

Prishtina, 17/11/2005
ERO Code: D_05_2005

Energy Regulatory Office

Taking into account:

1. The provisions of the Law No. 2004/8 “On Energy”;
2. The provisions of the Law No.2004/9 “On the Energy Regulator”;
3. The provisions of the Temporary Instruction I_02_2005 “On the Principles of Calculation of Tariffs and Prices in the District Heating Sector in Kosovo for the Heating Season 2005/2006”;
4. Tariff application for heat tariffs for the season 2005/2006 submitted by District Heating Company (DHC) Termokos to Energy Regulatory Office (ERO) on 9th September, 2005;
5. Comments to the tariff application provided by ERO on 19th of September 2005;
6. Revised tariff application of DHC Termokos submitted on 30th of September, 2005;
7. Determination of Allowed Revenues for DHC Termokos for Heating Season 2005/2006, issued by ERO on 20th of October 2005, accompanied by ANNEX I “REGULATORY REPORT – Methodology and Price Review for Determination of Allowed Revenues for DHC Termokos, for Heating Season 2005/2006”;
8. Tariff proposal submitted by DHC Termokos to ERO on 11th of November 2005; letter No. 873, dated 11th November 2005;
9. DHC Termokos’ letter No. 878 submitted on 14th November, 2005;
10. ERO’s response letter dated 16th November 2005.

Has decided to:

1. Approve the tariff rates for DHC Termokos for the whole of the six months of the Heating Season 2005/2006 as presented in the Table “A” and “B” and detailed calculation presented in ANNEX II “REGULATORY REPORT – Tariff setting for DHC Termokos for Heating Season 2005/2006” to this decision.
2. The approved tariff rates, shall be published by DHC Termokos, in one national and one local daily newspapers circulated in Kosovo, within five (5) working days after the Energy Regulatory Office’s announcement and publication of the decision on the official ERO’s website.
3. Energy Regulatory Office (ERO) will make use of the rights given by the law, to verify presented data and audit accounts and invoices of DHC Termokos on which the calculation of the tariff rates during the coming heating period is based.
4. During the heating season 2005/2006 DHC Termokos may present to the Energy Regulatory Office proposal for justified changes in its approved tariff, according to Temporary Instruction I_02_2005 “On the Principles of Calculation of Tariffs and Prices in the District Heating Sector in Kosovo for the Heating Season 2005/2006” issued on August 10th, 2005.

5. DHC Termokos has the right to appeal to ERO by submitting a fully substantiated report, within ten (10) calendar days after the announcement and publication of the decision on the official ERO's website.

**TARIFF RATES FOR DISTRICT HEATING COMPANY "TERMOKOS"
FOR HEATING SEASON 2005/2006**

Table A. TARIFF FOR NON-METERED CUSTOMERS

DISTRICT HEATING COMPANY "TERMOKOS"		
Components of Tariffs	Residential	Commercial & Institutional
Heat capacity contracted (fixed component)	€ 0.17 / m2 per month	€ 0.20 / m2 per month
Heat delivered (variable component)	€ 0.63 / m2 per month	€ 0.76 / m2 per month

Table B. TARIFF FOR METERED CUSTOMERS

DISTRICT HEATING COMPANY "TERMOKOS"	
Monthly tariff of heat capacity (fixed component)	€ 1.55 / kW
Tariff of heat delivered (variable component)	€ 36.07 / MWh

We encourage the District Heating Companies to measure heat consumption in substations as much as possible through calibrated heat meters, especially for Commercial and Institutional Customers.

On behalf of ERO

Dr. Nick F. Frydas
Chairman of the Board