

Regulation on Procedures and Deadlines for Issuance, Modification, Transfer, Renewal and Revocation of Licenses in the Electricity Sector

(containing both ERE versions: ERE Decision no. 109 29.06.2016 (EN version) and changes with the Decision of the ERE Board no.215/2019 (ALB version))

Unofficial/convenience translation and consolidation

Article 4

Licenses

1. ERE issues licenses for the following activities:

- a. Electricity generation;
- b. Electricity Transmission System Operation;
- c. Electricity Distribution System Operation;
- d. Electricity supply;
- e. Electricity trading;
- f. Electricity Market Operation;
- g. Closed electricity distribution systems;

2. No license is issued for the operation of a direct line in transmission or distribution of:

- a. the self-producers that are not connected with the national grid;
- b. when the connection to the national grid is made for the purpose of maintaining its production unit,
- c. the producers, including the self-producers connected with the national grid, with installed capacity up to 1 MW.

3. To the extent permitted by the legislation in force of the Republic of Albania, an application for a license for electricity trading or the supply of electricity shall not be required if a company possess a license issued by a Regulatory Authority of another country Contracting Party of the Energy Community/a Member State of the European Union, or another country with which a bilateral agreement has been signed, for the mutual recognition of licenses between the ERE and the relevant Regulatory Authority, and provided that they submit the license to the ERE translated and notarized as well as the information specified in Article 9 (1) and 9 (2), letter "c", of these rules.

4. In case the regulator decides to recognize the exercise of the activity of trading and supply of electricity, the company that will exercise these activities will be considered licensed in accordance with applicable law and is subject to all obligations and rights of licensees licensed by the ERE.
5. ERE will respond to the request for license recognition with approval or not within 30 working days.
6. Foreign traders and suppliers who will be recognized by the ERE will be registered in a special section of the License Register provided in Article 19 of this regulation.

Article 5

Duration of the License Validity

1. Duration of the licenses validity issued by ERE for the activities provided in Article 4 of this Regulation, is set by ERE within the following limits:
 - a. Electricity generation, up to 30 years
 - b. Electricity Transmission System Operation, up to 30 years
 - c. Electricity Distribution System Operation, up to 30 years
 - d. Electricity Supply, up to 5 years
 - e. Electricity Trading, up to 5 years
 - f. Electricity Market Operation, up to 5 years
 - g. Closed systems of Electricity Distribution, up to 5 years
2. For applications in the electricity generation activity, which are submitted to the ERE later than the effective date of the contract / authorization, the calculation of the licensing period is done for the remaining period. This rule also applies to cases of modification of licenses.

CHAPTER II

APPLICATION PROCEDURES

Article 6

The Right to Apply for a License

The right to apply for a license issued by ERE is entitled to any person with its headquarters in Albania and the object of the activity required for licensing. Any foreign person shall set up a company under the

legislation in force, with the object of the activity required for licensing by ERE for the whole period of license validity.

Article 7

Delegation of the Applicator Rights

1. The applicant may appoint a natural or legal person as responsible delegate to apply for a license in conformity with the Albanian legislation in force and with the licensing procedures.
2. The responsible delegate shall submit at ERE:
 - a. The applicant's power of attorney for his representation.
 - b. Certification that the responsible delegate is not involved in a process initiated by the justice authorities (certification issued from the prosecution office and the court).
3. The tasks of the responsible delegate are:
 - a. To submit the application for license together with the required documentation according to Articles 8, 9 and 11,15,16,17 of this Regulation;
 - b. To submit additional data and information required by ERE during the review of license application.

Article 8

Submitting the application

1. The application consists in the application format and documentation defined in article 9 of this regulation, completed by the applicant.
2. The applicant shall make the application payment when submitting the application as defined in Annex A of this regulation.
3. The documentation submitted by the applicant must be in Albanian, original or notarized photocopy and an electronic copy on CD, USB or e-mail to the official address of the ERE, while certificates and statements from other bodies must be issued no earlier than 1 month from the moment of submitting the application.
4. If the applicant has applied and is in process of getting other necessary permissions defined in the regulation, may present the application at ERE by submitting the information from the respective institution for the stage of the process for obtaining the permissions from the other institutions.
5. The technical documentation according to the type of license must be drafted and initialed by an individual or legal entity equipped with a relevant professional license according to the legislation in force (electrical engineering, construction engineering, mechanical engineering, accounting experts, hydro technical engineering, etc.).

Article 9

The form and documentation for application

1. The application form

a. Data for the application (to be completed by the applicant)

Based on law no. 43/2015 "On the Electricity Sector" as amended, I request from the ERE the processing of this application according to the following specification in the table, based on general data and technical data attached to this application, in compliance with the legal framework on the power sector and the regulation of licensing procedures.		
1	Type of application	<input type="checkbox"/> Licensing <input type="checkbox"/> Modification <input type="checkbox"/> Transferring <input type="checkbox"/> Renewal <input type="checkbox"/> License recognition
2	Type of license	<input type="checkbox"/> Electricity generation <input type="checkbox"/> Electricity transmission system operator <input type="checkbox"/> Electricity distribution system operator <input type="checkbox"/> Electricity supply <input type="checkbox"/> Electricity trading <input type="checkbox"/> Electricity Market Operator <input type="checkbox"/> Electricity closed distribution systems

b. Identification data of the applicant (to be completed by the applicant)

1	Name of the company		
	Registration number at the National Business Registration Center		
2	Headquarters of the company	Address	
		Mobile	
		Tel	

		Fax	
3	Chief Executive/Administrator of the company	Name	
		Position	
4	Legal representative	Name	
		Address	
		Mobile	
		Tel	
		Fax	

c. Data for the applicant (to be completed by the applicant)

1	I declare that I have not been previously revoked or denied a license to operate in the electricity sector at home or abroad	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2	I declare that as an applicant I recognize the legal framework as well as I commit to its implementation and that of the rules and regulations adopted by ERE for operation in the power sector.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3	Statement of the applicant for performing other activities. If yes, list in the last column.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4	Statement for the payment of the license application/recognition for licensing according to the type of activity.	Nr. ____, Date	Bank:

Note: mark X in the YES box to confirm

2. Legal, administrative and ownership documentation

a. Foundation act;

- b. Statute (if drafted as a separate document from the founding act);
- c. Certificate of registration and historical extract from the National Business Center (NBC).
- d. Certificate that the company and its main executives in the case of legal entities are not involved in a criminal process initiated by the justice/judicial authorities (certificate from the prosecution and the court).
- e. The organizational chart and administrative functioning of the company, according to the respective positions and profiles. In the case of application for electricity generation license, the submission of a license for electrical technical managers/director is required.
- f. Concession agreement or any other form of agreement in the applicable cases related to the responsible institutions, in accordance with the relevant legal framework and amendment of these acts.
- g. Documents certifying the ownership of the applicant in the areas where the project will be located (ownership certificate, sales contract, lease contracts, agreements with private or state entities that own the project areas for those activities that use assets real estate, etc).

3. Financial and fiscal documentation

- a. Certificate for payment of Taxes and Duties to the Social Insurance Institution (for newly established companies, certificate that there are no obligations).
- b. Presentation of financial balance sheet of the last three years and / or the time of existence of the company (for partnerships with other companies presentation of the balance sheet of the latter).
- c. Documents proving the ability and / or financial support of the applicant, which clearly states the monetary values for financing and the structure of financing (financing of the applicant, bank loans, donations, others, etc.).
- d. "Certificate of payment of the registration fee for the application and request for recognition in the account of ERE., according to Annex A of this regulation."

4. Technical documentation

4.7 Technical documentation for the electricity supply activity

- a. Data for the provision of electricity supply to Customers

No	Company (Central producer, trader, etc.)	The quantity of contracted electricity				
		GWh				
		First year	Second year	Third year	Fourth year	Fifth year

- b. Financial capital (expressed in monetary values) provided for performance of this activity,, accompanied by a certificate from a bank or other financial institution recognized by law.
- c. List of current and previous contracts / if any, for the purchase and provision of electricity;
- d. Detailed technical-economical information regarding the execution of these contracts;
- e. IT system established for the electricity supply activity or agreements with third parties for making available / using this service;
- f. List of members of the Supervisory Board (when the form of organization of the company contains one);
- g. Documentation proving the availability of supplier's representative offices, for the services that will be provided to customers.

h. Data on customers and energy supplied

No	Category	Sub-category	Number of customers	Electricity quantity				
				GWh				
				1 st year	2 nd year	3 rd year	4 th year	5 th year
	Un	220 V						
		0.4 kV						
		6 kV						
		10 kV						
		20 kV						
		35 kV						
		110 kV						
	Installed capacity of the customers	0-5 kVA						
		>5-10 kVA						
		>10-50 kVA						

		>50-100 kVA						
		>100-500 kVA						
		>500-1000 kVA						
		>1-10 MVA						
		>10-50 MVA						
	Activity	Domestic						
		Budgetary						
		Private						
		Specify ...						

i. Voltage level and the way of realizing the measure for the customers.

4.8 Technical documentation for electricity trading activity

a. Electricity quantity projected to be traded in GWh by years;

- b. Financial capital (expressed in monetary values) provided for performance of this activity,, accompanied by a certificate from a bank or other financial institution recognized by law.
- c. List of previous executed contracts (if any).

Article 16

License renewal

1. No later than 2 months before the expiration of the validity period of the issued license, the person may/shall request the renewal of the license by submitting the following documents to ERE:
 - a. Application form according to Article 9, point 1;
 - b. Legal, administrative and ownership documentation according to Article 9, point 2;
 - c. Financial and fiscal documentation according to Article 9, point 3;
 - d. Any possible modification or amendment of technical data documentation.
2. ERE may require from the company any additional information considered necessary for the process.
3. The criteria for taking the decision by the Board of Commissioners are the same as in the licensing case.
4. ERE publishes in the print (written) media a notice/notification on the license renewal application according to the same procedures that apply to licensing applications in the energy sector.
5. In the case of license renewal the Board may consider the fulfillment of the license conditions in the licensed activity by the applicant.
6. The Board shall take the decision to grant or not the license renewal or no later than 20 working days from the beginning of the procedures for reviewing an application, in accordance with this regulation.
7. To have made the payment of the application fees and regulation fees of ERE.

Annex A

Payment for registration and processing of an application

ACTIVITY	LICENSING	MODIFICATION	RENEWAL	TRANSFER	LICENSE RECOGNITION
Electricity generation	30 000 ALL / MW	50 000 ALL	50 000 ALL	50 000 ALL	
Electricity Transmission	1 000 000 ALL	100 000 ALL	100 000 ALL	100 000 ALL	

System Operation					
Electricity Distribution System Operation	1000 000 ALL	100 000 ALL	100 000 ALL	100 000 ALL	
Electricity supply	1000 000 ALL	100 000 ALL	100 000 ALL	100 000 ALL	500 000
Electricity Market Operation	1000 000 ALL	100 000 ALL	100 000 ALL	100 000 ALL	
Closed electricity distribution systems	1000 000 ALL	100 000 ALL	100 000 ALL	100 000 ALL	
Electricity trading	40 000 ALL	30 000 ALL	30 000 ALL	30 000 ALL	20 000