

Balance of electric power

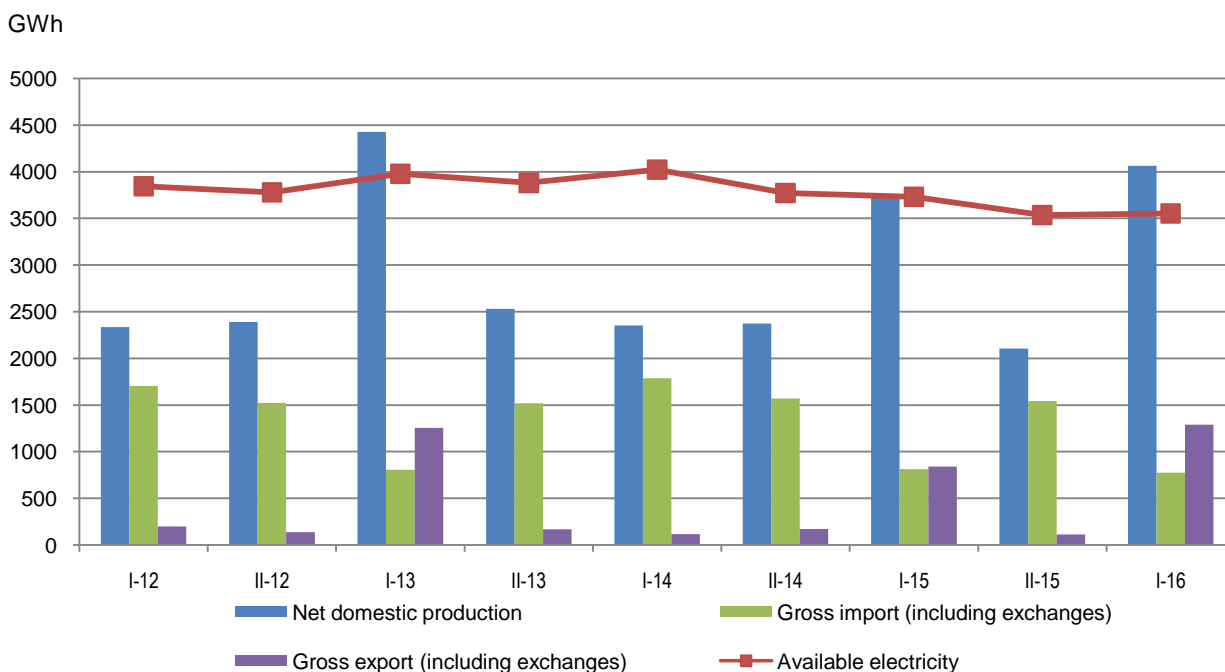
First half of 2016

Tirana, September 1, 2016: In the first half of 2016, net domestic production of electric power was 4,065 GWh from 3,758 GWh produced in the first half of 2015, which increased by 8.2 percent.

The production increase of independent and concessionaire power producers by 35.9 percent during first half of 2016 compared with the first half of 2015, has had the main contribution on the increase of net domestic production. The electricity production by public hydro plants was decreased by 1.2 percent.

The increase of production of electricity during the first half of 2016 resulted on decrease of imports and increase of exports. As the result, gross import (including exchanges) decreased by 4.7 percent while gross export (including exchanges) increased by 53.3 percent, compared with the first half of 2015.

Fig. 1 Available electricity, net domestic production, gross import and export



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Tab. 1 Balance of electric power

MWh

Indicators		First half 2015	First half 2016
A	Available electricity (A=1+2-3)	3,730,852	3,551,147
1	Net domestic production (1=1.1+1.2+1.3)	3,758,341	4,064,834
1.1	Thermo	0	0
1.2	Hydro (1.2=a+b)	3,758,341	4,064,834
a	Net public producers (a=a.1-a.2)	2,811,798	2,778,441
a.1	Gross public producers	2,826,798	2,812,204
a.2	Losses and own consumption	15,000	33,763
b	Independent and concessionaire power producers	946,542	1,286,393
1.3	Other producers (other renewable)	0	0
2	Gross import (including exchanges)	813,806	775,692
3	Gross export (including exchanges)	841,295	1,289,378
B	Consumption of electricity (B=1+2)	3,730,852	3,551,147
1	Electrical losses (1=1.1+1.2)	1,166,973	1,036,574
1.1	Losses in transmission	92,518	105,852
1.2	Losses in distribution (1.2=a+b) ¹	1,074,455	930,722
a	Technical losses in distribution	699,624	676,563
b	Non technical losses in distribution ²	374,831	254,159
2	Consumption of electricity by domestic users (2=2.1+2.2)	2,563,879	2,514,573
2.1	Households	1,308,129	1,324,377
2.2	Non households	1,255,750	1,190,196

¹Breakdown of technical and non-technical losses are estimations made by operators in the field of electricity

²Non technical losses refer to the difference between total losses in distribution and technical losses in distribution and are added also statistical differences which derive from the differences in the period of measurement in production, consumption and trade of electricity

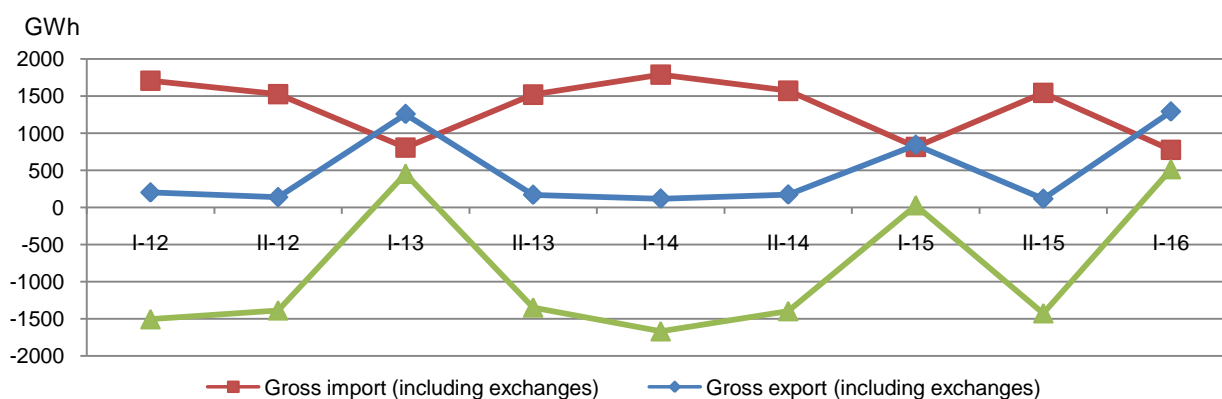
Public hydra plants have realized 68.4 percent of electricity production for the first half of 2016 while for the first half of 2015 they realized 74.8 percent. The contribution of independent and concessionaire power producers was 31.6 percent for the first half of 2016 while in the first half of 2015 it was 25.2 percent.

Gross import (including exchanges), in the first half of 2016, decreased and reached 776 GWh from 814 GWh for the first half of 2015.

Gross export (including exchanges) reached 1,289 GWh in the first half of 2016 from 841 GWh in the first half of 2015.

During the first half of 2016, Albania resulted to be net exporting of electricity which is the same situation like the first half of 2015 but the value of electricity exchange differs. During the first half of 2016, the electricity exchange reached value 514 GWh from 27 GWh for the previous period.

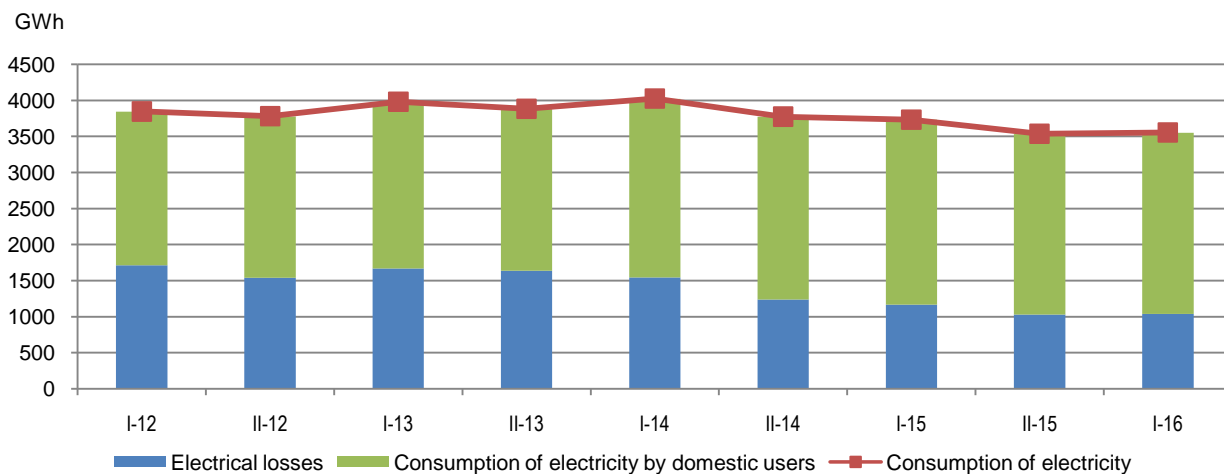
Fig. 2 Electricity exchange



In first half of 2016, **total network losses** decreased by 11.2 percent compared with the first half of 2015, resulted from the decrease of distribution losses which comprise 89.8 percent of the network losses. Total network losses during the first half of 2016 was 1,037 GWh from 1,167 GWh during the first half of 2015.

Losses in distribution, during first half of 2016 decreased by 13.4 percent compared with the same period of previous year. The situation differs for **transmission losses** which are increased by 14.4 percent and constitute 10.2 percent of total network losses from 7.9 percent constituted during previous period.

Fig. 3 Consumption of electricity, electrical losses and consumption of electricity by domestic users

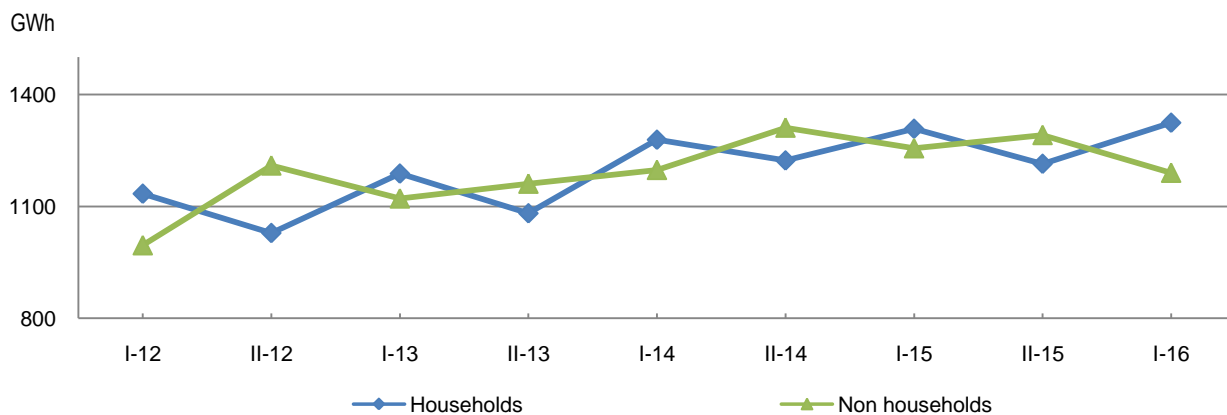


The consumption of electricity by domestic users, during first half of 2016, decreased by 1.9 percent compared with the previous year and reached 2,515 GWh from 2,564 GWh during the first half of 2015.

The decrease by 5.2 percent of the final consumption of electricity by non households has affected the decrease of the consumption of electricity by domestic user.

The situation differs for the final consumption of electricity consumed by households which increased by 1.2 percent during the first half of 2016 compared with the first half of 2015.

Fig. 4 Consumption of electricity by domestic users



Methodology

Balance of electric power provides statistical information on domestic production of electricity, electricity exchange, losses in network also the usage of electricity for final consumption in our country. The publication of electric power balance is produced twice per year, based on monthly data collected from administrative sources as:

- KESH a.s., a state joint stock trading company, vertically integrated, which has the leading role and is the key producer of electricity in Albania;
- OSHEE a.s., a public company with 100% state-owned shares that carries out the supply and sales of electricity also the operation and management of the distribution network;
- OST a.s., transmission system operator is a public company with 100% state-owned shares that operates in the electricity transmission system from the physical and distribution concepts. OST a.s. provides the necessary transmission capacities for:
 - the supply of uninterrupted electricity for Distribution System substations (OSHEE a.s.) and electricity customers directly connected to the transmission network;
 - the transmission of electricity produced from domestic sources;
 - also transits and necessary exchanges with other countries in the region.

Definitions of basic indicators

Available electricity refers to the quantity of electricity generated by domestic production of electricity plus total amount of electricity exchange.

Net domestic production of electricity is equal to the gross electricity production from thermo plants, hydroelectric plants and other producers less the electrical energy absorbed by the generating auxiliaries and the losses in the main generator transformers.

Thermo electricity refers to electricity produced by thermo plants.

Hydro electricity refers to energy of water converted into electricity in hydroelectric plants.

Losses and own consumption is the total plant's consumption in generation process and production losses.

Independent and concessionaire power producers refer to private electricity producers which consist of private plants and concession contracts with the Republic of Albania. These producers are directly related to the transmission system and are licensed by the Energy Regulatory Entity (ERE) and may sell capacity or energy to OST and OSHEE, to cover losses in transmission and distribution system, as well as to other clients.

Other producers refer to electricity production from other energy sources, excluding hydro and thermo electricity.

Electricity exchange refers to the difference between imported and exported electricity, also including transits and necessary exchanges of electricity with other countries in the region.

Consumption of electricity refers to the total quantity of electricity consumed by final users and losses in networks. It is equal to the sum of the following categories: electrical losses and consumption of electricity by domestic users.

Electrical losses refer to losses in transmission network including own consumption in transmission and distribution losses. Technical losses in distribution are estimated by OSHEE a.s. Non technical losses refer to the difference between total losses in distribution and technical losses in distribution and are added also statistical differences which derive from the differences in the period of measurement in production, consumption and trade of electricity.

Consumption of electricity by domestic users refers to the quantity of electricity consumed by final users and is calculated as the sum of the consumption of households and non households.

Households refer to the quantity of household's electricity consumption.

Non households refer to the electricity consumption quantity that are not consumed by households but include the consumption of electricity by industry, transport, agriculture, public services, etc.