

“Greek-Albanian Cooperation in the Energy Sector”

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Conclusions of the Working Group on Electricity

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1. Fruitful collaboration in the construction of interconnection lines exists since the '70s (150KW) and '80s (400KW) between Albania and Greece.
2. There is a long history in electricity exchanges and trading between KESH and PPC, beneficial to both countries.
3. Podgorica – Tirana – Elbasan 400KW line to be commissioned by end-2009, strengthening the Albanian transmission system as well as regional trade perspectives.
4. Substational investments are in place for the modernization of the Albanian transmission system, especially with the upgrade of the National Dispatching Center.
5. Average annual growth in energy demand as well as peak load in Albania is expected to remain high at about 3% till 2020.
6. Both countries lack investments in generation capacity and they are net electricity importers in the region. This investment in generation assets is considered a priority.
7. Vlora 97MW thermal power station is expected to be commissioned in summer '09.
8. Investments on hydropower projects in Albania are already in progress and further projects may become attractive.
9. A balanced energy mix is necessary to ensure the security of the energy supply both in Albania and Greece.
10. Progress towards a liberalized electricity market structure in legislation and institutions is noted in Albania, in line with the European Community treaty provisions.
11. KESH is exploring a more active role in the trading business.
12. PPC is implementing a new Business Plan for the period 2009-2014, envisaging 13.5bn € in power generation and networks, as well as in growth opportunities in renewables and joint-venture projects.
13. A consortium consisting of RWE, PPC and Titan S.A. is considering a business proposal to construct an 800MW coal fired power station in Albania.
14. The potential of “Green-Renewable Energy Sources” should be explored, aiming at increasing their contribution in the energy balance of both countries.