



REPUBLIKA E SHQIPËRISË

ENERGY REGULATORY AUTHORITY

PRESENTATION OF THE ANNUAL REPORT FOR 2022

22.06.2023

ERE Chairman, Mr. Petrit Ahmeti, together with ERE Board Members, Mr. Maksim Shuli, Mr. Petraq Lika and Ms. Erjola Sadushi, presented on 20.06.2023, to the Committee on Production Activities, Trade and Environment, the Annual Report on the performance of the power and natural gas sector and ERE activity for 2022, which presents a detailed description as well as specific data on the performance of the sectors, reflecting in a comparative manner the indicators of this year with previous years.

Mr. Ahmeti summarized, among other things, the data on increasing electricity production, the decrease in electricity consumption as a result of awareness campaigns compared to the previous year, losses in the distribution system or details on the reports of collections and invoices of public companies; but also the achievements, difficulties or challenges that this sector has faced during the past year, emphasizing that 2022 was a very difficult year in both the power and natural gas sectors, especially due to factors such as the war in Ukraine that brought an increase in both the price of natural gas by up to 400% and electricity throughout Europe and the Region, which led to the need for several strategic steps in accordance with Law 43/2015 "On Power Sector".

Among the measures taken, Mr. Ahmeti reminded the members of the commission, among others, on the establishment of the emergency state for electricity supply, the allocation of funds and support from the state budget to cover the import prices of electricity to ensure uninterrupted supply to customers; the imposition of a public service obligation for priority producers of electricity; the establishment of an obligation for the public generation company KESH company to cover losses from network operators in order to prevent the financial effect of purchasing this energy at high import prices; the optimization of water resources by independent producers through storage contracts between the public operator in charge of this service and KESH company; the establishment of legal conditions for the provision of generation capacities by the public company KESH company through the leasing of new generation units or the possibility of storing electricity with private operators; the establishment of a solidarity contribution for the duration of the energy crisis, for electricity producers to trade at a liberalized price who had increased income as a result of the increase in electricity sale prices in the free market.

These measures, the Chairman emphasized, guaranteed the uninterrupted supply of electricity throughout the territory of the Republic of Albania, without additional costs for the tariff customer, given that Albania is among the few countries that kept the price of electricity unchanged in the regulated market.

The approval of market rules and the licensing of the power exchange operator ALPEX company is also reflected in the report as an innovation of Energy Regulatory Authority (ERE) Board Decision.

The Board answered questions from the members of the Commission, on issues such as priority producers, details on the billing of the Elbasan Incinerator, the Albgaz Gas Pipeline, Vlora TPP, questions about the functioning of the FSHU company contracts or the current situation with the Bread Producers and the price of electricity for the latter, with the aim of clarification, but always staying within the competences of the institution.

The Annual Report of the Energy Regulatory Authority for 2022 shall also be presented in the upcoming Plenary Session of the Albanian Parliament.