

Licensing Procedure

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Legal Base for licensing

❑ Law on Energy Regulator,

- article 15.2. “To meet its responsibilities, the Energy Regulatory Office shall have the power to:
 - a). grant, modify, suspend, transfer, and withdraw licenses;”
- ❖ 28.1. Energy activities shall be carried out by energy enterprises on the basis of licenses granted by the Energy Regulatory Office.
- ❖ 28.3. The Energy Regulatory Office shall grant licenses on the basis of criteria which are non-discriminatory, public, and transparent.
- ❖ The criteria for granting the license are determined by article 30.2 of the LER.

Legal Base for licensing (cont.)

❑ Rule on Licensing of Energy Activities in Kosovo,

- ❖ **Adopted on 24 February 2006;**
- ❖ To create a public, transparent and non-discriminatory licensing procedure
- ❖ Determines procedural Rules for License
- ❖ Submission of the application
- ❖ Publication of the application
- ❖ Review of the application

Application

- ❑ **application form** for licenses,
 - general information on the applicant
 - general evidences,
 - specific evidences,
 - statement,
 - founds.
- ❑ **Decision** on application for a License (3 months) from the moment when application is considered complete,
- ❑ Article 33.2. of the Law on Energy Regulator provides that ERO may issue licenses, licenses with conditions, or refuse to issue the licenses in a justified way.

Licenses (cont.)

- ❑ **License** is summary of relevant provisions that is based on:
 - Law on Energy,
 - Law of Electricity,
 - Law on Energy Regulator,
 - Rule on Licensing of Energy Activities in Kosova,
 - Rule on Disputes Settlement Procedures,
 - Schedule of Fees,
 - Draft Market Rules,
 - Other rules adopted by Board of ERO in previous public sessions.

Licenses (cont.)

- ❑ **A license shall be issued to any energy enterprise registered under Kosovo law who:**
 - possesses the technical and financial capability, material and human resources, and organizational structure for meeting the regulatory requirements under the license;
 - holds property rights over or a legal right to use the energy facilities to be used to perform the activity;
 - provides evidence that the energy facilities to be used to perform the activity meets safety and environmental protection requirements;
 - is not insolvent or in a process of liquidation or bankruptcy;
 - has not had a license for the same activity withdrawn within five years of the date that the application is submitted.

Licenses (cont.)

- ❑ Licenses shall be required in order to perform the following energy activities:
 - the **generation** of electricity or heat or the co-generation of electricity and heat;
 - the **transmission** of electricity or natural gas;
 - the **distribution** of electricity, heat or natural gas;
 - the **storage** of natural gas;
 - the **supply** of electricity, heat, or natural gas;
 - the **trade** of electricity or natural gas;
 - the **cross-border** transmission (import, export, transit) of electricity and natural gas;
 - any **transmission** or distribution network operator.

Licenses (cont.)

No license shall be required for:

- the generation of electricity by power plants with capacity not exceeding 5 MW;
- the heat generation by heating plants with capacity not exceeding 1 MW;
- the generation of electricity or heat for self-consumption;
- storage of natural gas below 10,000 cubic meters.

Licenses (cont.)

□ Terms of validity of the licenses:

- the transmission of electricity or natural gas = 30y;
- the distribution of electricity, heat or natural gas=30y;
- the storage of natural gas=30y;
- the supply of electricity, heat, or natural gas=10y;
- the trade of electricity or natural gas=2y;
- the cross-border transmission (import, export, transit) of electricity and natural gas=3y;
- any transmission or distribution network operator=30y.

Licenses (cont.)

□ Licenses issues by ERO:

- | | |
|------------------------------|-------------|
| ➤ generation of electricity, | 4 licenses |
| ➤ generation of heat, | 2 licenses |
| ➤ transmission of electr. | 1 license |
| ➤ market operator | 1 license |
| ➤ distribution of elect. | 1 license |
| ➤ distribution of heat | 2 licenses |
| ➤ public supply of elec. | 1 license |
| ➤ supply of heat | 2 licenses |
| ➤ supply/trade of elect. | 13 licenses |

Energy Regulatory Office



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Thank you

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