



REPUBLIKA E SHQIPËRISË

**ENERGY REGULATORY AUTHORITY
BOARD**

DECISION

No. 133, Dated 07.07.2025

ON

SOME ADDITIONS AND AMENDMENTS IN THE STANDARD CONTRACT FOR “THE SALE AND PURCHASE OF ELECTRICITY BETWEEN THE ELECTRICITY PRODUCTION COMPANY CHARGED WITH THE PUBLIC SERVICE OBLIGATION, THE SHARES OF WHICH ARE FULLY OR PARTIALLY CONTROLLED BY THE STATE, (KESH COMPANY) AND UNIVERSAL SERVICE SUPPLIER (FSHU) COMPANY, FOR THE SUPPLY OF CUSTOMERS WHO ARE SUPPLIED BY UNIVERSAL SERVICE SUPPLIER (FSHU) COMPANY”

Based on articles 16, 20 letter "h", 47, 56 letter "f", and 62 of Law no. 43/2015 “On Power Sector,” as amended; Part I, article 5, point 4 of Council of Ministers Decision no. 456, dated 29.06.2022, “*On the approval of conditions for the imposition of the public service obligation, which will be applied to licensees in the electricity sector, who exercise the activity of production, transmission, distribution and supply of electrical energy*” as amended; as well as article 15 of the Regulation for *ERE Organization, Operation and Procedures*, approved with ERE Board decision no.96, dated 17.06.2016; ERE Board, in their meeting dated 07.07.2024, after reviewing the report Protocol no. 1635/1, dated 30.06.2025, “*On some additions and amendments to the standard contract for the sale and purchase of electricity between the electricity production company charged with the public service obligation, the shares of which are fully or partially controlled by the state, KESH company and the Universal Service Supplier (FSHU) company, for the supply of customers who are supplied by FSHU company*”,

Observed that:

- ERE Board, with Decision no. 95, dated 20.05.2024, approved the Standard Contract for the sale and purchase of electricity between the public production company (KESH company) and the Universal Service Supplier (FSHU company).

1. Request for the revision of the Standard Contract

- The parties, respectively KESH company, through the joint official letter Protocol no. 1990/2, dated 28.04.2025, and FSHU company, through official letter Protocol no. 2217/2, dated 28.04.2024, submitted at ERE the request for the approval of the contract for the sale and purchase of electricity between KESH company and FSHU company for 2025, protocolled at ERE with Protocol no. 1635, dated 28.04.2025.
- The contract proposed for 2025 maintains unchanged the structure and essential conditions of the Standard Contract, reflecting only updating changes in the legal and regulatory basis, as well as technical clarifications that have arisen as a result of the gradual market opening in accordance with Ministerial Order no. 322, dated 30.12.2024.

2. Content of the Contract Amendments

In the legal basis of the contract:

- ERE Board Decision no. 347, dated 27.12.2022, is marked as “amended” following the approval of the amendments by Decision no. 265, dated 10.12.2024.
- The decision for the renewal of the license of FSHU company changes from no. 164/2019 to no. 162, dated 15.08.2024.
- The Order of the Minister responsible for Energy is proposed to be changed from no. 217/2023 to no. 322/2024.

Updating of the wording in the text:

- **Article 2, point 2:** the phrase “...universal customers connected to the distribution network at the 6 kV voltage level and customers with special status connected at the 10/20 kV voltage level under the FMF service”

It is proposed to be amended to:

“...universal customers connected to the distribution network at the ___ kV voltage level and customers with special status connected at the ___ kV voltage level under the FMF service, according to the respective Ministerial Order no. ___, dated ___.”

- **Article 9, letter “c”, point iii:** the phrase “Customers supplied at 6/10 (MV) Medium Voltage and 20 kV customers with special status”

It is proposed to be amended to:

“Customers supplied at ___ kV (MV) Medium Voltage and ___ kV customers with special status, according to the respective Ministerial Order no. ___, dated ___.”

- **Article 14, point 2/a:** the phrase “...approved also by Decision No. 34, dated 10.02.2025, of the Energy Regulatory Authority”

It is proposed to be amended to: ...“the respective decision of ERE Board.”

- **Article 14, point 2/b:** the phrase “...for customers supplied at 6 kV Medium Voltage and 10/20 kV with special status”

It is proposed to be amended to: “Customers supplied at ___ kV medium voltage and ___ kV

customers with special status, according to the respective Ministerial Order no. ___, dated ___.”

- **Article 3, point 1 of Annex II: the phrase** “...at 6 kv and 10/20 kV voltage levels with special status...”
It is proposed to be amended to: “customers connected at ___ kV voltage level and ___ kV voltage level with special status, according to the respective Ministerial Order no. ___, dated ___, in accordance with the provisions of the acts ___.”

3. Public Consultation and Parties’ Positions

- Within the framework of the public consultation, ERE published the contract, which was filed under the consultations section, on 21.05.2025.
“GEN-I Tirana” company with official letter Protocol no. 09/2025-ER, dated 10.06.2025, participant in the Albanian energy market, submitted a detailed position regarding the structural challenges of the energy market in Albania.
- The concerns raised by GEN-I Tirana are strategic and long-term in nature; they do not have a direct impact on the content or validity of the contract for 2025. It is evaluated that the current contract remains necessary to ensure supply in accordance with existing legal obligations.

4. Assessment and Obligations for Contract Revision

- Based on Article 20, letter “h” of Law no. 43/2015 “*On Power Sector*,” as amended, the Parties submitted, through the joint official letter Protocol no. 1990/2 dated 28.04.2025 from KESH company and Protocol no. 2217/2 dated 28.04.2025 from FSHU company, protocolled at ERE with Protocol no. 1635 dated 28.04.2025, the Standard Contract for the sale and purchase of electricity between KESH company and FSHU company for the supply of universal customers for 01/01/2025 – 31/12/2025 period; it is assessed that the period should be indicated in the format: dd/mm/yyyy – dd/mm/yyyy.
- In the legal basis, regarding the decision of the Minister responsible for Energy, it is assessed that the protocol number and date should be indicated in the format: no. prot., dated dd/mm/yyyy.
- In Article 1 “Purpose of the Contract”, the time period should be indicated as: dd/mm/yyyy – dd/mm/yyyy.
- In Article 2, point 3, it should be stated: "The sale price of electricity for the year [yyyy] is the one approved by the decision of the General Assembly of the Seller with Protocol no. ___ dated dd/mm/yyyy."
- Article 12 should be stated as: "The contract is valid for the period dd/mm/yyyy – dd/mm/yyyy."*
- Article 18 shall be rewritten without including the names of the contact persons.
- Article 21, point 1, shall be rewritten by removing the time period and replacing it with: "This contract extends its effects for the period dd/mm/yyyy – dd/mm/yyyy."
- In the title of Annex no. 1, the year 2025 should be replaced with: [yyyy].
- In the title of Annex no. 2, the time period 01.01.2025 – 31.12.2025 shall be replaced with: dd/mm/yyyy – dd/mm/yyyy.
- In Article 1, point 1.1 of Annex no. 2, the time period shall be replaced with: dd/mm/yyyy –

dd/mm/yyyy.

- In Annex no. 1, the year 2025 shall be replaced with: [yyyy].
- Given that ERE Board approved the Standard Contract by Decision no. 95/2024, which constitutes the reference model for contractual relations regarding the public service obligation and has no defined time limit, KESH company and FSHU company have the obligation to update with ERE the specific contract signed based on this Standard Contract, without any time limitation.
- It is also assessed that in the Standard Contract, approved with ERE Board Decision no. 95, dated 20.05.2024, the references in the legal basis to Decision no. 23, dated 25.03.2009, of the Board of Commissioners of the Energy Regulatory Authority, and ERE Board Decision no. 271, dated 19.09.2023, "On the renewal of the license...", shall be replaced with ERE Board Decision no. ___, dated ___.
- Accordingly, within the framework of the Standard Contract and the proposed amendments to Articles 2, point 2; 9, point 2, letter "c" 1; 14, point 2, letter "b"; and 3, point 1 of Annex II, the phrase proposed by KESH and FSHU to replace "customers connected at the 6 kV voltage level and customers with special status connected at the 10/20 kV voltage level" is assessed to be formulated as: "customers connected at ___ kV voltage levels and customers with special status connected at ___ kV, according to the respective Ministerial Order no. ___, dated ___."
- In this context, KESH company and FSHU company consider that they should enter into a contract between them, according to the Standard Contract model approved by Decision no. 95, dated 20.05.2024, including all updated elements of the agreement, without specifying a specific time limit for fulfilling this obligation.

For all of the above mentioned, ERE Board,

Decided:

1. To approve the proposed additions and amendments to the Standard Contract "*For the sale and purchase of electricity between the electricity production company charged with the public service obligation, the shares of which are fully or partially controlled by the state, KESH company and the Universal Service Supplier (FSHU) company, for the supply of customers who are supplied by FSHU company*" (according to the table attached).
2. For the submission at ERE of the contract signed between the Parties "*For the sale and purchase of electricity between the electricity production company charged with the public service obligation, the shares of which are fully or partially controlled by the state, KESH company and the Universal Service Supplier (FSHU) company, for the supply of customers who are supplied by FSHU company*" for the coming years, for as long as required by the applicable legal acts.
3. Legal and Dispute Resolution Directory shall inform KESH company, FSHU company and the Ministry of Infrastructure and Energy, about ERE Board decision.

This decision shall enter into force immediately.

Any party involved in this procedure may request the Energy Regulatory Authority (ERE) to review the Board's decision within seven (7) calendar days from the date of issuance, provided that new evidence is submitted that may lead the Board to reach a different conclusion; or material errors have been identified. This decision may be appealed before the Administrative Court of Tirana within thirty (30) 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

APPROVED AMENDMENTS TO THE STANDARD CONTRACT FOR “THE SALE AND PURCHASE OF ELECTRICITY BETWEEN THE ELECTRICITY PRODUCTION COMPANY CHARGED WITH THE PUBLIC SERVICE OBLIGATION, THE SHARES OF WHICH ARE FULLY OR PARTIALLY CONTROLLED BY THE STATE, KESH COMPANY AND THE UNIVERSAL SERVICE SUPPLIER (FSHU) COMPANY, FOR THE SUPPLY OF CUSTOMERS WHO ARE SUPPLIED BY FSHU COMPANY”

<i>It is amended and becomes</i>	Legal basis	Was: Decision of the Board of the Energy Regulatory Authority No. 347, dated 27.12.2022, “On the approval of the Electricity Market Rules (ALPEX Rules, Definitions, Trading Procedure, and Clearing and Settlement Procedure).” Becomes: Decision of the Board of the Energy Regulatory Authority No. 347, dated 27.12.2022, “On the approval of the Electricity Market Rules (ALPEX Rules, Definitions, Trading Procedure, and Clearing and Settlement Procedure), as amended.”
<i>It is amended and becomes</i>	Legal basis	Was: ERE Board Decision No. 164, dated 04.11.2019 “On the renewal of the license of the Universal Service Supplier (FSHU) company on electricity supply activity.” Becomes: ERE Board Decision No. 162, dated 15.08.2024, “On the renewal of the license of the Universal Service Supplier (FSHU) company on electricity supply activity.”
<i>It is amended and becomes</i>	Legal basis	Was: Decision No. 23, dated 25.03.2009, of the Board of Commissioners of the Energy Regulatory Authority. Becomes: By Decision no. ___, dated ___, of ERE Board.
<i>It is amended and becomes</i>	Legal basis	Was: Decision No. 271, dated 19.09.2023, of the Board of Commissioners of the Energy Regulatory Authority. Becomes: By Decision no. ___, dated ___, of ERE Board.

<i>It is amended and becomes</i>	Legal basis	Was: Order No. 217, dated 29.12.2023, of the Minister responsible for Energy, “On an amendment to Order No. 28, dated 18.01.2021, ‘On the approval of the guide for market opening and the deregulation of electricity prices,’ as amended.” Becomes: Order No. 322, dated 30.12.2024, of the Minister responsible for Energy, “On several amendments to Order No. 28, dated 18.01.2021, ‘On the approval of the guide for market opening and the deregulation of electricity prices,’ as amended.”
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<i>It is amended and becomes</i>	Article 2, point 2	Was: The phrase “...at 6/10 kV voltage level and customers with special status connected at 20 kV voltage level...” Becomes: “...at voltage levels ____ kV and customers with special status connected at ____ kV, according to the relevant Order of the Minister No. ____, dated ____.”
<i>It is amended and becomes</i>	Article 9, letter ‘c’, point (iii)	Was: The phrase “Customers supplied at 6/10 kV Medium Voltage and 20 kV customers with special status” Becomes: “Customers supplied at ____ kV Medium Voltage and ____ kV customers with special status, according to the relevant Order of the Minister No. ____, dated ____.”
<i>It is amended and becomes</i>	Article 14, point 2/a	Was: “Decision No. 46, dated 02.04.2024, of the Energy Regulatory Authority.” Becomes: “The relevant decision of ERE Board.”
<i>It is amended and becomes</i>	Article 14, point 2/b	Was: “Customers supplied at 6/10 kV Medium Voltage and 20 kV customers with special status.” Becomes: “Customers supplied at ____ kV Medium Voltage and ____ kV customers with special status, according to the relevant Order of the Minister No. ____, dated ____.”

<i>It is amended and becomes</i>	Article 3, point 1 of Annex II	Was: The phrase "...at 6/10 kV voltage level and 20 kV voltage level with special status..." Becomes: The phrase "...at ____ kV voltage level and ____ kV voltage level with special status, according to the relevant Order of the Minister No. ____, dated ____, ..."
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