



Pristina, 01 December 2023
ERO Code: V_1792_2023

The Board of Energy Regulatory Office,

Based on:

- Provisions of Article 9, paragraph 1, sub-paragraph 1.7, Article 25, Article 26, paragraph 1, sub-paragraph 1.2 of the Law on Energy Regulator (Law no. 05/L-084);
- Provisions of Article 22, paragraph 7 and Article 57, paragraph 1 of the Law on Electricity (Law no. 05/L-085);
- Provisions of Article 6 of the Framework Agreement on the coupling of electricity markets between Albania and Kosovo;
- Provisions of Article 4, paragraph 2, sub-paragraph 4 of the Electricity Market Model; and
- Request of Transmission System and Market Operator (KOSTT JSC), prot. no. 2395, dated on 23.11.2023 on approval of the amount of cross-border transmission capacities Albania-Kosovo, for the market coupling process,

in the session held on 01 December 2023 issued the following:

D E C I S I O N

- I. **APPROVAL** –of the request of KOSTT JSC on approving the amount of cross-border transmission capacities Albania-Kosovo, for the market coupling process.
- II. The Transmission System and Market Operator KOSTT JSC, is **OBLIGED** to carry out a re-evaluation of the amount of the cross-border transmission capacities Kosovo-Albania, after 3 (three) months following the functionalization of the market coupling Kosovo- Albania.
- III. The Transmission System and Market Operator KOSTT JSC is **OBLIGED** to implement the division of interconnection capacities, according to enacting clause under point I. of this decision.



Reasoning

- ERO, on 23.11.2023, received from the Transmission System and Market Operator (KOSTT JSC) the request on approval of the amount of cross-border transmission capacities Albania-Kosovo, for the market coupling process.
 - ERO, following the receipt of letter, after careful evaluation and analysis noticed that the letter was not referred according to the legal requirements in force. ERO notified KOSTT in relation to this.
 - In the framework of implementation of the Kosovo-Albania market coupling process, according to the provisions of the Framework Agreement on the coupling of the electricity markets of Albania and Kosovo, dated on 21 October 2021, TSO and KOSTT must agree on the amount of cross-border transmission capacities for the Albania-Kosovo border, which will be placed at the disposal of the Albania-Kosovo market coupling process.
 - Based on the history of the remaining cross-border capacities in the daily auction for a long period, it has been noticed that the amount of remaining capacities for the daily auction is considerable, and in order to give flexibility to the market coupling process, it has been decided that for the operation of the coupling of the Albania-Kosovo market, to make available in the implicit auction of the markets coupling, in addition to the available amount of the remaining daily capacity, also the additional capacity from the monthly values in the amount of 50 MW in both directions.
 - Also, based on Article 4.2.4 of the Electricity Market Model as well as the assessment/proposal of TSO-Albania, KOSTT JSC. will dedicate a part of the available cross-border capacities (the amount of 50 MW in both directions in accordance with the TSO) for the purpose of market coupling. This dedicated part will be subject to regular review and may be changed after an evaluation presented by KOSTT and approved by ERO.
 - ERO, following the evaluation and analysis of the request, reached the conclusion that the proposal submitted by KOSTT JSC fulfils the criteria for approval.
 - ERO Board, following the evaluation and analysis of the above-mentioned proposal concluded and evaluated that the request of KOSTT is legal and necessary for the safe functioning of the electricity market coupling Kosovo- Albania, as well as Electricity Exchange-ALPEX, therefore decided as in the enacting clause to this decision.
- IV.** The decision is issued and published on the official languages of the Republic of Kosovo.
- V.** The decision enters into force on the date of approval by the Board of the Energy Regulatory Office and will be published on the official website of the Regulator.



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 on ERO's website, whichever occurs last.

ERO Board

Ymer Fejzullahu, Chairman

Lutfije Dervishi, Member

Gani Buçaj, Member

Arta Qorolli, Member

Adnan Preniqi, Member

This decision is sent to:

- KOSTT JSC and
- Archive of Energy Regulatory Office