Prishtina, 20 February 2015 ERO Code: V_706_2015

Board of the Energy Regulatory Office

Based on:

- Article 8 paragraph 1 sub-paragraph 1.6, Article 14 paragraph 2 subparagraph 2.16 and Article 25 of the Law on Energy Regulator (No. 03/L-185);
- Article 4, paragraph 7 of the Rule on Authorisation Procedure for Construction of New Capacities;
 and
- Application for extension of the time limit of validity of the Decision on Notification for Preliminary Authorisation for construction of new generation capacities for generation of electricity from water, in Lepenc River, consisting of three (3) generation units; HPP III Kovaqic, with a capacity of 2*1500 kW, HPP IV Kamenic near Kaçanik with a capacity of 2*1750 kW and HPP V Doganaj with a capacity of 2*1675 kW, in a total of 9.85 MW, all in Municipality of Kaçanik, dated 18.12.2014, submitted by "Matkos Group" LLC. enterprise, having its address at "Nazim Gafurri" Str., No. 289, MA Prishtina, Republic of Kosovo,

in its session held on 20 February 2015, issued the following:

DECISION

I. The time limit of validity of the Decision V_489_2012 on Notification for Preliminary Authorization, dated 24 December 2012 is hereby EXTENDED for an additional time limit of six (6) months, namely until <u>24 June 2015</u>.

Reasoning

- On 29.04.2011, ERO received an application from "Matkos Group" LLC enterprise for authorization for construction of new generation capacities for generation of electricity from water, in the Lepenc River, consisting of three (3) generation units; HPP III Kovaqic, with a capacity of 2*1500 kW, HPP IV Kamenic near Kaçanik with a capacity of 2*1750 kW and HPP V Doganaj with a capacity of 2*1675 kW, in a total of 9.85 MW, all in Municipality of Kaçanik,
- The Decision on Notification for Preliminary Authorization has not meant granting authorization until the requirements set by the Rule on Authorization Procedure for Construction of New Capacities are fulfilled.
- The Decision on Notification for Preliminary Authorization was issued for a two (2) years time-limit, and it determined that "Matkos Group" LLC. enterprise shall be granted authorization for construction, if it will make a written request, within this time-limit, to convert the Decision on Preliminary Notification into Authorization, fulfilling all requirements set by the Rule on Authorization Procedure for Construction of New Capacities and the applicable legislation.



- On 18.12.2014, ERO received an application from "Matkos Group" LLC enterprise for extension of the time limit of validity of the Decision on Notification for Preliminary Authorization for construction of new generation capacities for generation of electricity from water, in the Lepenc River, consisting of three (3) generation units; HPP III Kovaqic, with a capacity of 2*1500 kW, HPP IV Kamenic near Kaçanik with a capacity of 2*1750 kW and HPP V Doganaj with a capacity of 2*1675 kW, in a total of 9.85 MW, all in Municipality of Kaçanik, for an additional time limit in accordance with the applicable legislation.
- "Matkos Group" LLC. enterprise, explained that: after being granted with the permit from the Municipality of Kaçanik, it prepared the entire necessary documentation and on 17.05.2012 applied with the MESP for Environmental Permit for construction of HPPs in Lepenc River of the Municipality of Kaçanik.
- The MESP, after receiving the application, initiated legal procedures, and pursuant to the application, organized a field visit, and on 25.07.2012 held a Public Hearing with stakeholders. Thereafter, the MESP rendered Decision No. 12/12/1326/2-ZSP/101/12, dated 29.03.2013, whereby it rejected the application of "Matkos Group" LLC. enterprise, reasoning that it was concluded that for the location where was planned the construction of HPPs was granted Environmental Permit to two other companies that had applied earlier.
- "Matkos Group" LLC. enterprise explained that regarding the rejection of the application for environmental permit, it has filed a claim against the Decision No. 2/12/1326/2-ZSP/101/12 of the MESP, dated 29.03.2013, before the Basic Court in Prishtina Department for Administrative Matters. It explained that up to date the Court has not scheduled a session for the review of the grounds of the claim and statement of the claim, thus, they are waiting for this adjudication and decision pursuant to the claim filed.
- Therefore, based on the above mentioned reasons, it explained that the applicant has not been able, within the time limit set forth under item IV of the enacting clause of Decision V-489-2012, dated 24 December 2012, to fulfill the obligation mentioned and apply with the foreseen documentation for granting of Final Authorization for construction of new generation capacities, and based on this, it requested to take into consideration the above-mentioned reasons and to extend the time limit for fulfillment of the requirements deriving from Article 14 and 15 of the Rule on Authorisation Procedure and other requirements of other applicable legislation on construction of new generation plants.
- Following the analysis of the request for extension of the time limit of validity of the Decision on Notification for Preliminary Authorisation, based on legal provisions mentioned in the introductory section of this decision, ERO decided as in the enacting clause of this decision.
- V. "Matkos Group" LLC. enterprise must make a written request for conversion of the Decision on Preliminary Notification into Authorization for construction of new generation capacities for generation of electricity from water, in the Lepenc River, consisting of three (3) generation units; HPP III Kovaqic, with a capacity of 2*1500 kW, HPP IV Kamenic near Kaçanik with a capacity of 2*1750 kW and HPP V Doganaj with a capacity of 2*1675 kW, in a total of 9.85 MW, all in Municipality of Kaçanik, until 24 June



2014, fulfilling all requirements set by the Rule on Authorization Procedure for Construction of New Capacities and the applicable legislation

- **VI.** Following the expiry of the above-mentioned time limit, Decision V-489-2012, dated 24 December 2012, on Notification for Preliminary Authorization shall be automatically repealed, and it shall not be reviewed by the ERO Board.
- **VII.** The Decision shall be issued in Albanian language and will be translated into Serbian language. In case of any discrepancy between the versions, the Albanian version shall prevail.
- **VIII.** The Decision shall enter into force on the date of approval by the Board and will be published in the ERO's official website.

Legal advice: The party dissatisfied with this Decision may initiate an administrative dispute with the Competent Court, within thirty (30) days from the date of receipt of this Decision or the date of its publication in the ERO website, whichever occurs last.

ERO Board	
Enver Halimi, Chairperson	
Merita Kostari, Member	
Krenar Bujupi, Member.	-