

SHUKOS

For: Mr. Ali Hamiti, Chairman of ERO Board

Ms. Justina Shiroka Pula, Minister and Mr. Blerim Rexha, D/Minister of MEM

Mr. Mahir Jagcilar, Minister and Mr. Emin Krasniqi, D/Minister /MESP

Mr. Ahmet Shala, Minister/ MEF

Mr. Remzi Shahini, Managing Director KEK. JSA

Mr. Ilir Salihu, D/Managing Director for Public Enterprises in KTA

Mr. Afrim Lajçi, WWRO Director

Cc: Board members of the Water and Sewage Association of Kosova “SHUKOS”,

From : Water and Sewage Association of Kosova “SHUKOS”,

Subject: Comments on document; Electrical Energy Tariff Review 2008- Consultation Paper published by ERO

Dear all,

Upon receiving the ERO published document: “Electrical Energy Tariff Review 2008- Consultation Paper”, SHUKOS has established a working group in order to analyze the impact of tariff changes into normal operations of Regional Water Companies of Republic of Kosova.

The work group has analyzed this document, taken notes on electrical energy expenditures for 2007 from Regional Water-Supply Companies of Kosova, analyzed tariff changes in 2007 and the impact of this change into operational costs’ increase of these public companies and has further taken notes from the countries of the region.

After analyzing all these information-documents , the work-group presents the following data:

- Regional Water-supply Companies (RWC) of Kosova are **good** customers of KEK (regular payers)

- System measuring points of these companies pertain to the following KEK tariff groups:

Tariff group **1** (35 kV); Tariff group **2** (10 kV); Tariff group **3** (0.4 kV, with reactive energy); Tariff group **4** (0.4kV)

- The profile of these customers (engaged power in MW and energy consumption MWh for 2007) is displayed in the following table:

Year 2007

Year 2007	Engaged Power (MW)	Active Energy (P) (MWh) TU	Active Energy (P) (MWh) TL	Active Energy (P) (MWh) TU + TL	R. En (Q) (MVar)
Tariff Gr.1 (35kV)	6.34	1238.67	1644.87	2883.55	625.72
Tariff Gr.2(10kV)	27.36	5606.31	6830.92	12437.23	2486.32
Tariff Gr.. 3, 4 (04 kV)	16.94	3175.07	3762.93	6938.00	1654.00

• Participation of these customers (%) in 2007 in each KEK's tariff group is shown in the following table:

Participation in the engaged energy of tariff group 35 kV 8.24 (%)
Participation in the engaged energy of tariff group 10 kV 5.81 (%)
Participation in the engaged energy of tariff group 0.4 kV 1.42 (%)

Participation in the active energy (P) of tariff group 35 kV 8.63 (%)
Participation in the active energy (P) of tariff group 10 kV 7.97 (%)
Participation in the active energy (P) of tariff group 0.4 kV 1.78 (%)

Participation in reactive energy (Q) of tariff group 35 kV 3.90 (%)
Participation in reactive energy (Q) of tariff group 10 kV 5.32 (%)
Participation in reactive energy (Q) of tariff group 0.4 kV 5.08 (%)

- Tariff changes for 2007 **have increased** the annual payments or electrical energy 20 to 25%, depending on the water-supplier.
- Electrical energy cost reaches up to 25% of the overall operational costs of these companies.
- Proposed changes along with tariff review (consultation paper) for these tariff groups indicate an average increase of 5-6%, therefore this raise will influence even more the increase of the electrical energy costs for these public companies.

• RWCs of Kosova have huge difficulties in covering operational costs due to the lack of institutional support on debt collection and loss reduction.

Electrical energy cost increase will deteriorate further their financial status thus jeopardizing the customers' water supplying .

Taking into account the aforesaid facts, SHUKOS on behalf of the Regional Water supply companies of Kosova requests:

- From KEK, placing of Water-suppliers into a particular customers' category taking into account their energetic profile as well as proposes to ERO not to indulge tariff increases in the phase of tariff reviews for this category of customers. Prevailing tariffs are unbearable for most of the water-supply companies.
- From ERO to take this request in consideration and analyze the possibilities of not administering tariff increase for this group.
- From MEM, MESP, MEF, KTA institutional and political support to these Regional Water supply companies' request
- WWRO, revision of water tariffs if it comes to the increase of electrical energy tariffs.

We request that these comments/requests be taken into consideration during the decision process relative to new tariffs as well as commencing works on revision of prevailing tariffs for this group of customers.

Respectfully, Prishtina
Nadire Bejtullahu Vitija
19 March 2008
Managing Director
SHUKOS

P.S. Attached to this document is the summary table: The electrical energy consumption profile from 7 Companies of the Regional Water Supply (RWC) of Republic of Kosova.

Summary Table: The electrical energy consumption profile from 7 Companies of the Regional Water Supply (RWC) of Republic of Kosova

Standing Demand charge

Active Energy
Low Tariff

High tariff

Reactive Energy
Price is the same

		Fuqia e angazhuar			Energjia Aktive						Energjia Reaktive			
		2007 (kW)	2007 (E/kW)	2007 cost (E)	Tarifa e ulet			Tarifa e larte			(çmimi është i njëjtë)			
					2007 (kWh)	2007 (E/kWh)	2007 cost (E)	2007 (kWh)	2007 (E/kWh)	2007 cost (E)	2007 (kVAr)	2007 (E/kVAr)	2007 cost (E)	
PR	Gr tar. 35 kV	2280.00			656640.00			697680.00				135432.00		
	Gr tar. 0.4 kV	530.00			135792.00			162180.00				25542.00		
	Gr tar. 10 kV	2670.00			826560.00			878220.00				170478.00		
PZ	Gr tar. 1/3 10kV Cat 2	6828.40			994574.00			1735216.00				596305.60		
	Gr tar. 6/6 0.4 kV Cat 3	3678.80			1334466.00			1094218.00				648090.00		
	Gr tar. 7/02 0.4kV Cat 4	453.74			95520.00			92773.60						
PE	Gr tar. 1/3 10kV	4876.03			1244981.00			1620206.00				879648.10		
	Gr tar. 1/2 35kV	587.87						202786.00						
MI	Gr tar. 1/3 10kV	8269.32			2210584.00			1483320.00				468846.40		
	Gr tar. 1/3 0.4kV	1547.70			145825.50			69677.50				34061.97		
	Gr tar. 1/2 35kV	113.58						19525.00						
	0,4 kV Cat. I (large reac. Power cust.	151.33			9473.90			44104.90				8150.61		
FE	Gr tar. 7/01 4							14601.00						
	Gr tar. 6/6	166.30												
	Gr tar. 1/3 10kV	125.80			37435.50			32317.00				28323.00		
	Gr tar. 1/2 35kV	192.00			71074.50			34864.00				50789.00		
	Gr tar. 6/6 3	411.60			31746.00			42188.00				21127.00		
GJA	Gr tar. 1/2, 35kv /06kv	2002.00			354900.00			446460.00				439495		
	Gr tar. 1/3, 10/ 0.4kV	3226.14			136115.50			838094.90				342722.58		
	Gr tar. 7/02, 0.4 kV	857.04			184003.50			117932.10				0		
GJI	Gr tar. 7/01	343.56			0			37801				0		
	Gr tar. 1/3	1166			156060			243556				0		
	Gr tar. 6/6	1974.36			243668.2			352235.6				320726.84		

