



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

LICENCE FOR ELECTRICITY TRANSMISSION SYSTEM OPERATOR

ISSUED TO:

**TRANSMISSION SYSTEM AND MARKET
OPERATOR J.S.C**

Registration number: ZRRE/Li_15/17

Prishtinë, 00 mars 2017



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CHAPTER I: LICENCE TERMS

1. **Energy Regulatory Office** (hereafter “ERO”), in conformity with the authority vested under Article 36 of the Law on Energy Regulator (Law No. 05/L-084), the Law on Energy (Law no. 05/L-081), the Law on Electricity (Law No. 05/L-085) and Rule on Licensing of Energy Activities in Kosovo, as well as based on Decision of the Government of Kosovo on designating Transmission System and Market Operator (KOSTT) as the only electricity transmission system operator, hereby **modifies the**

Licence for Transmission System Operator of TRANSMISSION SYSTEM AND MARKET OPERATOR SH.A (KOSTT), now with register number ZRRE/Li_15/17 (hereafter “the Licensee”).

2. The territory covered by this license is the entire territory of the Republic of Kosovo.
3. The Licensee may not be issued a license for any other electricity activity except to the extent that the Licensee complies with the independence and unbundling requirements of Article 11.2 of the Law on Electricity and other applicable legislation.
4. The Licensee shall comply with the Articles specified in this license, the Law on Electricity and other applicable laws, regulation, rules and codes.
5. The Licensee shall, inter alia:
 - 5.1. perform effectively obligations prescribed by the Licence;
 - 5.2. operate, maintain and develop the transmission system and cross border lines in an efficient, economic and coordinated manner;
 - 5.3. balance the system and implement the arranged agreements by enhancing its efficiency, in conformity with Market Rules;
 - 5.4. perform other functions assigned by the Law on electricity, Market Rules and this licence.
6. The license is valid from **04 October 2006** and shall continue to be valid for a period of thirty (30) years, until **04 October 2036** with the possibility of renewal, in line with Rule on Licencing Energy Activity in Kosovo.
7. In accordance with Article 36 of the Law on Energy Regulator, this modified licence, with **license number ZRRE/Li_15/17**, is granted to Transmission System and Market Operator J.S.C (KOSTT J.S.C) for electricity transmission system operator activity, and enter into force on date **00.00.2017**.

Stamped with the common stamp of the Energy Regulatory Office: _____

Signed: (on behalf of the Board of ERO) _____.



CHAPTER II: LICENCE CONDITIONS

Article 1: Definitions

1. Terms used in this licence shall have the following meaning:

"Development Plan" – any development plan prepared by the Licensee, in accordance with Article 10 of the Law on Energy and Article 16 of the Law on Electricity.

"Financial Year" – period from 1 January to 31 December of the same calendar year.

"Joint Stock Company" - a company defined as such in accordance with applicable law in Kosovo.

"Legislation" – Law on Energy (Law No. 05 /L-081), Law on Energy Regulator (Law No. 05/L-084), Law on Electricity (Law No. 05/L-085) and any other primary or secondary legislation regulating the energy sector.

"Market Rules" – the norms that regulate electricity trade between market participants and relations between parties of the electricity market, Market Operator and Transmission System Operator, with the purpose of maintaining the physical balance in the market.

"Codes" - rules that are intended to establish the minimum technical design, operational requirements and standards, and commercial terms for relevant activities in the energy sector, and which are required by Law to be submitted for approval to the ERO.

"Affiliated Person" - any enterprise owned or controlled by another enterprise, as defined by Article 225.1 a) of the Law on Business Organizations 02/L-123, as amended.

2. Other terms used in this licence shall have the same meaning ascribed to them as the terms used in applicable Legislation.

Article 2: Separate Accounts for Transmission Operator Activities

1. The Licensee shall prepare annual financial statements for activities covered by the Licence, excluding Market Operator activities, in accordance with Regulatory Accounting Guidelines issued by ERO and shall submit to ERO a copy of the audited financial statements within three (3) months after the end of the financial year.
2. The Licensee shall submit to ERO Annual Financial Statements audited by independent auditor in accordance with International Financial Reporting Standards within the time prescribed by applicable laws for financial reporting. The audit shall verify that the



requirements relating to the prohibition of cross-subsidies and discrimination in Articles 3 have been met.

3. In its internal accounting, the Licensee will maintain accounting for the overall activity of the Transmission in general as well as for other activities. Regulatory accounting shall be in accordance with Regulatory Accounting Guidelines and may, *internal alia*, specify:
 - 3.1 the form of regulatory accounting statements / records, including but not limited to the profit and loss accounts, balance sheets, recognized profit and loss statements, cash flow and statements of the amounts of annual revenues, costs, assets, debts, reserves or supplies, which are charged from any other business or established by allocation or apportionment between the consolidated Transmission System Operator activities and any other activity;
 - 3.2 nature and content of regulatory accounting statements/records, including information on specified types of annual revenues, expenditure, assets or debts, and information on annual revenues, expenditure, assets and debts attributable to specified activities;
 - 3.3 regulatory accounting principles and policies (including the basis for allocation of costs).
4. In connection with the regulatory accounting statements regarding the financial year, the Licensee shall not change the basis of charging, apportionment or allocation from those used in previous financial year, unless ERO had previously issued appropriate guidance or written approval thereto.
5. The Licensee shall act in compliance with every instruction issued by ERO and legislation in effect.

Article 3: Compensation for the losses in the North of Kosovo

1. Where so required by any Decision or Instruction issued to the Licensee by ERO, the Licensee shall procure electrical energy to compensate for losses arising from energy used, but not paid for, by customers in Northern Kosovo.
2. In its regulatory accounts the Licensee shall ensure that it records separately any costs incurred by it in energy purchase under paragraph 1 above.

Article 4: Prohibition on Discrimination

In setting prices that will be charged to users of the Licensee's system, the Licensee shall not have preference for any user or category of user, shall not unreasonably exercise discrimination against any user or category of user and shall not impose unfair or unreasonably onerous terms and conditions for connection to or use of the system.

Article 5: Grid Code

1. The licensee shall take all steps within its power to ensure that the Grid Code in force under this licence at [date of modification] remains a code that complies with the requirements of Article 17 of the Law on Electricity and any other applicable legislation.
2. To the extent required by applicable legislation and ERO, the Licensee shall coordinate its work on the development of its Grid Code and on any rules for the management of congestion with the TSOs of neighbouring countries and other market participants as appropriate.

Article 6: Metering Code

The licensee shall take all steps within its power to ensure that the Metering Code in force under this licence at [date of grant] remains a code that complies with the requirements of Article 18 of the Law on Electricity and any other applicable legislation, and is approved by ERO.

Article 7: Compliance with Grid Code, Metering Code and Distribution Code

The Licensee shall comply with the provisions of the Grid Code, Metering Code and Distribution Code.

Article 8: Functioning of Transmission System

1. The Licensee shall plan, operate, maintain and develop the transmission system, in accordance with the applicable legislation, technical Codes and rules in force.
2. The Licensee is responsible for effective, economic and coordinated functioning of the transmission system, including cross-border flows of electricity, in accordance with the applicable legislation.
3. The Licensee shall provide the conditions for connection and use of its system, in conformity with the applicable legislation and the Rule on General Conditions of Energy Supply. For any dispute arising in relation to connection or use of transmission system, provisions of Rule on Resolution of Disputes and Appeals in the Energy Sector, issued by ERO shall apply.
4. The Licensee shall provide non-discriminatory access to system users or categories of system users, as well as provide information required for efficient access to system, in conformity with the Law on Electricity.
5. On its website, the Licensee shall publish the Tariff Methodology on the Use of Transmission System and Connection Fee Methodology, as approved by ERO as well as technical and commercial codes and procedures and information that is significant for transmission system users, including: cross-border capacities, bottlenecks in interconnection and intra-transmission system, and other information required for the organization of the electricity market.



Article 9: Charges for use of transmission system

1. The Licensee shall impose applicable charges to Parties for system operation, use of the transmission network and connection to the network (System Operator's obligations), as defined in the Rule on General Conditions of Energy Supply.
2. Charges for use of the transmission system will be determined based on the methodology for using the transmission system and tariffs methodology for access and connection to the transmission system .
3. In establishing the tariffs for use of transmission system and connection fees, the Licensee shall provide appropriate signals at non-discriminatory rates so as to encourage new parties to connect to transmission system and access to electricity market.
4. The Licensee shall publish on its official website Rules on Pricing and Electricity Tariffs in Kosovo and methodology for access and connection to the transmission System, as approved by ERO.

Article 10: Development Plans

1. In accordance with Article 10 of the Law on Energy and Article 16 sub-paragraph 1.11 to 1.13 inclusive of the Law on Electricity, the Licensee shall develop and publish a medium (-5 years) investment development plan and, annually, a one (1) year Investment Plan that shall derive from long term Transmission System Development Plan (10 years). Such a development plans shall be made in conformity with the applicable legislation by consulting current and potential system users.
2. Before their publication, the draft development plans shall be made available to the Distribution System Operator (DSO) and the Licensee shall use all reasonable endeavours to harmonise its plans with those of the DSO without unreasonable delay. The Licensee shall submit the harmonized plans to ERO for approval.
3. The Licensee shall review long-term development plan every year, in coordination with the DSO, in order to ensure that the information submitted in the development plan remains accurate in all its material respects. Any proposal to amend the development plan shall be submitted to ERO for approval.
4. The Licensee shall, in planning the development of its electricity system, actively and transparently cooperate with the Market Operator the Distribution System Operator and system users and neighbouring transmission system operators, in line with Article 16, subparagraph 1.4 of the Law on Electricity.

Article 11: Commitment for development of infrastructure

1. The Licensee shall comply with the commitment of the infrastructure development deriving from the Programme Implementation Strategy approved by the



Government of the Republic of Kosovo, and any commitment to infrastructure resulting from the Law on Energy. When commitments to infrastructure development cause the Licensee additional costs, such costs shall be recoverable by the licensee in accordance with applicable law.

2. The Licensee shall report annually to the ERO on the activities to be performed, in connection with the commitment to infrastructure development.

Article 12: Balance of electricity

The Licensee shall, after consultation with ERO, present the relevant Ministry the balance of electricity, with necessary annual and long-term forecasts required pursuant to Article 8 of the Law on Energy and other applicable rules.

Article 13 Availability and maintenance of data

1. The Licensee shall ensure that current and potential users of the transmission system shall have non-discriminatory access to the information they need to have efficient access to the system, in accordance with the Law on Electricity.
2. The Licensee shall take all necessary measures to ensure and enforce all obligations deriving from the existing legislation, license and agreements enter into.
3. The Licensee is responsible for the maintenance and publication of data on cross-border capacities, operation of interconnectors, congestion, dispatch of generating capacities, use of ancillary services and functioning of balancing market, as well as rights and obligations pertaining to the use of hardware and software necessary to calculate the power flows and other information.
4. ERO may require the Licensee to collect and maintain information, records and documents in accordance with Article 18 of the Rule on Licensing of Energy Activities in Kosovo.

Article 14: Interconnectors

1. In accordance with the Law on Electricity and Market Rules, the Licensee shall allocate capacity of interconnection lines with other systems in accordance with clear and transparent procedures for allocation and use of interconnection lines, including management of transit of electricity through the transmission system. Relevant procedures and their amendments shall be submitted to the ERO for approval. When the Regional Rules for allocation of transmission capacity are made mandatory, the Licensee shall, not later than three (3) months prior to entry into force of the Regional Rules, prepare and submit relevant procedures to the ERO for approval.
2. Under the Energy Strategy Implementation Program and subject to needs of the region, the Licensee shall evaluate and develop opportunities to interconnect the transmission system of Kosovo to other systems, every two (2) years it shall develop a list of new transmission capacities and interconnection lines and will comply with any directions of the ERO and relevant provisions of the legislation in force.



3. The Licensee shall, for each Interconnector and after the commissioning of each interconnection line, prepare a statement for ERO, as soon as possible, and in any case no later than the date specified by the ERO , indicating:
 - 3.1 The total quantity of each interconnector capacity and all interconnectors foreseen by the Licensee on an annual, monthly and daily basis, which will be available for daily transfer of electricity from the territory of the operation of the Licensee to other Transmission Operators outside its territory and vice versa;
 - 3.2 The margin of spare capacity of each interconnector, which is proposed by the Licensee and / or any other transmission system operator for system security, etc.
4. The Licensee shall regularly update the annual, monthly and daily capacities available, as reported under paragraph 3 of this Article, and in case of modification, it shall immediately notify the ERO.
5. Statements and modified statement shall be published on the official website of the Licensee.

For the purposes of this Article:

"Regional Rules" - binding rules for the allocation of transmission capacity issued under international agreements

Article 15: Inter-TSO Compensation Mechanism

1. The Licensee shall take all reasonable measures to collect incomes from allocation of interconnection capacities and payments under the inter –TSO compensation mechanism, in line with article 16, paragraph 8 of the Law on Electricity.
2. The Licensee shall, no less frequently than once every three months, notify ERO whether it has been able to carry out its duties under the article referred to in paragraph 1.

Article 16: System Operation

1. The Licensee will issue direct orders for dispatch of all generating units to change the point of work within dynamic borders, changing load and other tools necessary for balancing the system in accordance with the Grid Code and Market Rules.
2. The Licensee shall approve the program one day in advance, according to the following requirements and criteria:
 - 2.1 forecast of total system demand;
 - 2.2 technical constraints that may arise from time to time throughout the system or any part thereof;
 - 2.3 characteristics of operating dynamics of generation units and transmission capacities;
 - 2.4 projections of exports and imports of electricity in each line interconnection in accordance with the allocation of transmission capacity;
 - 2.5 estimated technical losses in transmission;



- 2.6 planned outages of transmission system for maintenance, repair, expansion or reinforcement;
 - 2.7 standards of Operation Safety, pursuant to Article 16 of this Licence;
 - 2.8 balancing mechanism in accordance with the Market Rules;
 - 2.9 electricity injected into the transmission system from generation units not subject to central dispatch, and
 - 2.10 other issues provided by the applicable legislation and Grid Code;
3. During the nomination and dispatch of produced energy, the Licensee shall give priority to energy produced from renewable energy sources and co-generation as required by the Grid Code and in accordance with legislation in effect.
 4. The Licensee shall maintain metering systems, collect and distribute commercial measurements for the purpose of final reconciliation, in accordance with the Metering Code and Market Rules.
 5. The Licensee shall report to ERO, in connection with the operation of the system, or any other aspect of operation, as required by ERO.

In this Article:

"Inter-connection transfer" – flow of energy through an interconnection line, as prescribed under the Grid Code.

Article 17: Economic Purchase of Assets and Services and Ancillary Services

1. The Licensee shall contract and acquire assets and services that are necessary to enable him to perform his obligations under the Grid Code. Such contracts shall be made in accordance with the Law on public procurement and other relevant legislation applicable in Kosovo.
2. The licensee shall be responsible for arranging the provisions of quantities and types of ancillary services as may be necessary in order to enable the Licensee to carry out the obligations established under the Grid Code. In so doing, the licensee must comply with the Grid Code and Market Rules and shall reflect the principles of efficiency, non-discrimination and transparency.
3. When entering into contract for acquisition of assets and services in accordance with paragraph 1 of this Article, the Licensee shall purchase or acquire those assets, services and ancillary services from most economic resources available.
4. Given the most economic resources available to him, the Licensee shall take into account the quantity, nature, diversity, numbers and safety of such assets, services and auxiliary services available for purchase or other acquisition, and pursuant to his needs shall enable it to perform its obligations under the applicable legislation, Grid Code and this Licence.

Article 18: Registration and disposal of relevant assets

1. The Licensee shall develop and maintain a register of all relevant assets and shall submit it to ERO, along with any changes on the register not later than 31 January of every year.



2. The Licensee shall not dispose or relinquish operational control over any relevant asset, if that would affect its ability to perform its obligations. In cases where the Licensee wishes to alienate of assets or other inventory used in carrying out the licensed activity, where their value is in excess of one hundred thousand Euros (€ 100,000.00), the licensee is obliged to notify ERO. The Licensee shall dispose of any such assets only upon written approval by the ERO.

3. In this Article:

“Disposal” – shall mean any sale, transfer, donation, rent, lease, mortgage, assignment, restrictions of use (physical or legal) or any other assignment, as well as allowing any assignment towards any other activity of the Licensee or any third party.

“Relevant Asset” – shall mean:

- a) Any equipment of the Transmission System used by the Licensee to perform its functions as prescribed under paragraph 2 herein;
- b) Any legal or profitable interest on any land and/or facilities where are located the abovementioned, and/or used by the Licensee to perform functions awarded by the License; and
- c) Any relevant intellectual property.

Article 19: Transmission System Safety and Planning Standards

- 1. Licensee is responsible for maintaining and where necessary updating the document Transmission System Safety and Planning Standards. Any change of the document shall be sent to ERO for approval.
- 2. The Licensee shall implement the Transmission System Safety and Planning Standards and shall be responsible for operating, ensuring the maintenance of the transmission system, and if necessary, its development in accordance with Transmission System Safety and Planning Standards as well as other standards of planning and operation, which the Licensee may implement, upon the approval by ERO.
- 3. The Licensee shall review from time to time the implementation of Transmission System Safety and Planning Standards, and shall submit to the ERO:
 - 3.1 a report of such review; and
 - 3.2 proposals for potential amendment of Transmission System Safety and Planning Standards.
- 4. ERO may issue instructions requiring the Licensee to revise the Transmission System Safety and Planning Standards, in the way that is specified in the instructions.
- 5. The Licensee shall publish on its official website, Transmission System Safety and Planning Standards.



Article 20: Operation Safety Standards

1. The Licensee shall implement Operation Safety Standards as approved by ERO.
2. The Licensee shall implement the Operation Safety Standards and shall be responsible for the functioning the transmission system in accordance with these standards.
3. In planning and maintaining appropriate levels of operating reserve for the Licensee's system, the Licensee shall use all opportunities to cooperate and coordinate with the transmission system operators of the neighboring countries in line with Article 16, subparagraph 1.6 of the Law on Electricity.
4. The Licensee shall periodically review the implementation of the Operation Safety Standards and if there is any change shall submit to ERO:
 - 4.1 a report on findings of such review, and
 - 4.2 proposed changes to be made to the Operation Safety Standards.
5. ERO may issue instruction which require the Licensee to revise the Operation Safety Standards in a manner as shall be specified in those instructions, and the Licensee shall act in compliance with those instructions.
6. The Licensee shall publish the Operation Safety Standards in its official website.

Article 21: General and Minimum Standards of Performance of Transmission Operation Activities

1. The Licensee shall comply with all standards of quality of service and supply of electricity as approved by ERO.
2. When required by ERO, the Licensee shall review the existing general and minimum performance standards within the time specified by ERO.
3. The Licensee shall implement the approved standards and shall propose to ERO for approval the procedure for monitoring of fulfilment of standards of quality and supply of electricity. The Licensee shall comply with approved procedures.
4. The Licensee shall provide ERO not later than 31 March of each calendar year a report on its activity regarding the standards to be met. This report will include information and analysis regarding the implementation of standards under this Article.
5. The Licensee shall, until March 31 of each calendar year, publish statistics as required by ERO, regarding compliance or non-compliance of standards established in this Article.

Article 22: Access to lands and/or buildings

1. The Licensee shall maintain and implement its Code of Practice which sets out principles and procedures to follow in relation to any person acting on behalf of the Licensee and that requires access to land and / or buildings associated with the performance of licensed activities.

2. The Code of Practice shall include procedures to ensure that the person seeking access to land and / or building, on behalf of the Licensee:
 - 2.1. has the necessary competence to perform the required tasks;
 - 2.2. has been appropriately trained in the company's Code of Practice in respect of third party premises, lands or buildings;
 - 2.3. may be identified by the public; and
 - 2.4. are persons authorized to visit and access premises, lands or buildings.
3. The Licensee shall periodically review the Code of Practice and any change to this Code shall be subject to ERO approval.

Article 23: Restrictions in Use of Certain Information

1. The Licensee shall ensure the confidentiality of commercially sensitive data obtained and held by it in the course of the carrying out of the duties, responsibilities and functions authorised by any applicable law and this Licence.
2. The disclosure of commercially sensitive data to any person other than the person to whom that data relates is prohibited where such disclosure may act to prevent, restrict or distort competition in the electricity market.
3. The Licensee shall be exempt from the prohibition on disclosure of commercially sensitive information in terms of paragraph 2 above only where:
 - 3.1 Such disclosure is expressly permitted by any applicable law, rule, code or licence;
or
 - 3.2 Such disclosure is made pursuant to an obligation arising under Energy Community law.
4. In this Article, 'commercially sensitive information' shall mean information which, if disclosed to any person to whom it does not relate, may allow such person an unfair competitive advantage and shall include, but not be limited to, real-time or close to real-time operational schedules for generation units, generation costs, and other technical, financial, operational or other data that could reasonably be expected to provide competitors with such unfair advantages in the Kosovo or any other electricity market.
5. The Licensee shall take all reasonable efforts to ensure that it complies with the requirements of this Article and the provisions of applicable law, including putting in place all measures, including policies, procedures and electronic or other safeguards, reasonably required to ensure that commercially sensitive information is identified and not disclosed in contravention of this Article.



6. The Licensee shall ensure that all management and staff who have access to such data are trained so as to reduce the risk of any deliberate or inadvertent disclosure of commercially sensitive information.
7. Within 3 months of the coming into force of this modified License, the Licensee shall notify ERO of the measures it has put in place to ensure compliance with this Article.

Article 24: Provision of Information to other system operators and Distribution System Operator

In order to ensure efficient operation, coordinated development and inter-functioning of inter-connected systems, the Licensee shall submit any necessary information to the Market Operator, Distribution System Operator and neighbouring inter-connected system operators, in a manner and times that may reasonably be required by the Market Operator, Distribution System Operator and neighbouring system operators.

Article 25: Legal and Managerial Independence

1. To ensure independence of the Licensee, in accordance to the Article 11.2 of the Law on Electricity, the following criteria shall apply:
 - 1.1. persons responsible for managing the Licensee shall not participate in the structure of any enterprise responsible, directly or indirectly, for the day-to-day operational control of enterprises involved in the generation, distribution or supply of electricity in Kosovo, and
 - 1.2. the Licensee shall take all necessary measures to ensure that the professional interests of persons responsible for management of the Licensee are taken into consideration in a manner that ensures that they are capable of acting independently;
2. The Licensee shall implement its Code of Conduct for Transmission System Operator, specifying measures necessary to ensure the prohibition of discriminatory behavior. This code shall also contain specific obligations of directors and other employees on issues relating to confidentiality, conflict of interest, etc.
3. The Licensee shall periodically review the Code of Conduct and any change to this Code shall be subject to ERO approval
4. The Licensee shall publish its approved Code of Conduct on its official web site.

Article 26: Market Rules and Market Integration

1. The Licensee shall act in conformity with the applicable Market Rules.
2. The Licensee shall cooperate and coordinate with the Market Operator and the other licensed operators in the organization of the day-ahead and intraday electricity markets for physical trading of electricity in the entire territory of Republic of Kosovo.



3. The Licensee shall promote and facilitate the integration of the Kosovo electricity market with other regional electricity markets.

Article 27: Health and Safety

1. The Licensee shall take all actions necessary to protect persons from injuries and damages that may be caused by the Licensee while performing the activities of the Transmission System Operator, pursuant with applicable legislation.
2. The Licensee shall, in accordance with applicable law, perform technical and security checks (audits) of transmission system on an annual basis, and shall submit the results of such inspection to the ERO, whenever required by the ERO.

Article 28: Labour

With respect to labour and safety at work, the Licensee shall act in conformity with the applicable legislation in Kosovo.

Article 29: Obligation of Insurance

1. The Licensee shall insure all assets in accordance with the applicable legislation in Kosovo.
2. The Licensee shall enter into contracts for insurance of transmission system and for equipment used for transmission of electricity. Such contracts shall be submitted to ERO for review on annual basis.

Article 30: Changes in control of Licensee

1. The Licensee shall notify ERO of any changes expected in control at least sixty (60) days in advance. Changes in control shall not take effect until it is approved by ERO.
2. The Licensee shall notify the ERO of any change in the organizational structure of the Licensee. Such notice shall be given ERO not later than three (3) days from the date of any such change.
3. The notice submitted to ERO in terms of paragraph 1 shall provide a detailed assessment by the Licensee of the extent to which the Licensee considers that the change in control affects its certification status.
4. Where, in the opinion of ERO, the change in control over the Licensee requires the certification procedure to be reopened, the Licensee shall reapply for certification in line with the Rule on Certification adopted by ERO.

Article 31: Public service obligations

1. The Licensee shall perform any public service obligation that may be determined by the ERO, in accordance with Article 51 of the Law on the Energy Regulator.



2. Where the decision of ERO, imposing a public service obligation on Licensee, establishes conditions for the discharge of that obligation, then such conditions shall be considered as an integral part of this license.

Article 32: Provision of information to ERO

1. The Licensee shall submit to ERO information and reports in the manner and on timeframes that ERO may deem appropriate.
2. The Licensee shall submit to ERO quarterly and annual reports on Transmission System Operator activities and on compliance with license conditions in line with Reporting Manual for Energy Sector, as approved by ERO.
3. If the Licensee, in accordance with Rule on Confidential Information, requires that any specific information should be treated as confidential, it is his duty to mark such information as confidential and justify its application to ERO. ERO will review the application in accordance with the Rule on Confidential Information.
4. ERO is entitled to request from the Licensee any confidential information, necessary for performance of its functions and duties in accordance with Article 12 of the Law on Energy Regulator.
5. The Licensee shall hand over to ERO details of any changes in information submitted in the course of application for this license.

In this Article:

"Information" – shall mean any material in any form and shall include, without limitation, any contract, book, document, record, accounting, calculation (statutory or other), assessment, return or report of any description or any explanation (verbal or written) with respect to these information that may be requested from ERO.

Article 33: Fees

The Licensee shall pay any initial or annual fees to ERO, as prescribed under Rule on Fees adopted by ERO.

Article 34: Extention, modification, suspension, termination and transfer of license

1. ERO may extend, modify, suspend or terminate this license in accordance with the Law on Energy Regulator and the Rule on Licensing of Energy Activities in Kosovo.
2. ERO may transfer this license in accordance with the Law on Energy Regulator Licensing and Rule on Licensing of Energy Activities in Kosovo, subject to requirement that the license obligations may be performed by another Licensee if the customers will not be detriment due to such a transfer.

Article 35: Administrative measures and fines

1. In case of violation of provisions of applicable legislation including the rules issued by ERO or Articles of this License or the instructions given to the Licensee by the ERO, ERO has the power to impose administrative measures and fines to the Licensee, in accordance with Article 57 of Law on Energy Regulator and the Rule on Administrative Measures and Fines.
2. Administrative measures and fines may be imposed to the enterprise as a legal entity as well as to responsible persons within the enterprise.
3. The amount of the fine shall be assessed in accordance with the Law on Energy Regulator and the Rule on the Administrative Measures and Fines.

Article 36: Dispute Resolution

1. Any dispute that may arise on or is related to licensed activities shall be resolved in accordance with Article 17 of the Law on Electricity and the Rules on Resolution of Complaints and Disputes in the Energy Sector, issued by ERO.
2. Decisions of ERO related to extension, modification, suspension, termination and transfer of license as well as decisions on fines as a consequence of license terms violations or violations of applicable legislation, may be challenged by the Licensee at the competent court, in conformity with the applicable legislation.

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