



Prishtina, 30 November 2012
ERO Code: V_488_2012

Board of the Energy Regulatory Office

Based on:

- Article 8, paragraph 1, sub-paragraph 1.6, Article 14, paragraph 2, sub-paragraph 2.16 and Article 25 of the Law on Energy Regulator (No. 03/L-185);
- Article 16, paragraph 3 of the Rules on Authorization Procedure for Construction of New Generation Capacities;
- The decision to issue the Authorization, No. 402/12 dated 15 June 2012 issued by the Board of ERO;
- Request for extension of the period of validity of the Decision on Notification for Preliminary Authorization for construction of new generation capacities for generation of electricity from Water, for the Lumëbardhi II. unit with an installed capacity of 5.5 MW, in the municipality of Deçan, dated 09.11.2011 by the enterprise "KelKos-Energy" L.L.C., address Street "Zagrebit" no. 19/22, Prishtina, Republic of Kosovo,

in the session held on November 30, 2012, issued the following:

DECISION

- I. **IT IS EXTENDED** the validity of the Decision on Notification for Preliminary Authorization V_296_2010 dated November 11th, 2010 (two years duration), for a period of six (6) months, respectively **until May 11th, 2013.**

Justification

- o ERO on 09.08.2010 received from the enterprise "KelKos-Energy" L.L.C. an application for authorization to construct new generation capacities for generation of electricity from Water, with an installed capacity of 23.1 MW, at locations: "Lumëbardhi II." with an installed capacity of 5.5 MW, "Belaja" with an installed capacity of 9.2 MW and "Deçan" with an installed capacity of 8.4 MW, all in the municipality of Deçan.
- o On 11 November 2010 the Board of the Energy Regulatory Office, after analyzing the evidences presented by the enterprise "KelKos-Energy" L.L.C. has decided that this application has demonstrated its suitability for the development of the project for construction of new



generation capacities from Water, and has issued the Decision on Notification for Preliminary Authorization V_296_2010.

- The Decision on Notification for preliminary authorization has not meant the issuance of Authorization, until the requirements set out in the Rule on Authorization Procedure for construction of new generation capacity are not met.
 - The Decision on Notification for Preliminary Authorization is issued for a period of two (2) years, and in this decision it is determined that the enterprise "KelKos-Energy" L.L.C., will be given Authorization for Construction, if within this period of time will make a written request for conversion of the Decision on Notification for Preliminary Authorization satisfying all of the conditions set out in Rule on Authorization Procedure for construction of new capacities and the legislation in force.
 - On 29.02.2012 ERO received from the enterprise "" KelKos-Energy " L.L.C. a request for conversion of the Decision on Notification for Preliminary Authorization into Authorization for construction of new generation capacities for the production of electricity from Water, for the generation units: HPP "Belaja" and HPP "Deçan".
 - On 15.06.2012 the Board of the Energy Regulatory Office, with the decision V_402_2012 decided to issue to the the enterprise "KelKos-Energy" L.L.C., the Authorization for construction of new generation capacities for generation of electricity from Water, with an installed capacity of 17.6 MW, consisting of two (2) generation units to be installed at the locations: HPP "Belaja" with an installed capacity of 9.2 MW and HPP "Deçan" with an installed capacity of 8.4 MW, in the Municipality of Deçan. While the unit "Lumëbardhi II" with a capacity of 5.5 MW, which is part of the application, will be reviewed and decided after bringing the Water Permit and Construction Permit.
 - On 09.11.2012 ERO received from the enterprise "KelKos-Energy" L.L.C., a request for extension of the period of validity of the Decision on Notification for Preliminary Authorization V_296_2010 of November 11th, 2010, for the generation unit HPP "Lumëbardhi II" with a capacity of 5.5 MW for another three (3) months, until 11 February 2013.
 - The Enterprise "KelKos-Energy" L.L.C., in its request has clarified that the Water Department of the Ministry of Environment and Spatial Planning, on the date when it was decided for the issuance of the Water Permit for the HPP "Belaja" and HPP " Deçan " for HPP "Lumëbardhi II" needs additional evidences, and it was required to carry out a study according to international technical standards related to the potential theoretical disaster scenarios in the event of a failure of the cascade. This study will be submitted to the department for review.
 - ERO after analyzing the request for extension of the period of validity of the Decision on Notification for Preliminary Authorization, for the generation unit HPP "Lumëbardhi II" has evaluated it and based on legal provisions mentioned in the introduction to this decision, has decided as in the enacting clause of this decision.
- II. The enterprise "KelKos-Energy " L.L.C., must make a written request for conversion of the Decision on Notification for Preliminary Authorization for generation unit HPP



"Lumëbardhi II" until 11 May 2013, fulfilling all the conditions set out by the Rules on Authorization Procedure for construction of new capacities and the legislation in force. After this date the Decision V_296_2010 of 11 November 2010 on the on Notification for Preliminary Authorization, for the generation unit HPP "Lumëbardhi II" will be repealed.

- III. The Decision shall be issued in Albanian language and will be translated into Serbian and English. In case of any discrepancy among versions, the Albanian version shall prevail.
- IV. This Decision shall enter into force on the date of approval by the Board, and shall be published in 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 the Decision or the date of its publication in the ERO website, whichever occurs last.

Board of ERO

Enver Halimi, chairman

Përparim Kabashi, member

Blerim Koci, member

Merita Kostari, member

Krenar Bujupi, member