



REPUBLIKA E SHQIPËRIË

## ENERGY REGULATORY AUTHORITY

### BOARD

### DECISION

**No. 127, Dated 27.05.2021**

#### **ON THE REQUEST OF DSO COMPANY TO REVIEW ERE BOARD DECISION NO.97, DATED 07.04.2021, ON APPROVING THE INDICATORS FOR THE STANDARD CRITERIA OF THE SUPPLY QUALITY SERVICE AND THE SECURITY PERFORMANCE OF THE ELECTRICITY DISTRIBUTION GRID FOR 2021**

Based on article 7, point 1,16 and 20, point 1, letter “a” of Law no. 43/2015 “On Power Sector”,as amended, article 15, 16 and 26 of the “Rules on ERE organization, operation and procedures”, approved with ERE board decision, no. 96, dated 17.06.2016, “Regulation on the standard criteria of the supply quality service and the security performance of the electricity distribution grid” approved with ERE board decision no. 181, dated 10.11.2017, the Energy Regulatory Authority board (ERE) after reviewing the report protocol no. 76/1, dated 21.05.2021, prepared by Market Monitoring and Inspections and also Customer Protection, Performance and Standards directories, « “On the request of DSO company to review ERE board decision no.97, dated 07.04.2021, On approving the indicators for the standard criteria of the supply quality service and the security performance of the electricity distribution grid for 2021”»,

#### **Observed that:**

- DSO Company with official letter Protocol no. 3715/1 dated 23.04.2021, registered at ERE with Protocol no. 607/1 dated 26.04.2021 submitted the request to review ERE board decision no. 97, dated 07.04.2021, “On approving the indicators for the standard criteria of the supply quality service and the security performance of the electricity distribution grid for 2021”

#### **DSO company in the official letter mentioned above, requests from ERE:**

- The amendment of point 1, of ERE board decision no. 97/2021 and the table attached based on the data from official letter Protocol no. 9626/3 dated 01.04.2021;
- The amendment of point 2, of ERE board decision no. 97/2021 in order to reflect the prior approval of the procedures for registering, processing and presenting quality indicators, as well as testing processes for a period of 3 years without financial effects of these methodologies.

**- Regarding the request of DSO Company, as reflected above, it is evaluated as follows:**

**(I)** The legal obligation to approve the standard criteria of the supply quality service and the security performance of the electricity distribution grid, arised in 2015 with the approval of Law no. 43/2015 "On Power Sector", as amended. Subsequently, with decision no. 181, dated 10.11.2017, ERE Board approved the "Regulation for the standard criteria of the supply quality service and security performance of the electricity distribution grid", as amended" thus completing the bylegal framework in this field.

**(II)** The period starting from the adoption of Law no. 34/2015 until the entry into force of the indicators of supply service and security performance of the electricity distribution grid is estimated as a sufficient time for DSO company to take all necessary steps in order to meet the legal obligations set out in Law no. 43/2015 "On Power Sector", as amended.

In order to determine the standard criteria of the supply quality service and the security performance of the electricity distribution grid, ERE with decision no. 97/2021, is based on 3 (three) main elements:

- (1) the standard criteria of the supply quality and security performance of the electricity distribution grid defined in other acts approved by ERE board over the years ,
- (2) Reportings submitted by DSO company at ERE through official documents and
- (3) ERE Board Decision no. 255, dated 21.12.2020, On approving the indicators of standard criteria for the quality of electricity transmission service for 2021.

- As evidenced, regarding decision no.97, dated 07.04.2021 and also for the report Protocol no.40 / 9 dated 02.04.2021, prepared regarding this decision, it results that the legal basis, ERE board decisions as well as written communications made by DSO company and also the communications of the users of electricity distribution grid are all taken into consideration. Among other things, it is evidenced as follows:

- The official letter Protocol no.133 dated 07.12.2020 submitted by the Union of Albanian Producers and protocolled at ERE with no.1264, dated 11.12.2020.
  - Joint official letter with protocol no.3, and no.140, dated 10.02.2020 submitted by the Albanian Association of Electricity Suppliers (AAES) and the Union of Albanian Producers, protocolled at ERE with no.296, dated 11.02. 2021.
  - Hearing session held on 25.01.2021, between DSO company and the interested parties.
  - Official letter submitted by DSO company at ERE via the official e-mail address [erealb@ere.gov.al](mailto:erealb@ere.gov.al) protocolled with no.432, dated 08.03.2021.
  - Official letter submitted by DSO company with Protocol no.9626/2 dated 19.01.2021, protocolled at ERE with no. 133, dated 27.01.2021.
  - Official letter submitted by DSO company with Protocol no.609/1 dated 25.01.2021, with subject "Regarding the report of indicators for the quality of service and security performance of the distribution grid".
  - Official letter submitted by DSO company with Protocol no.9626/3 dated 01.04.2021, protocolled at ERE with no. 523, dated 06.04.2021, "Regarding the quality indicators of electricity distribution", it is evaluated that the company's submissions were taken into consideration and handled with the

relevant procedure related to this decision. • Official letter submitted by DSO company with Protocol no.1519 / 1 dated 24.01.2021;

- The reports made by DSO company are also reflected in ERE annual reports, in " the Situation of the Power Sector and ERE Activity".

- Based on ERE Board Decision no.175, dated 14.11.2019, "On the request of OSHEE company to extend the terms defined in Regulation on the standard criteria of the supply quality service and the security performance of the electricity distribution grid", DSO company conducted the study " On the realization of performance indicators of supply continuity, improvement over the years and complete analysis for the expentations of 2015 – 2020 period ", which was submitted at ERE with official letter Protocol no. 9626/2 dated 19.01.2021 and protocolled with no. 133, dated 27.01.2021. This study has been exhaustively analyzed in ERE board decision no.97, dated 07.04.2021.

- In addition to the above, DSO company proposed that so far it lacks a common methodology approved by ERE for the collection, processing, presentation of data on quality indicators, as well as the Methodology on how to compensate electricity customers and the indicators on which these calculations shall be based.

- Regarding these submissions made by DSO company there is no legal reference in Law 43/2015 "On Power Sector", as amended and in ERE board decision no. 181/2017 On approving the Regulation for the standard criteria of supply quality of service and security performance of the electricity distribution network", as amended. Data collection is an operational issue which is carried out by the respective operators and like any other data collected by operators, data on quality indicators are also collected. Realization of operational obligations, including data collection, is the task of the network operator, in this case it is considered the task of DSO company as being part of the legal obligation defined in Law no. 43/2015 "On Power sector",as amended, for the operation of the electricity distribution system.

- Regarding customer compensation the Regulation for the standard criteria of supply quality of service and security performance of the electricity distribution network approved with ERE Board decision no. 181/2017, provides this process in two articles, respectively in Article 9 and Article 10. These two articles define both cases of compensation as that of Supplier Compensation (Article 9) and that of End-use Customer Compensation (Article 10). Under these conditions, the Regulation approved with ERE board decision no. 181/2017 handled this process and the claim of DSO company on non-realization of the compensation of end-use customers is not supported.

For all of the above mentioned, ERE Board

#### **Decided:**

1. To not approve the request of DSO company "To review ERE board decision no. 97, dated 07.04.2021, "On the approval of indicators for standard criteria of quality of supply service and security performance of the electricity distribution network for 2021".
2. The Legal Directory shall inform DSO company about ERE Board Decision.

This decision enters immediately into force.

For this decision may be required its review within 7 calendar days and may be complained on Tirana Administrative Court, within 30 calendar days from the publication in the Official Gazette.

This decision shall be published on the Official Gazette.

**ERE CHAIRMAN**

**Petrit AHMETI**