

Pursuant to the authority given under Article 23 of the Law on Energy Regulator, the Board of the Energy Regulatory Office on a session held on 17.01.2006 has adopted the

SCHEDULE OF FEES

CHAPTER 1: General Provisions

Article 1

Scope

This Rule specifies the categories and the amount of the fees stipulated in Articles 23 and 24 of the Law on the Energy Regulator for the purposes of financing the Energy Regulatory Office (ERO), as well as the procedures and the deadlines for payment and the consequences of non payment of such fees.

Article 2

Definitions

The terms used in this Rule shall have the same meaning as the terms used in the Law on Energy, the Law on the Energy Regulator, the Law on Electricity, any legislation on district heating or natural gas and any other applicable laws and regulations in Kosovo.

Article 3

Categories of fees

According to the provisions of Article 24 of the Law on the Energy Regulator, ERO is entitled to set and collect the following fees:

1. Initial licensing fees.
2. Annual license fees.
3. Fees for the issuance of certificates of origin.
4. Dispute Settlement Fees

Article 4

General principles regarding calculation of fees

4.1 Annual license fees shall be determined in a manner that allows the financial self sustainability and effective and cost-efficient operation of ERO and may not exceed in any event an amount equivalent to two per cent (2%) of the gross turnover of the energy enterprises required to pay such annual fees. For the purpose of the Kosovo energy sector conditions, “gross turnover” shall mean total value of Sales of an energy enterprise.

4.2. The methodology for the calculation of the annual license fees set forth in Annex A takes into consideration the conditions of the energy sector in Kosovo and ERO development phase, is based on criteria of applicability and simplicity and aims to avoiding any risk of financial overburden of consumers.

4.3 Fees for the issuance of certificate of origin shall be calculated in accordance with the administrative expenses reasonably incurred in the processing of the acts to which such fees refer.

Article 5
Amount of fees

The exact amount of due fees shall be determined according to Annex A of the present Rule that is an integral part hereof.

CHAPTER 2: Categories of fees

Article 6
Initial Licensing fees

Initial licensing fees consist of the administrative fees prescribed for the issuance or modification of licenses, including the expenses for the preparation of such licenses, according to the provisions of Articles 28 and 35 par. a) of the Law on the Energy Regulator.

Article 7
Annual license fees

7.1 Annual license fees are the fees prescribed for carrying out the regulated activity in the energy sector from the moment of the issuance of License and each subsequent year after the year of the issuance of the license.

7.2. Annual licensing fees comprise a variable amount that shall be calculated in accordance with the respective annual activity in the energy sector and based on the estimated energy flows during the current year.

7.3. Annual license fees shall be imposed on energy Generators and shall be accordingly calculated on the basis of the measured net energy injection into the networks (Electricity and District Heating). This is measured as far as electrical Generation is concerned in the network side of the “step-up” Generator-Transformer.

Heat generation is measured in the “split-up” point between the Heat Plant and Distribution network.

Annual License fees shall be also imposed on Interconnector Traders based on contracted and realized imports.

Annual License fees are allocated to the account of the holders of a Generation License, District Heating License and Interconnector Trader License.

7.4. ERO shall calculate the annual license fees for holders of Generation and District Heating Licenses on the basis of estimations of the total energy injected during the coming calendar year, and shall notify this amount to all Generators and District Heating licensees by 1 December in the preceding year.

In the case of new or modification of existing Licenses the remaining of the current year, ERO shall recalculate the due annual fees based on the actual energy flows, as provided for according to the provisions of the Metering Code. The clearance of any difference between the prepaid amount

and the amount actually due shall take place simultaneously with the payment of the due annual license fees for the next year.

7.5. Generation and Interconnector Trader Licensees who are required to sell energy to the holder of a public supplier license at a regulated price shall be entitled to include the costs of annual license fees relating to these quantities of energy in the regulated price.

Article 8

Fees for the issuance of certificates of origin

Fees for the issuance of certificates of origin comprise the expenses for the preparation of such certificates. This is in addition to any other fees that the Licensee has to pay as a result of the application of this present Rule.

Article 9

Permits and Dispute settlement fees

9.1 Dispute settlement fees are fees charged in case of arbitration according to Chapter 5 of the Rule on the Dispute Settlement Procedures.

9.2 Fees for issuance of preliminary and final permits are fees charged in accordance with the Rule on Authorization Procedure.

CHAPTER 3: Procedural rules

Article 10

Procedure for the collection of fees

10.1 Fees for reviewing applications shall be paid at the time of submission of the application and are due irrespectively of ERO decision thereupon.

10.2 Initial licensing fees and fees for the issuance of certificates of origin shall be payable in advance and no later than thirty (30) calendar days from the receipt of an invoice issued by ERO.

10.3 Annual license fees shall be paid within thirty (30) calendar days upon receipt of an invoice issued by ERO. ERO may permit the payment of such fees through consecutive monthly installments, as prescribed for in each license.

Article 11

Payment modalities

11.1 Except the annual fees, which must be paid directly to the ERO bank account, all other fees shall be paid by cash or by deposit to ERO bank account.

11.2 For each payment made in cash, ERO shall issue a receipt and maintain a copy of such receipt.

11.3 For each payment deposited at the bank, the deposit receipt shall be submitted to ERO.

Article 12

Consequences of non-payment

12.1 ERO is entitled to deny the review of the applications for the issuance or modification of licenses that are not accompanied with a receipt for the payment of due fees.

12.2 Without prejudice to the provisions of Articles 12.1, in case of failure to pay the due fees or to make a satisfactory payment arrangement according to the provisions of the present Rule, ERO shall notify the debtor in writing, providing for a deadline of at least ten (10) calendar days. In case of non-payment upon expiration of such deadline, ERO may refuse application.

12.3 The energy enterprise that does not pay annual license fee within the deadline set by ERO, shall be subject to the penalties imposed by ERO in accordance to the Article 57 of the Law on Energy Regulator.

12.4 In reference to the Article 12.3, in case of non-payment of the annual license fees ERO may impose interest on the due amount at the rate that refers to the bank rate of (2)% per month. For that purpose ERO shall notify the licensee in writing.

12.5 In reference to the Article 12.4, in case of further non-payment ERO may withdraw the license reserving its legal right to refer the case to litigation.

Article 13 **Complaints before the ERO**

13.1 Within a deadline not exceeding ten (10) calendar days upon notification for due fees the debtor of such fees has the right to lodge a complaint before ERO.

13.2 ERO is obliged to register such complaint and decide thereupon within a deadline not exceeding ten (10) calendar days.

13.3 The submission of a complaint does not suspend the obligation to pay the fees, unless otherwise permitted by ERO.

13.4 ERO may suspend totally or partially the obligation to pay the fees until its final decision upon the complaint. In that case the debtor shall be notified in writing.

13.5 Suspension of the obligation to pay the fees shall be permitted in case of obviously justified complaints.

CHAPTER 4: Final and transitional provisions

Article 14 **Official Language of the Rule**

14.1 This Rule is issued in Albanian, Serbian and English language.

14.2 In case of any dispute, the English version shall prevail.

Article 15 **Entry into force - Amendments**

15.1 This Rule comes into effect on the date of its adoption and publication on ERO web-site.

15.2 ERO may proceed to the amendment of this Rule, as it considers necessary.

15.3 Without prejudice to Article 15.2, this Rule shall not be amended prior to the expiration of a five (5) years period of time, unless exceptional circumstances associated with the calculation of the fees necessitate an earlier amendment.

ANNEX A: FEES FOR THE ENERGY REGULATORY OFFICE

CATEGORIES OF FEES	Fees in EURO (€)
A. INITIAL LICENSING FEES (Article 6)	
A.1 New application or revisions with complex modifications of Licenses for Generation of Electrical Energy	
A1.1 up to 50 MW & revisions with complex modification	€ 3000
A1.2 exceeding 50 MW but less than 400 MW	€ 6000
A1.3 400 MW and above	€ 12000
A1.4 Revisions with simple modifications	€ 750
A.2 Public Supply License and Supply/Trader License	
A.2.1 up to 100 MW	€ 2000
A.2.2 exceeding 100 MW but less than 400 MW	€ 3000
A.2.3 above 400 MW	€ 5000
A.3 Market Operator License	€ 3000
A.4 TSO and DSO License	€ 6000
A.5 District Heating Generation License	€ 500
A.6 District Heating Distribution License	€ 500
A.7 District Heating Supply License	€ 500
A.8. Revisions relating to the A.2-A.7	€ 500
B. ANNUAL LICENSE FEES (Article 7)	
B.1 Electricity generation, import <i>(Net injection to the network for generators and contracted and realized for interconnector traders)</i>	€ 0.22/MWh
B.2 District heat production <i>(Net injection to the network)</i>	€ 0.1/MWh
C. FEES FOR THE ISSUANCE OF CERTIFICATES OF ORIGIN (Article 8)	€ 0.05/MWh
D. DISPUTE SETTLEMENT FEES AND PERMITS	
D1. Arbitration fees	In accordance to the agreement
D2. Permit fees	In accordance to the Rule on Authorization

