

Approved by Decision No. 69, dated 30.09.2010

**Rules for Financial Guarantees of the Participants for Electric Power Market
Registration**

Chapter I

General Provisions

Article 1

Authority

These rules are drafted and approved pursuant to paragraph III.2.4 of the ERE Board of Commissioners Decision, no. 68, dated 23.06.2008: "Albanian Electric Power Market Rules", as amended.

Article 2

Object

The object of these rules is to define the procedures for financial guarantees, every Participant in the Electric Power Market (EPM) should provide, on the benefit of the TSO plc, related to the transmission service, prior to the registration on the EPM.

Article 3

Definitions and acronyms

- 1- ERE - Energy Regulatory Agency, which exercises its activity in accordance with Law No. 9072 dated 22.05.2003.
- 2- EPM – Albanian Electric Power Market.
- 3- TSO – Transmission System Operator, licensed from ERE, for the Electric Power Transmission activity.
- 4- Market Operator – Responsible Unit for Electric Power Market Administration that is currently part of the TSO.
- 5- Market Participation Agreement - a document that governs the relationship between the parties that sign it, TSO-MO and the Electric Power Market Participant, by defining the obligations and rights arising from their activities in the Power Market.
- 6- Market Participant is a person carrying the license issued by the ERE.
- 7 – Financial guarantee means a commitment to a bank, for covering and ensuring reliably, the fulfillment of the Market Participant financial obligations, towards the TSO.

Chapter 2

Technical information and Financial Guarantees, for the Electric Power Market.

Article 4

Technical Information

- 1- Pursuant to the Market Participation Agreement, each participant into the Electric Power Market, must offer to the Market Operator, the technical information following, in the annex of this regulation.
- 2- Documentation, as appropriate, is original or certified copies.
- 3- This information is condition for Electric Power Market Registration.

Article 5

Storage and use of the financial guarantee

1. Each subject enrolled in the Albanian Electric Power Market (EPM) will deposit into a commercial bank, established in Albania, a financial guarantee in ALL.
Financial guarantee is a prerequisite for participation in EPM.
2. EPM Participant will notify the TSO for the deposit of the financial guarantee, no later than 15 working days before the physical program, provided by EPM Participant, become effective, in order to allow TSO to verify that the guarantee is being put.
3. An EPM Participant will authorize the TSO to use the amount of the guarantee for payments or transfers towards TSO, without its prior approval, except when the participant has presented a notification, within seven working days from the notification of the TSO for the use of the guarantee, a complaint directed to ERE that explains, why the TSO should not use the guarantee.
4. TSO will notify the participant 10 working days in advance for the use of financial guarantee, regarding the reason for its use (such as unpaid obligations towards the TSO) as well as the date of execution of the financial guarantee.
5. TSO will use the financial guarantee of an EPM Participant for fulfilling the obligations that the latter has towards the TSO.
6. The amount of the financial guarantee shall be equal to 5% of the Monthly physical program, foreseen by the EPM Participant, multiplied by 10 ALL / kWh, but not more than 10 million ALL and not less than 500 thousand ALL, in conformity and in fulfillment of paragraph XV. III of the Market Rules.
7. TSO will lose the right to use the financial guarantee of an EPM Participant, after the notification of an Un-registration Request of the Participant from the EPM, as foreseen in the Regulation for the Electric Power Market Registration procedures.

8. After the notification of the Un-registration Request of the Participant from the EPM, as foreseen in the Regulation for the Electric Power Market Registration procedures, TSO has the right to use that part of the financial guarantee liability, corresponding to the backward liability of the Participant towards the TSO.

9. Any liability of the EPM Participant, once he is unsubscribed from the EPM, for which the TSO has affected his financial guarantee as defined in paragraph above in this clause, may be the subject of appeal, in the District Court of Tirana.

Article 6

Appeal over the use of the Financial Guarantee

1 – Any participant who opposes the use of financial guarantee from the TSO, may submit a complaint to ERE, within 7 working days from the receipt of notification by the TSO, regarding with the use of financial guarantee, making aware the TSO too for the complaint filed in ERE.

2- If a participant submits a complaint under paragraph 1 of this Article, the TSO will not use the guarantee, until is permitted by ERE for such a thing, or after 30 working days from filing the complaint in the case ERE did not act, within the deadlines specified in these rules.

3- ERE will take a decision on the appeal filed, which will be mandatory for implementation by TSO.

4 – ERE's decision can be appealed by either EPM Participant or TSO, in the Tirana District Court, within 30 days from the publication of the decision in the Official Journal.

Chapter 3

Last Provision

Chapter 7

Amendments to Regulation

These rules are object to review and change with decision of the ERE's Commissioners Board, in accordance with the ERE's Practice Rules and Procedures.

Article 8

Entry into force

These rules become effective upon publication in the Official Journal.

Annex

Registration form for the licensed entities in the Electric Power trade activity

1. License issued by ERE or other Licenses (related to the power market) that the company owns in other countries, if any.	
2. Data on the licensed entity (state, private, sole shareholder, joint stock company, etc.)	
3. Volume in MWh (signed contracts / traded) in the electric power market, the last two years, inside or outside the country, if any	
4. Bank data, (account number, bank guarantee, etc) concerning power market	
5 Data on IT (that the company owns for communication in the market)	
6 - Extract documentation from the NRC (National Registration Center)	

Registration form for the Independent Power Producers

1-License issued by ERE or Other licenses (related to the power market) that owns the company, if any.	
2- Data on the licensed entity (state, private, sole shareholder, joint stock company, etc.)	
3-Volume in MWh (signed contracts /traded) in the power market, during the last two years, if any).	
4- Bank data, (account number, bank guarantee, etc) concerning power market).	
5-Data on generating unit (power plant type, the raw material for power production, the number of generating units, installed power for each generating unit (nominal, minimum, maximum), year of the installation, multiyear average production, start-up and restart-up cost, cost per unit of production kWh – fix costs, variable costs).	
6-Data on the connection point to the grid (geographic region, voltage level, the measuring point of the produced power).	
7-Data on IT (that the company owns for communication in the market)	
8-Extract documentation from the NRC (National Registration Center).	

Registration form for the Qualified Suppliers

1-License issued by ERE or Other licenses (related to the power market) that owns the company, if any.	
2- Data on the licensed entity (state, private, sole shareholder, joint stock company, etc.)	
3-Volume in MWh (signed contracts /secured) in the power market, during the last two years, if any).	
4-Bank data, (account number, bank guarantee, etc) concerning power market).	
5- Data on customer / customers (type of customers, average annual multiyear consumption, the cost for the non-supplied power, if any, "rate" per unit of production - if any)	
6- Data on the connection point to the grid (geographic region, voltage level, the measuring point of the produced power).	
7- Data on IT (that the company owns for communication in the market)	
8-Extract documentation from the NRC (National Registration Center).	

Registration form for the Albanian Power Corporation - KESH in the quality of the Public Generator (Power Producer)

1-License issued by ERE or Other licenses (related to the power market) that owns the company, if any.	
2- Data on the licensed entity (state, private, sole shareholder, joint stock company, etc.)	
3-Volume in MWh (signed contracts /secured) in the power market, during the last two years, if any).	
4-Bank data, (account number, bank guarantee, etc) concerning power market).	
5- Data on generating unit (power plant type, the raw material for power production, the number of generating units, year of the installation, multiyear average production, cost per unit of production / capacity ALL / MWh, MW-fix, variable, power losses (G,TrF) MWh/year.)	
6- Data on the connection point to the grid (geographic region, voltage level, the measuring point of the produced power).	
7- Data on IT (that the company owns for communication in the market)	
8-Extract documentation from the NRC (National Registration Center).	

Registration form of Retail Power Supplier

1-License issued by ERE or Other licenses (related to the power market) that owns the company, if any.	
2- Data on the licensed entity (state, private, sole shareholder, joint stock company, etc.)	
3-Volume in MWh (signed contracts /secured) in the power market, during the last two years, if any).	
4- Data on customer / customers (daily load type chart, according to seasons of the year, according to regions, for customer's clusters, the cost for the non-supplied power, for the customer's groups if any).	
5-Bank data, (account number, bank guarantee, etc) concerning power market).	
6- Data on IT (that the company owns for communication in the market)	
7-Extract documentation from the NRC (National Registration Center).	

Registration form from the Wholesale Public Supplier

1-License issued by ERE or Other licenses (related to the power market) that owns the company, if any.	
2- Data on the licensed entity (state, private, sole shareholder, joint stock company, etc.)	
3-Volume in MWh (signed contracts /secured) in the power market, during the last two years, if any).	
4-Bank data, (account number, bank guarantee, etc) concerning power market).	
5- Data on IT (that the company owns for communication in the market)	
6-Extract documentation from the NRC (National Registration Center).	

Registration form for the DSO plc (System Operator Distributor)

1-License issued by ERE or Other licenses (related to the power market) that owns the company, if any.	
2- Data on the licensed entity (state, private, sole shareholder, joint stock company, etc.)	
3-Volume in MWh (signed contracts /traded) in the power market, during the last two years, if any).	
4- Data on the generation (production) on its network (the average annual production ; the average production per seasons, regions, level of voltage, the average production cost -fixed, variable;)	
5- Bank data, (account number, bank guarantee, etc) concerning power market).	
6- Data on the distribution network (network length, according to the voltage type and level, the regionalization of the network, Multiyear average energy distributed, the cost per unit of the distributed energy / capacity ALL / MWh, MW, energy losses in the grid according to the level of voltages and regions MWh / year).	
7- Data on the point of connection in the transmission grid (geographical region, voltage level, the energy point of measurement).	
8-Data on IT (that the company owns for communication in the market)	
9-Extract documentation from the NRC (National Registration Center).	