

The electricity production in Macedonia is not sufficient to cover domestic needs. The deficit in the energy balance is in the range of 20 to 25 percent. In 2013<sup>th</sup>, domestic production covered only 70 percent of the country's need for electricity. This percentage depends mainly on the variation in hydropower plants and TE-TO Skopje. The two major thermal power plants, which operate within the state company ELEM, produce 80 percent of total electricity production in the country.

When it comes to renewable energy sources, nearly 70 small hydropower plants should start operating in 2015<sup>th</sup>. The Energy Regulatory Agency has issued more than 80 licenses for the electricity production in photovoltaic cells. The first wind farm Bogdanci began with the work, which is managed by ELEM, and by which is rounded the investment worth 55 MEUR. The wind farm capacity is 36 MW.

Transmission system operator is MEPSO, the state-owned company. Two 400 kV interconnection lines are planned as future investments. Connections are planned from Bitola to Elbasan and from Skopje to Kosovo, which will connect the electricity systems of these countries. The value of projects, which should be completed in 2015<sup>th</sup>, amounted to 23 MEUR.

Electricity distribution and supply is managed by a private limited company EVN Macedonia. This company had the exclusive license for the supply of tariff customers until December 31<sup>st</sup>, 2014<sup>th</sup>, after that all consumers can be supplied by electricity at market prices.