advantages and were counted the coefficient of comparative advantages of the RA external turnover and energy export. If in the Republic of Armenia those coefficients totally had negative value, particularly for energy it had high positive value, for different years it differed from 0.334 – 0.932. These facts give reasons to note that the export of energy from the RA and being the main player in regional market may sufficiently improve the balance of payments of the State.

**APPROACHES FOR ELECTRICITY TARIFF FORMATION AND THEIR CONNECTION WITH THE MINIMUM SIZE OF SALARIES**

_Elyanora Matevosyan,
Lecturer at YSU Finance and Accounting Department,
Candidate of Economics_

_Ashot Markosyan,
YSU Department of Management and Business:
Professor, Doctor of Economics_

_Sona Sargsyan
YSU Department of Mathematical modeling in Economics: Associate Professor_

1. As it is known, the prices for goods and services in the market relations are determined on the basis of supply and demand. But some goods and services are exception to that general pattern (which are mainly services), which are of public nature and importance. In other words, their main consumer is the whole population or the substantial part of the population. This peculiarity also dictates that the mentioned group set prices (tariffs) for the services that will make available their consumption for the majority of the population. The function of making the services accessible, as a rule, implements the state-created bodies, agencies, committees, etc.

2. In the second half of the 1990s the European Union initiated the liberalization of the electricity and natural gas markets. In 2003, through the EU’s directives approved the general rules for the internal market in electricity and natural gas. They are set to open markets and give customers the opportunity to choose their suppliers.

Since July 1, 2004 for industrial consumers and from July 1, 2007 for all consumers those procedures have been set for all consumers (including households). Some countries have implemented a drastic process of liberalization, while others slower, but have undertaken the necessary
measures. As a result, in July 2009 the European Parliament and the Council of the European Union adopted the third package of legislative proposals aimed at ensuring the real and effective choice of suppliers, as well as providing benefits for consumers. The third EU legislation reform package was introduced in 2014, which aims to formulate integrated national energy markets.

3. Based on the importance of electricity as a public service, the ratio of the defined minimum wage and the amount of energy consumed by households have been studied, as well as for a number of EU countries during the period for 2013-2015.

4. According to the RA NSS data since the second half of 2011, the minimum wage rate in Armenia was 32,500 AMD, which is 63.09 Euros. In 2012, these rates were as follows: 32,500 drams and 62.37 euros, in 2013 - 45,000 drams and 82.02 euros respectively, in 2014 - 50,000 drams and 92.78 euros respectively, in 2015 - 55,000 drams and 104.53 euros respectively.

In 2011, per kilowatt of electricity in Armenia cost 30 drams (or 0.058 euros), in 2012 - 30 drams (or 0.057 euros), in 2013 - 38 drams (or 0.069 euros), 41.85 drams (or 0.077 euro), in 2015 - 41.85 drams (or 0.079 euros) or 48.78 drams (0.092 euros).

If we calculate the cost ratio of 200, 300 and 400 kW /h electricity monthly consumed by the citizen of Armenia (household) to the minimum monthly wage, it will comprise respectively in 2012- 18.4%, 27.6% and 36.8%, in 2013- 16.8%, 25.2% and 33.7%, in 2014 - 16.6%, 24.9% and 33.2% and in 2015 - 15.1% and 22.7% and 30.2%.

As you can see, during the period of 2011-2015, there is a positive shift in the ratio of the value of the consumed electricity to the minimum wage rate. For example, if in 2011 this ratio was 18.4% for the consumption of 200kW / h, then in 2015 it was 15.1%.