

Optima Energy Consulting

Corporate Profile

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ENERGY CONSULTING

Corporate Profile

Optima Energy Consulting is a niche economics and legal advisory practice and provides technical assistance to regulators, governments and utilities in the energy and water sectors.

Founded in 2013 by energy sector professionals with economic, technical and legal backgrounds, we have implemented more than 40 projects in South-East Europe, EU, Central Asia, South Asia, Africa and the Middle East. In doing so, we have cooperated with multilateral organizations, governments and regulators in 18 countries to advance the energy sector reform process, improving the enabling environment for energy markets, facilitating cross-border trade and increasing private-sector participation in infrastructure development.

Optima's engagement is anchored around sustainable policies that enhance energy sector resilience to address climate change and improve energy security of supply. Optima supports governments and regulators to design bankable support schemes to incentivize RES deployment, implement stable frameworks to facilitate infrastructure investment and adopt prosumer support schemes to empower customers in the energy transition process.

Our work is underpinned by robust modelling and analytics and is implemented through our core staff and our broad network of seasoned energy experts boasting specific energy expertise in the regions of our policy implementation. This Corporate Profile provides an overview of our past performance and clients.

Key Business Areas

LEGAL SERVICES

- ✓ Energy Policy
- ✓ Water Policy
- ✓ Due Diligence Analysis

SECTOR REFORM AND REGULATION

- ✓ Energy sector reform and unbundling
- ✓ Energy sector governance
- ✓ Tariff subsidy reform
- ✓ Tariff reviews

BUSINESS PLANNING

- ✓ Risk assessment
- ✓ Market Research
- ✓ Financial Planning

RES DEVELOPMENT

- ✓ Investment Appraisal
- ✓ Regulatory Risk Analysis
- ✓ RES Authorization procedures
- ✓ RES licensing and permitting

Past Performance / Clients & Beneficiaries:



Services Overview

Legal and policy support services

Legal and regulatory support is at the core of our services. We have worked with governments and regulators in supporting efforts of energy sector reform, drafting primary energy sector law and supported drafting and implementation of secondary legislation. For instance, in South-East Europe, our staff have helped governments transpose European energy law into national legislation and assisted regulators implement the resulting reforms.

Renewable Energy Policy

Renewable energy policy, licensing and permitting processes and financial support schemes have characterized a significant portion of our work over the past 10 years. Our staff have supported regulators draft and implement Feed-in tariff systems, competitive-based support schemes and prosumer support schemes. For example, in Kosovo we supported the Energy Regulator draft template Power Purchase Agreements for IPPs and purchase and sale agreements for prosumers.

Wholesale Energy Market Design

Wholesale energy market deregulation and establishment of organized competitive electricity markets has been at the foundation of the energy sector reform processes. Optima supports energy market design for the establishment of competitive energy and capacity markets. For instance, in Albania and Kosovo we are supporting the establishment of a common organized market between the two countries, helping optimize interconnector utilization and achieve a successful price coupling of markets through a power exchange established in Albania for this purpose.

Tariff regulation and periodic reviews

Price intervention and tariff regulation is a fundamental regulatory task. It is also the most technically complex undertaking with direct social and financial implications on end-users. Our experts have had direct experience in assisting regulators conduct periodic reviews and increased regulatory capacities to sustainably approach this important task.

Capital expenditure review and assessment

The Regulatory Asset Base (RAB) is the single most important determinant of allowed revenues of regulated infrastructure. Evaluating the value of the RAB and, more importantly, new capital expenditure additions, is a complex undertaking which requires technical and financial expertise. Our staff have direct experience helping regulators take on this challenging task. For example, our staff have drafted a capital expenditure review procedure for ANRE of Moldova, provided CAPEX evaluation tools training to CERA of Cyprus and helped establish utility WACC levels in Georgia.

District heating, Energy efficiency and energy audits

Optima EC provides clients with flexible, comprehensive and customized solutions during all project development phases. We have performed audits, preliminary route planning for district heating systems, as well as economic appraisals. We have direct experience in energy efficiency audits and have assisting governments identify and implement measures to improve energy efficiency in heating, in addition to providing support for the tender documentation and contract negotiation and drafting.

Energy Sector Trainings and Capacity Development

Optima EC in cooperation with various partners and experts has organized tailor-made training for beneficiaries. The trainings size and scope are developed in close coordination with beneficiaries and clients. Optima EC has organized trainings and assisted local governmental agencies in capacity building in Energy Policies, Energy Markets, Tariff Regulation and Renewable Energy. Our staff have provided tariff training in countries like Hungary, Saudi Arabia, Oman and Kosovo among others.



Key Project References

| Project Client Country | Project Description | Date |
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| <p data-bbox="201 399 558 537"><i>Peer to peer support to the Public Utilities Commission of Sri Lanka on rate cases and tariff reviews</i></p> <p data-bbox="201 578 533 675">Public Utilities Commission of Sri Lanka Colombo, Sri Lanka</p> | <p data-bbox="579 399 1755 496">NARUC organized a peer-to-peer forum on conducting rate cases and settlement-based processes with the Public Utilities Commission of Sri Lanka (PUCSL) as part of the USAID-NARUC Sri Lanka Energy Regulatory Partnership.</p> <p data-bbox="579 537 1755 675">Optima was responsible for the tariff training and provided case studies of tariff adjustments based on examples in South-East Europe. As a team of experts helping the PUCSL, Optima provided examples of international best practice in conducting rate cases, sharing rate components, participating in case hearings and increasing stakeholder engagement in the tariff-setting process.</p> | <p data-bbox="1776 399 1839 423">2023</p> |
| <p data-bbox="201 724 558 781"><i>Manila Electric Company RAB Handbook Update</i></p> <p data-bbox="201 829 432 927">Energy Regulatory Commission Manila, Philippines</p> | <p data-bbox="579 724 1755 854">Optima was part of a regional consortium of companies providing assistance to the Energy Regulatory Commission of the Philippines in the determination of the regulatory asset base (RAB) for the annual revenue requirement true-up process of Manila Electric Company and the development/updating of the RAB Handbook for all private distribution utilities in the Philippines.</p> <p data-bbox="579 894 1755 992">Optima assumed the Team leader position and was responsible for the overall implementation of the project, providing project management expertise as well as regulatory tariff technical assistance to the Energy Regulatory Commission (ERC).</p> | <p data-bbox="1776 724 1850 781">2022-2023</p> |
| <p data-bbox="201 1008 548 1138"><i>Multi-Year Tariff Framework (MYTF) for the Energy Regulation Board (ERB) of Zambia</i></p> <p data-bbox="201 1187 527 1349">Increased Access to Renewable Energy and Energy Efficiency Program (IAEREP) Lusaka, Zambia</p> | <p data-bbox="579 1008 1755 1138">The Energy Regulation Board (ERB) has embarked on a set of regulatory reform measures to ensure transposition of the Electricity Act and the Energy Regulation Act into the regulatory framework. This includes adopting a Multi-Year Tariff Framework (MYTF) with an automatic cost-adjustment component for the power sector of Zambia.</p> <p data-bbox="579 1187 1755 1349">Optima was responsible for drafting the Rule on Regulated Generator Pricing and the Rule on Transmission Network Service Provider Pricing, setting up a multi-year tariff framework based on the building-block approach. The regulations are now undergoing final approval by the Board of ERB. Optima was also responsible for developing a Multi-Year Tariff Model to be used by ERB and utilities to determine the allowed revenues required to provide regulated service to customers.</p> | <p data-bbox="1776 1008 1881 1065">2021-ongoing</p> |

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| <p><i>Kosovo Energy Sustainability Activity</i></p> <p>Tetra Tech IDEV Pristina, Kosovo</p> | <p>Tetra Tech is implementing the Kosovo Energy Sustainability Activity (KESA) which is a 5–year activity aiming to support the development of an electricity market, facilitate market coupling with neighboring Albania and support the development of sustainable energy and new generating capacities to support improve the security of supply.</p> <p>Optima is responsible for drafting rules, reports, analysis papers and creating excel tools to mainstream the workload of the Energy Regulatory Office. Optima has drafted the following documents: Electricity Retail Tariff Structure Review, Rule on Comparison Tools for the Retail Electricity Market, Consultation paper on Regulatory Input Parameters (WACC, Network Losses and Efficiency Factor for utilities), Consultation paper on Maximum Allowed Revenues, Auction Ceiling Price Methodology, Excel-based tool for Retail Electricity Tariffs, Excel-based tool to calculate the impact of RES auctions to end-user Tariffs. Moreover, Optima has aided the Ministry of Economy of Kosovo in drafting the Energy Strategy 2022 – 2027 and supported the review of the primary legislation to enable its implementation.</p> | <p>2021 - ongoing</p> |
| <p><i>Benchmarking study on the effects of the energy crisis on European Water Utility Companies</i></p> <p>Association of European Water Utility Regulators (WAREG) Milan, Italy</p> | <p>Optima Energy Consulting cooperated with the Regional Centre for Energy Policy Research (REKK) to provide technical assistance to the association of European water and wastewater service regulators, seated in Milan, Italy. The purpose of the engagement is to provide an overview of the measures undertaken by WAREG member regulators to manage the ongoing European energy crisis.</p> <p>Optima’s role was to participate in the preparation of the questionnaire, participate in the interviews with the member regulators and draft the economic regulation section of the findings report. Optima also drafted provided policy recommendations on regulatory measures which can be considered which can accommodate the price volatility while preserving consistent price signals for customers.</p> | <p>2022-2023</p> |
| <p><i>Energy subsidy reform support to the Government of Uzbekistan</i></p> <p>World Bank project Tashkent, Uzbekistan</p> | <p>The Government of Uzbekistan has embarked on a set of market-oriented reforms in all key areas of the economy. These include deep structural reforms in the energy sector where the Government aims to improve service quality and reliability, enhance the operational efficiency of the supply segments and unbundle the sector to pave the way for a wholesale electricity market in the future. These reforms also include phasing out subsidies and introducing cost-reflective and cost-recovery tariffs in the sector.</p> <p>Optima’s role was to organize a workshop with senior government officials and stakeholders and lead a team of 7 experts to present case studies and examples of international best practice in</p> | <p>2023</p> |

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| | phasing out energy tariff subsidies. Optima also drafted a Framing Document and a roadmap providing policy measures characterizing a successful tariff subsidy reform, including measures related to vulnerable customer protection and effective stakeholder engagement and communication | |
| <p><i>Support the Implementation of Renewable Energy Auctions in Kosovo</i></p> <p>DLA Piper Kosovo</p> | The implementation of the project will unfold in 4 parts; development of detailed design and strengthen of the overall legal and regulatory framework for auctions, development of all the auction documentation for a solar PV and Wind auction, provide authorities with detailed technical, financial and legal assistance, and development of framework for future competitive procurement scheme. Optima EC will cover the local market knowledge supporting the consortium in four fields, legal, financial, environmental and technical. Optima’s EC responsibilities include: preparing a review of existing legislation and materials, advise on compliance of the design documents, draft necessary legal acts for designing the auctions, review the drafts prepared by the international consultants for compliance with local requirements, prepare template land agreements and grid connections, review technical specifications for Solar PV and Wind Power projects, assist on administering the bid from the pre-qualification stage till conducting the negotiations with preferred bidders. | 2020 – 2021 |
| <p><i>Consultancy on Ring-fencing and Cost Guidelines</i></p> <p>Eswatini Energy Regulatory Authority (ESERA) Eswatini (formerly known as Swaziland)</p> | Optima EC teamed up with a small consortium of South African-based companies led by Kugel Legal to provide ESERA with Guidelines on ring-fencing power sector activities, paving the way for additional sector reforms and improving the accountability of sector stakeholders. Under this project, Optima will support ESERA to in (i) Identification of activities, costs and market behaviors subjected to regulatory oversight; (ii) Segregation of activities and costs according to major value chain activities; and (iii) Develop and update guidelines for reporting costs in accordance with major supply chain activities. Optima will also support ESERA in the public consultation process and achieving stakeholder buy-in on the proposed Guidelines. | 2020 – 2021 |
| <p><i>Technical support on the regulatory framework related to Small Scale Embedded Generation</i></p> <p>Eswatini Energy Regulatory Authority (ESERA) Eswatini</p> | <p>Optima was part of a consortium supporting the Eswatini Energy Regulatory Authority (ESERA) develop the legal and regulatory framework for the Small Scale Embedded Generation. The project developed a prosumer support scheme which sought to empower customer engagement in the energy transition process by providing incentives to invest and engage in power production for households and small & medium enterprises.</p> <p>The draft regulation was submitted to ESERA alongside a report which provided an overview of examples of international best practice in prosumer support schemes. ESERA and Eswatini energy sector stakeholders received training on the proposed policy and the required measures and capacities for its sustainable implementation.</p> | 2020-2021 |

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| <p><i>Market Coupling Activity between Albania and Kosovo – a USAID funded project (D-REM activity)</i></p> <p>Tetra Tech Kosovo and Albania</p> | <p>Optima EC is assisting Tetra Tech for the implementation of the Kosovo and Albania Market Coupling. The assistance for the implementation of the project is for a duration of 1 (one) year. We supported the timely publication of the solicitation for the ALPEX shareholders, helped KOSTT in its application to become a shareholder of ALPEX, engaged in the development and execution of shareholding agreements, supported KOSTT in designating ALPEX as their nominated operator for the organized electricity markets and endured harmonization of the legal and regulatory policies on both countries.</p> | 2020 |
| <p><i>Technical Support to the Reform Implementation Office of the Ministry of Infrastructure and Energy</i></p> <p>KfW and AFD Albania</p> | <p>The Government of Albania (GoA) signed a Memorandum of Understanding with German Development bank KfW and the French Equivalent AFD in order to implement a set of energy sector reforms which, when completed, trigger a performance-based lending instrument for the Government of Albania.</p> <p>In order to assist the implementation process, the Albanian government and KfW established a Reform Implementation Office (RIO) which is a body set up under the Ministry of Infrastructure and Energy. Our team member serves as a consultant in the Reform Implementation Office, assisting with measures related to DSO unbundling, market opening, price deregulation and regulatory reform.</p> | 2020 – 2023 |
| <p><i>Electricity Tariff Setting – A Practical Guide</i></p> <p>Energy Regulators Regional Association (ERRA)</p> | <p>Electricity Tariff-Setting – A practical guide was the first E-learning tariff-setting training course organized by ERRA over the course of four weeks in June and July 2020. Our team expert was the Course Director and primary lecturer of the course and helped design a course curriculum which included real-time lecturing with the instructors, homework exercises and assignments based on the lectured material, real-time consultation (tutoring) with the instructors of the week and grading and feedback on the submitted work.</p> | 2020 |
| <p><i>Principles of Economic Regulation – Electricity Tariffs training course</i></p> | <p>ERRA was the organizer of the Principles of Economic Regulation – Electricity Tariffs training course which took place for the 10th time in Budapest in February 2020. Our team expert was the Course Director and primary lecturer of the course covering topics related to fundamental principles of economic regulation and building-block approach to revenue setting. The team expert also</p> | 2020 |

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| <p>Energy Regulators Regional Association (ERRA)</p> | <p>prepared the course curriculum, placing emphasis on the practical aspects of tariff setting, modeling exercises and simulated calculations of allowed revenues. The team expert was the top-rated speaker of the course.</p> | |
| <p><i>District Heat Metering Activity - Reliable Energy Landscape Project</i></p> <p>Millennium Foundation Kosovo (through Decon International GmbH), Kosovo</p> | <p>Optima was a prime subcontractor for regulatory support services in the District Heat Metering Activity – Reliable Energy Landscape Project which sought to enhance energy efficiency in district heating by implementing a consumption-based billing scheme in Kosovo.</p> <p>Optima helped design, plan and implement a behavioral change and outreach campaign, provided analysis in the preparation of baseline studies for an investment plan, develop a consumption-based tariff methodology and provide cross-cutting gender and social support to facilitate the sustainable implementation of the project.</p> | <p>2019-2022</p> |
| <p><i>Kosovo Legal Consultant for Solar Project</i></p> <p>IFC (through Hunton Andrews Kurth) Kosovo</p> | <p>Under this engagement, Optima helped prepare a preliminary legal analysis, which includes a broad analysis of the current Kosovo regulatory framework and laws under which the PPP could be implemented and a critical gap analysis of the existing feed-in tariffs PPA and proposal of the amendments to such PPA as necessary if it is to be used as the basis for the PPP.</p> <p>In addition, Optima prepared a factual finding report, which will outline the main findings of (a) above, identify legal constrains that could affect the structuring of the Project, recommend mitigation measures and identify legislation and regulation that may need to be amended in order to implement the Project;</p> | <p>2019 - 2020</p> |
| <p><i>Tailored training to the Oman Power and Water Procurement Company (OPWP)</i></p> <p>Energy Regulators Regional Associate (ERRA) Oman</p> | <p>The Oman Power and Water Procurement Company is the single wholesale buyer and water procurement body in Oman and contracted ERRA to provide training on market opening, wholesale price deregulation, market rules, electricity market monitoring and tariffs and price determinants. As a course director, Optima’s role was to assemble a team of experts to help increase OPWP’s capacities in the operation of electricity markets and tariffs.</p> | <p>2019</p> |
| <p><i>Tailored Training to the Oman Electricity Transmission Company (OETC)</i></p> | <p>Optima provide course directorship services for the tailored tariff training program provided to the Oman Electricity Transmission Company, which took place in Muscat in 2019. This training event was designed by our team expert in coordination with the OETC and featured discussions on wholesale electricity markets, market models and power exchanges and price-setting principles for regulated networks, including discussions on building-up the revenue requirement and converting</p> | <p>2019</p> |

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| <p>Energy Regulators Regional Association (ERRA)</p> | <p>revenues into regulated transmission use of system, system operator and market operator charges. The course also featured detailed tariff modeling exercises making a direct practical link to the examples of international best practice provided in the presentations.</p> | |
| <p><i>Training Course on Principles of Economic Regulation and Electricity tariffs</i></p> <p>Energy Regulators Regional Association (ERRA)</p> | <p>Team Expert was the Course Director of the Training Course on Principles of Economic Regulation and Electricity Tariffs which took place in Muscat, Oman and covered wholesale electricity market deregulation, building-block approach to revenue setting, WACC-setting principles and considerations, cost-allocation principles and retail market deregulation and end-user tariff design principles.</p> | <p>2019</p> |
| <p><i>Appraisal Study for Climate Resilience and Energy of Water Utilities in Kosovo</i></p> <p>Swiss Economic State Secretariat for Economic Affairs</p> | <p>Our tasks and activities for this study included: assessment of current legal and policy framework in Kosovo with regards to water and energy efficiency, and identify possible gaps as well as potential areas and setups for policy dialogue on respective issues, assessment of the government's political willingness to improve the climate resilience in the water sector, e.g by launching a respective national programme as framework for this project and contributing to the investment fund, conduct several interviews with stakeholders of this sector in Kosovo to assess the current situation and get first-hand information on the existing issues, challenges and opportunities related to water and energy efficiency of the water utilities.</p> | <p>2019</p> |
| <p><i>Kosovo Clean Energy Task Order 'Repower'</i></p> <p>DT Global Kosovo</p> | <p>Optima EC was engaged in various legislative aspects on all project components, including revising primary legislation to comply with the 3rd Energy Package of the <i>Acquis Communautaire</i> and transposing these legislative requirements on the regulatory framework adopted by the ERO. Optima EC assisted on drafting proposals with amendments to prioritize and streamline RES projects, in line with the Country's goals and objectives, and drafted legal and regulatory acts to attract private sector participation for renewable technologies. Optima EC also provided assistance in relation to the development of the Kosovo-Albania common electricity market.</p> <p>Key results include: (i) Kosovo's primary legislation is fully in compliance with the 3rd energy package of the <i>acquis Communautaire</i>; (ii) the renewable energy support scheme is funded through a sustainable RES charge applied on all transmission-level demand on a non-discriminatory basis; (iii) end-user consumer empowerment through self-consumption and net-metering schemes; and (iv) the primary legislation compliant with the EU 3rd Energy Package.</p> | <p>2014-2019</p> |
| <p><i>Electricity Market Arrangements in line with the EU Third Package</i></p> | <p>The Energy Regulators Regional Association (ERRA) was contracted by European Commission's SRSS Unit in order to provide on-site tailored training support to the Cyprus Energy Regulatory Authority (CERA) in order to improve the Agency's ability to implement the newly adopted Electricity Market</p> | <p>2018</p> |

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| <p>Energy Regulators Regional Association (ERRA) Cyprus</p> | <p>Arrangements in line with the EU Third Package and to increase the overall regulatory capacities of the authority. Our consultant responsibility in the project was to assist the ERRA Secretariat in project management and to provide tailored training to the energy regulator on issues pertaining to price regulation and tariffs. Also, our consultant was responsible for providing CERA with a long-term training action plan and a set of recommendations for its organizational set up and hiring strategy to improve CERA's ability to respond to new regulatory challenges.</p> | |
| <p><i>Capital Expenditure Review and Assessment Tools</i></p> <p>Energy Regulators Regional Association (ERRA)</p> | <p>Our team expert was the Course Director for the capital Expenditure Review and Assessment Tools training which took place in March 2018 in Budapest. The expert was responsible for course content, design of curriculum and selection of speaking experts and topics. The course featured discussions on integrating capital expenditures in the price control, capex review and assessment techniques, ENTSO-E's cost-benefit analysis methodology and methods for benchmarking of capital expenditures, including discussions on asset utilization and regulatory aspects to asset stranding.</p> | 2018 |
| <p><i>Technical Assistance for the Implementation of the Regulation 347/0213</i></p> <p>Energy Community Secretariat Kosovo</p> | <p>Our activities in the implementation of this project were separated into two tasks: (i) analysis of the current legal and regulatory framework in Kosovo and (ii) drafting of Manual of Procedures for projects of Energy Community interest - Kosovo. Optima's EC consultants for the first task compared the present legal framework with the Regulation (EU) 347/2013 to identify main provisions that were improperly transposed and determined how to dissolve issued identified and limit discrepancies with the requirement of Regulation (EU) 347/2013.</p> <p>The second task was on drafting a report on Manual of Procedures for projects of Energy Community interest containing the procedures for the permit- granting process in Kosovo applicable to Projects of Common Interest in line with a technical approach, which would be available for use by the Competent Authority. The outcome of this project was the review of Regulation and the development of the Manual of Procedures for the implementation of this Regulation.</p> | 2018 |

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| <p><i>Introduction to Energy Regulation</i></p> <p>Tailored Training to the Nigeria Electricity Regulatory Commission (NERC) Budapest</p> | <p>The Energy Regulators Regional Association (ERRA) was contracted by the Nigerian Electricity Regulatory Commission to provide tailored training on the fundamentals of energy regulation. The objective of the training course was to foster a working knowledge of key regulatory principles, to introduce the current trends and issues in energy regulation with an emphasis of the specific features of emerging economies in order to help develop more informed regulatory and policy decisions, provide benefits to consumers, governments and companies by helping improve the electrification of the country. The course provided basic technical, economic and legal regulatory skills that are needed to design and manage successful regulatory systems for the energy sector in emerging economies.</p> <p>The Consultant delivered lectures on the economics of regulation and on regulating network usage and access and to participate on the follow-up discussions for specific issues related to the Nigerian energy sector (regulatory incentives in reducing commercial losses, enhancing private-sector participation, improving electrification of the country through the development of mini-grids and improving the financial sustainability of the regulated utilities). The Consultant also provided a simulation of a rate case review where participants had to calculate allowed revenues and defend their regulatory positions. The Consultant was the highest ranked speaker out of all the guest speakers invited by the Course Director.</p> | <p>2017</p> |
| <p><i>Regulatory Support for Renewable Energy Regulatory Framework and Grid Integration</i></p> <p>World Bank (through Fichtner Management Consulting) Kosovo</p> | <p>Optima EC assistance to Fichtner Management Consulting GmbH on conducting interviews with RES developers, central and local institutions, network operator systems and financial institutions in order to identify barriers that RES developers face during the development of the projects. These barriers ranged from Legal and Regulatory Framework, Institutional Barriers in the Authorization Process, Financial Barriers, Technical Barriers, and Public Awareness and Acceptance Barriers. Optima's EC recommendations to ease barriers were through the Enhancement of the renewable framework. The renewable framework consists in several points that Kosovo should undertake in a way to create an impact on the facilitation of these barriers.</p> | <p>2015-2016</p> |
| <p><i>Purchase Price Evaluation for Hydro Power Plant</i></p> <p>Triangle General Contractors Kosovo</p> | <p>Results achieved from the implementation of the project were coming with a price (\$\$), which would determine the Purchase Price of the Hydro Power Plant of 0.8 MW. Optima EC has also provided training and assistance in increasing in-house technical capacities to improve their understanding of the Fundamental principles driving regulated prices and Kosovo's regulatory framework governing RES support schemes</p> | <p>2015</p> |

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| <p><i>Technical Assistance to Moldovan Energy Regulator</i></p> <p>Moldovan Energy Regulatory (through LDK Consultants)</p> | <p>The objective of the engagement was to analyze the rules and practices applied in EU states for reviewing investment programs by referencing to international best practice examples. Optima EC also helped ANRE draft a Regulation which lays out the principles for submitting, reviewing and analyzing capital expenditure programs and advised the regulator on the evaluation of various elements of the Regulatory Asset Base and determination of the Weighted Average Cost of Capital for adequate incentives for network infrastructure investments.</p> | <p>2014 - 2015</p> |
| <p><i>Electricity tariff Consultancy to the Energy Regulatory Office of Kosovo under the framework of ETR7</i></p> <p>National Association of Regulatory Utility Commissioners (NARUC) Kosovo</p> | <p>The principal objective of the consultancy was to provide technical assistance and support to the ERO Tariff Department in finalizing all issues about the Electricity Tariff Periodic Review Process, to provide an independent review of licensees' tariffs applications, support modeling calculations of allowed revenues and other energy system peculiarities. Specifically, Optima EC assisted in the strengthening and improving the transparency of the existing MAR models reviewing and evaluating the DSO and the TSODUOS and TUOS/SO/MO calculations reviewing and evaluating the retail tariff calculations and addressing some circular reference issues generated by the formulas in the Pricing Rules of ERO.</p> | <p>2014</p> |
| <p><i>Reviews IFC's PPP ECA IA Programs</i></p> <p>DH Infrastructure Kosovo</p> | <p>The main objective of the review was to assess the performance of IFC's Southeast Europe Infrastructure Advisory (SEIA) and Europe and Central Asia Infrastructure Advisory (ECA IA) in light of their internal procedures, management, project work, and external development impact. Optima EC assisted DH Infrastructure in identifying performance indicators and counterfactuals for IFC's projects, provided assistance on data collection and analysis for the Kosovo projects and assisted in drafting the final report.</p> | <p>2014</p> |
| <p><i>Technical Assistance to the Kosovo Energy Corporation JSC</i></p> <p>Kosovo Energy Corporation JSC Kosovo</p> | <p>Optima EC modeled KEK's Revenue Requirement for the second Relevant Year of the Regulatory Period, including its Operating and Maintenance Allowances, Depreciation costs and Allowed Return. An assessment of the forecast lignite supply costs was also conducted under this task. One of the main deliverables of the project was the development of a capacity and energy charging methodology.</p> <p>This methodology would be used after ERO's approval of the Regulated Generator's MAR to set the corresponding energy charge and capacity charge which would allow KEK to recover their Revenue Requirement. The design of the charges took account of the Kosovo Electricity Market Rules and ERO's tariff regulation secondary legislation.</p> | <p>2013</p> |

| Countries of focus | Experience / Presence |
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| Albania | <ul style="list-style-type: none"> – Market Coupling Activity between Albania and Kosovo – Technical Support to the Reform Implementation Office of the Ministry of Infrastructure and Energy – Drafting the Renewable Energy Law – Establishing the renewable energy operator – Review IFC’s PPP ECA IA Programs – Design a Net-Billing Support Scheme in Albania |
| Cyprus | <ul style="list-style-type: none"> – Support to the Cyprus Energy Regulatory Authority on the implementation of the 3rd Energy Package |
| Eswatini | <ul style="list-style-type: none"> – Technical assistance to ESERA on Ring–fencing and Cost Allocation Guidelines – Legal and Regulatory Framework for Small–Scale Embedded Generation |
| Georgia | <ul style="list-style-type: none"> – WACC setting for Georgian utility companies GNERC |
| Hungary | <ul style="list-style-type: none"> – Consultancy support to the Energy Regulators Regional Association (ERRA) member base of 48 members |
| Kosovo | <ul style="list-style-type: none"> – Electricity Tariff Consultancy to the Energy Regulatory Office on Tariff design, and Regulatory Parameters – Assessment of the potential to deliver utility–scale dispatchable renewable power to Kosovo – Support the Implementation of Renewable Energy Auction Mechanism in Kosovo (EBRD) – Tariff support to the District Heat Metering Activity in Kosovo (MCC) – Market Coupling Activity between Kosovo and Albania (USAID) – Kosovo Legal Consultant – IFC World Bank – Appraisal Study of Improving Climate Resilience of Water Utilities – Technical Assistance for the Implementation of Regulation 347/2013 (Energy Community) – Legal Counsel to the Millennium Challenge Corporation – Kosovo Clean Energy Task Order – Repower – USAID – Regulatory Support for Renewable Energy Regulatory Framework and Grid Integration – Electricity Tariff Consultancy to the Energy Regulatory Office for Kosovo under the framework of ETR7 |
| Mozambique | <ul style="list-style-type: none"> – Regulatory support on tailored tariff training assistance to ARENE |
| North Macedonia | <ul style="list-style-type: none"> – IPP review due diligence support consulting support services to Fichtner Management Consulting (EBRD) |
| Oman | <ul style="list-style-type: none"> – Tariff training Support to Oman Electricity Transmission Company (OETC) – Course Directorship support to the Energy Regulators Regional Association Tariff training – Support to the Oman Power and Water Procurement Company (OPWP) |
| Philippines | <ul style="list-style-type: none"> – Annual Revenue Requirement True Up Process and the Development of the Regulatory Asset Base Handbook – Training to the Energy Regulatory Commission on the NGCP review process |
| Saudi Arabia | <ul style="list-style-type: none"> – Technical Assistance to the Saudi Electricity and Cogeneration Regulatory Authority on Water Tariffs – Training to the Water and Energy Regulatory Authority (WERA) |

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| Sri Lanka | <ul style="list-style-type: none">– Peer-to-Peer exchange on electricity tariff setting procedures |
| Ukraine | <ul style="list-style-type: none">– Analysis of the Best International Practices in the Regulatory Audits of Natural Monopoly Entities in Electricity and Natural Gas Markets |
| Uzbekistan | <ul style="list-style-type: none">– Technical assistance to the Government of Uzbekistan on Electricity Tariff Subsidy Reform– Stakeholder workshop on electricity tariff subsidy reforms |
| Zambia | <ul style="list-style-type: none">– Technical Assistance on Mini-Grid Tariff Regulation to the Energy Regulation Board– Drafting the Rule on Mini-Grid Tariffs– Multi-year tariff framework (rules and methodologies)– Multi-year tariff framework (modeling and training)– Training to ERB and stakeholders |

Contact information

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