



REPUBLIC OF ALBANIA

**ENERGY REGULATORY AUTHORITY**

**Board**

**DECISION**

**No. 19, Dated 19.01.2018**

**ON**

**THE ANNUAL ELECTRICITY PURCHASE PRICE THAT SHALL BE PAID  
TO THE EXISTING ELECTRICITY PRIORITY PRODUCERS FOR 2018.**

Based on article 16 of Law no. 43/2015 “On Power Sector”, article 22 of Law no.7/2017 “*On the promotion of the use of energy from renewable resources*”, Council of Ministers Decision no. 687, dated 22.11.2017 the “*Methodology on setting the annual electricity purchase price that shall be paid to existing priority producers*”, as well as article 19 of the “*Regulation on ERE Organization, Operation and Procedures*”, approved with ERE Board Decision, no. 96, dated 17.06.2016, ERE Board on their 19.01.2018 meeting, after reviewing the report prepared by the Tariff and Prices Directory regarding the approval of the annual electricity purchase price that shall be paid to existing priority producers for 2018,

**Observed that:**

- The methodology on setting the annual electricity purchase price that shall be paid to existing priority producers to calculate this price provides:
  - Annual purchase price (ALL/kWh) = Average annual price of the day ahead market (HUPX/DAM) for electricity in the base load for the respective year of the Hungarian Power Exchange (HUPX) in EUR cent/kWh X bonus on the promotion of renewable resources on 1.3 X average exchange rate EUR/ALL for the last year.
- From the data of the Hungarian Power Exchange (HUPX) annual report results that the annual average price for the day ahead market (HUPX/DAM) for electricity in the base load for 2017 is 50.35 Euro/MWh.
- From the published data of the Bank of Albania about the exchange rate ALL/EUR, for each month of 2017 the average exchange rate for 2017 is 134.15ALL/EUR. If the exchange rate ALL/EUR that shall be published on the Annual 2017 Report of

the Bank of Albania changes from the calculated average price , ERE has the power to review the calculation implementing the methodology.

- Implementing the calculating form point 3 no. 687, dated 22.11.2017 the “Methodology on setting the annual electricity purchase price that shall be paid to the existing priority producers”, results as follows:

$$\text{Pu} = 50.35 / 1000 * 1.3 * 134.15 = 8.78078825 \text{ ALL /kWh}$$

- Paragraphs 2.ç and 2.d of Council of Ministers Decision no. 687, dated 22.11.2017 “Methodology on setting the annual electricity purchase price that shall be paid to existing priority producers”, provides that, the electricity purchase price from electricity priority producers which may be not lower than the price approved by ERE for 2016 and not higher than 15% of the approved price from ERE for 2016.
- ERE Board, with Decision no. 13 dated 16.02.2016 has decided that the electricity fix Tariff that shall be paid to electricity producers from the hydro power plants for 2016, shall be 7.448 ALL/kWh.

For all of the above mentioned ERE Board,

**Decided:**

1. The annual electricity purchase price, that shall be paid to existing priority producers for 2018, shall be 8.5652 ALL/kWh.
2. Tariff and Prices Directory shall inform the stakeholders for ERE Board Decision.

This decision enters immediately into force.

This decision is published on the Official Gazette.

This decision may be complained on Tirana Administrative Court, within 30 calendar days from the publication in the Official Gazette.

**CHAIRMAN**

**Petrit AHMETI**