

Wednesday, April 2, 2025

KS-REG/O/alo/01/02-04-2025

To: Dear Members of the Board,

**The Board of the Energy
Regulatory Office (ERO)**

Prishtina, Kosovo*

The independence of energy regulatory authorities is a foundational element of good governance of energy markets in the Energy Community. Relevant state authorities are expected to prevent and, if necessary, condemn acts of physical aggression or intimidation that undermine decisions by the regulatory authority that are based on evidence, fairness, and legal principles.

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EU Office in Prishtina
Kosovo*

The retail market opening and the cost reflectivity of tariffs are crucial elements of the Energy Community legislation, as outlined in the Electricity Directive and the Electricity regulation. Steps taken by Energy Regulatory Office to this end are essential not only for maintaining the financial sustainability of the energy sector, but also for fostering long-term energy security in line with the Energy Community legislation, in particular:

1. Article 27 of the Electricity Directive (Universal Service) provides that household consumers and small enterprises (fewer than 50 employees and turnover below EUR 10 million) enjoy the universal service, enabling the Regulator to apply specific mechanism for supply terms of these consumers.
2. Article 59 of the Electricity Directive (Duties and powers of regulatory authorities) underscores that regulatory authorities must independently determine tariffs based on objective criteria, free from undue influence, to ensure a stable and sustainable energy system.
3. Article 18 of the Electricity Regulation (Charges for access to networks, use of networks and reinforcement) mandates that tariffs must be set in a cost-reflective manner, ensuring efficiency, investment signals, and financial sustainability while promoting transparency and fairness.

It is equally important that vulnerable and energy-poor consumers are safeguarded and, where necessary, supported through targeted support schemes. Article 28 of the Electricity Directive (Vulnerable customers) stresses the need to protect those most at risk of energy poverty through targeted support schemes. This includes ensuring access to affordable energy and implementing mechanisms to prevent energy disconnections for vulnerable households.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

Article 60 of the Electricity Directive (Decisions and complaints) requires Kosovo* to ensure affected parties can appeal regulatory decisions to an independent national body. Additionally, Kosovo* law enables stakeholders to express their concerns through lawful channels, such as public consultations or stakeholder engagement.

Therefore, the Secretariat urges stakeholders to engage in the constructive dialogue with the Energy Regulatory Office in line with applicable European legislation.

Yours sincerely,

A handwritten signature in black ink, reading 'Artur Lorkowski', is positioned above the printed name and title.

Artur Lorkowski
Director

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