

Albania: Private hydro power plants produce 27% of electricity

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The electricity production in private hydropower plants continued an upward trend during 2014th, with an increase of 14 percent compared with 2013th. During the last year, according to data released by INSTAT, the contribution of hydropower in the public domain in the net domestic production amounted to 72.1 percent, while electricity production of independent and private concessionaires made 27.9 percent. The contribution of small hydropower plants in total energy production in 2013th was 11 percent.

Total energy production in the last year fell by 32 percent, but it did not affect the profitability of private producers, because many new operators have entered the market.

The increase in production volume of private producers created difficulties for the electricity company KESH, which has the obligation to purchase all produced energy. Over the past year KESH has accumulated debt to small hydropower plants in the amount of 50 MEUR.

The Albanian government has undertaken debts repayment to small producers from the budget, so that the remaining 30 MEUR are in the settlement process.

To reduce KESH companies' costs, the Government adopted a decision to reduce the price at which the company buys electricity from SHPPs by 25 percent. These power plants were impacted during 2015th by the austerity measures undertaken by the Government to reduce the debt generated in the energy system, which reached one billion dollars.

The Association of renewable energy producers, which represents the concessionaires of SHPPs, asked the government to implement the law on renewable energy sources as otherwise the private energy companies will go bankrupt. , transmits Serbia-energy.eu