



The Board of Energy Regulatory Office

Based on:

- Article 9, paragraph 1, sub-paragraph 1.7, Article 15, paragraph 1, sub-paragraph 1.15, Article 25, Article 26, paragraph 1, subparagraph 1.2 and Article 43, paragraph 1 of Law on Energy Regulator (No.05/L-184);
- Article 14, paragraphs 6 and 7 of Rule on Authorization Procedure for Construction of New Generation Capacities;
- Decision on Notification for Preliminary Authorization V-770-2016, dated on 28 January 2016 issued to "AFA Energy" LLC for proving its compliance regarding project development for construction of new generation capacities for electricity generation from from hydro power plant HPP Kotlina 2, in Kotlinë River, CA Kotlinë, with an installed capacity of 2.7 MW, Municipality of Hani i Elezit, Republic of Kosovo, and
- Request on extension of validity time-limit of Decision on Notification for Preliminary Authorization for construction of new generation capacities for electricity generation from hydro power plant HPP Kotlina 2, in Kotlinë River, CA Kotlinë, with an installed capacity of 2.7 MW, Municipality of Kaçanik, dated on 24.01.2017, of "AFA Energy" LLC, having its address at: St. "Lagjia Ariu", no.10, 10000, Pristina, Republic of Kosovo,

in its session held on 09 February 2017 issued the following:

DECISION

- I. The validity time-limit of Decision on Notification for Preliminary Authorization v_796_2016, dated on 28 January 2016, issued to "AFA Energy" LLC, for completion of application for obtaining the Final Authorization, is hereby **EXTENDED** for an additional time limit of six (6) months, **namely until 28 July 2017.**
- II. "AFA Energy" LLC " is obliged to make a written request within this time-limit for conversion of Decision on Notification for Preliminary Authorization into Final Authorization for construction of new generation capacities for electricity generation from hydro power plant HPP Kotlina 2, in Kotlinë River, CA Kotlinë, with an installed capacity of 2.7 MW, Municipality of Kaçanik, namely until **28 July 2017,** meeting all legal requirements determined by the Rule on Authorization Procedure for Construction of New Generation Capacities and applicable legislation.
- III. Following the expiration of time limit as in item I. of the enacting clause, Decision V-770-2016, dated on 28 February 2019 on Notification for Preliminary Authorization, **shall be automatically repealed and will not be reviewed by ERO Board.**



Reasoning

- On 12.06.2016, ERO received from “AFA Energy” LLC, the application for obtaining the authorization for construction of new generation capacities for electricity generation from hydro power plant HPP Kotlina 2, in Kotlinë River, CA Kotlinë, with an installed capacity of 2.7 MW, Municipality of Kaçanik, Republic of Kosovo.
- Following the ascertainment that the applicant has proved its compliance for construction of new generation capacities from hydro power plant, on 28 January 2016, ERO issued the Decision on Notification for Preliminary Authorization V_770_2016, and instructed the applicant to meet other legal requirements required by the applicable legislation in Kosovo.
- The Decision on Notification for Preliminary Authorization V_770_2016 has not implied granting authorization until the requirements set by the Rule on Authorization Procedure for construction of new capacities are fulfilled.
- Notification on Decision for Preliminary Authorization determines the targets availability and the applicant’s admission to the Support Scheme and automatic guarantee of Feed-in Tariff.
- The Notification on Decision for Preliminary Authorization determines that the applicant is guaranteed the bond of Power Purchase Agreement with Public Suppliers in a ten (10) years period, which shall be concluded at least 30 (thirty) days before the date of commencement of generating operation.
- Decision on Notification for Preliminary Authorization is issued for one (1) year time-limit and this decision determines that “AFA Energy” LLC will be granted Authorization if within this time-limit it makes a written request for conversion of Decision on Preliminary Notification into Authorization, meeting all terms and conditions set by Rule on Authorization Procedure for construction of new capacities and applicable legislation.
- The applicant “AFA Energy” LLC, on 24.01.2017, submitted the request on extension of validity time-limit of Decision on Notification for Preliminary Authorization, and explained in its request that: starting from the grant of Preliminary Authorization, they were engaged in completion of required documentation (Construction Permit, Water Consent, Water Permit, Energy Approval and financial sources).
- They also explained that during the completion of abovementioned documentation, they have applied and are in the process of obtaining the Construction Permit, for which the documentation is completed but is related to the Consent from the Forestry Agency for renting the property, until the end of January 2017. They also applied for Urban Consent (no.06-350-2017 dated 23.01.2017), for Energy Approval (no. 90716 dated 08.12.2016) and financial support on 19.09.2016, and are waiting for responses from respective bodies.



- Therefore, based on these evidences, they required from ERO Board to allow the extension of validity time-limit of Decision on Preliminary Authorization for other additional six (6) months, for completion of remaining documentation, in order to be granted the Final Authorization for Construction. They also attached the following evidence to their request: Environmental Consent; 15/39996/1-417/DMM dated on 28.09.2016, Water Consent 650//16 – ZSP - 237/2016 dated on 01.03.2016 and the abovementioned evidence for completion of documentation for obtaining the Construction Permit by the competent body.
- Following the analysis of the request for extension of validity time limit of Decision on Notification for Preliminary Authorization, ERO evaluated it and based on legal provisions mentioned in the introductory part of this decision decided as in the enacting clause of this decision.

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

V. 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.

ERO Board:

Krenar Bujupi, Acting Chairman

Arsim Janova, Member

Besim Sejfiqaj, Member

This Decision is sent to:

- The party,
- Municipality of Hani i Elezit,
- Secretary General of MESP, and
- ERO Archive.