

ERE Activity and Albania Market Performance

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ERE – Albania
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ERE Activity and Organization

- ERE is a public legal entity, independent from the energy industry interest and from government institutions. ERE operates based on Law no. 43/2015, “On Power sector”, amended and Law no.102/2015 “On natural gas sector”.
- ERE Board of Commissioners, that is composed of the Chairman and four Board members, appointed by the Parliament with a 5-year term.
- Article 13 of Law no. 43/2015, “On Power sector”, amended: *The Chairman of the Board is ERE general administrator. He is responsible for the administration of the institution and the chair of the Board meetings.*
- Article 14 of Law no. 43/2015, “On Power sector”, amended: *ERE staff shall be selected, appointed, promoted and dismissed according to the procedures provided on the regulation approved by the Board.*
- Article 17 of Law no. 43/2015, “On Power sector”, amended: *ERE budget is approved by the Board. ERE has full autonomy to use its budget.*

ERE Activity Related with Market Development

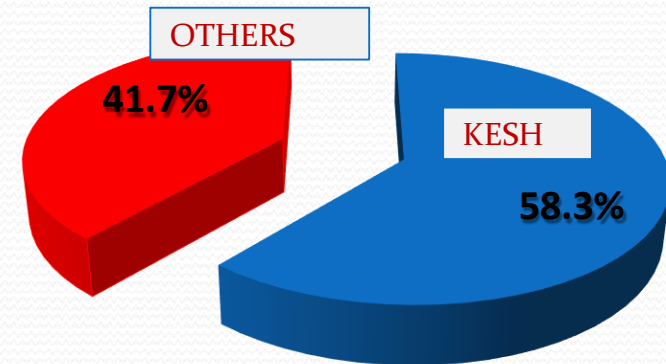
- ERE by Decision Nr. 106, Date, 02.07.2020 approved the balancing rules. For the period 02.07.2020 – 31.03.2021, this rules were applied in DRY RUN, without any financial impact for the market participants.
- Since April 2021 there is a balancing market in place operated based in Albanian Electricity Balancing Market Rules.
- ERE by Decision No. 40, Dated 06.03.2020, approved the regulation on the requirements and procedures for designation of nominated electricity market operator (NEMO) as well as the roles and responsibilities of NEMO and the electricity transmission system operator in market coupling.
- ERE by decision Nr. 247, Date 29.09.2022, licensed ALPEX to operate the Electricity market in Albania.
- ERE by Decision Nr. 347, Date 27.12.2022, Approved Electricity Market Rules (ALPEX Rules, Definitions, Trading Procedure, Clearing and settlement Procedure).

ERE Activity Related with Market Development

- ERE by Decision Nr. 200, date 23.06.2023, decided to start the process for evaluating the application of ALPEX to operate like Nominated Electricity Market Operator (NEMO).
- ERE by Decision Nr. 228, Date 17.07.2023, Approved ALPEX to operate like Nominated Electricity Market Operator (NEMO).
- ERE by Decision Nr. 287, Date 09.10.2023, approved the tariffs of ALPEX to act like NEMO till 31.03.2024. In the same time with this decision started the procedure to approve the methodology for defining NEMO tariffs.
- ERE by Decision Nr. 308, Date 30.10.2023, approved Shadow Allocation Rules, prepared by SEE CAO, regarding market coupling Albania and Kosovo.
- **ALPEX started the operational functioning in Albania Electricity Market the 12 of April 2023, and 1 of February in Kosovo.**

Albania Power System Key Figures 2023

- Generation Installed Capacity ~ 2,675 MW
- Generation ~ 8,795 GWh
- Consumption ~ 7,875 GWh
- Export ~ 920 GWh
- ALPEX Trade ~ 827 GWh
- ALPEX Average Price ~ 106.5 Eur/MWh



Electricity Balance Import/Export 2014 - 2023

Generation Key Figures in 2022 and 2023

Albania is still almost based in Hydro generation, PV panels are installed during last years and the total installed capacity in the end of 2023 is 53 MW.

Electricity Production in 2022



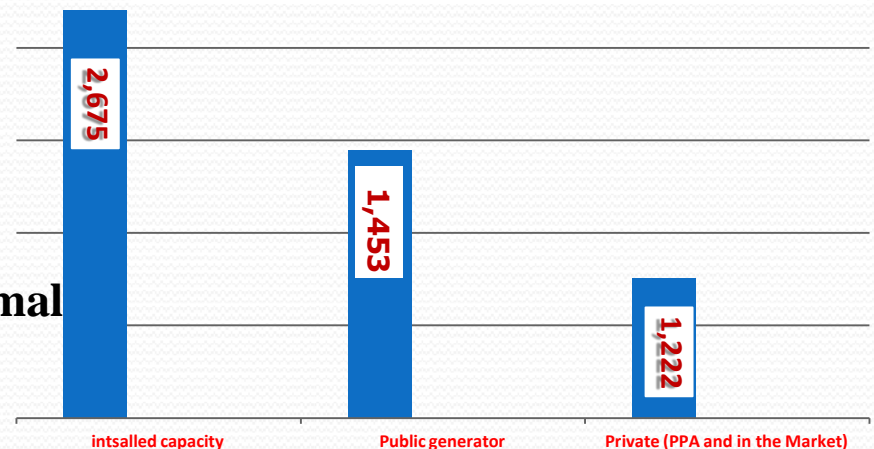
Electricity Production in 2023



Total generation capacity – 2675 MW.

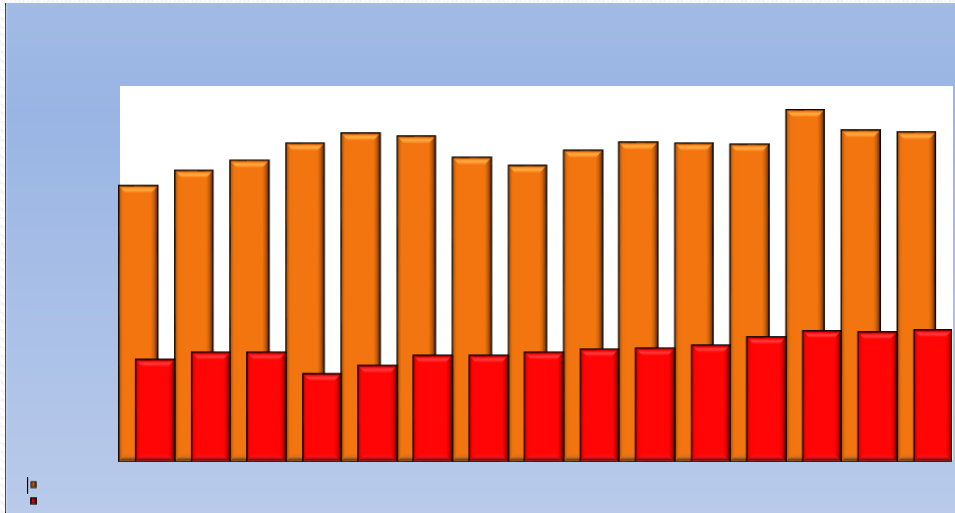
The share of the IPP in the generation structure is increasing year by year. During 2023 the increase of 51 MW of new capacity has been installed mainly in small HPP and PV.

Installed capacity in 2023 (MW)

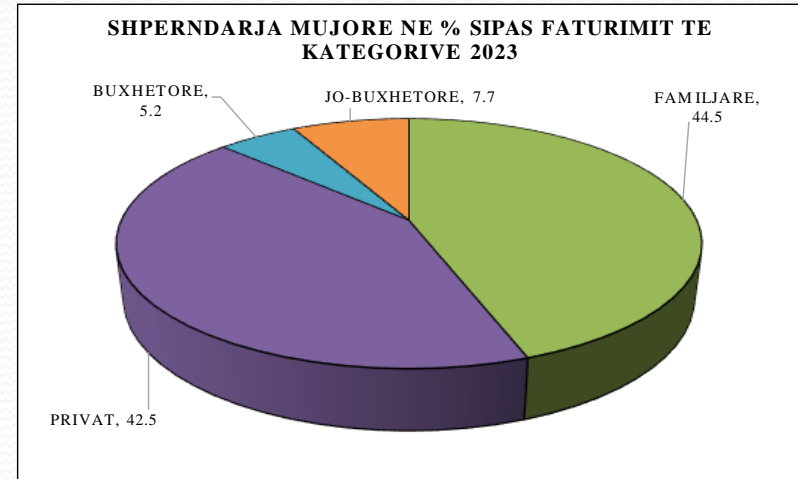


Consumption and Losses Key Figures

Total Consumption and Household on the overall total consumption period 2009 - 2023



Consumption structure in Albania in %



Distribution losses 2009 - 2023

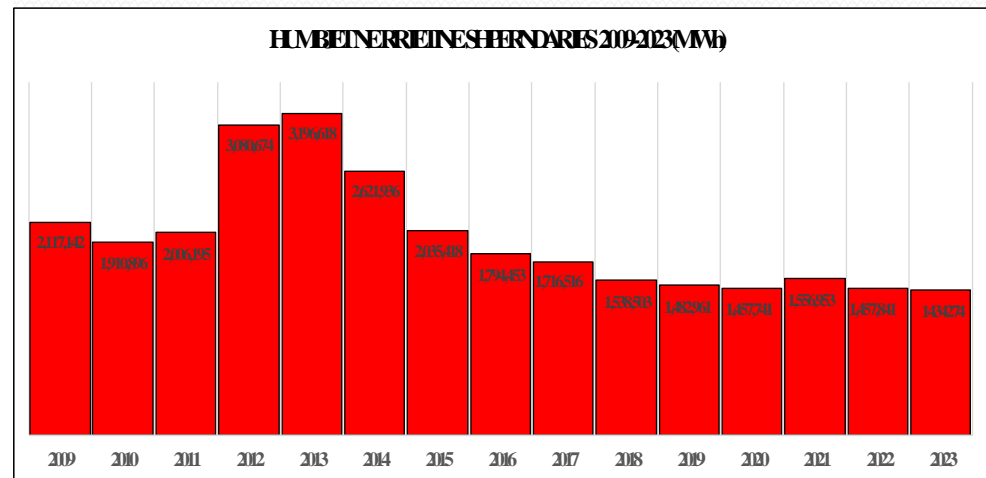
Total Consumption in 2023 is 7 875 GWh.

Household Consumption in 2023 is 3 115 GWh which represents 39.5 % of the total Consumption.

Distribution Losses:

Year 2022 – 19.70 %

Year 2023 – 18.93 %



Balancing Market in Albania

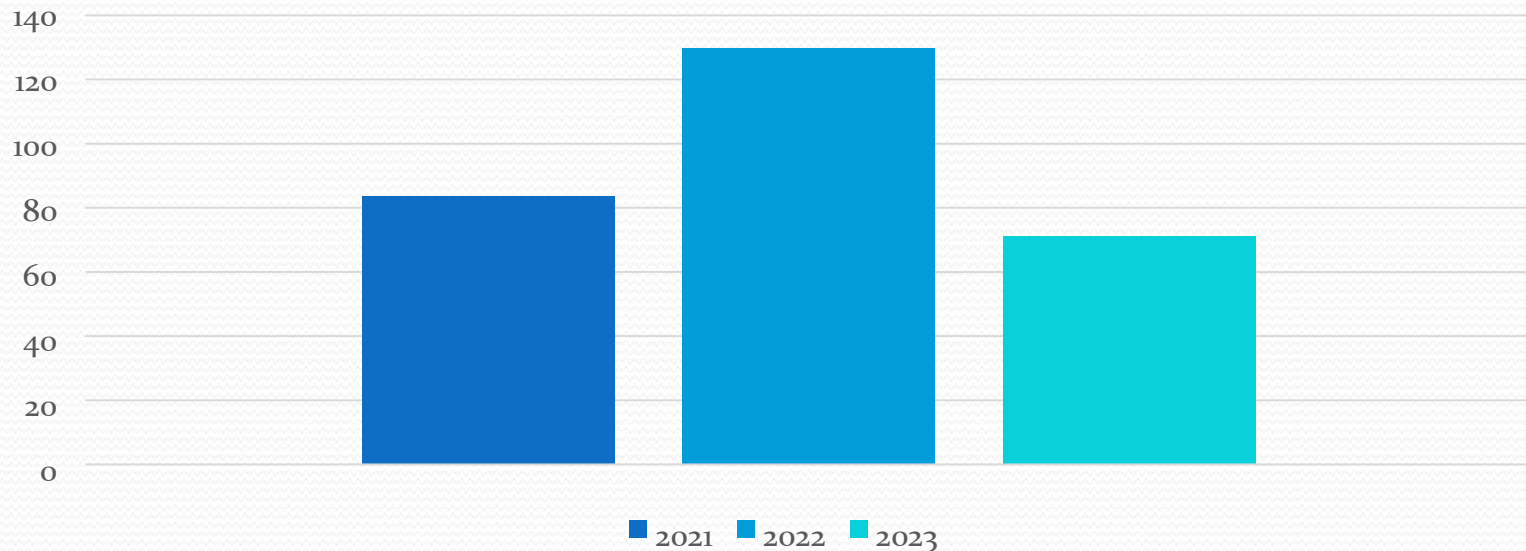
- There are 4 Balancing Service providers in Albania
 - a) KESH sh.a.
 - b) Ayen AS Energji sh.a.
 - c) Kurum International sh.a.
 - d) Devoll Hydropower sh.a.
- There are 33 Balancing Responsible Parties registered in the balancing market.
- There are 4 Balancing Groups operating in the balancing market.
 1. KESH sh.a. balancing group.
 2. FTL sh.a balancing group which includes FTL sh.a., as leader of balancing group and IPP up to 15 MW installed capacity.
 3. ENERGY 24 Sh.p.k. balancing group.
 4. GSA Sh.p.k. balancing group.

Average price of Balancing Energy During 2021 – 2022 - 2023

The figure shows the average price of balancing electricity.

- 2021 average price of balancing electricity 83.66 Eur/MWh.
- 2022 average price of balancing electricity 129.72 Eur/MWh.
- 2023 average price of balancing electricity 71.11 Eur/MWh.

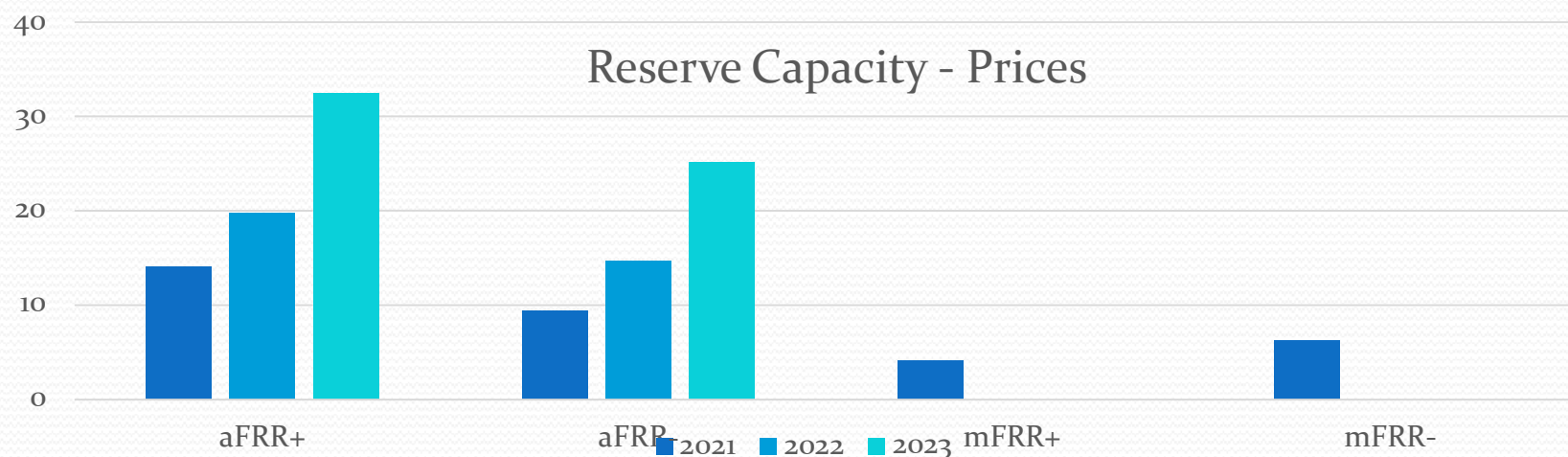
Average Balancing Energy - Price



Average price of reserve Capacity During 2021 – 2022 - 2023

- The figure shows the average price of reserve capacity Euro/MW.

	2021	2022	2023
aFRR+	14.02	19.76	32.49
aFRR-	9.43	14.64	25.12
mFRR+	4.16	0	0
mFRR-	6.24	0	0



Albania Power Exchange (ALPEX)

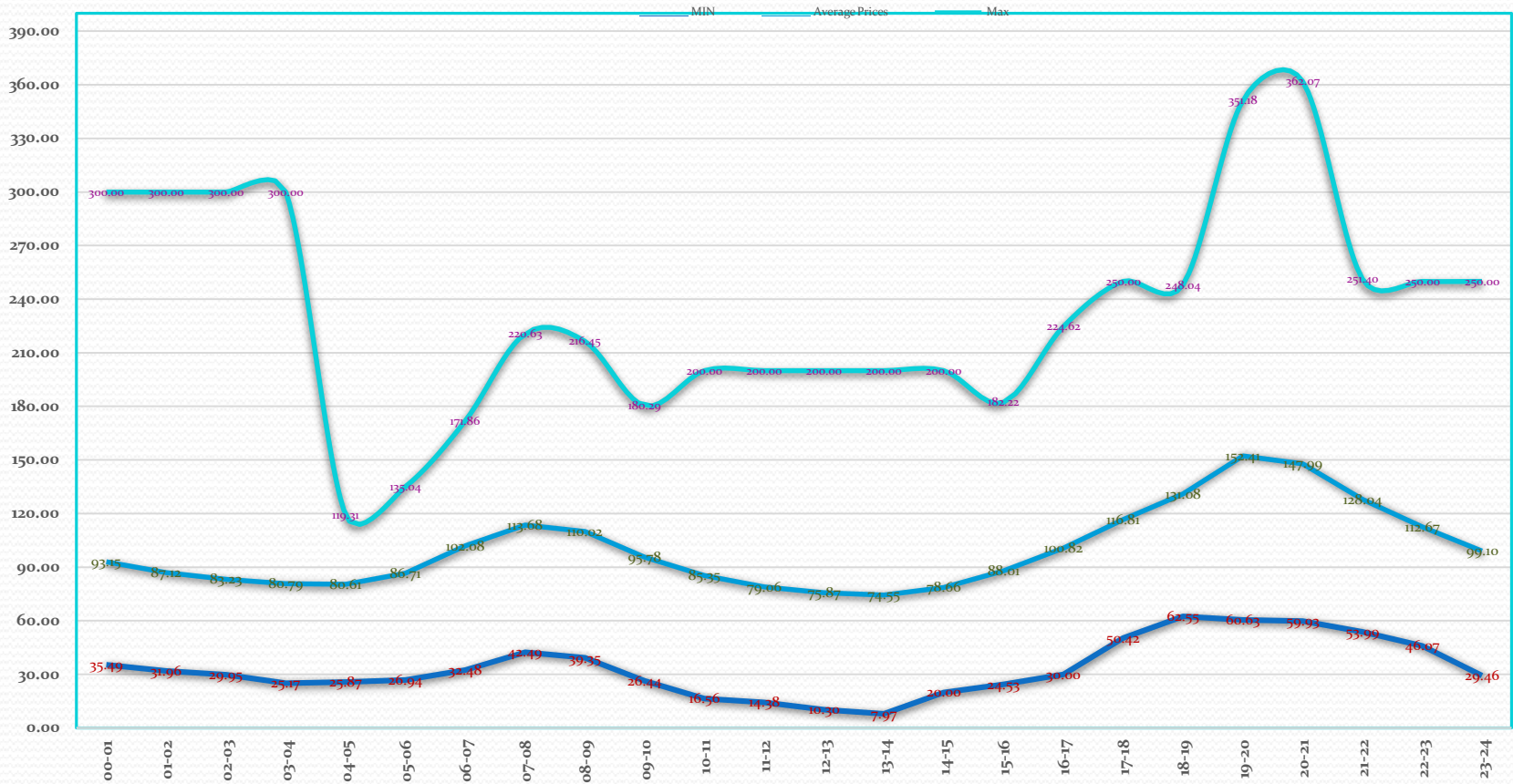
ALPEX started the operational functioning in Albania Electricity Market the 12 of April 2023.

ALPEX Members:

1. Operatori i Sistemit të Transmetimit – OST sh.a.
2. Furnizuesi i Tregut të Lirë – FTL sh.a.
3. Furnizuesi i Shërbimit Universal – FSHU sh.a.
4. Korporata Elektroenergjitike Shqiptare – KESH sh.a.
5. Operatori i Sistemit të Shpërndarjes – OSSH sh.a.
6. Ener Trade sh.p.k.
7. EZ-5 Energy sh.p.k.
8. GEN-I TIRANA sh.p.k.
9. ReNRGY Trading Group sh.p.k.
10. Future Energy Trading and Exchange Dynamics sh.p.k.
11. Natyre Energy sh.p.k.
12. NOA sh.p.k.
13. Danske Commodities
14. GSA sh.p.k.
15. Energy Financing Team Tirana shpk
16. Devoll Hydropoëer shpk
17. Dragobia Energy shpk

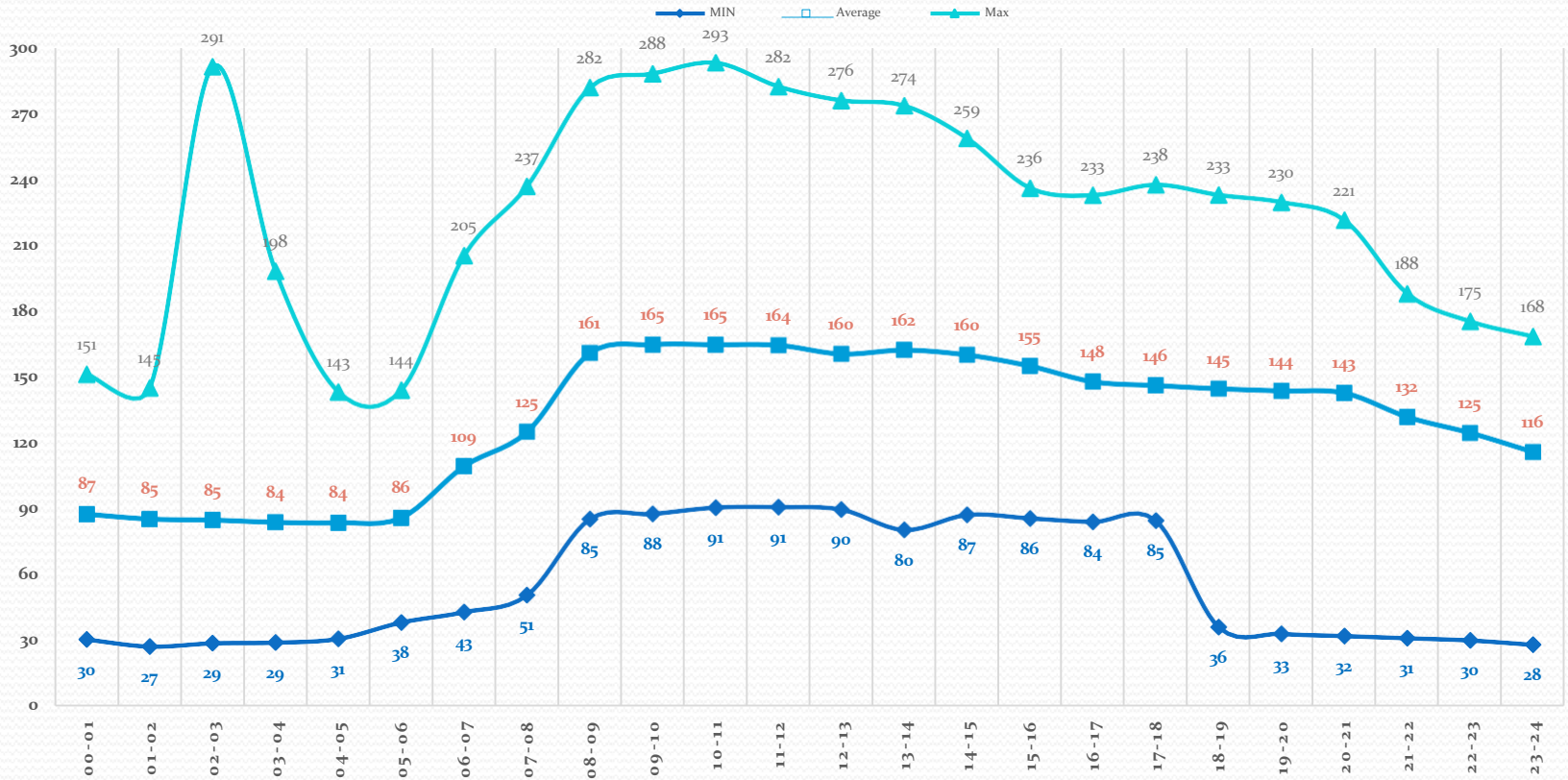
ALPEX Hourly Clearing Price €/MWh - 2023

Çmimi Klerues orar në €/MWh - 2023



ALPEX Hourly Volumes in MWh during 2023

VOLUMES IN MWH



**Thank you for
your attention!**