



REPUBLIKA E SHQIPËRISË
ENERGY REGULATORY AUTHORITY

DECISION

No. 208, dated 24.07.2026

ON

**THE APPROVAL OF SOME ADDITIONS AND AMENDMENTS TO THE CONTRACT
“ON THE PURCHASE AND SALE OF ELECTRICITY BETWEEN THE ELECTRICITY
GENERATION COMPANY WHOSE SHARES ARE WHOLLY OR PARTIALLY STATE-
OWNED (KESH SH.A.) AND THE UNIVERSAL SERVICE SUPPLIER (FSHU SH.A.), FOR
THE SUPPLY OF CUSTOMERS SUPPLIED BY FSHU SH.A.**

Pursuant to Articles 16, 20, letter “h”, 49, 61, letter “f”, 70, 135(4) and 136(2) of Law No. 59/2026 “On the Power Sector”; Part I, Article 5, point 4, of Council of Ministers Decision No. 456, dated 29 June 2022, “On the Approval of the Conditions for Imposing Public Service Obligations on Licensees in the Power Sector Carrying Out Electricity Generation, Transmission, Distribution and Supply Activities”, as amended; as well as Article 15 of the “Regulation on the Organisation, Functioning and Procedures of ERE”, approved by ERE Board Decision No. 96, dated 17 June 2016; the ERE Board, at its meeting held on 24 July 2026, after reviewing Report No. 2202, dated 22 July 2026, “On Some Additions and Amendments to the Standard Contract for the Purchase and Sale of Electricity between the Electricity Generation Company Entrusted with the Public Service Obligation, Whose Shares Are Wholly or Partially State-Owned (KESH sh.a.), and the Universal Service Supplier (FSHU sh.a.), for the Supply of Customers Supplied by FSHU sh.a.)”,

Considering that:

- By Decision No. 95, dated 20 May 2024, the ERE Board approved the Standard Contract “On the Purchase and Sale of Electricity between the Electricity Generation Company Entrusted with the Public Service Obligation, Whose Shares Are Wholly or Partially State-Owned (KESH sh.a.), and the Universal Service Supplier (FSHU sh.a.), for the Supply of Customers Supplied by FSHU sh.a.”, as amended by Decision No. 133, dated 7 July 2025.

1. Request for the Revision of the Standard Contract

- By official letter No. 1886, dated 16 June 2026, ERE requested information on the signing and implementation status of the electricity purchase and sale contract between KESH sh.a. and FSHU sh.a. for the period from 1 January 2026 to 31 December 2026.
- By joint official letter No. 3016, dated 1 July 2026, of KESH sh.a., and No. 4280/2, dated 1 July 2026, of FSHU sh.a., registered with ERE under Protocol No. 1886/1, dated 6 July 2026, the parties submitted for approval the signed electricity purchase and sale contract for 2026.
- The parties proposed certain additions and amendments to the Standard Contract approved by Decision No. 95, dated 20 May 2024, as amended by Decision No. 133, dated 7 July 2025.

2. Content of the Proposed Amendments – Rewording and Corrections to the Contract

- In Article 9(2), letter “b”, it is proposed that the deadline for payment of settlement invoices be determined by reference to the date of issuance of the invoice rather than the date of electricity delivery. Accordingly, the final sentence shall read as follows: *“Settlement invoices between the parties shall be paid within 45 days from the date of issuance of the invoice.”*
- In Article 14(1), it is clarified that the relevant invoice shall be issued no later than the 10th day of the month following the month in which the electricity was delivered. Accordingly, the relevant wording under “Invoicing and Payment” shall be amended to read: *“The relevant invoice shall be issued no later than the 10th day of the month following the month in which the electricity was delivered.”*
- In Article 14(2), the payment term is harmonised at 45 days from the date of issuance of the tax invoice, for both the main invoices and settlement invoices. Accordingly, the paragraph shall be amended to read: *“Invoices shall be paid within 45 days from the date of issuance of the tax invoice. The payment deadline for settlement invoices shall be the same as that applicable to the invoice to which the settlement relates.”*

Additions on the contract

- In Article 3, “Definitions”, it is proposed to add point 16.1, “Invoice Maturity Date”, with the following definition: *“the final date of the period within which the invoice is to be paid.”*
- In Article 14, under “Payment”, the parties have agreed to add point 3, as follows:

“Change of the Invoice Maturity Date: In specific cases, upon a reasoned official request by the Purchaser, submitted no later than 5 (five) business days before the maturity date of the relevant invoice, the Seller may agree to change the maturity date of that invoice. The request for and approval of the postponement of the invoice payment deadline shall be made in accordance with Annex 3 to this Contract. Upon approval of the request, the parties shall determine the new maturity date

The new maturity date shall constitute the due date for payment of the relevant invoice and, until that date, payment shall not be considered overdue.

Upon expiry of the new maturity date, any outstanding amount shall be considered overdue and shall automatically be subject to late-payment interest and the legal remedies provided for under this Contract and the applicable legislation.

The parties justify the introduction of this new provision as follows: *“This provision is intended to address specific cases in which the Purchaser may experience financial difficulties. For the implementation of this provision, Annex 3, ‘Form for the Request and Approval of the Postponement of the Payment Deadline’, is added to the Contract.”.*

ERE considers that, as the regulatory authority responsible for monitoring the implementation of contracts between licensees and compliance with public service obligations, it should be notified whenever the Purchaser entrusted with this obligation (FSHU sh.a.) experiences liquidity difficulties requiring it to request a postponement of the payment deadline. This is because the Contract is not merely an ordinary commercial agreement, but an instrument through which the public service obligation imposed by the State is implemented. The recurrence or deterioration of such circumstances may affect not only the bilateral contractual relationship between the parties, but also the financial sustainability of the public service obligation model itself.

For this reason, ERE considers that the relevant provision should be reworded to require the Purchaser, simultaneously with the submission of its request for postponement to the Seller, to inform ERE within the same deadline and provide the information necessary for ERE to exercise its monitoring functions.

In specific cases, upon a reasoned official request by the Purchaser, submitted no later than 5 (five) business days before the maturity date of the relevant invoice, the Seller may agree to change the maturity date of that invoice. For this purpose, within the same period of 5 (five) business days, the Purchaser shall simultaneously inform ERE. The request for and approval of the postponement of the invoice payment deadline shall be made using the form set out in Annex 3 to this Contract. Upon approval of the request, the parties shall determine the new maturity date. The postponement of the maturity date may not exceed 15 (fifteen) calendar days from the initial maturity date. The new maturity date shall constitute the due date for payment of the relevant invoice and, until that date, payment shall not be considered overdue. Upon expiry of the new maturity date, any outstanding amount shall be considered overdue and shall automatically be subject to late-payment interest and the legal remedies provided for under this Contract and the applicable legislation.”

- It is also proposed to add Annex III, “Form for the Request and Approval of the Postponement of the Payment Deadline”, for the implementation of the procedure provided for in Article 14

3. Update of the legal basis

- The Contract signed for 2026 reflects technical amendments related to the fourth phase of market opening, in accordance with Order No. 322, dated 30 December 2024, of the Minister responsible for energy.
- The legal basis of the Contract has also been supplemented with a reference to Decision No. 1212/1, dated 19 February 2026, of the Minister responsible for energy, concerning the approval of the electricity sale price applicable to the supply of FSHU sh.a. during 2026.
- During the review of the Contract, it was identified that the references to Law No. 43/2015 “On the Power Sector”, as amended, should be replaced with the corresponding references to Law No. 59/2026 “On the Power Sector”, which entered into force on 15 July 2026. Accordingly, KESH sh.a. and FSHU sh.a. shall submit the Contract with its legal basis updated in accordance with the new legislation. In this regard, it is considered that the transitional provisions of Law No. 59/2026, namely Article 135(4) and Article 136(2), provide that the secondary legislation adopted pursuant to Law No. 43/2015, including Council of Ministers Decision No. 456/2022 and, consequently, the Standard Contract approved by ERE Board Decision No. 95/2024, as amended by Decision No. 133/2025, shall continue to apply insofar as they do not conflict with the new legislation, until the adoption of the new secondary legislation pursuant to Law No. 59/2026. Furthermore, the existing rights and obligations of market participants shall continue to apply until the relevant new acts enter into force.
- Specifically, ERE considers that the following amendments should be made::
 - “Legal basis”, first line (f. 1) “Law no. 43/2015 “On Power Sector”, as amended, Article 20 letter h);” shall be replaced with: “Law no. 59/2026 “On Power Sector”, Article 20, letter “h”, Article 135, (4), and Article 136, (2)”.
 - “On the conditions when:”, the first point (f. 2) “...in conformity with the provisions of Article 109 (1), of Law no. 43/2015, the reference shall be replaced with “...in conformity with the provisions of Article 106 (1), Article 135, (4), and Article 136, (2), of Law no. 59, dated 18.6.2026 “On Power Sector.”

- Article 8, (1), "Definition of Force Majeure"*"...as defined on Law no. 43/2015 "On Power Sector", as amended ..."* it is replaced with *"...Law no. 59/2026, Article 3, (25), Article 135, (4), and Article 136, (2)"*.

4. Public Consultation

- In accordance with the Regulation on the Notification and Public Consultation Procedures for Regulatory Acts Approved by ERE, the Contract was published on ERE's official website, under the "Consulting" section, on 8 July 2026. No comments or suggestions were received from third parties during the consultation process.

5. ERE Assessment

- The Contract submitted by KESH sh.a. and FSHU sh.a. for 2026 is based on the Standard Contract approved by the ERE Board and constitutes the instrument governing the contractual relationship between the parties for the period from 1 January 2026 to 31 December 2026, in accordance with Article 5(4) of Council of Ministers Decision No. 456, dated 29 June 2022, as amended..
- Article 5(4) of Council of Ministers Decision No. 456, dated 29 June 2022, as amended, provides that a contract shall be negotiated between FSHU sh.a. and the public electricity generation company, approved by ERE and signed by the parties, without referring to such contract as a "Standard Contract". The Standard Contract approved by ERE Board Decision No. 95, dated 20 May 2024, as amended by Decision No. 133, dated 7 July 2025, constitutes the regulatory model on the basis of which the specific contract provided for under the above-mentioned provision is negotiated and signed.
Consequently, the contract signed between KESH sh.a. and FSHU sh.a. for the period from 1 January 2026 to 31 December 2026 constitutes the "Contract" referred to in Article 5(4) of Council of Ministers Decision No. 456/2022, and not the "Standard Contract", a term reserved for the regulatory model approved by ERE Board Decision No. 95/2024, as amended by Decision No. 133/2025. This interpretation is also consistent with the transitional provisions of Articles 135(4) and 136(2) of Law No. 59/2026. Accordingly, ERE considers that the term "Standard Contract" should be replaced with "Contract" throughout the text of the Contract.
- In view of the above, ERE considers that the proposed additions and amendments to the Standard Contract should be approved. KESH sh.a. and FSHU sh.a. shall update the legal references in accordance with Article 20, letter "h", Article 135(4) and Article 136(2) of Law No. 59/2026 and shall submit to ERE the signed Contract incorporating the approved amendments.

Decides:

1. To approve the proposed additions and amendments to the Contract "On the Purchase and Sale of Electricity between the Electricity Generation Company Entrusted with the Public Service Obligation, Whose Shares Are Wholly or Partially State-Owned (KESH sh.a.), and the Universal Service Supplier (FSHU sh.a.), for the Supply of Customers Supplied by FSHU sh.a., for the period from 1 January 2026 to 31 December 2026", signed pursuant to the Standard Contract approved by ERE Board Decision No. 95, dated 20 May 2024, as amended by Decision No. 133, dated 7 July 2025, including the addition of Annex III, "Form for the Request and Approval of the Postponement of the Payment Deadline". (the attached table)
2. The Electricity Generation Company Entrusted with the Public Service Obligation, Whose

Shares Are Wholly or Partially State-Owned (KESH sh.a.), and the Universal Service Supplier (FSHU sh.a.) shall replace, throughout the text of the Contract, all references to Law No. 43/2015 with the corresponding references to Law No. 59/2026, and shall also replace the term “Standard Contract” with “Contract” throughout the text. (attached table)

3. The Contract, signed by the Parties and incorporating the amendments referred to in points 1 and 2 of this Decision, shall be submitted to ERE within 5 (five) days from the date of notification of this Decision.
4. The Legal and Dispute Resolution Directorate shall notify KESH sh.a., FSHU sh.a. and the Ministry of Infrastructure and Energy of this ERE Board Decision.

This Decision shall enter into force immediately.

Any party to this procedure may request a review of this ERE Board Decision within 7 (seven) calendar days from the date of its receipt, if new evidence is submitted that may lead the Board to reach a different conclusion or if material errors are identified. An appeal against this Decision may be lodged with the Administrative Court of First Instance of Tirana within 30 (thirty) calendar days from the date of its publication in the Official Gazette.

This Decision shall be published in the Official Gazette.

CHAIRMAN

Petrit AHMETI

**IN THE ABSENCE OF AND BY AUTHORIZATION OF
THE CHAIRMAN**

BOARD MEMBER

Petra LIKA

APPROVED AMENDMENTS TO THE CONTRACT “ON THE PURCHASE AND SALE OF ELECTRICITY BETWEEN THE ELECTRICITY GENERATION COMPANY ENTRUSTED WITH THE PUBLIC SERVICE OBLIGATION, WHOSE SHARES ARE WHOLLY OR PARTIALLY STATE-OWNED (KESH SH.A.), AND THE UNIVERSAL SERVICE SUPPLIER (FSHU SH.A.), FOR THE SUPPLY OF CUSTOMERS SUPPLIED BY FSHU SH.A., FOR THE PERIOD FROM 1 JANUARY 2026 TO 31 DECEMBER 2026”, SIGNED PURSUANT TO THE STANDARD CONTRACT APPROVED BY ERE BOARD DECISION NO. 95, DATED 20 MAY 2024, AS AMENDED BY DECISION NO. 133, DATED 7 JULY 2025, INCLUDING THE ADDITION OF ANNEX III, “FORM FOR THE REQUEST AND APPROVAL OF THE POSTPONEMENT OF THE PAYMENT DEADLINE”

Type	Position	Was	Becomes
Is amended and becomes	Throughout the text of the Contract	Phrase “ Standard Contract ”	Phrase “ Contract ”
Is amended and becomes	Legal Basis, first line	“Law No. 43/2015 ‘ <i>On the Power Sector</i> ’, as amended, Article 20, letter ‘h’”	“Law No. 59/2026 ‘ <i>On the Power Sector</i> ’, Article 20, letter ‘h’, Article 135(4) and Article 136(2)”
Is amended and becomes	“ <i>On the Conditions When</i> ”, first point	“...in accordance with the provisions of Article 109(1) of Law No. 43/2015”	“...in accordance with the provisions of Article 106(1), Article 135(4) and Article 136(2) of Law No. 59/2026 ‘ <i>On the Power Sector</i> ’.”
Is amended and becomes	Article 8(1), “ <i>Definition of Force Majeure</i> ”	“...as defined in Law No. 43/2015 ‘ <i>On the Power Sector</i> ’, as amended...”	“...as defined in Article 3(25), Article 135(4) and Article 136(2) of Law No. 59/2026 ‘ <i>On the Power Sector</i> ’.”
Is added	Article 3, “ <i>Definitions</i> ” (new point 16.1)	(This provision does not exist in the Standard Contract approved by Decision No. 95/2024, as amended by Decision No. 133/2025.)	Point 16.1 is added as follows: “ <i>Invoice Maturity Date</i> ” means the final date of the period within which the invoice is to be paid.
Is amended and becomes	Article 9(2), letter “b” (last sentence)	“ <i>Payment of settlement invoices between the parties shall be made within 45 days from the last day of electricity delivery for the relevant month.</i> ”	“ <i>Settlement invoices between the parties shall be paid within 45 days from the date of issuance of the invoice.</i> ”
Is amended and becomes	Article 14(1) (last paragraph)	“ <i>The invoice shall be submitted no later than the 10th day of the month following the month of electricity delivery.</i> ”	“ <i>The relevant invoice shall be issued no later than the 10th day of the month following the month in which the electricity was delivered.</i> ”
Is amended and becomes	Article 14, “ <i>Payment</i> ” (main paragraph)	“ <i>The main invoice shall be paid within 45 days from the date of issuance of the tax invoice. For settlement invoices, the payment deadline shall be the same as that applicable to the main invoice to which the settlement relates.</i> ”	“ <i>Invoices shall be paid within 45 days from the date of issuance of the tax invoice. The payment deadline for settlement invoices shall be the same as that applicable to the invoice to which the settlement relates.</i> ”

It is added	Article 14 (New point 3) and New Annex 3	(This does not exist on the Standard Contract)	<i>It is added point 3: “Amendment of Maturity Date of the Invoice: For specific cases, with reasoned official request of the Purchaser, submitted not later than 5 (five) business days before the maturity date of the respective invoice, the Seller may agree with the change of maturity date of that invoice. For this purpose, the Purchaser, on the same deadline of 5 (five) business days, shall inform ERE at the same time. The request and the approval of the postponement of the deadline for the payment of the invoice shall be according to Annex 3 form of this contract. With the approval of the request, the parties define the new maturity date. The change of the maturity date may not exceed a period of 15 (fifteen) calendar days from the initial maturity date. The new maturity date is considered as the date of the payment obligation of the respective invoice and until on that date, the payment is not considered delayed. With the termination of the new maturity deadline, any unpaid payment is considered delayed and is automatically subject to late payment interest and legal means provided on this Contract and the legislation in force.”</i>
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It is added: ANNEX III

ANNEX III

FORM FOR THE REQUEST AND APPROVAL OF THE POSTPONEMENT OF THE PAYMENT DEADLINE

With reference to Contract No... , dated ... entered into between:

the Seller: Albanian Power Corporation (KESH) SH.A.

and

the Purchaser: Universal Service Supplier (FSHU) SH.A.

the Purchaser hereby submits a request for the postponement of the payment deadline for the following invoice:

1. Invoice number:
2. Invoice date:
3. Invoice amount:
4. Current maturity date:.....
.....
5. Requested new maturity date:.....
6. Reason for the request

[Detailed description of circumstances and supporting documentation]

The Purchaser declares that the above information is accurate and that the request submitted is in accordance with the Contract.

The Parties agree that the new maturity date for the invoice identified above shall be

For the purposes of the Contract and Law No. 48/2014 “On Late Payments in Contractual and Commercial Obligations”, the above date shall be considered the new maturity date of the payment obligation, and the payment shall not be considered overdue before that date.

This approval shall apply solely to the invoice identified in this Form and shall not constitute a waiver of any other rights of the Seller under the Contract.

Approved by KESH:

Approved by FSHU: