REGULATION ON ISSUING, TRANSFERING OR CANCELATION OF THE GUARANTEE OF ORIGIN FOR ELECTRICITY PRODUCED FROM RENEWABLE RESOURCES

FIRST PART GENERAL PROVISIONS

Article 1 AUTORITY

This regulation is drafted implementing article 16 point 13, of Law no.7/2017 "On the promotion of the use of energy from renewable resources", as well as in conformity with "Regulation on ERE organization, operation and procedures", approved with ERE Board decision no. 96, dated 17.06.2016.

Article 2 PURPOSE

The purpose of this regulation is to establish the necessary regulatory framework for establishing an accurate, reliable, and transparent system for issuing, transferring, and revoking the guarantees of origin, ensuring an equal and fair handling, for all the power producers from the renewable resources, regarding the issue, transferring or revoke of the Guarantee of Origin.

Article 3

OBJECT

This regulation defines the criteria, procedures and terms for issuing the Guarantee of Origin (GO), including the technical documentation of qualification and especially the time limit, according to which ERE shall respond for the submitted applications and the technical documentation shall be presented by the applicant.

Article 4

IMPLEMENTATION

- 4.1. This regulation shall be implemented in conformity with Directive 2009/28/EC for issuing the guarantee of origin by ERE from the producers that utilize energy renewable resources:
- a) from the plants which are set into operation after 25.06.2009;
- b) from the increased capacities of the existing plants, which are set into operation after 25.06.2009.
- 4.2. The regulation shall be implemented even for the applications for Guarantee of Origin registration, revocation and transferring.

Article 5 DEFINITIONS

The following words and phrases used on this Regulation shall have the meanings as follows:

- 1. "Law" shall mean Law no.7/2017 "On the promotion of the use of energy from renewable resources"
- 2. "Board" shall mean the decision-making body of ERE that operates according to the provisions of Law no.43/2015 "On Power Sector" as amended;
- 3. "Energy Regulator Authority" or "ERE" shall mean the regulator authority of power and natural gas sectors, which operates according to Law no.43/2015 "On Power Sector" and Law 102/2015 "On Natural Gas Sector" as amended;
- 4. "Licensee" shall mean a person that holds a license issued according to Fourth Part of Law no. 43/2015 "On Power Sector", as amended
 - 5. "Guarantee of Origin (GO)" shall mean an electronic document which has the sole function / operation to provide evidence to the end-use customer that a part of full quantity of the used energy is produced from renewable sources.
- 6. "Energy from renewable sources" shall mean energy from renewable non-fossil sources, including the energy from wind, solar, aerothermal energy, geothermal energy, hydrothermal and ocean energy, hydro energy, biomass, gas collected at the landfill, the gas that is collected from sewage treatment plant gas and biogases;
- 7. "Biomass" is the biodegradable fraction of products, waste and residues with biological origin from agriculture (including vegetal and animal substances), forestry and related industries including fisheries and aquaculture, as well as the biodegradable fraction of industrial and urban waste.
- 8. "Geothermal energy" is the energy stored in the form of heat under the earth surface;
- 9. "Biogas" shall the mixture of methane gas with carbon dioxide, produced from the bacterial decomposition of organic waste that is used as fuel for power production.
- 10. "Applicant" shall mean power producer requiring to be equipped with the guarantee of origin for the produced electricity.
- 11. "Power production plant from renewable resources", shall mean a plant that produces electricity from the renewable resources.
 - 12. "Hybrid Producer" is the power plant which consumes renewable and not renewable energy resources, for electricity production.
- 13. "Pumping reserve" shall mean a hydropower system on which power is produced during peak demand periods from the water use pumped in a reservoir in a higher height, during not peak periods, with lower demand for electricity.
- 14. The words and phrases used on this regulation, that are not defined above, shall have the meaning that is provided on Law no.7/2017 "On the Promotion of using energy from renewable resources." as well as Law no. 43/2015 "On Power Sector", as amended

SECOND PART APPLICATION PROCEDURE FOR THE GO

Article 6 CLASSIFICATION OF THE POWER PLANTS

Types of production technologies that GO may benefit, are described on table 1.1

<u>Table 1.1.</u> Classification of electricity producers, which generate energy from renewable resources

Type of the plant		Subtype of the plant	Source	
Hydro		River flow		
		Reservoir	Water	
		Basin		
		Derivation channel		
Wind (Aeolian)		Set onshore, offshore	Wind	
Geothermal		-	Geothermal energy	
Solar (Photovoltaic)		Photovoltaic	Solar energy	
Thermal		Vapor		
		Internal burning	Biomass***	
		Gas combined cycle		
		Others	Biogas	
Hybrid*	Combustion **	-	Conventional resources	
	Others	-	Renewable resources	
	l .			

^{*}Hybrid plants generate power from the use of renewable and non renewable plants and include combustion plants

^{**}Combustion is defined as the burn at the same time of fuels and non renewable solids and liquid or gas benefited from renewable resources. The sub type is the same with the one of the thermal plants.

^{***} Biomass is the biodegradable fraction of products, waste and residues from biological origin from agriculture (including vegetal and animal substances), forestry and related industries including fisheries and aquaculture, as well as the biodegradable fraction of industrial and urban waste;

Article 7

REQUESTS TO ISSUE THE GUARANTEE OF ORIGIN TO THE PRODUCTION PLANTS

- 7.1 The producer willing to receive the guarantee of origin of the production plant, shall submit at ERE a specific written request, including the information required from Law no. 7/2017, "On the promotion of the use of energy from renewable resources" and the one provided on Annex 1 of this regulation. The applicant shall submit appropriate documents certified from public competent authorities.
- 7.2 Guarantee of Origin for the power production plant from renewable resources is issued only once in 12 months, except of the cases when there are performed major changes at the power production plants which are equipped before with the Guarantee of Origin.
- 7.3 Request for the Guarantee of Origin may be submitted for a renewable energy production plant, introduced in generation.
- 7.4 The request to issue the Guarantee of Origin shall include:
 - a) energy resource, from which energy was produced;
 - b) start and end dates of the production;
 - c) name, location type and capacity of the plant where the energy was produced;
 - ç) whether and to what extent the producer has benefited from the investment support and from other national support schemes;
 - d) authorization date of the plant and the time when it is set into operation;
 - e) technical specific report describing the type of generating technology as defined on the abovementioned table (1.1.), in article 6.
 - ë) the technical document describing the basic characteristics of the energy producer, if any.
 - f) any other issued document certifying the testing and commission of the energy production plant.
 - g) approval of the connection point from the transmission and distribution system Operators, based on the request of energy producer from renewable resources and in conformity with the codes and regulations approved by ERE.
- 7.5 The technical documentation shall contain:
 - 1. General description of the plant
 - a) energy resources (renewable or fossil on cases of hybrid plants)
 - b) type of the plant.
 - c) nominal capacity, composed from the sum of nominal capacity for each of the energy generating units.
 - d) the expected annual production.
 - 2. The graphic documents as follows:

- a) General schematic submission of the plant A1 form, general planimetry of the plant.
- b) operational/functional scheme.
- c) power scheme where there are identified the metering equipment's of electricity generation.
- 3. Description of the plant shall be in more details for the:
 - a) Hydro power plants using pumping reserves system, from the water pumped before from below above, to calculate the energy quantities belonging to this pumping reserve, after this energy quantity is excluded from the quantity of produced electricity for which it is issued the Guarantee of Origin (GO)
 - b) Plants burning waste to calculate the part of produced electricity, belonging to the biodegradable part of the waste, because only for that part it is issued the Guarantee of Origin.

Article 8 TECHNICAL QUALIFICATION PROCEDURE

- 8.1. The producer that wishes to receive the qualification of the generation plant of renewable energy shall submit at ERE the written request, including all the required information from the effective legislation and these rules.
- 8.2. The qualification of the generation plant shall be only once, except if there are big changes at the renewable energy plant previously qualified.
- 8.3. The request for the Qualification shall include:
 - a) the specific technical report that describes the type of the generation technology;
 - b) the technical document that describes the basic characteristics of the generator, including:
 - i. technical annexes, if any;
 - ii. any other issued document, providing evidence for the testing and commissioning of the generation plant.
- c. The technical documentation includes:

The general description of the plant such as:

- i. energy resources (renewables or not)
- ii. type of the plant
- iii. installed capacity that is the sum of the nominal capacity of the turbines, panels or motors as reported on their license plate
- iv. expected annual production
- d. the graphic document as follows:
 - i. general planning
 - ii. operational scheme
 - iii. electricity scheme aiming the identification of the elements of the plants certified from the responsible system Operator.
- e. Description of the plant shall be even more detailed on cases dealing with:
 - i. Hydro power plants using pumping reserves system, from the water pumped before from below above, to calculate the energy quantities belonging to this pumping reserve, after this energy quantity is excluded from the quantity of produced electricity for which it is issued the Guarantee of Origin (GO)
 - ii. hybrid plants, having into consideration that the right to be equipped with the GO may be only for the produced energy from renewables.
 - iii. plants burning waste to calculate the electricity quantity, belonging to the biodegradable part of the waste taking into consideration that only this part may be accepted to be classified for the Guarantee of Origin.
 - 8.4. The respective System Operator shall submit at ERE any data serving to ERE for the assessment of the technical qualification of the applicant, within 30 days from the application for qualification, according to these rules.

Article 9 OPENING THE PROCEDURE TO ISSUE THE GUARANTEE OF ORIGIN

- 9.1. ERE, in conformity with the "Regulation on ERE organization, operation and procedures", when it judges reasonable, supported on the documents submitted by the applicant shall take the decision to open the procedure for reviewing the request to be equipped with the Guarantee of Origin.
- 9.2. ERE at any case shall inform the applicant for the accepting or refusing the request for review within the meaning of article 1, not later than 10 working days from the date of submitting the application.
- 9.3. ERE may require any clarification and shall issue all the information needed for the parties in process.

Article 10 REVIEWING THE APPLICATION FOR THE GUARANTEE OF ORIGIN

- 10.1. After taking the decision to open the procedures for the review, according to article 9 of this regulation, within 60 days ERE shall review the application and inform the applicant for ERE Board decision on issuing the Guarantee of Origin or refusing his request. ERE decides to issue the Guarantee of Origin for the renewable energy producers:
 - a) that is supplied by an energy production plant directly in the public distribution network,
 - b) is used for the consumption of the electricity producer itself.

- 10.2. Within the period defined on paragraph 1 of this article, the Board shall take the decision for:
 - a. Issuing the required Guarantee of Origin, which is registered at the electronic register of the guarantees of origin that is held at ERE
 - b. Revocation to issue the GO if the entity does not fulfill the necessary requirements, for the required documentation or procedure according to article 16 point 13 letter "b" of Law no. 7/2017 "On the promotion of using the energy from the renewable resources;
- 10.3. On any case of the Guarantee of Origin revocation decision, ERE justifies this decision. When ERE observes that the request to be equipped with the Guarantee of Origin submitted by the applicant does not contain important elements that impede ERE to verify the fulfillment of this regulation criteria, ERE specifies that the documentation is not complete.

- 10.4. ERE may revoke the recognition of the guarantee of origin when it doubts based on its accuracy, reliability, or truthfulness. ERE shall inform Energy Community Secretariat for any revocation together with the reasons for this revocation. The opinion of the Energy Community Secretariat is considered by ERE on issuing the guarantee of origin.
- 10.5. ERE may decide case by case for the extension of the term defined on point 1 of this article when the documentation is not complete but not later than 30 days. ERE specifies the missing documents or those which are not complete, which shall be submitted at ERE within 30 following days. Following the analysis for the additional documentation, the request may be accepted or revoked. If the missing or additional documentation are not send within 30 days from the notification date by ERE, the request is revoked because of the failure to fulfill the necessary documentation.
- 10.6. ERE when reasonable may request the verification of any necessary information from the competent bodies, notifying the applicant for that.
- 10.7. At any case after taking the decision by the Board for the revocation of the requirement to be equipped with a Guarantee of Origin, the applicant may submit a new request taking into consideration ERE instructions.

Article 11 ISSUING THE GUARANTEE OF ORIGIN (GO)

- 11.1 The Producer may submit the request to be equipped with the Guarantee of Origin for the currently produced electricity quantity, on annual basis, from the energy production plants, as described on articles 7, 8 and 9 after setting into operation the production plant. The operation date of the production plant for the first time connected with the electricity network shall be after the date of signing the electricity sale-purchase contract.
- 11.2 The Guarantee of Origin shall be issued for:
 - a) an electricity unit 1 MWh
 - b) The annual electricity quantity, from the hydro power plants except of the amount attributed for the pumping reserves of the electricity annual production from hydro (water), Aeolian (wind), solar (photovoltaic), geothermal, tides and downs, biomass, and biogas.
 - c) The produced electricity quantity regarding the biodegradable fraction of the urban and industrial waste, which are burned within the thermal plants.
- 11.3 ERE according to the requirements shall issue the Guarantee of Origin for each year for the currently produced electricity from the plants and only if/when the plant are into operation. Any GO corresponds to 1 MWh of electricity introduced in the network (in a month) in conformity with the legislation in force.
- 11.4 Any GO issued by ERE shall contain the date, location of issuing the guarantee and an identification number and is registered at the electronic register of the guarantee of origin held at ERE as prescribed on Annex 2 of this regulation. Any use of the guarantee of origin is made within 12 months from the production date of the electricity corresponding unit. The guarantee of origin is immediately cancelled after it is used.

Article 12 AMENDMENTS ON THE REGISTERED TECHNICAL DETAILS

- 12.1. The producer shall inform ERE for any occurred modification on the electricity production plants in conformity with this regulation.
- 12.2. On the event of the plants in construction, the purpose of the abovementioned communication is to monitor the realization of the plant and compare it with its final technical characteristics with those initially communicated together with the request to be equipped with a GO.
- 12.3 The producer shall communicate to ERE:
 - a. any possible modification of the technical details regarding to the plant (such as changes of the installed capacity, types of the used wastes etc.) initiation of the work in case of a new construction and the testing date;
 - b. commercial operation date to calculate the period of taking the GO.
- 12.4 Operation date of the production date for the first time, connected with the electricity network shall be certified by a testing act held according to law no. 8402 dated 10.09.1998 "On the control and discipline of the construction works", as amended, as well as in conformity with the rules of connecting the plant with the power system, the network code on the requests for connection with the generation networks and other effective by-laws.
- 12.5 If the described modification, or the modification about which ERE is informed, makes the project non-compliant with the legislation, the Guarantee of Origin issued with Board decision shall be revoked.
- 12.6 On any time to verify the accuracy of the deposited data, ERE shall have the right to require additional data or even monitor on site the production plant.

ARTICLE 13 GO TRANSFERING

- 13.1 The guarantee of origin may be separately or together transferred with the physical transfer of electricity and shall not effect on the decision to use the cooperation mechanism to reach the objective or for the calculation of the gross final consumption of electricity from the renewable resources, in conformity with article 4 of the law no. 7/2017, "On the promotion of using electricity from renewable resources.
- 13.2 At any case that a Guarantee of Origin is transferred the entity holding the Guarantee of Origin shall inform ERE not later than 24 hours from the transferring.

Article 14 APPLICABLE TIME FRAMES

- 14.1. The Guarantee of Origin is issued for a 12 month period and exhausts being effective with the termination of this time frame, expressed even at the certification issued by ERE:
- 14.2. After issuing the first certification for the guarantee of origin, any applicant that submits at ERE a request for guarantee of origin certificate, shall deposit at ERE for the purpose of this application only the documentation that has undergone amendments referring to the requests of article 7 of this regulation.
- 14.3. ERE shall review and shall express its opinion on the request of approving the guarantee of origin of the applicant provided on point 14.2, not later than 30 days from the application.
- 14.4. At any case that ERE is informed for violation of the conditions for which it is issued the guarantee certification, may be expressed with decision for revocation of the guarantee certification with the same practice with which it is decided its approval.

Article 15 ENERGY CALCULATION

- 15.1. The following paragraphs describe the calculation of net energy E_{cv} benefitted by the GO. The energy is calculated from the producers shall be in conformity with the type of the energy producer and the suitable technical data. ERE shall have the right to verify and submit to the producer a different assessment for the energy.
- 15.2. The net production of an energy producer is the gross production subtracting the energy received for personal needs and the losses of the transformers in generation.
- 15.3. All net energy produced from a new producer of electricity fully feed from energy renewable resources may benefit the Guarantee of Origin.

Article 16 TECHNICAL INSPECTIONS

16.1. To ensure that the conditions to issue the guarantee of origin are met and that the data on which it is issued are accurate, ERE representatives and any person authorized by it, without prejudice regarding the respect of the commercial privacy, have free access to the respective production plant and at all the data and information for the given plant.

16.2 The producer is obliged to facilitate the work of ERE representatives and the authorized persons by it. In case of a false declaration the qualification is cancelled and any right regarding this is lost. ERE has the right to take administrative measures, in case of observing a repeated action of declaring incorrect data.

THIRD PART FINAL PROVISIONS Article 17 COOPERATION WITH COMPETENT AUTHORITIES

GO issued in Albania shall be recognized from the competent authorities of EU member countries and the other countries, with which our country has signed agreements for the mutual recognition of the guarantee of origin.

Article 18 AMENDMENTS OF THE REGULATION

This regulation is object of review and amendment with Board decision, in conformity with the *Regulation on ERE organization, operation and procedures*.

Article 19 ENTRY INTO FORCE

This regulation is approved with ERE Board Decision no. <u>229</u> of date <u>20.12.2019</u> and shall become effective after the publication in the Official Gazette.

ANNEX 1

- 1. Application form
 - a. The data for the application (shall be submitted from the applicant)

Based on Law nr.7/2017 "On the promotion of using the energy from renewable resources", require from ERE the processing of this application according to the specifications of the following table, according to the general and technical data attached to this application, in conformity with the legal framework							
1	type of the application	Issue of the GO	Revocation	Transferring			
2	Type of the plant	Hydro Wind Geothermal Solar (Photovoltaic) Thermal Hybrid					
a. Identification data of the applicant (shall be completed by the applicant)							
1		he company					
	Registrati	on number at the Business Reg					
			Address Mobile				
2	Headquar	ters	Phone				
			Fax				
2	Main manager/director of the company		Name				
3			Position				
			Name Address				
		D					
4	Representative		Mobile				
			Phone Fax				
5	Serial nur	nber of the license	1 aA				
b. Data for the applicant (shall be completed by the applicant)							
	D. 1	zata ivi tiit appiitani (shan)	oc completed by t	не аррисані)	V. a. N.		
1	I declare that I it has not been previously removed or refused a guarantee certificate Yes No						
2	as I am co	I declare that as an applicant I am informed about the legal framework as well as I am committed to implement it as well as the rules and regulations approved by ERE for the operation in power sector.					
4		I declare that I have started the production activity On date					

Note: Please mark with X at the YES box to confirm