

## **Inside Information**

### **CEZ won the Albanian distribution tender**

Today the power engineering company CEZ has obtained the official notification of the Albanian Ministry of Power Engineering of the decision rendered by the commission established for evaluation of the bids submitted in the tender for the majority 76% share in the only Albanian distribution company Operatori i Sistemit te Shperndarjes (OSSH sh.a.).

The commission has evaluated the bid submitted by CEZ as the best one. The decision of the commission has to be confirmed by the Albanian government. Afterwards negotiations will be conducted in order to elaborate a detailed wording of the privatization contract that will determine exact details of the transaction in the final form. In the privatization tender for the above stated majority share, CEZ has offered the price amounting to 102 million EUR.

The privatized distribution company attends nearly a million of customers and its gross annual electricity supply amounts to 5.3 TWh.

Albania has been affected by a devastating deficiency of electricity lately, in particular due to the absence of investment in power development in last decades. The annual volume of imported electricity varies according to the availability of hydroelectric power plants in the country; in 2007, Albania imported approximately 40 % of its annual consumption amounting to 6.5 TWh. Most of electricity is delivered to the country from the neighboring Greece; in 2007, the import from Greece constituted up to 70 % of the total volume of the imported electricity.

In Albania, the electricity consumption per capita is less than one third of the consumption in the Czech Republic (2 MWh versus 6.3 MWh per capita). In comparison with Austria, the Albanian electricity consumption per capita is even less than one fourth of the Austrian consumption. Analysts expect that the electricity consumption in the country will grow by 5 % each year; a faster rate is experienced only in Turkey. In other European countries, the electricity consumption mostly grows “only” by 2 – 3 %.