Heat supply is one of the most important components of the energy supply economy and tariffs in this field play an important role both for consumers and for the company as a whole.

Relevance of this subject is proved by the necessity to improve the traditional tariff policy according to current trends of development within the Program of reforming and development of housing and communal services in 2014-2020 s. s. which corresponds to 3 of 6 main objectives.

Heat supply sector has many problems that require immediate solution. However, realizing that it is mostly the result of a lack of funds or inability to obtain it on time, this paper proposed primarily to draw attention to the process of tariff regulation.

The modern tariff policy does not satisfy consumers as all the specific part of heating in accounts of the municipal economy makes about 70 %.

Propose to consider the current state of housing and communal services in Ukraine. The tendency for increase in losses is kept from year to year as well as the growth of debit and credit receivables.

Unfortunately, The Program of reforming and development of housing and communal services on 2009-2014 y. was financed less than for 30 %. Therefore the problem connected with attraction of investments gains still a bigger relevance as the result of the fact what the branch is underfunded.

The return on invested capital method (RAB method) can be considered as one of the methods for improvement of tariff setting process at the enterprises of heat supply. The abbreviation of RAB stands for Regulatory Asset Base.

This method allows:
– long-term planning;
– regulatory the period savings which remains at the enterprise;
– stimulating of the services quality improvement and investments attractiveness.

For a more exact understanding of using the RAB method in Ukraine for tariff regulation in housing and communal services, the characteristic of the Communal enterprise «Kharkiv Heating Network» can be used as an example.

The purpose of the activity is the consumers’ needs satisfaction in qualitative heat energy with the smallest expenses and receiving profits for the enterprise development.

The negative characteristic of activity of the enterprise is the annual growth of size of losses of heat energy in the network which is equals 20%. For an effective work of the enterprise it is necessary to support fixed assets in a proper condition.

The negative tendencies indicate the necessity of introduction of actions for improvement of the condition of financial and economic activity of the enterprise.

As a result of the analysis the following problematic issues have been revealed:
– imperfection of the current pricing mechanism;
– existence of debit receivables;
– considerable depreciation of fixed assets;
– difference between changed and actually gained revenues.

The new method of tariff setting will help to solve these questions.

The base of tariff regulation Communal enterprise «Kharkiv Heating Network» activities by RAB method is the principle of providing it necessary gross revenue (NGR) which allows refunding expenses on implementation of the activity. The tariff is established, proceeding from the revenue divided into the general power of consumers in peak hours. The company establishes plan power level in a year. As a result, this type of revenue is stable and within a year it cannot be subject to fluctuations, for example because of difference in consumption of heat energy.
Tariff calculations for services in heat supply have been made on the basis of the return on invested capital method, and the value of the tariff calculated on the basis of the acting tariff setting methodology has been prognosticated. The dynamics of the above mentioned tariffs changed by 1,6 times and it indicates the expediency of the RAB method application.

Therefore, the RAB method has many advantages:

– long-term tariff regulation,
– increase of efficiency and financial stability using transition to the long-term stimulating regulation methods,
– establishment of the rate for invested capital return,
– stimulation for inefficient operating expenses reduction and distribution of additional benefits from efficiency increase between the enterprises and consumers.

Thus, use of the RAB method using by on Communal enterprise «Kharkiv Heating Network» in the future will give a chance to attract additional investments into the branch

The new system of tariff setting will bring essential benefits to all interested parts – it will reduce the tariff for consumers as well as will allow to meet requirements of the enterprises and investors.

References:


