

## Monthly report Energy Regulatory Office (ERO)

### August 2005

- 2-3<sup>rd</sup>, **Visits by Foreign Investors**; ERO and Foreign Investors interested to invest in the energy sector of Kosovo, discussed on the options and regulatory issues, and they visited the mines of Thermal Power Plants of Kosovo.
- 2<sup>nd</sup>, **Draft Law on Energy Efficiency (MEM)**; Assistant of CPD represented ERO in the Inter-Ministerial WG on the evaluation of the draft Law on Energy Efficiency, prepared by the Ministry of Energy and Mining (MEM).
- 9<sup>th</sup> **feedbacks, Rehabilitation of 3 units of PP Kosovo A (MEM)**; Two Board Members of ERO participated in the meeting held in MEM premises with foreign investors interested in the rehabilitation of 3 units of PP Kosovo A.
- 10<sup>th</sup>, **Tariff Methodology Discussion Paper**; Consultant of EAR TA support project to ERO, organized a meeting with ERO staff on the Tariff Methodology Discussion Paper, covering the following issues: PPA, TNO/TSO revenues, MO revenues, TUOS and connection charges, DNO revenues DUOS and connection charges, LRAIC calculation.
- 10<sup>th</sup>, **Energy Strategy of Kosovo (MEM)**; One Board member of ERO participated in the donor meeting held in MEM. Energy Strategy of Kosovo prepared by MEM (in consultation with other stakeholders of energy sector, including ERO) was presented and explained to the donor organizations present in Kosovo.
- 12<sup>th</sup>, **Temporary Instruction I\_02\_2005**; ERO issued the Temporary Instruction on Calculation of Tariffs and Prices in the District Heating Companies, for heating season 2005/2006. This Instruction was published in the ERO web site, and was mailed to the DH companies.
- 17<sup>th</sup>, **Appointment of 2 Board Members of ERO**; after the delays on the appointment two ERO Board Members from the Assembly of Kosovo, the SRSG made an interim basis assignment (3 months) using AD. With these appointments ERO Board is fully established and operational.
- 17<sup>th</sup>, **Meeting with Delegation of World Bank (ERO)**; Discussion on developments of ESTAP III project and other developments in energy sector.
- 17<sup>th</sup>, **Draft Rule on Dispute Settlement Procedures**; draft Rule was published in Web site of ERO for public consultation and comments.
- 19<sup>th</sup>, **ERO - Meeting with Donors (EAR, USAID, WB)**; required support for ERO on the preparation of Authorization procedures and evaluation of proposals for the rehabilitation of 3 units of PP Kosovo A were discussed.
- 22<sup>nd</sup>, **Initial Meeting of fully established the ERO Board**; after the appointment of the last two ERO Board Members from SRSG, the Board is fully established and operational. The Board of ERO held its first meeting and the following items were discussed: Organization & Staffing of ERO, Enactment of Law Provisions – Transitory Period – Priority List for adoption of Secondary Legislation, List of Immediate Actions (PP

Kosovo A rehabilitation/ Bank account of ERO/ premises of ERO), Training program for the 2 Members of the Board.

- 23<sup>rd</sup>, **KEK – ERO Meeting (KEK)**; Reviewed action memorandum to support KEK revenue collection policy.
- 24<sup>th</sup>, **Meeting with potential investor in the generation sector (ERO)**; ERO Board had meeting with potential investor who is interested to invest in power generation sector of Kosovo.
- 24<sup>th</sup>, **Meeting with EAR – Consultant of the TA project to ERO (EAR)**; the consultant presented in front of EAR and ERO the progresses on each task of the TA project and the problems incurred during the implementation of some tasks. It seems that some of the tasks need to be extended up to mid of May 2006.
- 25<sup>th</sup>, **Meeting with DH companies from Prishtina and Gjakova (ERO)**; the meeting was held at ERO premises with representatives of DH companies and KTA DH supervisor. The discussed issues were: Temporary Instruction of ERO on the Principles of calculation of Tariffs and Prices for the heating season 2005-2006, and regulatory reports of DH to ERO, in compliance to the issued instruction I\_01\_2005.
- 26<sup>th</sup>, **Meeting ERO Board – MEM Representatives, rehabilitation of PP Kosovo A (ERO)**; the purpose of the meeting was to coordinate the activities and divide the responsibilities for procedures of PP Kosovo A rehabilitation. The main result of this meeting was the establishment of 3 Working Groups (WG): 1) WG for mines and coal issues; 2) WG for legislation and legal framework; and 3) WG on Technical visibility and costs of rehabilitation.
- 30<sup>th</sup>, **KEK's tender for import of electricity**; Head of ESMS of ERO was the representative of the office in Process of opening the offers for import of electricity for month September.
- 31<sup>st</sup>-1<sup>st</sup> Sep. **SC meeting of Feasibility Study for Interconnection 400 kV line Kosovo – Albania (Tirana)**; One Board member represented ERO on SC of WB project for 400 kV interconnection line with Kosovo – Albania.
- **Other regular activities accomplished by ERO;**
  - Review of new RFP (Request for Propos) submitted by WB (ESTAP III) regarding development of Transmission and Retail Tariffs.
  - Review of the submitted materials from consultant of EAR TA support project to ERO; corrections and inputs in the ERO Business Plan prepared for 2005 – 2009, and Training Programme.
  - Review and treatment of KEK's losses in approved tariffs.
  - Final Draft Pricing Rule issuance and comments and feedbacks from stakeholders and other interested parties on the electricity sector in Kosovo.
  - First draft tariff methodology preparation on the electricity sector
  - Financial reports Review received from DH companies
  - Tender Publishing with vehicle supply for the needs of ERO.