

REPUBLIKA E SHQIPËRISË ENERGY REGULATOR AUTHORITY BOARD DECISION

No. 227, Dated 14.07.2023

ON

APPROVING SOME AMENDMENTS TO THE REGULATION OF THE PROCEDURES FOR NEW CONNECTIONS AND THE MODIFICATION OF THE EXISTING ONES IN THE TRANSMISSION NETWORK, THE OPERATION AGREEMENT IN THE TRANSMISSION NETWORK BETWEEN THE TSO COMPANY AND THE USER APPROVED WITH ERE BOARD DECISION NO, 87 OF DATE 20.04.2018

Implementing Article 10 point 2, 16, 20 letter "h" and Article 27 point 3 of Law no. 43/2015 "On Power Sector", as amended, as well as Article 15 of the Regulation on ERE organization, operation and procedures, approved with ERE Board Decision no. 96, of date 17.06.2016; ERE Board, on the meeting of date 14.07.2023, after reviewing the report protocol no. 1041/3, dated 21.06.2023 and the additional information with protocol no. 1041/1, dated 12.07.2023, prepared by the Technical Directories "On approving some amendments on the Regulation of new connection procedures and the modification of the existing connections with the transmission network, the operation agreement with the transmission network between TSO company and the users approved with ERE Board decision no. 87, dated 20.04.2018",

Observed that:

- The Transmission System Operator (TSO) company by e-mail of date 27.03.2023, provided that the parties agreed for the amendments on the standard connection agreement, these amendments are submitted at ERE with MIE consulence via electronic post on 15.02.2023 subject: "On the assessment and acceptance of some amendments on the standard connection agreement approved with ERE Board Decision no. 87, dated 20.4.2018".
- ERE Board with Decision no.120 dated 04.04.2023, decided to initiate the procedure of reviewing the amendments on the regulation for the new connection procedures and the modification of the existing ones with the transmission network, the operation agreement with the transmission network between the TSO company and the user, approved with ERE Board Decision no. 87 dated 20.4.2018.
- ERE with the official letter Protocol no. 1223, dated 11.04.2023, send the notification to initiate the procedure regarding decision no. 120/2023 of the Ministry of Infrastructure and Energy (MIE), the Transmission System Operator (OST company), the Distribution System Operator (OSSH company), the Universal Service Supplier (FSHU company), the Free Market Supplier (FTL company) and the Albanian Power Coorporation (KESH company).

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- ERE on date 13.04.2023, published on its website at Consultings the proposed draft of the amendments of the transmission agreement between the TSO company and the User, for the comments and suggestions from all of the interested parties.
- The Transmission System Operator (OST) company with the official letter Protocol no. 2273 dated 24.04.2023 submitted at ERE the proposal regarding some amendments of the "Regulation of the procedures for new connections and the modification of the existing ones with the transmission network; the Operation Agreement with the transmission network between the TSO company and the user", approved with ERE Board Decision no. 87 dated 20.04.2018, by informing that the proposal comes in implementing the definitions of the "New Transmission Code", approved with ERE Board Decision no. 63, dated 11.04.2022.
- For the above mentioned from ERE it was considered crucial that the TSO company shall have a final opinion regarding this issue. For this purpose, ERE with the official letter Protocol no. 1315/1, dated 12.05.2023 required to the TSO company to give a final opinion regarding the proposals.
 - TSO company through the official letter Protocol no. 2273/2, dated 22.05.2023, ERE protocol no. 1315/2, dated 23.05.2023 provides that: it judges necessary to require the suspension of the review from ERE and to withdraw the proposals made with the official letter protocol no. 2273, dated 24.04.2023 and the TSO company shall continue its work to comply the necessary acts defined on ERE Board Decision no.63, dated 11.04.2022, on approving the "Transmission Code".
- Following the communications regarding the procedure initiated from ERE with Board Decision no. 120, dated 04.04.2023, the TSO company, with the email dated 29 May 2023, send the amendments of the connection agreement, with the respective corrections, for which it is agreed between the parties.
- On 23.06.2023, it was published on Consultings session of ERE website dhe draft with the amendments/suggestions of TSO company that is send by email dated 29 May 2023, to be accessed from all of the interested parties.
- ERE through the official letter protocol no. 1859 dated 29.06.2023, informend the interested parties which are informed with the official letter protocol no. 1223, dated 11.04.2023, for the initiation of the procedure regarding Decision no. 120/2023, by informing that the prepared draft shall be found at the "Consultings" session on ERE official website, www.ere.gov.al. Any of the interested parties issued any assessment /coment regarding this document.
- From the review of the amendments received from the TSO company by email dated 29 May 2023, it was assessed that on Article 13 shall be added point 16 with the content as follows: TSO company on each case shall document and publish the caused in the Event of a Disconnection and shall publish the compensations caused by a de-energization event.

Adresa: Blvd "Bajram Curri" Rr: "Viktor Eftimiu",1023, Tiranë web: www.ere.gov.al This definition shall include the publication of the costs in the event of the dis-connections provided on point 15, Article 13 but even the publication of the documentation for the compensations in the event of de-energization provided on Point 9, Article 13 of the Operation Agreement with the transmission system.

- Proposed amendments on Articles 1, 3, 4, 6, 8, 9, 10, 13 (as amended), 19 and 23 shall be assessed that guarantee the operation system with the transmission network, the adaptation with the current conditions of the sector for the diversification of electricity production and are with an improved character of the relation between the TSO and the User, evidencing the costs and compensations as consequence of the events caused to the transmission network.

For all of the above mentioned, ERE Board,

Decided:

- 1. To approve the amendments on the regulation of the procedures for new connections and the modification of the existing connections with the transmission network, the operation agreement with the transmission network between the TSO company and the user approved with ERE Board Decision no. 87 dated 20.04.2018 (attached there are the approved amendments)
- 2. Legal and Dispute Resolution Directory, shall inform the Ministry of Infrastructure and Energy, TSO company, and the other interested parties regarding ERE Board Decision.

This decision becomes effective after its publication on the Official Gazette.

Any party involved on this procedure may require ERE, within 7 calendar days from approving the decision, to review the Board Decision if there are provided new evidences that may lead the Board to approve a decision different from the previous one for observed material errors. Regarding this Decision shall be claimed to the Tirana Administrative Court, within 30 calendar days from its publication in the Official Gazette.

This decision is published in the Official Gazette.

CHAIRMAN
Petrit AHMETI

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Approved with ERE Board Decision no. 227, dated 14.07.2023

AGREEMENTS APPROVED TO THE CONNECTION AGREEMENT WITH THE TRANSMISSION NETWORK BETWEEN THE TRANSMISSION SYSTEM OPERATOR TSO COMPANY AND THE USER

1. Article 1 Paragraph 2 of the Connection Agreement is amended and

becomes:

- 2. It is proposed the amendment of Paragraph 2 Article 1 (THE ANNEXES AND DEFINITIONS) of the Connection Agreement, as follows:
- 3. Annexes shall mean:
- a. Annex no.1: Technical Documentation of the connection with the National Transmission Network;
- b. Annex no. 2: The Electricity Production license, issued from ERE or the Application at ERE to be equipped with the electricity production license:
- c. Annex no.3: Technical specifications of the Commercial Meter of the system;
- d. Annex no 4: Technical specifications of the connection with the Telecommunication system.
- *e.* Annex.5: Technical specifications of the connection with the SCADA system of the National Dispatch Center.
- f. Annex no.6: Responsibility and Readiness Declarations.
- g. Annex no.7: The Parts of the connection assets that shall be delivered.
- h. In case of conflict, between the definitions made on the Annexes of this contract and the following provisions, the later shall prevail.
- 2. On Article 1 (THE ANNEXES AND DEFINITIONS), Paragraph 3 of the network connection agreement, are added new definitions and are amended the existing definitions as follows:

"Act"	shall mean any Law, Council of Ministers Decision, Instructions of the Ministries or regulatory/not regulatory public bodies, that have the power to issue acts, to regulate a specific field, which are effective on the activity of the parties and especially on the scope of this agreement.
"Produced Energy"	shall mean the energy injected to the Transmission network of TSO company, at the Metering Point as it is metered according to the Metering Code and this Connection Agreement.
"Agreement"	shall mean this agreement connected between the user with the TSO to

electricity transmission network from the user

define the conditions for the connection and the use of the national

"interruption event"

shall mean any interruption in the Transmission Network or deenergization of the plant that does not permit the User to fully/partially inject Electricity to the Connection Point that is as the result of intentional behavior or the TSO company negligence of the applicable law provisions, of the Network Code or this Agreement.

"User"

shall mean the natural or legal entities, which supply or are supplied with electricity by the transmission system network.

"Facility"

Generation plant or load

"[Hydro] [Solar] [Wind] Plant [Other renewable resources]"

[in the case of the connection agreement with the generation plant] shall mean, the hydro power plant that shall be constructed from the User.

[in the case of the connection agreement with the generation plant] shall be understood the Photovoltaic plant that shall be constructed by the User.

[in the case of the connection agreement with the generation plant] shall be understood the Wind plant that shall be constructed by the User.

[in the case of the connection agreement with the generation plant] shall be understood the plants from the other renewable resources that shall be constructed by the User.

"Connection assets" shall mean the connection assets (lines, substation, other connecting elements), that shall be constructed by the user, to connect the generation plant/electricity customer with the transmission network as submitted on Annex No.1.

"Substation"

shall mean the substation .../... kV that shall be constructed by the *User near the (Hydropower plant / the Photovoltaic Plant / wind* plant with transformer power ... MVA.

"Connection Point" shall mean, the point where the objects are connected with the transmission network, that defines the exact location of the connection with the transmission network (incomes and outcomes in the connection, connection in the busbar etc.)

"Metering Point"

shall mean, the point where electricity is metered, that the user injects/receives from the transmission network installed on the high voltage side of the capacity transformer.

"Commissioning" shall mean the testing, controlling and checking the connection assets

process (HV/MV substation and parts of the connection line), to meet the conditions and the definitions provided in the Transmission

Network Code.

"License" shall mean at any time, the official document for licensing an entity and

its activity according to the applicable law.

"Network Code" shall mean the Transmission Network Code approved by ERE that is

the technical rules, which regulate the operation of the transmission system and define the service conditions provided by the Transmission System Operator to the users of the transmission

system, in conformity with ENTSO-E rules.

"Regulator" shall mean Energy Regulator Authority (ERE)

"Transmission Network" shall mean the national electricity transmission network as defined at the Transmission Network Code

"Control Changes" shall mean any sale, transition, transferring, interruption,

rent, alienation, donation, withdrawal, exchange or any resign

from the control.

Interruptions"

"Works" shall mean the works that shall be performed by the user or its

contractor to realize the connection in the transmission network.

"Obligatory shall mean any obligatory interruption from the circumstances as **Planned**defined in this gargement required by TSO in conformity with this

defined in this agreement required by TSO in conformity with this

agreement and that amends the planned interruptions in the system

"Working days" shall define all the week days except Saturday and Sunday and any official holiday in the Republic of Albania.

"Operational Center shall mean the organizational center of the user with the necessary of the User" technical capacities that is the direct interface between the user's object and TSO /National Dispatch Center

- 3. On Article no. 3 (DURATION OF THE AGREEMENT), of the network connection agreement shall be added paragraph no. 3, as follows:
 - 3.3. When the TSO aims to terminate this Agreement, shall notify the Respective Ministry for Energy at least 6 (six months) in advance.
- 4. Article 4 (DECLARATIONS AND GUARANTEES OF THE USER), of the network connection agreement, is amended and becomes:

ARTICLE 4 – DECLARATIONS AND GUARANTEES OF THE USER

The User declares and guarantees to TSO that:

- 1. The user is established in conformity with the Albanian legislation, registered at the Commercial Register and is not subject to any liquidation and/or bankruptcy procedure.
- 2. The user owns all the necessary authorisations to implement the works regarding the construction, commissioning and the set into operation of the object and the connection assets.
- 3. The user owns all the financial, technical and technological equipments to realize the project that is connected with the construction of the object, the connection assets and all other activities connected with the maintenance and usage from the user itself. The expenses for maintaining and using the connection assets are in charge of the Company and are defined according to the maintenance agreement that is connected between TSO and the Company after the signature of the Operation Agreement.
- 4. The user shall comply with all the applicable procedures and rules in conformity with the Transmission Network Code and the Albanian legislation in general to construct and set into operation the object and the connection assets.
- 5. The connection and implementation of this agreement by the user does not constitute any violation of the Albaninan legislation, the statutory documents of the company and any agreement or contract where the user is a party.
- 6. The company shall guarantee and ensure to TSO, during the duration of this contract, the right to access and perform the works in the connection substation with the transmission grid of the user as well as on the ground track where the connection line track passes.
- 7. The company shall transfer to TSO ownership the connection assets with the transmission grid and shall guarantee and ensure to TSO company, the gratification, to use and enjoy the transferred ownership, by a granting contract. In this case point 3 of these articles shall not be implemented for the part regarding the maintenance expenses and those of using the connection assets.

- 5. Paragraph 7, Article 6 of the (OBLIGATIONS OF THE USER), of the network connection agreement is amended and becomes:
 - 7. If the User requires the disconnection of the electricity connection from the Transmission Network shall inform TSO company, 6 (six months) in ahead and the Company is obliged to cover the necessary expenses for the disconnection."
- 6. Article 8 (OBLIGATIONS OF THE TSO company), of the network connection agreement, is amended and becomes:

"ARTICLE 8 – OBLIGATIONS OF TSO COMPANY AS AMENDED

1.	The TSO company shall:
a)	shall undertake the respective plannings and obligations.
<i>b</i>)	shall deliver the Connection Session that shall be delivered and pass into the ownership of TSO company, initiates at the pillar no to the pillar no, including the pillars, the foundations and the land surfaces of the pillar's foundations [applicable when there is a grant]
c)	within a reasonable period from the moment when the Company has fulfilled the stipulations made in articles 9 and 11, as well as with written notification from its side, to provide the Company access to the Transmission Network, in order to facilitate the completion of works by energizing Substation"

- 7. Paragraph 2, Article 9 (DELIVERY OF THE CONNECTION SESSION [applicable when there is a grant]), of the network connection agreement, is amended as follows:
 - "2. The transposition of ownership shall be with a grant contract, where the company shall grant and the TSO shall accept the assets provided in point (1) of this article."

Paragraph 2, Article 10 the CONNECTION WITH SCADA SYSTEM OF TELECOMMUNUCATION AND COMMUNICATION WITH THE NATIONAL DISPATCH CENTER), of the network connection agreement is amended and becomes:

- 10. 2. the entity undertakes the integration of the necessary data for the new substation to control the monitoring of SCADA system at the National Dispatch Center. The necessary data to be integrated shall be the statuses of the switches/knives, alarms and meters (P, Q, U, I, F) for the High Voltage tracks of this substation, complying the requirements defined on Annex no.5."
- 8. Article 13 (THE PLANNING OF THE INTERRUPTIONS AND DE ENERGIZATION), of the network connection agreement, is amended as follows:

"ARTICLE 13 – THE PLANNING OF THE INTERRUPTIONS AND THE DE-ENERGIZATION"

- 1. Based on the procedures defined in the Transmission Network Code, the System Operator shall be permitted to perform the accurate management of the technical situations to the power system, taking into consideration a wide range of operational conditions, in normal and not-normal circumstances, on current conditions and of a system in the future. At the Network Code are not provided and handled all of the operational opportunities, so the TSO company in unforeseen circumstances of the Code, may act decisively in implementing its obligations.
- 2. TSO company and the user shall coordinate the planned disconnections to the network, in conformity with the Transmission Network Code, to that measure it is practically possible and reasonable.
- 3. TSO and the user shall make reasonable efforts to ensure that such disconnections shall be on a minimum duration and shall cause minimal concerns for the third parties and shall not damage the safe and reliable operation of the system.
- 4. Except of the annual planning for the disconnections TSO company, shall make obligatory scheduled disconnections and de-energization of the user's connection point, when this is required to exercise their operations, on the condition to inform this latter 7 (seven) calendar days before the performance of obligatory scheduled disconnections, according to the case, when such notifications shall be according to Paragraph 5 as follows.
- 5. TSO notification shall include:
- a) the notification and the reasoning
- *b)* updated plan of the interruptions
- c) obligatory scheduled interruption specifying the expected number of the interruptions, the duration in time and the dates for each connection point where shall be performed the interruption.
- 6. When the user prevents TSO company in performing the obligatory scheduled interuptions, it becomes obligator for all the consequences and costs relating with the

delays that may be caused to TSO or to third parties with which TSO is on contractual agreements.

- 7. TSO shall exercise its right to de-energize the user at any time and on the terms and the measure that TSO considers proportional with the situation, in conformity with the Transmission Network Code, or any of the following circumstances:
- a) In the event of a Force Majeure, when considered that the circumstances require such a measure;
- b) To realize the projects for strengthening the transmission network, by sending written notification to the User at least prior to 7 (seven) calendar days;
- c) To realize the new connections of the third parties in the transmission network by sending the written notification to the User at least prior to 7 (seven) calendar days;
- d) To find and eleminate a defect for maintaining, repairing or testing a part of the network, which are necessary to ensure the normal operation and to strengthen the operational security of the netwok, by sending the written notification to the User within a term that is practically possible and reasonable for the TSO company;
- e) If necessary in an emergent situation closer to the electricity network or if needed to mitigate the effects of any material risk or financial loss of any person or ownership connected with or closer to the network;
- f) When required by the supplier of the user for non-payment of electricity supply. In such a circumstance TSO may require non-payment evidence by the user;
- g) When the user does not fulfill the obligations based on the Transmission Network Code and according to TSO company assessment this has a damaging material effect in the network:
- h) In the function of article 7 "The Exercise of the Rights" of the Operational Agreement, from the moment it is signed and applicable from the Parties of this Agreement;
- i) If the agreement between the parties is terminated
- j) After the written notification prior to 7 (seven) calendar days there is no agreement between the parties for the amendments to the Users network (additional capacity, reconfiguration, etc).
- k) If during the performance of the works or during the operation of the connection assets, based on a reasonable opinion of each party, the terms and the operation approach of the transmission network or if the connection part or the substation shows an immediate threat for injury or material damages to any person or the transmission network or the substation itself, TSO shall order according to the case the operational staff of the substation to immediately de-energize the connection part and the substation or TSO may de-energize parts of the transmission network, in any case in compliance with the Transmission Network Code, if necessary or appropriate to avoid the occurence of these injuries or damages event.
- 8. In case of de-energization of a user, TSO shall document the expenses regarding the deenergization and shall invoice to the user these expenses when:
- a) de-energization is made on the request of the user;
- b) de--energization is made on the conditions of article 28 of the Operation Agreement from the moment that it is signed and is applicable from the Parties of this Agreement and the user has been the cause for the de-energization need;

- c) when de-energization is because of the violation of the Transmission Network Code or the Connection Agreement, the Operation Agreement and the Maintenance Agreement. (if applicable).
- d) when the costs caused by de-energization shall be documented and published.
- 9. When de-energization is required from the supplier of the user, the TSO shall invoice the expenses regarding the de-energization to the supplier of the user.
- 10. Without violating the other obligations of this Agreement, TSO company shall reenergize as soon as possible the user when it is informed that the circumstances that lead to de-energization do not exist any more or when there is a documented guarantee that the circumstances shall not be repeated;
- 11. TSO may require from the affected user from de-energization, reasonable evidences or conduct tests by itself, by third parties or permit TSO to perform the necessary testings to verify that the causes of de-energization are addressed or do not exist.
- 12. When the verification or the tests are conducted by TSO company the user shall be responsible to cover the respective costs.
- 13. The re-energization shall be performed with the coordination of both parties ensuring the safety of the system operation and avoiding the concerned effects for the third parties.
- 14. The costs for re-energization are allocated on the same way as the costs for deenergization.
- 15. If, during the Diuration of this Agreement, the User is not able to deliver the Produced Energy as consequence of a Disconnection Event, then the TSO company shall compensate the User, according to the effective legislation."
- 16. TSO company on each case shall document and publish the costs caused as consequence of a Disconnection Event and shall publish the compensations as consequence of the deenergization event.
- 10. Paragraph 1, Article 19 (CONFIDENTIALITY), of the network connection agreement, is amended as follows:
 - 1. Each of the Parties undertakes to preserve the confidentiality of the content of this agreement and its conditions, as well as any other information and document that the parties have exchanged or are informed during the negotiations of this agreement, except of the cases where the public disclosure of the above mentioned is required by the Albanian legislation, or the financial instututions of the User (if any) (including its branches, employees, advisors and any other related party), on the condition that these financial institutions comply with the confidentiality obligations."

11. Article 23 (APPLICABLE LAW AND THE SETTLEMENT OF THE DISPUTES), of the network connection agreement is amended as follows:

"ARTICLE 23 – APPLICABLE LAWS AND SETTLING THE DISPUTES

- 1. This agreement is drafted in conformity with the Albanian legislation and shall be implemented and interpreted in conformity with it.
- 2. All the disagreements that shall be raised as consequence of the interpretation and implementation of this Agreement, when they have to do with the interpretation of the Transmission Network Code provisions, shall be settled in conformity with the procedures provided in it. In any other case the parties shall try to settle the disputes with understanding between them.
- 3. When the parties have not settled with understanding the dispute within 30 (thirty) calendar days, each Party may send this Dispute for settlement at ERE.
- 4. If the dispute is not settled by ERE, each Party shall have the right to go to Tirana District Court."
