Pristina, 14 October 2016
ERO Code: V_853_2016

The Board of Energy Regulatory Office,

Based on:

- Provisions of Article 15 and 26 of Law on Energy Regulator (Law No. 05/L-084);
- Provisions of Article 16 Tasks and Responsibilities of TSO, and Article 19 paragraph 4 and Article 22 paragraph 10 of Law on Electricity (Law No. 05/L-085);
- Provisions of Article 1.8 of Market Rules;
- Request of Transmission System Operator Market Operator (KOSTT JSC.), dated on 16.03.2016 on review and approval of the document: Methodology on Calculation of Imbalance Price and Compensation Price,

in its session held on 14.10.2016, issued the following:

DECISION

I. The document **Methodology on Calculation of Imbalance Price and Compensation Price** is hereby **APPROVED.**

Reasoning

- Energy Regulatory Office (ERO) on 16 March 2016, received from KOSTT the request for approval of the document **Methodology on Calculation of Imbalance Price and Compensation Price**. The document was compiled in accordance with Market Rules, approved by ERO.
- Initially, KOSTT submitted the document for review on 08 July 2015. ERO provided its written comments but also held meetings with KOSTT representatives, whereby concerning issues were included or explained. Later, the document was delivered to interested parties, consultancy and Energy Community Secretariat in order to provide their comments. Following the inclusion of reasonable comments by all parties, the document was finally submitted for approval.
- On 16.03.2016, KOSTT submitted the improved version of the document for approval to ERO. Further improvements were made and in October 2016, KOSTT submitted the final version:

Methodology on Calculation of Imbalance and Compensation Prices.

- ERO evaluated the document and deemed that the document meets the criteria for approval, therefore taking into account the legal provisions mentioned in the introductory section of this Decision, ERO decided as in the enacting clause of this Decision, by approving the document: **Methodology on Calculation of Imbalance Price and Compensation Price.**

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

III. The Decision shall enter into force on the date of approval by ERO Board and shall be published on ERO's electronic website, where the document shall be published as well.

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

The Decision is sent to:

- The licensee KOSTT JSC.
- Archive of Energy Regulatory Office

ERO Board

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Krenar Bujupi, Acting Chairman

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Arsim Janova, Member

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Qemajl Mustafa, Member

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Besim Sejfijaj, Member