



Roundtable discussion on 2024 domestic electricity sector development trends

Update by **ERE - Albanian Energy Regulatory Authority**

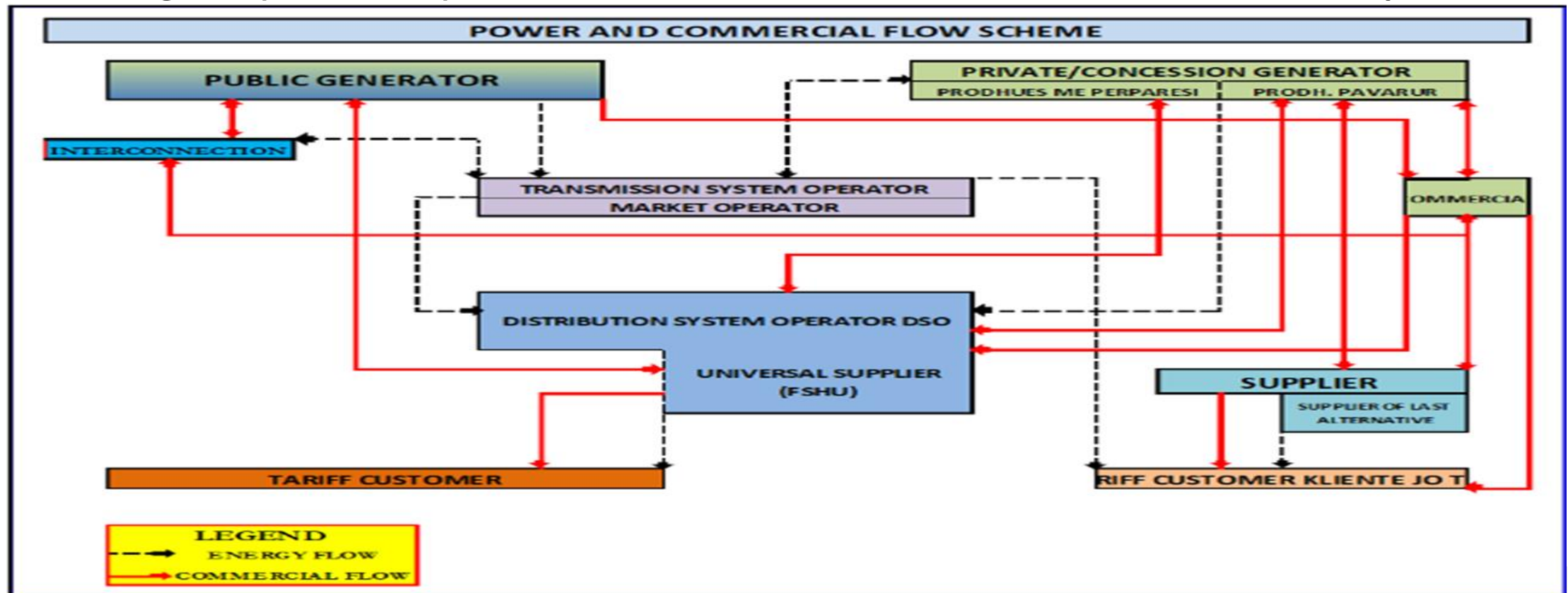
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Electricity Market in Albania

- Electricity market in Albania is operated based in the Market Model approved by Government decision Nr. 519, date 13.7.2016, amended.
- The figure presents power and commercial flow in Albania electricity market.



Wholesale Electricity Market in Albania

- Wholesale Electricity market in Albania is regulated and deregulated.
- The regulated market includes the electricity sales by the Public Generation (KESH) to Universal Public supplier (FSHU) under the public service obligation.
- The contract between KESH sh.a. and FSHU sh.a. is in annual bases and approved by ERE.
- The electricity price for this contract is approved by Ministry of Energy and Industry.
- Electricity volume under this contract in yearly bases is around 4000 GWh.

Tariffs and Prices approved by ERE

- Transmission Tariff of electricity services
- Distribution tariff for Customers supplied at 35; 20; 10; 6; 0.4 kV
- Retail prices to tariff customers supplied by Universal Supplier
- Tariffs for Supplier of Last Resort (FMF)
- Transmission Tariff of natural gas services

Albanian Power Exchange (ALPEX)

- On 5 October 2020 Albania Transmission System Operator (OST) and its Kosovo counterpart KOSTT signed the agreement to establish the Albanian Power Exchange – ALPEX.
- The mission of ALPEX is to operate and couple the day-ahead and intraday electricity wholesale markets of Albania and Kosovo, and further integrate with the single European electricity market within the region and at European level.
- On 27 December 2022 Regulators of Kosovo and Albania in a joint meeting approved the new Electricity Market Rules for ALPEX.
- ERE Board Decision Nr. 347, Dated 27.12.2022, approved Electricity Market Rules for ALPEX.
- On 12 April 2023 ALPEX started operation.
- On 17 July 2023, the boards of the Energy Regulatory Authority (ERE) of Albania and Energy Regulatory Office (ERO) of Kosovo approved the "ALPEX" request to be Nominated Electricity Market Operator (NEMO), in both regulatory zones.
- On 1 February 2024 ALPEX launched the first day-ahead auction for Kosovo, initiating market coupling with Albania. This follows the start of day-ahead market operation in Spring 2023 in Albania, Montenegro, North Macedonia.

ALPEX role in the future market

- Increasing the share of Liberalization of the electricity market in Albania and Kosovo.
- Increasing the transparency in the wholesale electricity market in Albania and Kosovo.
- Increasing the competition in the wholesale electricity market in Albania and Kosovo.
- Increasing cash flow in the wholesale electricity market in Albania.
- Promoting competitive prices for electricity consumers in Albania and Kosovo.
- Integration with other neighbouring markets in accordance with EU electricity market regulations and the European Target Model.



**THANK YOU
FOR YOUR ATTENTION!**

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