



Pristina, 21 September 2023
ERO Code: V_1766_2023

The Board of Energy Regulatory Office,

Based on:

- Provisions of Article 9, paragraph 1, sub-paragraph 1.7, Article 15, paragraph 1, sub-paragraphs 1.2 and 1.5, Article 25, Article 26, paragraph 1, sub-paragraph 1.2, Article 46, Article 47, par.4, Article 48 and Article 49 of the Law on Energy Regulator (Law no. 05/L-084);
- Provisions of Article 43, par. 3 and Article 48, par. 3 of the Law on Electricity (Law no. 05/L-085);
- Provisions of Article B 4.5, sub-paragraph B 4.5.6 and B 4.5.7 of ALPEX Rules, approved with the decision V_1638_2022, dated 27 December 2022;
- Provisions of Article 3, Article 4, paragraph 1.5 of the Rule no. 04/2022 on Determination of Nominated Electricity Market Operator (NEMO) on carrying out the activities related to market coupling and operation of the joint market;
- Decision V_1332_2020, dated on 10 December 2020;
- Decision V_1637_2022, dated on 27 December 2022;
- Decision V_1638_2022, dated on 27 December 2022;
- Decision V_1748_2023, dated on 17 July 2023; and
- Request of the Albanian Power Exchange – ALPEX JSC on approval of the Methodology on Determination of the Tariff Structure in ALPEX and the approval of the List of Tariffs, dated on 31 July 2023,

in the session held on 21 September 2023 issued the following:

D E C I S I O N

- I. **APPROVAL** - of the tariffs for a transitional period of the Albanian Power Exchange (ALPEX JSC) for the bidding zone of the Republic of Kosovo.
- II. The Albanian Power Exchange (ALPEX JSC) is **OBLIGED**, within a term of ninety (90) days, to compile the Methodology on Determination of Tariffs of the Exchange and send it for review and approval at ERO.
- III. ALPEX JSC is **OBLIGED** that until the determination of the methodology on setting ALPEX tariffs, the same tariffs shall also apply for the nomination Electricity Market Operator (NEMO) in



carrying out the activities related to the coupling of the day-ahead and intraday market and Joint Market Operation for the territory of the Republic of Kosovo.

IV. The structure of ALPEX tariffs is provided in the table below:

Tarifat e aplikueshme	Pagesa e Tarifës	Niveli	Paguhet nga
Tarifë administrative	Një herë	€ 200	Anëtarët e bursës
Tarifë hyrëse për anëtarët e bursës	Një herë	€ 7,000	Anëtarët e bursës
Tarifë për qasje për Anëtarë Kliringu	Një herë	€ 5,000	Anëtarët e kliringut
Tarifë vjetore për Anëtarë të Bursës	Vjetore	€ 10,000	Anëtarët e bursës
Tarifë vjetore për Anëtar Direkt Kliringu	Vjetore	€ 2,000	Anëtar kliringu
Tarifë vjetore për Anëtarë Kliringu	Vjetore	€ 6,000	Anëtarë kliringu
Tarifë tregtimi për MWh	Ditore	€ 0.07	Anëtarët e bursës
Tarifë kliringu për MWh	Ditore	€ 0.02	Anëtarët e bursës
Tarifë tregtimi për palë të treta	Për urdhër	€ 20	Anëtarët e bursës
Tarifë për përdorues API	Vjetore	€ 2,000	Anëtarët e bursës
Mirëmbajtje e llogarisë për Anëtar Direkt Kliringu	Mujore	€ 100	Anëtarë kliringu
Menaxhim i letrave garantuëse	Kur depozitohen	€ 50	Anëtar kliringu
Tarifë vjetore për trajnime	Vjetore	€ 200	Anëtarët e kliringut dhe bursës
Tarifë për provim	Vjetore	€ 100	Anëtarët e kliringut dhe bursës
Certifikatë digjitale për përdoruesit	Vjetore	€ 50	Anëtarët e kliringut dhe bursës

V. The tariffs shall be published on the official website www.alpex.al.

VI. This decision is implemented by ALPEX for Kosovo bidding zone, from 01 October 2023 until 31 March 2024.

REASONING

- Energy Regulatory Office (ERO), on 31 July 2023, from the Albanian Power Exchange (ALPEX JSC) received the request on approval of the methodology on determination of tariff structure in ALPEX and the approval of the List of Tariffs.
- ERO, on 30 August 2023, published for public discussion the Consultation Report on Determination of Tariffs of the Albanian Power Exchange which are applied for the Kosovo bidding zone.
- ERO, through the Consultation Report presented the views on the regulatory base on reviewing and approving the ALPEX tariffs as the only platform of the organized market in Kosovo.
- ERO, on 05 July 2023, received the application submitted by ALPEX on the taxes applied from the branch in Kosovo, approved by the Supervising Council of the Albanian Power Exchange.
- ALPEX emphasized that the taxes were set to ensure the recovery of operational and maintenance costs of the exchange, taxed applied by the operators in the region, return of investment in a period of 7 to 10 years and the return on capital of 10-15% in a year.
- ALPEX submitted to ERO “The Methodology on Determination of ALPEX Tax Structure”. The taxes proposed by ALPEX are the same that have been applied in Albania from 24 March 2023. ALPEX also presented the principles on determination of tax structure and provided a comparison of the level of taxes with the ones applied in regional exchanges.
- ERO emphasized that the tariffs applied from the exchange in Kosovo shall be determined based on a methodology which shall determine the Geographical Mandate of the Methodology where ERO and ERE, within the Framework Agreement, shall develop the methodologies which could approve the applicable taxes in each jurisdiction separately,



however the methodologies shall be based on same approval principles and coordinated processes and timelines.

- ERO, also emphasized that the regulatory scope shall also be determined, where the tax methodology shall determine the extent of inclusion of economic regulation, where it shall stop on the determination and approval of taxes or if it will monitor the service quality determinants or other indicators to evaluate the operational efficiency and ALPEX cost of service.
- ERO also emphasized that the models of the cost of service usually rely on the blocks of revenues which determine the allowed revenues such as depreciation, OPEX and a return on the invested capital. However, given that ALPEX is not an infrastructure business, such a model may not be suitable. The applied regulatory model may take into consideration alternative methods of evaluation of Maximum Allowed Revenues and comparison manners applied internationally which demonstrate economic efficiency from the side of ALPEX, where also the regulatory model, the tax methodology shall determine also the final structure of proposed taxed and the manner of their periodic review.
- ERO evaluated that Albanian Power Exchange (ALPEX JSC) within a term of ninety (90) days shall compile the Methodology on Determination of Tariffs of the Exchange and submit to ERO for review and approval.
- ERO evaluated that the temporary tariffs for ALPEX, applicable until 31 March 2024, until the development of the final methodology on taxes for ALPEX.
- During the public consultation period, ERO did not receive any comments from stakeholders.
- The Albanian Power Exchange is determined as a responsible entity for management and organization of the wholesale electricity market in Albania in line with the Law no. 43/2015 on Electricity Sector, amended and in force, and in Kosovo based on ERO's decision no. V_1332_2020 and the Agreement between KOSTT and ALPEX, signed on 16.12.2022, therefore in line with the provisions of ALPEX rules, the fixed and variable tariffs are determined with the Decision of the Regulatory Authority is that is the case, based on the Methodology on Calculation of Fixed and Variable Tariffs, proposed by ALPEX.
- ERO will cooperate with the Energy Regulatory Entity (ERE) within the Framework Agreement on coupling of electricity markets of Albania and Kosovo, dated on 21 October 2021, to review the possibility of developing the methodologies which could approve the applicable taxes in each jurisdiction separately, however the methodologies would be based on the same principles of approval and coordinated processes and terms.
- The Board of ERO, following the review and evaluation of the proposal of ALPEX JSC on approval of the Methodology on Determination of Tariff Structure in ALPEX and the approval of the List of Tariffs, evaluation of relevant reports and based on legal provisions mentioned in the introductory section of this decision, decided as in the enacting clause of this decision.

VII. The decision is issued and published in official languages of the Republic of Kosovo.

VIII. The decision shall enter into force on the date of approval by ERO Board and the same will be published on the official website of ERO.



Legal advice: The party dissatisfied with this decision may initiate an administrative dispute at the competent court, thirty (30) days from the date of the receipt of the decision or the date of its publication on ERO's website whichever occurs last.

ERO Board:

Ymer Fejzullahu, Chairman

Lutfije Dervishi, Member

Gani Buçaj, Member

Arta Isufi, Member

Adnan Preniqi, Member

This decision is sent to:

- ALPEX,
- KOSTT, and
- ERO Archive