

REPUBLIKA E SHQIPËRIE  
MINISTRIA E ENERGISË  
DHE INDUSTRIË

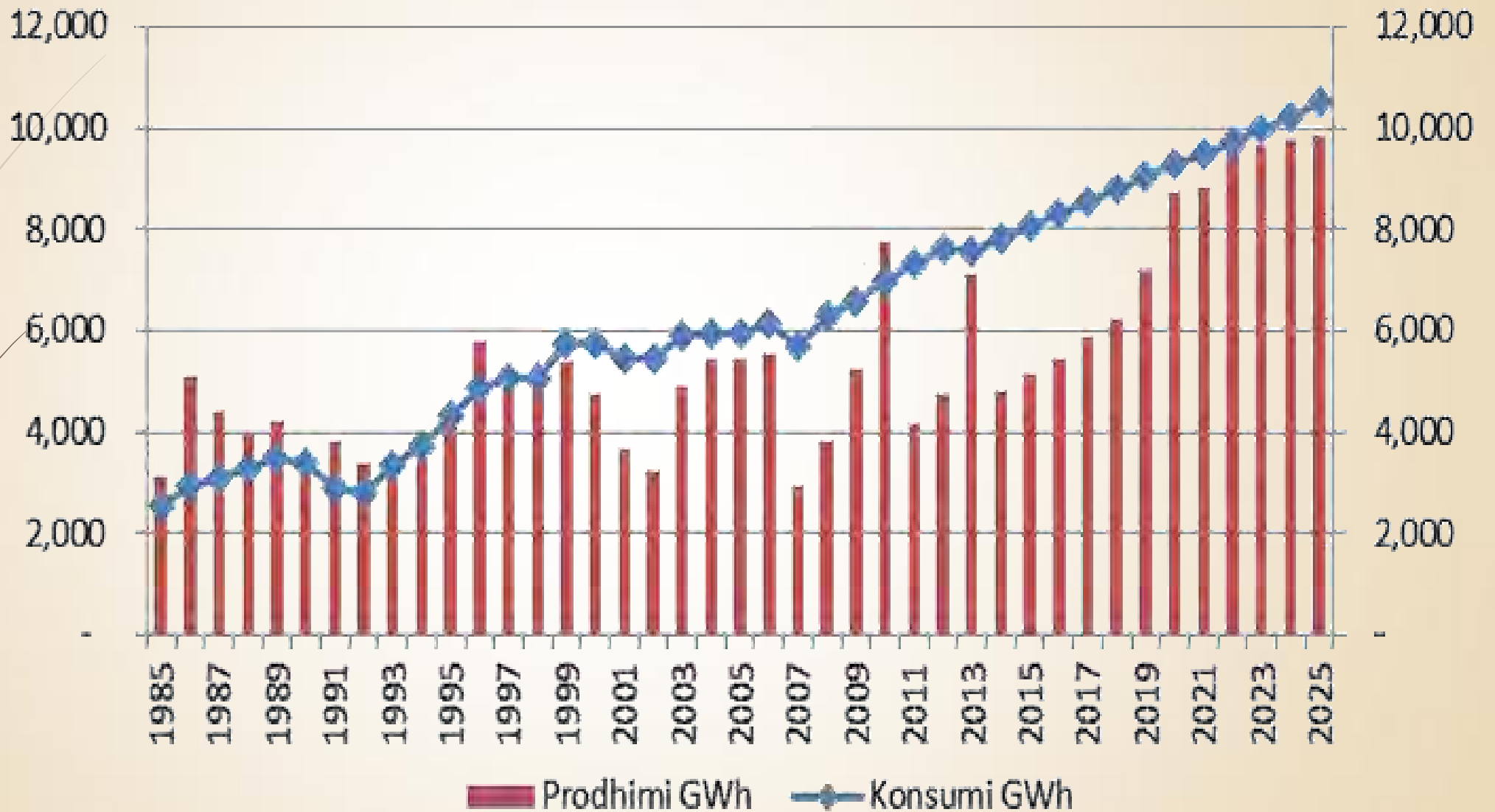
# POWER SECTOR'S REFORM AND GOVERNMENT'S VISION FOR ITS FUTURE

**03.06.2016**

# Domestic production and consumption

- ▶ Our generation system is 100% hydro. Its installed capacity is about 1 800 MW.
- ▶ The average annual domestic production is around 4.8 TWh
- ▶ The average annual consumption is about 7.7 TWh
- ▶ We have a gap in domestic production, and the difference we fulfill with import;
- ▶ We anticipate that in 2025 consumption to be about 11 TWh. This means that we need an additional installed capacity of about 2000 MW.
- ▶ The government has a vision for the filling of this gap and efficient management of the sector

# Domestic production and Consumption



# The government's vision ( 1 )

- Increase the security of supply;
- Turning the power sector in a rentable sector, from a sector that receives financial support from the government, in a sector that meets the financial obligations toward the state budget;
- Draft National Energy Strategy for the period 2016 to 2030
- The legal framework of power sector to be in accordance with the EU directives.
- Development of a Market Model in full compliance with EU directives and regulations;
- Organization of the market operators in accordance with the Third Energy Package.

## The government's vision ( 2 )

- Increase of the power generation capacities.
- Diversification of energy sources in general and electricity production in particular;
- The growth of transmission and transformation capacity in our country.
- The growth of interconnection capacities with regional countries.
- Attracting private investments in this sector.

# Power sector reforms

- Legal Reform
- Organizational reform
- Tariff reform
- Incentive reforms to attract investment

# The main laws for cooperation in the field of investment

- ▶ Law “On Power Sector”
- ▶ Law “On Renewable Energy Sources”
- ▶ Law “ On Energy Efficiency”
- ▶ Law "On Concessions and Public Private Partnership”
- ▶ Law "On strategic investments in infrastructure“,
- ▶ National Action Plan for Renewable Energy Sources
- ▶ National Action Plan for Energy Efficiency

# Main objectives of the new Power Sector Law nr. 43/2015 ( 1 )

- Creation of a legal framework that will secure a reliable and continuous supply of power to its customers;
- Creating a functional and competitive power market;
- Minimizing the costs of supply;
- Protection and compliance with the environment;
- Protection of vulnerable customers;
- Ensuring the development of a transmission and distribution network in compliance with the development plans.



# Main objectives of the new Power Sector Law ( 2 )

- Facilitating authorizing procedures for new generating capacities;
- Opening the market, allowing the customers to freely choose their supplier;
- Guaranteeing all households and small non-households the access to Universal Supply Service;
- Promote competition, by charging the Regulator with the role of preparing methodologies and tariffs that cover costs.



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# Projektet kryesore ne zbatim

- Dam safety ( 80 mln Euro )
- 400 kV Interconnection line Shqiperi – Kosovo ( 28 mln Euro, 2016 )
- 110 kV ring of South Albania, ( 49 mln Euro, 2015 )

# The main projects in the power sector

## ▶ Main projects for increasing power generation capacities :

1. Construction of SKatundi i Ri HPP, (Drini i Zi River)
2. Construction of Pocemi HPP, Vjosa River

## ▶ Main projects for increasing interconnections transmission capacity:

1. Construction of 400 kV line Albania – Macedonia and Construction of 400 kV line Elbasan – Fier and 400/110 kV Substation Kuçovë ( 70 milion Euro by KfW )
2. Construction of underwater 400 kV line Albania – Italy, length 250 Km, 530 milion Euro;

## ▶ Main projects for increasing in-country transmission capacity:

1. Construction of 220 kV line Tirana 2 – Rrashbull and 220/110 kV Substation in Rrogozhina; The Project is estimated to approximately 15.5 MEUR.
2. 110 kV Tirana Ring and substation 400/110 kV Tirana 3. The project is estimated to be approximately 20.8 million Euro