



ZYRA E RREGULLATORIT PËR ENERGJI
ENERGY REGULATORY OFFICE
REGULATORNI URED ZA ENERGIJU

Rule on Authorisation for New Generation Capacities

Partnership Activity:



Energy Regulatory Office

&



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Hysnije Rexhaj
Licence Monitoring Analyst

Rule on Authorisation - Legal Base

◆ Defined by Law on Energy Regulator:

- *Article 38* determine “the construction of new generating capacity..... shall be based on either an authorising procedure or a tendering procedure”.

Definition is in accordance with EU Directive 2003/54/EC.

◆ Defined by EU Directive 2003/54/EC :

- *Chapter III, Article 6* determine “For the construction of new generating capacity, Member States shall adopt an authorization procedure, which shall be conducted in accordance with objective, transparent and non discriminatory criteria”.
- ◆ Both the Law and the Directive recognise that electricity generation should be a competitive activity, and that authorisation should be “objective, transparent, and non-discriminatory”.



Application Procedure

- ◆ Submitting an App. for an Auth. to ERO, shall be in writing, and in format specified in this Rule (Annex 1- Request for authorization).
- ◆ In article 5 are set the criteria that should be fulfilled by a construction project (modern technology, finances, experience, human resources, CV-s etc).
- ◆ Evidences set forth in sec.6 and described in Annex 2 (financial and technical/organizational indicators-Financial Statement) and Annex 3 (questionnaire-financial criteria, technical/organizational requirements, financial parameters etc.), should be attached to the application.
- ◆ Article 6-10 of this Rule prescribes administrative actions (App. tax, App. registration, publishing App. in 2 daily newspaper etc). that are to be undertaken by the applicant with regards to forms issued by ERO.
- ◆ ERO shall ensure that the App. and all accompanying doc. and other info. are registered, filed and publicly available at the office of ERO.
- ◆ An application shall be submitted in one original and six (6) sets of certified copies.
- ◆ Confidential Information will not be disclosed to the public.



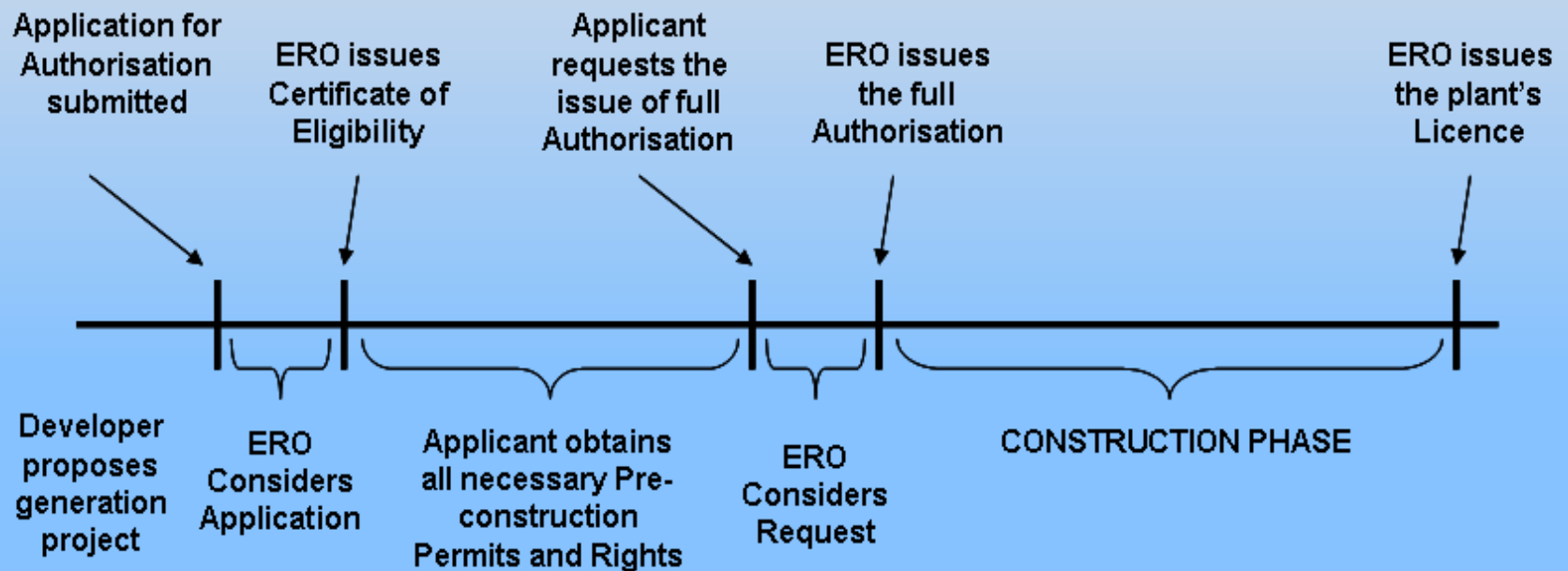
Decision on Application for Auth.

- ◆ After consideration of the App. ERO shall make a formal decision about the App. within 3 months of the date on which ERO notified the Applicant that the App. was deemed sufficient. Where ERO consider necessary, the period of consid. of. App. may be extended up to 2 months.
- ◆ Where ERO determines that an Applicant has met, or is likely to meet, all the necessary requirements ERO will either:
 - **Issue a Notification on Preliminary Decision**
 - *investor can apply up front, and be issued with a Notice on Preliminary decision, which allows him to bring all other necessary evidences that are issued by other relevant institutions (within 2 years);*
 - **Issue an Authorization**
 - *Applicant has fulfilled all other legal requirements set forth by relevant legislation in Kosova.*
 - **Request additional information**
 - *Notwithstanding other provisions , ERO reserves the right to seek from the Applicant additional Info.and data at any time during the procedure on auth.*
- ◆ Where ERO determines that an Applicant has failed to meet the requirements or criteria set out in the Rule, ERO may **refuse** to grant a Notification of Preliminary Decision or an Authorization.



Overview of the process (1)

- ◆ Rule foresees the following process in these phases:



Overview of the process (2)

- ◆ ERO will not be involved in the obtaining of any other permissions (eg environmental permission, water permission etc), as those are the concern of the other relevant agencies – applicant will need to satisfy ERO that they have been obtained.
- ◆ ERO need not choose between applicants. If two potential investors make applications for the same and similar projects, then both could be granted Notice on preliminary decision, if they are deemed suitable and meet the requirements of this Rule.
- ◆ The law on Authorisations applies to all generating plants, even small ones.



Authorisation – Tendering

- ◆ The Authorisation process does not replace either licensing, nor the other approvals necessary for a new plant.
- ◆ Authorisation covers only the construction, not the operation/functioning of the plant.
- ◆ Tendering procedures on construction of new generation capacities is initiated only in cases when the authorization procedure does not result in construction of sustainable generation capacities that guarantee secure supplying.
- ◆ Where new generating capacity ... is to be constructed as a result of a tendering procedure, no construction authorization is required for the new generating capacity that is the subject of the tender, (this Rule does not deal with issues that are relative to tendering procedure).



Fees for Authorisation

- ◆ *All Applicants for Auth.under this Rule must pay to ERO the fee (for its admin. expense).*
- ◆ *Board of ERO has determined the amount fee by referring to Schedule of Fees, and appears as follows:*

<i>Installed capacity of the New Generator</i>	<i>Price/Euro</i>
<i>New generator of capacity to 5 MW</i>	<i>1,500.00</i>
<i>New generator of capacity over 5 MW to 10 MW</i>	<i>3,000.00</i>
<i>New generator of capacity over 10 MW to 50 MW</i>	<i>5,000.00</i>
<i>New generator of capacity over 50 MW to 100 MW</i>	<i>7,000.00</i>
<i>New generator of capacity over 100 MW to 200 MW</i>	<i>20,000.00</i>



Public Register

- ◆ There are some energy Enterprises which have applied in ERO for an authorisation for new generation capacities.
- ◆ Applicant which has fulfilled all legal requirements and to which ERO has issued a final authorisation is:
 - Wind Power with **1.35 MW** capacity.
- ◆ Applicants which has fulfilled some legal requirements and which have taken a Preliminary Decision are:
 - Wind Power with **900 kW** capacity.
 - Air Energy Sh.p.k with **26 MW** capacity.
 - Kosova Ter.WindparkCompany Sh.p.k with **100 MW** capacity.





“Wind Powe” with 1.35 MW capacity (in total).





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Thank you!

Hysnije Rexhaj
Licence Monitoring Analyst
hysnije.rexhaj@ero-ks.org

Energy Regulatory Office
Adress: "Hamdi Mramori" Str.No. 1
10000 Prishtinë, Kosovë
Tel: +381 38 247 615 lok. 118
Fax:+381 38 247 620
E-mail: info@ero-ks.org
web: www.ero-ks.org