

OUR PORTFOLIO:

\$49
million

OUR PROJECTS:

A



reliable supply of
electricity

B



accountability
and transparency

OUR MISSION IS:

Accelerating Kosovo's transition to energy independence and good governance.

OUR VISION IS:

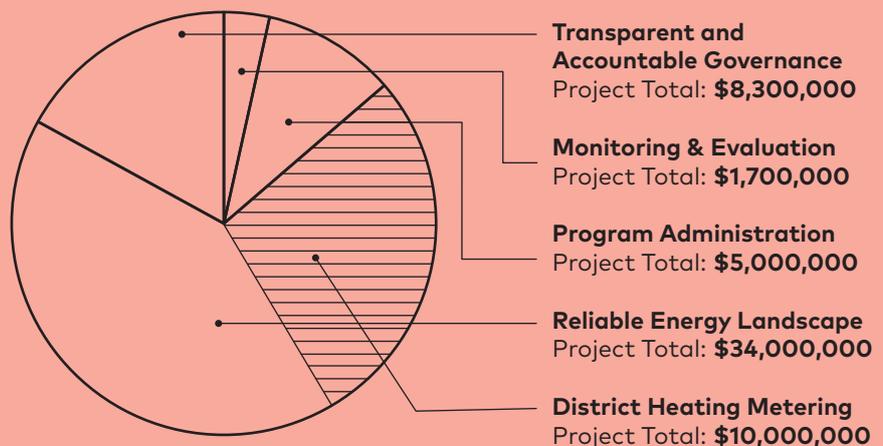
Pursuing innovative solutions for a sustainable energy landscape, transparent governance and inclusive society.

FACT SHEET **ABOUT MFK & OUR PARTNERSHIP WITH TERMOKOS ON DISTRICT HEATING METERING**

ABOUT MILLENNIUM FOUNDATION KOSOVO

Millennium Foundation Kosovo (MFK) is an independent foundation set up in 2018 to implement the Threshold Agreement between Kosovo Government and the Millennium Challenge Corporation, worth 49 million USD. MCC's Kosovo Threshold Program addresses two key constraints to Kosovo's economic growth: an unreliable supply of electricity; and real and perceived weakness in rule of law, government accountability and transparency.

MCC's investments are designed to strengthen the power sector by fostering a market-driven approach to lowering energy costs for households and businesses, encouraging energy efficiency, and developing new sources of electricity generation. The program also supports the Government of Kosovo's efforts to improve decision-making and accountability by increasing the accessibility and use of judicial, environmental, and labor force data.



DISTRICT HEATING METERING (DHM)

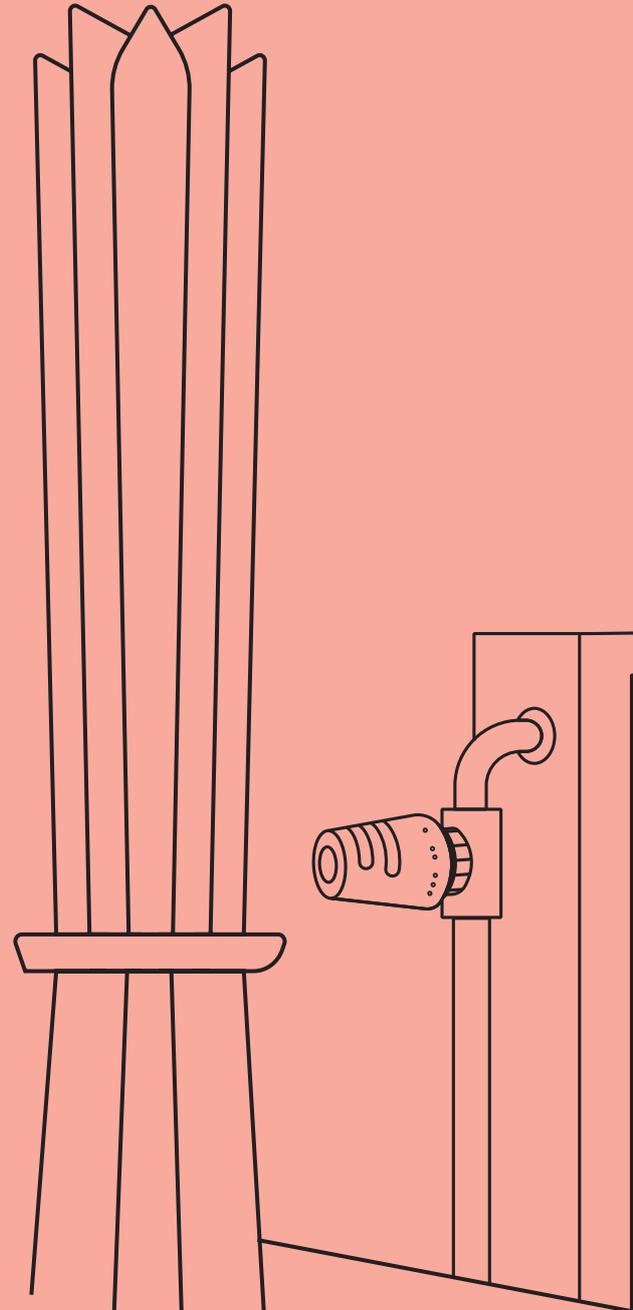
BACKGROUND

The design of the District Heating Metering Activity (DHM) which is one of the two main activities within the Reliable Energy Landscape Project (REL) of the Threshold Program, is based on a rigorous study of the district heating systems in Kosovo which shed a light on the challenges that district heating operators face in maintaining profitability in a changing environment.

Within the REL, the objective of the DHM Activity is to support reduction of electricity consumption used for heating by expanding quantity-based district heat metering on the Termokos district heat supply network in Pristina.

Implementing a consumption-based heat metering is expected to:

- Reduce demand on the district heat network;
- Support expansion of heat supply services to new consumers which rely on electricity for heating;
- Improve the services for the consumers who already reside in buildings connected to district heating services; and
- Enable Termokos to transition into consumption-based billing and thus better align their revenues with their costs and the services they provide.



TERMOKOS AS A PARTNER

MFK will work with Termokos, end-users, the Energy Regulatory Office (ERO) to trial different modalities and strategies for packaging district heating metering and energy efficiency services to maximize customer value, reliability, and sector cost efficiency.

PROJECT COMPONENTS AND PARTNERS

DHM activity focuses on implementing district heat metering services for the 12,500 customers on Termokos network, including installation of consumption-based heat metering in individual apartments, and installation of thermostatic heating valves with built-in balancing function on radiators.

The aim of these interventions are:

1

TO PILOT METHODS TO METER DISTRICT HEATING IN RESIDENTIAL BUILDINGS IN PRISHTINA

2

TO INSTALL RELEVANT EQUIPMENT IN 12,500 APARTMENTS AND 60,000 RADIATORS

3

TO SUPPORT REGULATOR WITH THE DESIGN OF CONSUMPTION-BASED TARIFFS

4

TO SUPPORT THE TERMOKOS IN UPGRADING TRANSITION FROM SPATIAL BILLING TO A CONSUMPTION-BASED BILLING

5

TO HELP CONSUMERS CONTROL THE CONSUMPTION AND THE COST OF THE HEATING BILL

2018

Project Development
Due Diligence

2019

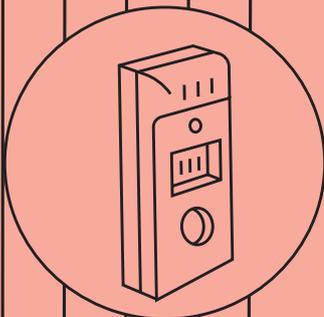
Procurement of the Implementation Consultant and Project Launch Event

2020

Baseline Technical and House Hold Studies, Tendering for Metering Company, BC&O Campaign

2020-2021 (2022)

Installation of Metering Systems, Technical Assistance & Heating Tariff Design, BC&O implementation



LATEST NEWS

THE SIGNING OF MOU BETWEEN MFK AND TERMOKOS

In August 2020, MFK and Termokos, the heating local supplier of district heating in Pristina agreed to build cooperation by signing a Memorandum of Understanding on the implementation of the District Heating Metering Activity (DHM), which aims to support the transition of the district heating from area-based billing to consumption-based billing.

START OF BASELINE STUDIES AT BUILDING LEVEL TO PREPARE THE SPECIFICATIONS FOR METERING SYSTEMS PURCHASE AND INSTALLATION

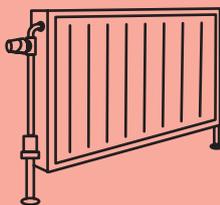
The DHM Implementation Consultant, consisting of a German–Austrian Consortium (Decon/IC), is engaged in doing technical baseline studies of buildings for metering systems purchase and installation and a survey. The survey will include information on central heating facilities, hydraulic systems and all other information required for the elaboration of the Bill of Quantities.

START OF HOUSEHOLD SURVEY WITH TERMOKOS CUSTOMERS

The DHM Implementation Consultant will carry out necessary steps for preparation of the technical specifications for the Metering Equipment procurement. They will conduct Household Surveys with over 3600 apartments, which is an important data collection for beneficiary analysis.

PROJECT FACTS AND EXPECTED RESULTS

The implementation of this project starts in June 2020 and lasts until September 2021, with a 1-year extension possibility.



The Meters, Heat Cost Allocators, Thermostatic Dynamic Valves and the Software start installing.



MFK, MCC and the Implementing partners start providing training, capacity building, and regulatory support.



Termokos starts applying the new tariffs.



Termokos upgrades billing methodology and customer services.



MFK, MCC and the Implementing Partners starts intensive behavior change campaigns, helping people understand the potential benefits of the new billing system.



MFK and MCC conduct monitoring and evaluation of the systems in place.



Environmental and Social Impact Compliance



Gender and Social Inclusion Compliance