



Prishtinë, 28 January 2016

ERO Code: V_763_2016

Board of Energy Regulatory Office

Based on:

-Article 8 paragraph 1 sub paragraph 1.6, Article 14 paragraph 2 sub paragraph 2.16 and Article 25 of the Law on Energy Regulator (No. 03/L-185);

-Article 16 paragraph 4 of the Rule on Authorization Procedure for construction of New Generation Capacities for electricity generation from Water, HP Lumëbardhi II, with an installed capacity of 5.5 MW, generating unit which will be placed in location of Deçan River, Municipality of Deçan;

-Request on extension of validity time limit of Authorization V_568_2013 dated on 24 October 2013 for construction of New Generation Capacities for electricity generation from Water, HP Lumëbardhi II, with an installed capacity of 5.5 MW, which will be placed in location of Deçan River, dated on 21 October 2015 of "Kelkos- Energy" LLC Company, having its address at "Sali Çeku" Street, Gogaj building, 51000, no.14 Deçan, Republic of Kosovo,

In its session held on 28 January 2016 issued the following:

DECISION

I. The validity time limit of Authorization V_568_2013 dated on 24 October 2013 of "Kelkos-Energy" LLC Company, for construction of New Generation Capacities for electricity generation from Water, HP Lumëbardhi II, with an installed capacity of 5.5 MW, which will be placed in location of Deçan River, Municipality of Deçan is hereby **EXTENDED** for one (1) additional year, namely until **24 October 2016**.

Reasoning

- On 09 August 2010, ERO received by "Kelkos-Energy" LLC Company the application for obtaining the authorization for construction of New Generation Capacities for electricity generation from Water, with an installed capacity of 23.1 MW, in the following locations: Lumëbardhi II with an installed capacity of 5.5 MW, HP Belaja with an installed capacity of 9.2 MW and HP Deçan with an installed capacity of 8.4 MW, all in Municipality of Deçan.
- After analyzing the presented evidence by "Kelkos-Energy" LLC Company, ERO decided that the applicant demonstrated its suitability for construction of New Generation Capacities from Water and issued the decision on Notification for Preliminary Authorization V_296_2010 dated on 11 November 2010. The Decision on Notification for Preliminary Authorization has not implied granting



authorization until the requirements set by the Rule on Authorization Procedure for Construction of New Capacities are fulfilled.

- On 09 November 2012, ERO received by “Kelkos-Energy” LLC the request for extension of validity time limit of Decision on Notification for Preliminary Authorization V_296_2010 dated on 11 November 2010, for an additional six (6) months time limit, for the chance of completing the application.
- On 30 November 2012, ERO decided by Decision V-402-2012 to extend the validity time limit of Decision on Notification for Preliminary Authorization V-296-2010 dated on 11 November 2010 to “Kelkos- Energy” LLC Company for an additional six (6) months time limit, namely until 11 May 2013.
- On 28 May 2013, ERO received by Ministry of Environment and Spatial Planning (MESP) the Notification that the process related to HP Lumëbardhi II with a capacity of 5.5 MW, of “Kelkos-Energy” LLC Company, is in the last phase, where MESP has lately issued Planning Permission and soon Construction Permit will be issued, which will complete the procedure for obtaining the Authorization by ERO.
- On 27 September 2013, ERO received by “Kelkos- Energy” LLC Company the request for conversion of Decision on Notification for Preliminary Authorization for electricity generation from Water into Final Authorization for HP Lumëbardhi II with an installed capacity of 5.5 MW, attaching evidence issued by relevant authorities, for meeting all environmental requests, the right on the use of land, the right on the use of water, Construction Permit and other legal requirements related to the project in accordance with the applicable legislation.
- On 24 October 2013, Board of Energy Regulatory Office decided to grant Authorization V_568_2013 to “Kelkos-Energy” LLC Company for construction of New Generation Capacities for electricity generation from Water, for HP Lumëbardhi II with an installed capacity of 5.5 MW, which would be placed in location of Deçan River in Municipality of Deçan.
- On 21 October 2015, ERO received by “Kelkos-Energy” LLC company the request on extension of validity time limit of Decision on Final Authorization V_568_2013 dated on 24 October 2013, for HP Lumëbardhi II with an installed capacity of 5.5 MW, for **completing the construction for one (1) additional year.**
- -“Kelkos –Energy” LLC Company explained in its request that: *the construction of this hydro power is being carried out in a difficult terrain (small valleys, steep slopes, narrow streets, rocky ground, big climate changes, the lack of public infrastructure) and partly in the Special Protection Area of the Deçan Monastery and the Area of National Park. Despite the difficulties, works on hydro power construction started at the beginning of 2014, where the future form of reservoir is prepared, the material analysis in terms of stability for dam construction is made, water levels and all area locations are investigated, so that the project and installing positions of HP Lumëbardhi II can be finalized. The engineering work in details are expected to be completed in Winter of 2015. Because of altitude and weather, the works have to be stopped every Winter, during 4-5 Winter months (November – March), due to snowfall, low temperatures and impossible road access. Continuation of works on basin construction, works on construction of building of HP Lumëbardhi II is planned to be carried out at the beginning of 2016, as soon as the weather and situation allows. Therefore, based*



on this, the above-mentioned company, with reasoning given above has requested to extend the time limit for one (1) additional year for completing the construction.

- After analyzing the request for extension of Final Authorization validity time limit of “Kelkos-Energy” LLC Company for construction of New Generation Capacities for electricity generation from Water, in Lumëbardhi i Deçanit River: for HP Lumëbardhi II with an installed capacity of 5.5 MW, in Municipality of Dragash, ERO has evaluated it and based on legal provision mentioned in the introductory section of this decision, decided as in the enacting clause of this decision.

II. Decision on granting the Authorization V_568_2013 dated on 24 October 2013, after the expiry of time limit set in the enacting clause under item 1 of this decision, can be repealed on **24 October 2016**, if the party does not achieve to complete the construction of New Generation Plants from Water, or does not act in accordance with applicable law.

III. The Decision shall be issued in Albanian language and translated into Serbian. In case of any discrepancy between the versions, the Albanian version shall prevail.

IV. This Decision shall enter into force on the date of approval by the Board and will be published in the ERO’s official website.

Legal advice: The party dissatisfied with this Decision may initiate an administrative dispute with the Competent Court, within thirty (30) days from the date of receipt of this Decision or the date of its publication in the ERO website, whichever occurs last.

ERO Board:

Enver Halimi, Chairperson

Qemajl Mustafa, Member

Krenar Bujupi, Member

Besim Sejfiqaj, Member

Arsim Janova, Member
