

Albanian rapidly growing economy above 4% requires additional electricity to ensure the affordability of its industrial operations. However the country remain nett-importer, for 30-60%, from 1998 with two exception of 2010 and 2016 and this seems to be the third one in the last 25 years.

On above, one of the limit factor is due to the high dependence in renewable resources. Further, notwithstanding the complete absence of a mix of energy, a particular concern has to be find in the scarce use of the call for capacity tender and the undiversified tariff used for utilizable natural resources in sector.

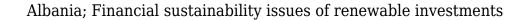
Then, independently by the favourable technical factors in different renewable resources, low cost factor of works in general, as well as the public policies putted in place to facilitate the investments, the greenfield renewable energy added form around 25 years are something equal or around in size of the HPP Fierza.

The undiversify tariffs, have reduce the role of the financial analysis, relatively rare conducted in a limit cases regard the scheme of financial sustainability of the project. This make that generally the analyse may confirm the viability of the project but the variability of hydro has pointed out in practise some difficulties in the ability of servicing the debt. The risk rose from the yearly variability of the production rate, electricity tariff and degree of utilization due to high level of interrupt service of intake energy, with some adverse impact on the financial feasibility. Various measures maybe be taken to reduce the exposure to these risks and to help future projects into a better and more improved technical studies. First, there is a need of the consolidation of the tendency of tender for capacity introduce with the project of PV Akernia. A part the fact to act as a model for further hydroelectric concessions, it may be use for the reconstruct contracts of more than 393 project remain in paper up to here.

Further, based to the PPP project the project owner's of right have to think by the begin of the option to renegotiate the terms of the loan repayment, as they can agree to delay the first repayments of the loan at a later times, when the cash flows from the sales will be higher and sufficient to cover the debt.

Consider the major part of Albanian financial system came from the countries of European Union the investors may also require a restructure term of a loan, toward lower interest rate. One alternative can also be the review of the portion of the debt financing and equity, so that the annual repayment of that loan becomes smaller and the ability of the project to service the debt becomes much more certain.

In last, when private investors initiate unsolicited proposals, they need to carry out a well done feasibility study in their project proposal above the with minimum requirements of the





applicable laws. As well as, it is highly recommended that in any case the ministry of energy have to pretend a financial sustainability studies performance on the project to be carried out from third parties government and nongovernmental organizations.

Source: energyworldmag