
Albania
2017
RES ongoing strategy and SEERMap

Gjergji Simaku
Director, RES and EE,
Ministry of Infrastructure and Energy, Albania,

Adress: Blvd "Dëshmoret e Kombit", 1001 Tiranë-Albania

Cel: +355682021939

E-mail: gjergji.simaku@energjia.gov.al

Energy Policy on RES

Energy Strategy 2017-2020; 2030 - 42% share (38% until 2020)

Power sector new Law 43/2015 and New market Model

(11) additional secondary legislation acts (5 RES)

New RES law

introducing RES-e in a competitive platform (the Market)

Restore PPA for concession agreements on SHPP (2020)

Promote other RES technology (not only Hydro)

CfD for the ready for the electricity market liberalization

FiT for 2 MW installation on PV and 3 MW Wind

Auction scheme for Large installation (more than 2 MWp on PV)

Net metering scheme on rooftop PV installation

Guaranty of origin ERE obligation for RES-e

38% RES share

Today's MIE responsibilities' on RES application

- **MIE is responsible** for evaluating and reviewing applications on:
 - HPP&SHPP (concession agreements)
 - Pre authorizations and final authorization for the production of electricity by RES, such as Wind and Solar PV up to 2MW installation.
 - Developing auction scheme for large electricity production by PV and Wind farm. Other types of application on wind, biomass, photovoltaic system, etc..

- **Mission of Directory of RES and EE Directory** is the promotion of RES through:
 - RES promotion;
 - Relevant RES secondary legislation acts;
 - Diversifications RES by revising the 1st NREAP;
 - PPP promotion through private domestic and foreign investment;
 - Proposals on Market Model to monitor the National target (38% share)
 - Next NREAP finalization by end of 2017.

NATIONAL TARGET ON RES

According to RES 2009/28/EC Directive and the Law 7/2017 on “RES promotion” the national Target is a mandatory through 1st NREAP- 38% (35% in 2016)

3-6% additional of RES is calculated on 2650 kToe scenario of 2020 on:

1. Electricity production
2. Heating and cooling
3. Biofuel

NREAP - Albania: RES target share 2020

	<i>ERE additional technology 2015-2020</i>	<i>Quantity ktoe</i>	<i>Generation GWh</i>	<i>Instalatyion MW</i>
1. ERE-E	SHPP up to 10 MW (SHPP)	200	2,326	750
	Eolic (Wind)	30	233	30
	Photovoltaic (PV)	40	582	50
	Total 1	270ktoe	3,140	830
	% in EGFC	25%		
2. ERE-H&C	<i>Biomass</i>	52	800 th	-
	Total 2	52ktoe		
	% in EGFC	10%		
3. ERE-T	<i>Biofuel FAME</i>	75		-
	Total 3	75ktoe		
	% in EGFC	3%		
ERE	Total 1+2+3	397 ktoe from the total 1,017 ktoe		
	% in EGFC	38%		

NREAP – RES-E 750MW SHHP installation (expectation 350)
 30 MW Wind Power (expectation 30)
 50 MW Solar PV (expectation beyond this limitation)

SEERMap findings and Albania RES-e target design 2030

- 1. SEERMap** is a regional study and an excellent opportunity to be part of RES-electricity target design for Albania and the rest of WB countries
- The assessment offers different solutions on generation capacity with different implications for affordability, sustainability and security of supply. The Albanian draft of National Strategy will take into consideration the Study regarding the increase of RES-e share.
- The most suitable scenario for Albania is the “decarbonisation” scenario which reflects significant reductions of CO₂ emissions, in line with NDC driven by a CO₂ price and continuous RES support
- In the ‘decarbonisation’ scenario, only **100 MW** of gas-fired capacity is planned by 2025 and 300 MW until 2030 (draft NSE 2030), thus the share of gas in the electricity mix may surpasses 5%?!

SEERMap Policy Recommendations

(which can be fitted at the draft of Albanian NSE based on results across all scenarios)

1. The high penetration of RES suggests a policy focus on enabling RES-e integration in the regional market;
 - ✓ investing in transmission and distribution networks,
 - ✓ enabling demand side management and RES production through a combination of technical solutions and appropriate regulatory practices, and
 - ✓ promoting investment in storage solutions including hydro and small scale storage
2. RES policies eliminating barriers to RES investment.
3. Policy makers need to address the trade-offs which characterise fossil fuel investments. Gas based capacities are expected to be priced out of the market before the end of their lifetime in all scenarios. The resulting stranded costs are lowest in the ‘decarbonisation’ scenario.
4. Regional level planning improves system adequacy compared with plans which emphasise reliance on national production capacities.

THANK YOU!

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