



Prishtinë, June 24th 2008
ERO Code: D_104_2008

Board of the Energy Regulatory Office

Taking into account:

1. Provisions of the Sections 15.2 and 25 of the Law on Energy Regulator amended by Law no: 03/L-080;
2. KOSTT J.S.C's request for derogation in implementing some provisions of the KOSTT J.S.C's Transmission System Operator License, dated May 5th 2008, **in its session held in June 24th, 2008 adopted this:**

DECISION

- I. **KOSTT J.S.C is allowed** the derogation in implementing provisions of KOSTT J.S.C's Transmission System Operator License as in annex to this decision.
 1. All other provisions of the Transmission System Operator's License will remain effective.
 2. This decision is written in three languages: Albanian, Serbian and English and will be published in the official ERO web-page.
 3. The unsatisfied party may file a complaint against this decision before the court of respective jurisdiction within 14 days since the date of approval or date of publication of this decision into the official ERO web-page.
 4. This decision is effective since the date of issuance or date of publication into the official ERO web-page.

ERO Board:

Ali Hamiti, Chairman

Theranda Beqiri, Member

Nysret Avdiu, Member



Derogated provisions of Transmission System Operator's License

No.	LICENSE	Section	Paragraph	Derogation period (in years)	Reason for the request
1.	Transmission System Operator's	5. Transmission System Operation	5.3	6 months	<p>“The Methodology of users’ switching-off into transmission system”, pursuant to Rule on General EE Supplying terms ought to be prepared. Consultants’ assistance is needed for this.</p>
			5.5		
			5.7		
		9. Data Availability and Updating/maintenance	9.4	6 months	<p>Information data maintenance about borderline capacities is being carried out but the publishing is not done due to various circumstances.</p> <p>There is also a lack of the necessary hardware and software for calculation of flow and congestion management which are currently being done through PSSE, yet they are not valid without the exchange of the neighboring TSOs. This is a consequence of KOSTT’s failure to participate in ITC/CBT mechanisms, congestion management etc.</p>
		11. System Operation	11.1	6 months	<p>Due to a total malfunctioning of Market Rules, it may not be completely carried out.</p>
			11.2		
		12. Economic purchase of assets, Services and Auxiliary Service	12.1	2(two) years	<p>Tertiary regulation cannot be provided pursuant to the terms projected by Network Code. In tariffs could not be covered either.</p>
			12.2		