The Board of Energy Regulatory Office,

Based on:

- Provisions of Article 9, paragraph 1, sub-paragraph 1.7, Article 15, paragraph 1, sub-paragraph 1.5, Article 25, Article 26, paragraph 1, sub-paragraph 1.2, Article 46, paragraph 1, sub-paragraph 1.1, Article 47, paragraph 3, sub-paragraph 3.3 and Article 48 of Law on Energy Regulator (Law no. 05/L-084);
- Provisions of Article 16 of Law on Electricity (Law no. 05/L-085);
- Provisions of Rule on Determination of Maximum Allowed Revenues of Transmission System Operator and Market Operator (Rule on TSO/MO Revenues);
- Provisions of Principles on Determination of Tariffs for Transmission Use of System and Market as well as Connection Taxes;
- Decision V_907_2017 on TSO/MO Maximum Allowed Revenues;
- Methodology on Determination of Tariffs for Transmission Use of System (TUOS);
- Methodology on Determination of System Operator Tariffs;
- Methodology on Determination of Market Operator Tariffs; and
- Application of KOSTT JSC. on approval of TSO/MO tariffs, within Eleventh Electricity Tariff Review (ETR 11), submitted on 25 April 2017;

in its session held on 27 April 2017 issued the following:

**DECISION**

I. The tariffs for Transmission Use of System, System Operator and Market Operator, for relevant tariff year ETR 11, to be implemented by Transmission System Operator and Market Operator (KOSTT JSC.) are hereby APPROVED.

II. The structure of tariffs for KOSTT JSC., which shall be implemented starting from 1 April 2017, for the relevant tariff year ETR 11, is presented in the following table:
REASONING

On 25 April 2017, the Regulator received from KOSTT JSC. the application for TSO/MO tariffs.

In setting the TSO/MO tariffs, the Regulator took into account the documents issued and published on its official website, as follows:

- Consultation Paper- Calculation of TSO/MO MAR, published on 28 February 2017; and
- Final Report on TSO/MO Maximum Allowed Revenues, published on 31 March 2017;

III. Following the evolution and analysis of relevant papers as well as review of comments submitted by parties, and based on legal provisions mentioned in the introductory section of this Decision, the Board of the Regulator has decided as in the enacting clause to this Decision.

IV. The Decision is issued and published in official languages of the Republic of Kosovo.

V. The Decision will enter into force on the day of approval by the Board of the Regulator and shall be implemented by KOSTT JSC., for the relevant tariff year ETR 11 and will 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.

<table>
<thead>
<tr>
<th>TARIFF GROUP</th>
<th>TARIFF ELEMENT</th>
<th>UNIT</th>
<th>TARIFF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Generation connected to Transmission</td>
<td>System Operator Tariff</td>
<td>€/MWh</td>
<td>0.420</td>
</tr>
<tr>
<td></td>
<td>Market Operator Tariff</td>
<td>€/MWh</td>
<td>0.037</td>
</tr>
<tr>
<td>Generation connected to Distribution</td>
<td>System Operator Tariff</td>
<td>€/MWh</td>
<td>0.054</td>
</tr>
<tr>
<td></td>
<td>Market Operator Tariff</td>
<td>€/MWh</td>
<td>0.037</td>
</tr>
<tr>
<td>Distribution Operator</td>
<td>System Operator Tariff</td>
<td>€/MWh</td>
<td>0.499</td>
</tr>
<tr>
<td></td>
<td>Market Operator Tariff</td>
<td>€/MWh</td>
<td>0.044</td>
</tr>
<tr>
<td>Supply</td>
<td>TUOS Tariff 400/220 kV</td>
<td>€/kW/vit</td>
<td>6.081</td>
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<td>TUOS Tariff 110 kV</td>
<td>€/kW/vit</td>
<td>11.731</td>
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<td></td>
<td>System Operator Tariff</td>
<td>€/MWh</td>
<td>0.499</td>
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<tr>
<td></td>
<td>Market Operator Tariff</td>
<td>€/MWh</td>
<td>0.044</td>
</tr>
<tr>
<td></td>
<td>RES Fund Tariff</td>
<td>€/MWh</td>
<td>1.763</td>
</tr>
</tbody>
</table>
ERO Board

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Krenar Bujupi, Acting-Chairman

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Arsim Janova, Member

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Besim Sejfijaj, Member

This Decision is sent to:

- The party, and
- ERO Archive