY SURPLUSES INCLUDING THOSE IN CONDITIONS OF LARGE FLOWS FOR FULFILLING THE LOSSES IN THE DISTRIBUTION SYSTEM FOR 2015

Based on Law No.9072 date 22.05.2003, "On Power Sector" articles 8, point 2, letter "c" and "l", and 9, as amended, Law no.8485 date May.12.2008 "Administrative Procedures Code" articles 7 and 149, as amended, ERE Board of Commissioners, on their February.06.2015 meeting, after reviewing the request of KESH (Albanian Power Corporation) company and OSHEE (Distribution System Operator) company on "Approving electricity sale-purchase agreement between KESH and OSHEE companies for the electricity surpluses, including the those in conditions of large flow for fulfilling the losses in the distribution network for 2015" as well as the report submitted by the Technical Directories,

Observing that:

- Market Model targets to maintain all the benefits from hydro sources for tariff customers needs,
- This agreement is made to lower the costs in the power system,



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- The legislation into force does not reflect the changes in the ownership structure of OSHEE (Distribution System Operator) company which beginning from October.27.2014 operates in the electricity distribution and retail public supplier activities as a company with a fully state owned capital.
- The lack of the regulations in KESH OSHEE companies relations is regulated by this agreement within performing discretionary power from ERE that comes as a realization of a lawful purpose such as to maintain hydro benefits for tariff customer needs.

For all of the above mentioned the Board of Commissioners:

Decided:

- 1. The approval of electricity sale-purchase agreement between KESH and OSHEE companies for the electricity surpluses, including those in the conditions of large flow for fulfilling the losses in the distribution network for 2015.
- 2. KESH and OSHEE companies are charged to implement this decision.
- 3. Legal and Customer Protection Directory shall notify KESH and OSHEE companies for this decision.

This decision enters immediately into force.

This decision is published in the Official Gazette.