

Albania: Unchanged electricity purchase price from private HPPs

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In 2021 the purchase price of electricity from preferential producers will remain at the same as in the previous year – 0.07 euros/kWh, the Albanian Energy Regulatory Agency (ERE) announced.

However, the price is expected to be adjusted following the publication of the annual report of the reference energy exchange - the Hungarian HUPX.

Namely, according to the methodology for calculating the preferential price of electricity, the formula for calculating the price is as follows: annual total price equals to average annual price on the day-ahead market HUPX for baseload in the previous year, multiplied by the bonus for preferential producers (1.2).

The current reference price calculated according to the given methodology is 37.3 euros/MWh. Given that the annual reports of the Hungarian Electricity Exchange (HUPX) and the Bank of Albania (which are expected in early 2021) were not published in the period when ERE approved the price for 2021, the decision from June 2020 remains in force.

This decision, as explained, will be in force until the publication of new official data that enables the calculation of the new price for 2021. The preferential producers of electricity in Albania are mainly hydropower plants with a capacity of up to 15 MW. Electricity is purchased from them by electricity distribution system operator OSHEE, at the price set by ERE.