

Albania: OST requires transmission tariffs to be doubled

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Transmission System Operator OST asks for doubled increase of transmission charges for the period from March 1 to December 31, 2017. The requested tariff amount is 1.17 Albanian lek per KWh, and it currently amounts 0.65 lek.

OST explains the request for tariff increase with the need to achieve this year's profit of EUR 55.7 million in order to cover operating costs. OST claims that this year more than EUR 500,000 will be needed for membership in the European and regional organizations.

EUR 13.2 million is needed to cover depreciation costs of the network. Staff costs are EUR 8.8 million, while operating expenses are estimated at EUR 26.4 million including covering costs of losses in the distribution system. It is necessary to allocate EUR 3.4 million for the tax.

OST estimates that the income from capacity allocation will amount EUR 8.8 million.

OST warns that the poor financial situation the company is facing with could prevent repayment of liabilities.

Revenues have increased during 2015 but at the end of the year the amount of debt of OSHEE company towards OST totaled EUR 60.9 million. By the end of November 2016 the debt amount of OSHEE was stabilized at 92% of total claims.