

Inside Information

CEZ owns Albanian distribution grid

Power company CEZ became owner of 76% of shares of the only Albanian distribution company (OSSH) today. CEZ was selected as the winning bidder by the tendering commission already in October 2008, the privatization contract was signed by the government of Albania and CEZ in this March. CEZ paid 102 millions EUR for the majority interest in the OSSH company.

“Today, the CEZ Group stabilizes its position in the region of Central and Southeastern Europe. CEZ has long-term and deep experience with restructuring distribution companies in the Czech Republic, Romania and Bulgaria. We will certainly use them for the benefit of the Albanian electricity distribution sector” said Martin Roman, CEZ's Chairman of Board and General Director.

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

Albania has been lately affected by a devastating deficiency of electricity, 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; for example, in 2007, Albania imported approximately 40 % of its annual consumption.

In Albania, the electricity consumption per capita is less than one third of 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 Albania will grow by 5 % each year; a higher rate in the region is experienced only in Turkey. For comparison, in other European countries, the electricity consumption mostly grows "only" by 2 - 3 % a year.