



The Board of Energy Regulatory Office

Based on:

- Article 9, paragraph 1, subparagraph 1.7, Article 15, paragraph 1, subparagraph 1.15, Article 25, Article 26, paragraph 1, subparagraph 1.2 and Article 43, paragraph 1 of the Law on Energy Regulator (Nr. 05/L-184);
- Article 4, Article 5, Article 13 paragraph 1 subparagraph 1.2, Article 14, Article 15 paragraph 1 and Article 16 of Rule on Authorization Procedure for Construction of New Generation Capacities;
- Article 4, Article 8, Article 11 and Article 12 of Rule on Support Scheme;
- Administrative Instruction No. 01/2013 on Targets of Renewable Energy Sources;
- Decision no. V-810-2016, dated on 19 May 2016, on determination of Feed-in Tariff for electricity generation from Renewable Energy Sources;
- Application for Authorization for construction of new generation capacities for electricity generation from water, in Brod River, HPP "Brod 1", with an installed capacity of 1.06 MW and HPP "Brod 3" with an installed capacity of 4.7 MW, CA Brod and CA Kukalane, Municipality of Dragash, Republic of Kosovo;
- Decision no. V-767-2016, dated on 28 January 2016, on issuance of Decision on Notification for Preliminary Authorization, to "Eurokos JH" LLC. on development of the project for construction of new generation capacities for electricity generation from WATER, in Brod River, HPP "Brod 1", with an installed capacity of 1.06 MW and HPP "Brod 3", with an installed capacity of 4.7 MW, CA Brod and CA Kukalane, Municipality of Dragash;
- Request/application for conversion of Decision on Notification for Preliminary Authorization into Final Authorization for construction of new generation capacities for electricity generation from WATER, in Brod River, for HPP "Brod 3", with an installed capacity of 4.7 MW, CA Brod and CA Kukalane, Municipality of Dragash, prot no. 714/16, dated on 14.11.2016, of "Eurokos JH" LLC. Company, having its address at: St. "Migjeni", no. 23, 10000, Pristina, Republic of Kosovo,
- Contracts, permits, consents and decisions issued by relevant institutions, as in Appendix II. to this Decision,

in its session held on 14 December 2016 issued the following:

D E C I S I O N
ON ISSUANCE OF FINAL AUTHORIZATION



- I. **FINAL AUTHORIZATION is issued** to “Eurokos JH” LLC Company for construction of new generation capacities for electricity generation from water, in Brod River, for **HPP “Brod 3”**, with an installed capacity of **4.7 MW**, cadastral units no. 257-0, 258-0, 259-0, 260-0, 267-0, 263-1, 263-2, 2777-1, 2777-2, 278-0, 279-2, 279-1, 304-0, 354-0, 356-0, 357-0, 358-0, 359-0, 360-0, 363-0, 367-0, 368-0, 379-0, 378-0, 76-0, 75-0, 73-0, 74-0, 71-0, 70-0, 67-1, 67-2, 66-0, 65-0, 64-0, 63-0, 62-0, 60-0, CA Vraniq- Dragash- power stations- cadastral unit no. 18 CA Kukalane- Dragash; stream of Pllava River , CA Kukalane, no. 19-0, 22-0, 21-0, 20-0, 01-0, 02-0, 03-0, 04-0, 05-0, 09-0, 10-0, 13-0, 14-0, 15-0, 16-0, 17-0, 18, issued by Directorate for Urbanization, Cadastre and Environmental Protection, Municipality of Dragash;
- II. Decision on Authorization is issued to “Eurokos JH” LLC. for two (2) years and the later is obliged within this period, to construct new generation plants for electricity generation from WATER.
- III. ERO shall consider the project as finalized, from the date of issuance of Certificate of Occupancy, issued by competent body, pursuant to Law on Construction.
- IV. Following the finalization of the project, according to enacting clause under item III. of this Decision, “Eurokos JH “ LLC Company shall bond a Power Purchase Agreement with the Public Supplier with a duration of ten (10) years, which shall be concluded at least thirty (30) days prior to commencement of generating operation, with the feed-in tariff stipulated with Decision no. V-810-2016, dated on 19 May 2016, issued by ERO Board.
- V. Prior to starting operation, “Eurokos JH” LLC, is obliged to own an Environmental (Ecological) Permit issued by MESP.

Reasoning

- On 27.03.2015, ERO received from “Eurokos JH” LLC. the application for obtaining the authorization for construction of new generation capacities for electricity generation from water, in Brod River, HPP “Brod 1”, with an installed capacity of 1.06 MW and HPP “Brod 3”, with an installed capacity of 4.7 MW, CA Brod and CA Kukalane, Municipality of Dragash, Republic of Kosovo.
- Following the ascertainment that the applicant has demonstrated its suitability for construction of new generation capacities for electricity generation from water, ERO, on 28 January 2016, issued Decision on Notification for Preliminary Authorization V-767-2016 and instructed the applicant to fulfil other legal requirements required by applicable legislation in Kosovo.
- Decision on Notification for Preliminary Authorization has not implied granting an authorization for construction, until the requirements set by Rule on Authorization Procedure for Construction of New Capacities are fulfilled.



- Decision on Notification for Preliminary Authorization is issued for one (1) year and it determines that “Eurokos JH” LLC. Company shall be granted the Authorization for Construction, if within this period it makes a written request to convert the Decision on Preliminary Notification into Authorization, fulfilling all requirements set by the Rule on Authorization Procedure for Construction of New Generation Capacities and applicable legislation.
 - . On 24.11.2016, ERO received from “Eurokos JH” LLC. the request for conversion of Decision on Notification for Preliminary Authorization into FINAL Authorization for construction of new generation capacities for electricity generation from water, in Brod River, HPP “Brod 3” with an installed capacity of 4.7 MW, CA Brod and CA Kukalane, Municipality of Dragash, attaching evidence issued by relevant authorities on fulfilment of all environmental and water requirements, the right on the use of land, the right on the use of water, Construction Permit issued by the Municipality and other legal requirements related to the nature of the project, in accordance with applicable legislation.
 - Following the evaluation of attached evidence, permits, approvals and decisions issued by relevant institutions and based on legal provisions mentioned in the introductory section of this decision, ERO decided as in the enacting clause of this Decision.
- II. The Decision is issued in Albanian Language and translated into Serbian. In case of any discrepancy between the versions, the Albanian version shall prevail.
- III. This Decision shall enter into force on the date of approval by the Board, and shall be published on ERO’s official website

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.

Enclosed to the Decision: Appendix I and Appendix II.

ERO Board:

Krenar Bujupi, Acting Chairman

Arsim Janova, Member



Besim Sejfiqaj, Member

This Decision is sent to :

- The Party,
- Municipality of Dragash,
- Secretary Permanent of MESP, and
- ERO Archive

APPENDIX I

Energy Regulatory Office (ERO) exerting its powers entrusted to it under Article 43 of the Law on Energy Regulator and in accordance with Article 16 of the Rule on Authorization Procedure for Construction of New Generation Capacities, to **“Eurokos JH” LLC.**, having its address at: St. “Migjeni”, no.23, Pristina, Republic of Kosovo, on 14 December 2016, **issued the following:**

AUTHORIZATION

1. For construction of new generation capacities for electricity generation from WATER, in Brod River, HPP “Brod 3”, with an installed capacity of 4.7 MW, cadastral units no. 257-0, 258-0, 259-0, 260-0, 267-0, 263-1, 263-2, 2777-1, 2777-2, 278-0, 279-2, 279-1, 304-0, 354-0, 356-0, 357-0, 358-0, 359-0, 360-0, 363-0, 367-0, 368-0, 379-0, 378-0, 76-0, 75-0, 73-0, 74-0, 71-0, 70-0, 67-1, 67-2, 66-0, 65-0, 64-0, 63-0, 62-0, 60-0, CA Vraniq- Dragash- power stations- cadastral unit no. 18 CA Kukalane- Dragash; Pllava River Stream, CA Kukalane, no. 19-0, 22-0, 21-0, 20-0, 01-0, 02-0, 03-0, 04-0, 05-0, 09-0, 10-0, 13-0, 14-0, 15-0, 16-0, 17-0, 18, issued by Directorate for Urbanization, Cadastre and Environmental Protection, Municipality of Dragash;
2. Hereby, N.N “Eurokos JH” LLC. Company is authorized to construct generation capacities in the abovementioned location, in accordance with terms and conditions determined within this Authorization.
3. This Authorization is issued for two (2) years, starting from the day of its issuance. ERO, at the request of the party, may extend the validity of Authorization, pursuant to applicable legislation.
4. The Authorized Party, during the entire validity period of this Authorization, must fulfill the following:
 - 4.1. All conditions set out under this Authorization, and
 - 4.2. All conditions set out under applicable legislation in Kosovo, including those on environment.
5. Energy Regulatory Office can modify this Authorization in accordance with provisions of Article 19 of Rule on Authorization Procedure for Construction of New Capacities.
6. In case the Authorized party violates any of the conditions of this Authorization and applicable legal provisions, ERO shall suspend the Authorization in accordance with provisions of Rule on Authorization Procedure for Construction of New Capacities. From the date this Authorization is suspended, the entire further works for constructing the generating plant are to be stopped. In



case of noncompliance, administrative measures and fines set out under the applicable legislation may be undertaken against the Authorized party.

7. The validity of this Authorization shall automatically expire upon the expiration of the period set out under item II. of the present Decision or upon the expiration of other terms set out by ERO in accordance with item 3 Appendix I of this Authorization.
8. In case the Authorized party violates any of the conditions of this Authorization and applicable legal provisions, ERO shall suspend the Authorization in accordance with provisions of the Rule on Authorization Procedure for Construction of New Capacities. From the date this Authorization is suspended, the entire further works for constructing the generating plant are to be stopped. In case of noncompliance, administrative measures and fines set out under applicable legislation may be undertaken against the Authorized party.
9. The authorized party shall inform ERO in writing and ask for prior consent for any changes to the existing elements of generators or any addition of new elements, which are not included in the project being part of the application.

APPENDIX II

List of documents (permits, consents, decisions, contracts etc.) issued by institutions of the Republic of Kosovo, related to granting **Authorization for Construction** to “Eurokos JH” LLC., for construction of new generation capacities for electricity generation from WATER, in Brod River, HPP “Brod 3”- CA Kukalane, with an installed capacity of **4.7 MW**, Municipality of Dragash:

- **Final Decision 04 no. 463-22/2012, dated on 10.03.2015 on Expropriation of real estate**, issued by Municipal Assembly of Dragash;
- **Electro-energetic Consent** - no. 6050, dated on 19.07.2016, issued by KEDS JSC;
- **Environmental Consent** - no. 16/829/1-126/DMM, dated on 20.04.2016, issued by Ministry of Environment and Spatial Planning (MESP) –Office of Secretary Permanent (OSP);
- **Water Consent** – no. 3744/14 ZSP 239/2014, dated on 04.09.2014, issued by Ministry of Environment and Spatial Planning (MESP) –Office of Secretary Permanent (OSP);
- **Conclusion** - no. 1782-3/15 –ZSP- 456/2015, dated on 21.04.2015, issued by Ministry of Environment and Spatial Planning (MESP) –Office of Secretary Permanent (OSP);
- **Water Permit** - no. 1782-2/11 –ZSP- 622 /2012, dated on 23.08.2012, issued by Ministry of Environment and Spatial Planning (MESP) –Office of Secretary Permanent (OSP);
- **RULING – 06 no. 351-19966/16, dated on 21.10.2016** on allowing the construction of hydro power plant in the stream of Brod River L-4100 m, cadastral units no. 257-0, 258-0, 259-0, 260-0, 267-0, 263-1, 263-2, 2777-1, 2777-2, 278-0, 279-2, 279-1, 304-0, 354-0, 356-0, 357-0, 358-0, 359-0, 360-0, 363-0, 367-0, 368-0, 379-0, 378-0, 76-0, 75-0, 73-0, 74-0, 71-0, 70-0, 67-1, 67-2, 66-0, 65-0, 64-0, 63-0, 62-0, 60-0, CA Vraniq – Dragash- power stations- cadastral unit no. 18 CA Kukalane – Dragash; stream of Pllava River, CA Kukalane no. 19-0, 22-0, 21-0,



20-0, 01-0, 02-0, 03-0, 04-0, 05-0, 09-0, 10-0, 13-0, 14-0, 15-0, 16-0, 17-0, 18,. Issued by Directorate for Urbanization, Cadastre and Environmental Protection, Municipality of Dragash.

- **Cadastral Unit Certificate and copy of the plan;**
- **Technical, environmental and financial Feasibility Study;**
- **Business Plan;**
- **Main Project.**