

Small hydropower plants in Albania, with an installed capacity of up to 15 MW, [will sell the generated electricity to the state-owned company OSHEE](#) at a price of 10 lek (0.09 euros), according to the decision published in the Official Gazette.

At the last session, [the government in Tirana](#) approved the increase in the purchase price for **small HPPs**, which was announced a few weeks ago. Until now, according to the earlier decision of ERE, the price for small HPPs was 8.52 lek (0.07 euros) per MWh.

Currently, electricity from small HPPs is purchased by the public distribution company OSHEE, at a price approved by the energy regulatory agency ERE, according to a formula that takes into account the average annual price for base load on the day-ahead market of the [Hungarian stock exchange HUPX](#) in the previous year, expressed in eurocents per kWh. It also includes the fee for the promotion of renewable sources and the average euro/lek exchange rate for the past year.

The increase in the purchase price came after the companies that manage these hydroelectric plants tried to enter the free market.

In 2022, several requests were submitted to withdraw from the agreement with the state, but the introduction of a state of emergency, which was extended until the middle of next year by a recent government decision, made it impossible.

Namely, a new point was added to the government decree declaring a state of emergency, which provides for the establishment of a public service obligation for priority electricity producers who have a contract with a supplier on the free market (part of the OSHEE group), at a price set by ERE.

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