



REPUBLIKA E SHQIPËRISË
**ENERGY REGULATORY AUTHORITY
BOARD**

DECISION

No. 47, Dated 27.02.2025

**ON
APPROVING SOME ADDITIONS AND AMENDMENTS IN THE
METHODOLOGY FOR CONGESTION INCOME DISTRIBUTION OF
ELECTRICITY BETWEEN ALBANIA AND KOSOVO**

Based on Article 16 of Law No. 43/2015 “*On Power Sector*”, as amended; subpoint 3.5 of point 3 in the *Electricity Market Model*, approved with Council of Ministers Decision no.519, dated 13.07.2016 “*On the approval of the electricity market model*” as amended; article 3 point 8 of the *Regulation on the requirements and procedures for designation of nominated electricity market operator (NEMO)* as well as the roles and responsibilities of NEMO and the electricity transmission system operator in market coupling, approved with Energy Regulatory Authority (ERE) Board decision no.40, dated 06.03.2020; articles 15 and 26 of the *Regulation for ERE organization, operation and procedures*, approved with ERE Board Decision no. 96, dated 17.06.2016; as well as the *Framework agreement on market coupling between Albania and Kosovo electricity markets*, dated 21.10.2021, signed between the Energy Regulatory Authority (ERE), Energy Regulatory Office of Kosovo (ERO), Transmission System Operator (TSO) company and Transmission System Market Operator of Kosovo (KOSTT) company; ERE Board on their meeting dated 27.02.2025, after reviewing the report Protocol no. 1191 dated 25.02.2025 prepared by the Technical Directories “*On approving some additions and amendments in the Methodology for congestion income distribution of electricity between Albania and Kosovo*” and the “*Backup procedures for the Albania -Kosovo electricity day-ahead market coupling*”,

Observed that:

- TSO company with official letter Protocol no. 4536/4 dated 31.10.2024, submitted for review several additions and amendments to the “*Methodology for congestion income distribution of electricity between Albania and Kosovo*”, approved with ERE Board decision no. 100, dated 27.05.2024, as well as to the “*Backup procedures for the Albania -Kosovo electricity day-ahead market coupling*”, approved with ERE Board decision no. 101, dated 27.05.2024.
- ERE Board, with decision no. 250, dated 25.11.2024, decided: To open the procedure for the approval of some additions and amendments to the “*Methodology for congestion income distribution of electricity between Albania and Kosovo*”.
- Decision No. 249/2024 was communicated to the interested parties with official letter Protocol No. 1899/4, dated 27.11.2024. Also, the proposed additions and amendments have been published in the “Consultations” section on official ERE website and until this decision was made, ERE has not received any comments from any interested party.

- The amendments proposed by TSO company aim to improve the methodology for congestion income distribution, mainly by expanding the scope of application and the inclusion of the intraday market, as follows:
 - In point 6, a paragraph is added that the CID methodology covers both the day-ahead and intraday markets.
 - In point 8, the intraday market is specifically mentioned in the description of capacity allocation.
 - Article 1 (Purpose and Scope): A new letter referred to as letter (“d”) is added to clarify that the methodology covers congestion income for the intraday market.
 - Article 3 (Definitions and Interpretation): References to the intraday market (AL-KS IDA) are added to the existing definitions.
 - Article 5 (Principles for Allocation): For net border incomes, clarification is added that the 50%-50% allocation applies to both markets (AL-KS DAC and AL-KS IDA).
 - These amendments provide a more comprehensive approach to the management and allocation of congestion income across all market time intervals.
- It is evaluated that the additions and amendments proposed by TSO company reflect the necessary requirements for the applicability of these documents also in the organized intraday electricity market. These amendments do not affect the principles of the methodologies in force approved by ERE, but expand their scope, including the intraday market of the Albanian Power Exchange.

For all of the above mentioned, ERE Board

Decided:

1. To approve some additions and amendments to the “*Methodology for congestion income distribution of electricity between Albania and Kosovo*” as follows:
 - Point 6** is amended and becomes: *TSO, KOSTT and NEMO of Albania and Kosovo drafted the “Methodology for congestion income distribution of electricity between Albania and Kosovo” (hereinafter referred to as the “CID Methodology”)*. The CID Methodology shall cover the congestion income distribution both for the day-ahead and intraday period.
 - Point 8** is amended and becomes: *The CID methodology is structured in two parts. First, the determination and collection of congestion incomes established from the implicit allocation of the capacities in the electricity day ahead and intraday market coupling between Albania and Kosovo (hereinbelow referred as AL-KS DAC and “AL-KS-IDA”). Second, the distribution of the above congestion incomes, between TSO and KOSTT.*
 - Point 9** is amended and becomes: *In conclusion, this CID methodology proposed by the TSOs and NEMOs of Albania and Kosovo is submitted for approval to the respective Regulators in accordance with Article 6 of the Framework Agreement.*
 - Article 1, point 1, letter “d”** with this content is added: *d) Congestion incomes resulting from the allocation of capacities in the intra-day timeframe.*
 - Article 3, point 3, letter “b”**, is amended and becomes: *b. unless otherwise specified,*

the terms used apply in the context of the Day-Ahead Electricity Market Coupling between Albania and Kosovo (AL-KS DAC) and the Intraday Electricity Market Coupling (AL-KS IDA), as well as (EMCS) for AL-KS DAC and AL-KS IDA.

-Article 5, point 1, is amended and becomes: *TSO and KOSTT shall receive their share of the AL-KS DAC and AL-KS IDA net border incomes, based on a 50% to 50% allocation coefficient. The details, as well as the underlying reasons, are set out in Annex 1 to this methodology.*

2. Policy Development and Supervision of Renewable Energy Sources Directory shall inform the interested parties about ERE Board decision.

This decision shall enter into force immediately.

Any party involved in this procedure may request the Energy Regulatory Authority (ERE) to review the Board's decision within seven (7) calendar days from the date of issuance, provided that new evidence is submitted that may lead the Board to reach a different conclusion; or material errors have been identified. This decision may be appealed before the Administrative Court of Tirana within thirty (30) calendar days from the date of its publication in the Official Gazette.

This decision shall be published in the Official Gazette.

ERE CHAIRMAN

Petrit AHMETI