



REPUBLIC OF ALBANIA

ENERGY REGULATORY AUTHORITY

PRESENTATION OF THE ANNUAL REPORT FOR 2023

27 June 2024

ERE Chairman Mr. Petrit Ahmeti, presented today in the Albanian Parliament the Annual Report on the performance of the power and natural gas sector and ERE activity for 2023, 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 listed for the Members of the Assembly the main objectives of the Energy Regulatory Authority, the work carried out during the past year within the framework of exercising the duties related to the licensing of subjects operating in the sector, monitoring the energy market, drafting the regulatory framework, as well as reviewing and determining tariffs and prices in accordance with the respective methodologies.

The Chairman also referred to the data on electricity production, where the total installed capacity of electricity production in our country until December 31, 2023 is around 2,675 MW, with an increase of around 26 MW compared to 2022; he also discussed regarding the electricity production plants connected to both the electricity transmission network (2,288 MW) and the distribution network (382 MW).

The Assembly was also informed about the findings resulting from the comparison of historical data, from which it is noted that:

- the electricity production for 2023, in the amount of 8,796 GWh, results above the average electricity production for 2009-2023 period, therefore 2023 is considered a good hydrological year in terms of electricity production, with an increase of 2,026 GWh above the average electricity production in 2009-2023 period.
- the level of collections and electricity losses in the transmission and distribution systems; which have also improved and are in line with the target approved with the Council of Ministers Decision. The total losses reported by the company for 2023 amount to 18.93%, thus marking a decrease in the level of losses compared to 2022. The total level of reported collections is 99.4% to the total invoiced electricity. This level of collections for 2023 results in an increase, compared to the level of collections achieved for 2022.
- the total electricity consumption realized for 2023 of about 7,875,861 MWh, which is lower compared to 2021, which is the maximum consumption achieved.



Regarding the Natural Gas Sector, the Report reflects the performance of gas supply in the world and the strategic position of our country, gas consumption and the trend of its use in EU countries where a decline in gas consumption is observed.

After the presentation of the Annual Report, there were positive arguments in the Assembly, but also criticism and retorts, among which Mr. Pëllumbi and some of the other members of the Committee on Production Activity, Trade and Environment, commended the work performed by ERE in finding a balance between the state, the business and the customer, for the functioning of the Albanian Power Exchange (ALPEX), which began operating at 00:00 on 12.04.2023, for the transparency, diversification of energy sources, the increase in energy volumes traded on the Albanian Power Exchange, the trend of reducing energy losses in the distribution system, for signing the memorandums for day-ahead market coupling within 2026, etc.

As reflected in the Report, it was assessed as a major overcoming of the negative consequences left behind by the years of transition for the power sector, where energy production by small producers is encouraging.

The Commission also presented the Resolution for the following year for the Energy Regulatory Authority, with 12 recommendations, on which the ERE shall establish its ongoing objectives.

A copy of this report is published on ERE website in the following link:

<https://www.ere.gov.al/sq/publikime/raporte-vietore>