



Pristina, 15 October 2018
ERO Code: V_1054_2018

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 (No.05 / L-084);
- Articles 19,20 and 21 of the Rule on Authorization Procedure for Construction of New Generation Capacities;
- Decision on Notice for Preliminary Authorization V_767_2016, date on 28 January 2016;
- Decision on the issuance of Final Authorization V_881_2017, dated on 09 February 2017 issued to "Eurokos JH" LLC for construction of new generation capacities for generation of electricity from HPP Brod 1 in the stream of Brod River, with an installed capacity of 1.06 MW, CA Brod, Municipality of Dragash; and
- Request for Modification of Final Authorization V_881_2017, date on 09 February 2017 for modification of the installed capacity from 1.06 MW to the total installed capacity of 2.48 MW for HPP Brod 1, which is being constructed on the cadastral parcel no. 1339 CA Brod, Municipality of Dragash, dated on 27.09.2018 of the company "Eurokos JH" LLC, with address Str. "Migjeni" No. 23 -10000 Pristina, Republic of Kosovo;
- Decision no. 783/18 - ZSP -1088/2018, dated on 12.09.2018 on amending the Decision on Water Permit with no. 1782 -2/11 - ZSP- 620/12, date on 23.08.2012 for HPP Brodi 1, from N = 1.062 MW to N = 2.48 MW in the water segment, from the Quota of 1355.41 ml.m, up to the Quota of 1251.0 m., issued by MESP;
- Contract for supply of turbines from Feroinvest producer, technical-investment documentation and financial evaluation of the project,

in the session held on 15 October 2018 issued the following:

D E C I S I O N O N M O D I F I C A T I O N O F F I N A L A U T H O R I Z A T I O N

- I. **APPROVAL**- of the request of "Eurokos JH" LLC and **MODIFICATION OF THE DECISION ON FINAL AUTHORIZATION** V_881_2017, date on 09 February 2017, for construction of new generation capacities from the hydro power plant HPP Brodi 1, from the installed capacity of 1.06 MW to the total installed capacity of **2.48 MW**, cadastral area no. 1339, CA Brod, according to Decision no. 783/18-ZSP-1088/2018, dated on 12.09.2018, for amendment of the Decision on Water Permit with No. 1782-2/11-ZSP-620/12, dated on 23.08.2012 for HPP Brodi 1, from N=1.062 MW to N=2.48 MW, in the water segment, from the Quota 1355.41 ml.m, up to the Quota 1251.0 m.l.m, issued by the Ministry of Environment and Spatial Planning (MESP).



- II. "Eurokos JH" LLC is **OBLIGED** that following the construction according to enacting clause under item I. of this Decision, to apply for the Certificate of Usage, at the competent Municipal body, according to Law on Construction.
- III. Following the finalization of the project, according to enacting clause under item II. of this Decision, the generator "Eurokos JH" LLC, shall enter into commercial operation, according to the Power Purchase Agreement with the Market Operator (COST) with a duration of 10 (ten) years, with the Feed-in Tariff set by Decision no. V_810_2016, dated on 19 May 2016, issued by ERO Board, within 30 days following the receipt of the Certificate of Usage, issued by the competent body.
- IV. "Eurokos JH" LLC shall be granted an Environmental (Ecological) Permit by MESP.

Reasoning

- ERO, on 27.03.2015, received from the company "Eurokos JH" LLC, the application for obtaining the authorization for construction of new generation capacities for generation of electricity from HPP Brod 1, with an installed capacity of 1.06 MW, located at CA Brod, Municipality of Dragash, Republic of Kosovo.
- The Board of ERO, following the ascertainment that the applicant has proven its suitability for construction of new generation capacities from the Hydro Power Plant, on 28 January 2016 issued the Decision on Notice for Preliminary Authorization V_767_2016, and instructed the applicant to fulfill other legal requirements required by the applicable legislation in Kosovo.
- ERO, on 16 January 2017, received from the company "Eurokos JH" LLC the request for conversion of the Decision on Notice for Preliminary Authorization into FINAL Authorization for construction of new generating capacities for generation of electricity from HPP Brod, in Brod River, with an installed capacity of 1.06 MW, Municipality of Dragash, attaching evidence issued by relevant authorities for fulfillment of all environmental requirements, the right on the use of land, the Water Permit, the Construction Permit issued by the Municipality and other legal requirements related to the nature of the project under the legislation in force.
- The ERO Board, on 09 February 2017, issued the Decision on Final Authorization V_881_2017 to "Eurokos JH" LLC for construction of new generating capacities for generation of electricity from Hydropower Plant in the stream of Brod River, with an installed capacity of 1.06 MW, CA Brod, Municipality of Dragash.
- ERO, on 27 September 2018, received from the company "Eurokos JH" LLC, the request for Modification of the Final Authorization V_881_2017, dated on 09 February 2017 for Modification/amendment of the installed capacity from 1.06 MW to the total installed capacity of 2.48 MW for the Hydropower Plant HPP Brod 1, that is being built in the cadastral parcel no. 1339 CA Brod, Municipality of Dragash.
- ERO, along with the request for Modification of the Final Authorization, has received the evidence as follows: Decision no. 783/18-ZSP -1088/2018, dated on 12.09.2018 on amending the Decision on Water Permit with no. 1782 -2/11 - ZSP- 620/12, dated on 23.08.2012, for HPP Brodi 1, from N = 1.062 MW to N = 2.48 MW in the water segment, from the Quota of 1355.41 ml.m, to the Quota 1251.0 m.l.m, issued by MESP, the contract of supply with turbines from the producer Feroinvest, the technical – investment documentation and financial evaluation of the project.



- "Eurokos JH" LLC, in its request clarified that: during the construction of the hydro power plant Brod 1, in line with the final authorization issued by ERO, the improvement of the geological and ecological parameters foreseen by the redesigned feasibility study have resulted in optimisation of this hydropower plant.
- Also, during the process of selecting the type of turbines as well as field studies, with the proposal of the turbine producer and the measurements carried out, the company has come up with the selection of turbines with Feroinvest for the capacity required by it. The producer has suggested two francis turbines, totalling 2.48 MW, to efficiently use power generation, and not loading the equipment with maximum capacity, but to use the normal capacity for maintaining the turbines and their lifespan.
- The company emphasizes that following the consultation with the experts of this field and the producer's proposals, has decided that following the completion of the amendment of the permit and required approvals issued by the competent body, to be equipped with turbines at the producer's recommendation.
- Therefore, based on what was stated above as well as the attached documents, including the decision on amendment of Water Permit, issued by MESP in support of the request, have requested from the ERO Board that in accordance with the legal provisions of article 19 of Rule on Authorization to approve the modification of the final authorization and to enable the amendment of the installed capacity from 1.06 MW to a total capacity of 2.48 MW, while the other parts of the project remain unchanged.
- ERO Board, following the evaluation of the request on Modification of Authorization and the attached evidence, has evaluated them, and has ascertained that the request on modification is grounded, and the attached evidence is a sufficient basis to allow the Modification of the Final Authorization V_881_2017, dated on 09 February 2017, and the amendment of the installed capacity from 1.06 MW to the total capacity of 2.48 MW, based on Decision no. 783/18 -ZSP-1088/2018, dated on 12.09.2018 on amending the Decision on Water Permit with no. 1782 -2/11 - ZSP- 620/12, dated on 23.08.2012, issued by MESP, and based on the legal provisions mentioned in the introductory section to this decision, decided as in the enacting clause of this decision.

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

VI. The Decision shall enter into force on the date of approval by the Board and will be published on the official website of ERO.

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.

This Decision is sent to:

- The party,
- Municipality of Dragash,
- Secretary of MESP, and
- Archive of the Regulator

ERO Board:

Arsim Janova, Acting Chairman

Besim Sejfijaj, Member

Selman Hoti, Member



Izet Rushiti, Member