



REPUBLIKA E SHQIPËRIË
ENERGY REGULATORY AUTHORITY

DECISION

No. 165, dated 05.06.2026

ON

APPROVING AMENDMENTS TO THE STANDARD QUALITY OF SUPPLY AND SYSTEM SECURITY INDICATORS FOR THE ELECTRICITY DISTRIBUTION NETWORK

Based on Articles 7, (1); 16; 19, letter “h” and “j”, and Article 20, letter “a” of Law no. 43/2015 “*On Power Sector*” as amended; Article 15 of the Regulation on ERE organization, operation and procedures, approved by ERE Board Decision no. 96, dated 17.06.2016; the ERE Board, at its meeting held on 05.06.2026 after reviewing the report prepared by the Directorate for Monitoring Quality Standards, System Security and Public Service Obligation and Directorate of Market Monitoring and Surveillance of the Licensees no. 1695/1, dated 01.06.2026, “*On approving various amendments at the standard criteria indicators for the quality of service in the electricity distribution system*”,

Considering that:

- The Albanian Parliament in the Resolution on the assessment of the Energy Regulatory Authority activity for 2024 period, approved on 09.10.2025, recommended that ERE take the necessary measures to review the rules and standards of the quality of service provided by network operators, in the framework of increasing and improving the quality for the electricity customers.
- ERE Board with decision no. 181, dated 10.11.2017, approved the “Regulation on the standard criteria for the quality of supply service and security performance of the electricity distribution system”, while with decision no. 97, dated 07.04.2021, approved the standard quality indicators for the standard criteria for the quality of service and the security performance of the electricity distribution network for 2021 period.
- Implementing the reporting obligation, DSO company periodically submitted the data on the standards of service quality and performance of the distribution network, from which the data indicate a continuous improvement in the main quality-of-service indicators, while with the official letter no. 2717/2, dated 12.11.2025, it has informed the expectations for the continuation of the improvement and the process of drafting the Distribution Code.
 - In addition, ERE Board with decision no. 346, dated 29.12.2025, decided to initiate the procedure for amendments to the “Regulation for the standard criteria for the quality of supply and security performance of the electricity distribution network”, approved with ERE Board decision no. 181, dated 10.11.2017, and with the official letter no. 2865/8, dated 30.12.2025, informed the stakeholders: AAES (the Albanian Electricity Suppliers Association), MIE (the Ministry of Infrastructure and Energy), ME (the Ministry of Economy), Customer Protection Association, AMK (the Customer Protection Agency), DHTI (the Chamber of Commerce and Industry), AK (the Competition Authority), AP (the Ombudsman Office), the “Customer in Focus Association”, Alert Center and the Distribution System Operator (DSO company) , by requesting the comments and opinions regarding the proposed amendments.

- DSO company with the official letter no. 47/2, dated 06.02.2026, registered at ERE protocol no. 604, dated 10.02.2026, submitted its proposal for the expected quality indicators for the years 2026, 2027 and 2028, based on the projected implementation of the Investment and Maintenance Plans for the respective years. A comparative assessment of the proposals indicates that the SAIDI, SAIFI and Service Restoration Time (MV and LV) indicators submitted by DSO show an improvement compared to those initially proposed the beginning of the procedure; consequently, their acceptance is considered appropriate. As regards the ENS indicator, it is considered appropriate to maintain the values proposed at the beginning of the procedure (ENS 2026: 33.318 MWh; ENS 2027: 32.651 MWh; ENS 2028: 31.998 MWh), since these values aim at better performance and encourage the network operator towards the efficient maintenance and operation of the distribution system. Furthermore, apart from the indicators proposed and justified above, the remaining indicators of Table No. 1 of the Annex to the “Regulation on the standard criteria for the quality of supply service and the security performance of the electricity distribution network” remain unchanged. This is also due to the fact that these indicators are derived from the Distribution Code. Upon the preparation of the new Distribution Code by DSO company and its approval by ERE, the review of these indicators will also be made possible.
- The Customer Protection Agency, AMK, in its e-mail dated 12.01.2026, recommended the periodic publication of performance indicators in an understandable way for the customers, the involvement of broad stakeholder groups in the consultation process, as well as the organisation of awareness-raising campaigns regarding the reason for price movements and improvement the quality of service. It is considered that these recommendations are, in principle, appropriate and will be taken into consideration, while it is noted that the indicators are published on ERE official website, under the "Monthly Newsletter" section of ERE's official website; also, DSO company shall be notified of the need for transparent and clear publication of these indicators for the customers. To include this proposal at the respective regulation, the publications shall be added on Article 8 of the regulation by introducing a separate paragraph, namely point 8.3 and consequently, the title shall be renamed Monitoring, Supervision and Publications.
- The Albanian Electricity Suppliers Association (AAES), among other comments, proposed the completion of Article 9 (9.3) of the Regulation, by adding a provision for the compensation of negative imbalances as well. It is considered that this proposal addresses a regulatory gap in the Regulation, as the current provision only provided the compensation of positive imbalances. The suppliers, as the responsible parties for balancing, are exposed to costs related to both positive and negative imbalances. The increasing participation of priority producers in the unregulated market establishes the possibility of concluding the contracts between them and the licensed suppliers that operate in the market. Due to outages in the network to which the producer is connected, it may become unable to generate electricity from the producer to generate electricity. As a consequence, the supplier receiving electricity from that producer remains without the necessary electricity quantity for the supply of end use customers and is exposed to negative imbalances in the balancing electricity market. The acceptance of AAES’s proposal for Article 9 (3) of the Regulation completes the current compensation mechanism provided in the regulation, which currently covers only the cases of positive imbalances, including even the mechanism for compensation of negative imbalances; consequently AAES’s proposal is accepted and incorporated in the Regulation.
- The Albanian Electricity Suppliers Association (AAES) also proposed the rewording of Article 10 (10.1) of the Regulation, by clarifying the compensation mechanism, according to which DSO company compensates the Supplier and, subsequently, the latter compensates the end use customers in the same amount. It is considered that this proposal constitutes a reasonable legal adjustment of the provision and does not conflict with the interests of the parties; furthermore, DSO company, notified by the official letter no. 2865/7, dated 30.12.2025, that it has not

submitted any objections regarding this proposal.

- AAES's proposal regarding Article 10 (10.3) of the Regulation, to make the compensation of end use customers conditional upon the Supplier's prior receipt of compensation from DSO company, has been considered unacceptable, since it may penalize the end use customer by making the customer subject to the consequences that may arise from delays or disputes between the DSO company and the Supplier. Consequently, the current paragraph, which provides for the compensation of the customer in the subsequent electricity invoice, remains unchanged, also taking into consideration the three-day deadline established in Article 8.4 of the "Agreement on the Provision of the Electricity Distribution Service between the Distribution System Operator and the Supplier."
- Within the framework of reviewing the Regulation, it is noted that the compensation of end use customers, in the event of non-compliance with the standard service quality criteria, is carried out through the contractual relationship between the DSO company and the Supplier, governed by the "Electricity Distribution Service Agreement," approved by the ERE Board; for this reason, Article 10 (10.2) is harmonized with this contractual act, with the purpose of ensuring legal clarity and regulatory consistency in the implementation of the compensation mechanism.
- Furthermore, it is considered appropriate to amend the last paragraph of Article 7 (7.1), (7.3) and (7.4) of the Regulation, with the purpose of aligning the review mechanism for the review of service quality indicators to the current measured and reported performance of the distribution system.
- The current Regulation contains provisions that have become obsolete or inappropriate for the current operational situation, including Article 6 and Article 7 (7.2), which provide deadlines, reports or requirements that no longer correspond to the developments in the sector; consequently, their abrogation is considered appropriate.

Decides:

1. To approve amendments to the Regulation on the Standard Criteria for the Quality of Supply and Security Performance of the Electricity Distribution Network, approved by ERE Board Decision No. 181, dated 10.11.2017, as amended by Decision No. 97, dated 07.04.2021.
2. To amend the Annex to the Regulation by replacing the quality indicators with the values set out below:
 - A. The Expected service quality indicators for the years 2026, 2027 and 2028:

Indicators	Unit	PERIOD					
		2026		2027		2028	
Energy not supplied (ENS)	MWh	33,318		32,651		31,998	
System Average Interruption Duration Index (SAIDI)	Hour	36.07		35.35		34.64	
System Average Interruption Frequency Index (SAIFI)	Number	21.72		21.28		20.86	
Time Required to Restore the Service after a Distribution System Outage (MV + LV)	Hours (Total in the Network)	1.62		1.61		1.59	
		Urban area	Rural area	Urban area	Rural area	Urban area	Rural area
MV 35 kV	Hour	1.53	1.94	1.51	1.92	1.5	1.9
MV 20 kV	Hour	1.26	1.59	1.25	1.58	1.24	1.56
MV 6 - 10 kV	Hour	2.29	2.83	2.27	2.81	2.25	2.78
LV 0.4 kV	Hour	0.94	1.1	0.93	1.09	0.93	1.08
Frequency Quality (FQ)	• Normal operation border: 49.8 up to 50.2 Hz.						
	• During the system disorders : 48.0 up to 52.0 Hz.						
Voltage Quality (VQ)	Nominal		Low		High		
	230 V		-10%		5%		
	400 V		-10%		5%		
	6 000 V		-5%		5%		
	10 000 V		-5%		5%		
	20 000 V		-5%		5%		
	35 000 V		-5%		5%		
	110 000 V		-5%		5%		
Response time for the New Connections Requests	• Not more than 20 working days for installed capacity up to 10 kW in LV. • Not more than 20 working days for installed capacity 10-20 kW in LV . • Not more than 20 working days for installed capacity 21-50 kW in LV. • Not more than 60 working days for installed capacity 50 - 100 kW in LV. • Not more than 60 working days for connections in MV.						
Notification Period for Planned Interruptions in the Distribution System	72 HOURS						
Time required to perform the control at the metering system upon customer’s request.	5 working days from the day of submitting the Request.						
Time Required to Respond to Complaints, regarding the metering.	5 working days from the day of submitting the Complaint						
Time Required to Reconnect the Customer’s to whom it is disconnected the Electricity	Within 48 hours, from the execution of the liquidation and on the request of the Customer.						
Settlement of the Complaints regarding Voltage Quality.	30 calendar days.						
Percentage of Customer’s Currenty with Meters.	Percentage of Customers Currently with Meters is 100%, of the number of customers.						

- The quality of service indicators approved by ERE Board Decision No. 181, dated 10.11.2017, as amended by ERE Board Decision No. 97, dated 07.04.2021, which are not included in the table referred to in point 2 of this Decision, shall remain unchanged.
- The following amendments are approved to the Regulation on the Standard Criteria for the Quality of Supply and Security Performance of the Electricity Distribution Network, approved

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by ERE Board Decision No. 181, dated 10.11.2017, as amended:

- Article 6 of the Regulation is repealed.;

- The last paragraph of Article 7 (7.1) is amended to read as follows:

"The expected performance levels approved by ERE for the year 2028 shall enter into force immediately and shall remain applicable until they are reviewed by ERE on the basis of the measured, reported and achieved performance of the distribution system.";

- Article 7 (7.2) of the Regulation is repealed;- Article 7 (7.3) is amended to read as follows: *"The Distribution System Operator (DSO), or ERE on its own initiative, may propose the revision of the standard quality of service criteria. ERE shall review and approve the revised performance levels on the basis of the measured, reported and achieved performance of the distribution system."*

- Article 7 (7.4) is amended to read as follows: *"ERE shall review the performance achieved during each three-year period, reassess the expected performance levels and approve the corresponding standard quality of supply and network security indicators applicable to the electricity distribution system"*;

- The title of Article 8 of the Regulation is amended to read **"Monitoring, Supervision and Publication"**, and a new paragraph 8.3 is added with the following wording:

"The Distribution System Operator (DSO) shall periodically publish quality of service indicators in a transparent, clear and easily understandable manner. The DSO shall publish on its official website the realised quarterly quality of service indicators every three months and shall publish the annual quality of service indicators for the previous calendar year by January of the following year."

- Article 9 (9.3) is amended to read as follows:

"In all cases of unplanned outages, except where such outages are caused by Force Majeure, the electricity nominated by the Supplier but not distributed by the DSO due to the outage shall be compensated by the DSO as follows: the Distribution System Operator shall pay the Supplier the positive difference between the price under the relevant Supply Contract(s) (depending on the duration of the outage affecting each individual Supply Contract) and the positive imbalance price applied by the Transmission System Operator (TSO). Where the outage results in negative balancing imbalances for the Supplier, the Distribution System Operator shall compensate the Supplier by paying the positive difference between the negative imbalance price applied by the TSO and the price under the relevant Supply Contract(s) with the end-use customer, depending on the duration of the outage affecting each individual Supply Contract."

- Article 10 (10.2) is amended to read as follows:

"Compensation of end-use customers connected to the electricity distribution network, in cases where the standard quality of service criteria established under this Regulation are not met, shall be implemented in accordance with the provisions of the 'Agreement on the Provision of Electricity Distribution Services between the Distribution System Operator and the Supplier', as approved by ERE."

5. The Directorate for Monitoring Quality Standards, System Security and Public Service Obligations shall notify the Distribution System Operator (DSO) and all relevant stakeholders of this Decision.

This Decision shall enter into force after publication in the Official Gazette.

Any party to this procedure may request a review of this Decision of the ERE Board within 7 (seven) calendar days from the date of its receipt, where new evidence is submitted that may lead the Board to reach a different conclusion or where material errors are identified. An appeal against this Decision may be lodged with the Administrative Court of First Instance of General Jurisdiction in Tirana within 30 (thirty) calendar days from the date of its publication in the Official Gazette.

This Decision shall be published in the Official Gazette.

ERE CHAIRMAN

Petrit AHMETI