REPUBLIKA E SHQIPËRISË

ENERGY REGULATORY AUTHORITY
(DRAFT)

THE METHODOLOGY ON DEFINING RENEWABLE ENERGY OBLIGATION THAT SHALL BE PAID FROM ELECTRICITY END USE CUSTOMERS.

PART I
GENERAL PROVISIONS

Article 1
Purpose

This methodology shall define the calculation of renewable energy obligation that shall be paid from the electricity end use customers, being supported on the definitions of Law no. 24/2023 "*On the promotion of using energy from renewable resources"*.

Article 2
Legal basis

This methodology is drafted being supported on Article 16 of Law no. 24/2023 "*On the promotion of using energy from renewable resources*" and Article 19, letter "b" of Law no. 43/2015 "On power sector", as amended.

Article 3
Definitions

1. On this methodology the terms as follows shall have this meaning:

- **"Energy Regulatory Authority"** or "**ERE**" shall mean the Regulatory Authority of power and natural gas sector in Albania.

- **Obligation for renewable energy**" shall mean a fix tariff that is applied for the end use customers to cover the costs of the Renewable Energy Operator according to the respective quantity of electricity measured and delivered from their respective suppliers, calculated according to the principles defined on Law no. 24/2023 "On the promotion of using energy from renewable resources" and this methodology.

- "**The Renewable Energy Operator**" or "**REO**" shall mean the contracting party of qualified priority producers for support according to Law no.24/2023 "On the promotion of using energy from renewable resources", through the contract for support, or supported on the promoting tariff system through the agreements for energy purchase.
- **"Contract for difference" (CfD**) shall mean a supporting contract financially regulated where the Renewable Energy Operator pays to the priority producer the difference

between the guaranteed price and the reference price where the reference price is lower than the guaranteed price and the priority producer pays the difference to the Renewable Energy Operator when the reference price is higher than the guaranteed price.

- **"Contract for support**" shall mean a contract through which to the priority producer is issued the support according to Law no. 24/2023 "On the promotion of using energy from renewable resources"

- **"Contract for premium"** shall mean a type of contract for support where it is paid a fix premium (that may be positive or negative depending on the result of the competitive process) or a sliding premium (as the difference between the guaranteed price and the reference price) from the Renewable Energy Operator for the priority producers over the market price.

- "**Guaranteed price**" shall mean a winning price that is reached through a competitive process by which the priority producer shall sell electricity according to the supporting scheme or whose difference with the reference price shall be covered financially.

- **"Reference price"** shall mean the price set regarding the day ahead Albanian market that is operated by the Albanian Power Exchange according to the definitions of the supporting scheme. The calculation of the reference price and the rules for handling the negative prices shall be defined on the documents for a competitive process even at the supporting contracts according to Law no. 24/2023 "On promoting the use of energy from renewable resources". If the reference price is negative, it shall be considered zero for the purpose of regulating CfD.

- "**CfD Convertion**" shall mean the convertion of an Energy Purchase Agreement to a Contract for Difference according to Article 30 point 5, of Law no. 24/2023 "On the promotion of using energy renewable resources".

- "**Energy purchase agreement**" shall mean the type of supporting agreement, where one defined purchaser guarantees the obligatory physical purchase of electricity produced from the producer with a fix price.

- **Supplier**" shall mean a licensed company to perform the supply activity.

- "**End-use customer**" shall mean a customer that purchase energy only for personal usage.

- "**RES Law**" shall mean Law no. 24/2023 "On the promotion of using energy from renewable resources".
- "**Priority producer**" shall mean any electricity producer from energy renewable resources that benefits from one supporting scheme according to the effective by-laws.
- **"Existing priority producer"** shall mean a priority producer that from the moment of effectiveness of this Law no. 24/2023 "On the promotion of using energy from renewable resources", signed a contract for project development with the ministry or has the prior approval for the construction of the production photovoltaic capacity up to 2 MW, the aeolian up to 3MW and for the hydropower plants with installed capacity up to 15MW.

- **"Work capital/Liquidity costs**" shall have the meaning defined on Article 7 of this methodology.

- "**FiT Support**" shall have the meaning defined on Article 7 of this methodology.

- "**CfD support**" shall have the meaning defined on Article 7 of this methodology.

- "**Reconciliation/correction factor**" shall have the meaning defined on Article 7 of this methodology.

2. The terms, whose definitions are not listed on point 1 of this article, as taken as a reference for the terms and definitions defined on Law no. 24/2023 "On the promotion of using energy from renewable resources" and Law no. 43/2015 "On Power Sector", as amended.

PART II
METHODOLOGY FOR CALCULATING THE OBLIGATION FOR RENEWABLE ENERGY

Article 4
Role and responsibilities of the Renewable Energy Operator

1. The Renewable Energy Operator (OER) shall be the electricity purchaser for all the qualified priority producers for the support through the contract for support or supported on the promoting tariff system through the agreements for electricity purchase.
2. The energy purchased from Renewable Energy Operator (OER) shall be direcly delivered to the organized market.
3. The renewable energy operator (OER) shall have contractual responsibility to any priority producer to cover the payments resulting from any supporting contract according to this law.
4. The renewable energy operator is responsible for invoicing the renewable energy obligation to all electricity suppliers, which exercise the electricity supply activity to the end-use customers.
5. The Renewable Energy Operator is responsible for collecting renewable energy obligation from all the electricity suppliers that exercise the electricity supply activity to the end-use customers and for paying this obligation to electricity priority producers.
6. The Renewable Energy Operator is responsible for collecting all the data from the energy priority producers qualified for the support regarding the annual volume of electricity provided to be produced from renewable energy, for the supporting scheme and period, as well as for the support regarding the balancing responsibility for the priority producers that are exempted from the balancing responsibility.
7. After collecting the data, the Renewable Energy Operator (OER) shall collect the data submitted from the energy priority producers and shall submit them at ERE to calculate the obligation for renewable energy that shall be charged to all end-use customers.
8. The Renewable Energy Operator (OER) to guarantee its financial neutrality shall share the imbalances costs caused from the priority producers according to the definitons of the Market Rules and other effective by-laws specifications, and shall collect through the renewable resources obligation those imbalance costs that are beyond the borders set according to respective Energy Purchase Agreements (MBE) for those priority producers which have a maximum border regarding the obligation of the imbalances costs.

9. The costs of Renewable Energy Operator (OER) shall be covered through renewable energy obligation whose fund shall be used to cover the supporting schemes costs as follows:

   a) the payable difference between the guaranteed price and the reference price for the priority producers, the support issued in the form of the Contract for Difference
   b) premium price for the priority producers, the support issued in the form of premium contracts
   c) promoting tariffs for priority producers, the support issued in te form of Energy Purchase Agreements (MBE)
   d) imbalance costs whch are beyond the border set for those priority producers that have a maximum border regarding the imbalance obligation costs according to the respective Energy Purchase Agreements.
   e) daily operational and maintenance costs of Renewable Energy Operator (OER), including, but not being limited to the financial cost, the access to the market, the circulating capital and the costs for providing the reserves to ensure the financial liquidity and the payments ability of the renewables supporting fund on continuous basis.

10. The Renewable Energy Operator (OER) shall have the right to recover any uncollected payment from the bankrupt supplier, dividing them as collectible, unrecovered amounts with the remained suppliers in the market, in proportion to that part of the market that is occupied by each supplier.

11. ERE may decide:

    a. for any supplier the obligation to execute advanced payments for its share of obligations for the renewable energy on monthly, quarterly or annual basis according to this methodology regarding renewable energy obligations. ERE may require to the suppliers to provide short-term liquidity instruments to ensure the necessary funds to execute these advanced payments.
    b. for Renewable Energy Operator (OER) to ensure the monetary instruments as short term loans according to the need to perform expected payments for the priority producers.
    c. the costs to ensure that these liquidity short-term instruments shall be recognised for the calculation of renewable energy obligation not higher than the rates of the Albanian banking market for the respective periods according to this methodology defined by ERE.
    d. if the Renewable Energy Operator has a prior liquid capital from the state funds, the costs for the Albanian state shall be covered through the obligation for renewable resources.

12. The agreement between the Renewable Energy Operator with any electricity supplier, that serves to end-use customers, subject to collect the renewable energy obligation charged to all end use customers of electricity shall be regulated with a contract between them.
13. The parties that have signed the contract between the Renewable Energy Operator and the supplier shall define and provide an annual cost regarding the renewable energy volumes (shared on monthly basis) that shall be sold from any electricity supplier to the en-use customers as an obligatory tariff for renewable energy.
14. Renewable Energy Operator shall maintain detailed data for all the measures that include the issue of the support. These data shall be maintained during the duration of the contract for

support and for an additional period of ten years, including all the necessary information to ensure that the conditions of the contract for difference, the premium contract and the Energy Purchase Agreement are complied.

15. The Renewable Energy Operator shall establish an online register of the priority producers qualified for the support and shall update it continuously.

Article 5
Role and responsibilities of electricity suppliers

1. Within 1 September of each year, all of electricity suppliers shall submit at the Renewable Energy Operator (OER) the annual forecast of electricity volume that is expected to be supplied from them allocated according to the months for the next year.
2. Any electricity supplier, that supplies the end use customers, shall sign a contract with the Renewable Energy Operator (OER) for the collection of renewable energy obligation that shall be charged to the electricity end-use customers.
3. Any electricity supplier for the end use customers is responsible for the invoicing and collection from the end-use customers of renewable energy obligation invoiced from Renewable Energy Operator.
4. The supplier shall invoice the obligation of renewable energy obligation in ALL per kWh for all end-use customers according to the respective electricity amount that is supplied.
5. ERE may set for each supplier the obligation to make the advanced payment of its share of renewable energy obligation on monthly, quarterly, or annual basis, if assessing that OER has a lack of funds.
6. ERE may require to the Supplier to provide the short-term liquidity instruments to guarantee the necessary funds to execute the advanced payment of their share of renewable energy obligation, if accessing that there is a lack of funds.
7. The reasonable costs caused to ensure these short-term liquidity instruments may be covered through renewable energy obligation according to the principles defined on this methodology.
8. If ERE decides to charge the electricity supplier to execute the advanced payments through short-term liquidity instruments, the caused costs to provide them shall be acknowledged to the calculation of renewable energy obligation according the the rates of Albanian market bank for their respective periods.

Article 6
The annual electricity forecast produced from the priority producers

1. Within 1 September of each year, all the priority producers into operation as well as the priority producers that plan to set into operation their plants during the next year, shall submit to OER an annual foresee of the electricity volume that is expected to be produced from the shared renewable sources.

2. The Renewable Energy Operator collects the total volumes of electricity that are provided to be produced from the renewable resources submitted from all priority producers and calculates the amount that is expected to be shared to priority producers for the next year.

3. Based on the collected data from the priority producer, the Renewable Energy Operator shall provide the total budget for the promotion of energy from renewable resources and the contract for payment of the contract for difference for any priority producer on annual

basis according to the prices and the conditions of each mutual contract according to the effective legislation.

Article 7
Calculation of renewable energy obligation

1. OER shall submit at ERE the request for tariff application according to Law no. 24/2023 ''On the Promotion of Renewable Energy from Renewable Resources'' as well as the definitions of this Methodology.
2. Within 1 October of each year, OER shall submit at ERE the calculation for renewable energy obligation of electricity, the foreseen volumes that will be produced for the next year from the priority producers as well as the total provided amount that is expected to be paid to the priority producers from OER.
3. ERE shall define the amount obligation for renewable energy in ALL per kWh charged to any end-use customer according to the respective electricity amount measured and supplied from the supplier from these customers. This obligation shall be defined to cover the costs as follows based on the submitted formula and steps as follows.

A. **Feed in Tarif (FiT) support** shall mean the amount of the support that shall be paied to FiT contracts for small priority producers, the data according to the competitive procedures.

B. **Contract for Difference (CfD) support** shall mean the amount of the support that shall be paid to priority producers with CfD contracts.

C. **Balancing costs** shall mean the balancing costs caused by small renewable energy producers or when applicable the costs caused over the balancing tariff border decided on the respective Energy Purchase Agreements (MBE) with the priority producers.

D. **Work capital/liquidity costs** shall mean the work capital costs for the Renewable Energy Operator and the reserve/forecasted costs to ensure liquidity in sufficient amount and in continuation to guarantee the compliance from OER at the appropriate time of all obligations of CfD/MBE according to the terms and conditions defined on CfD/MBE.

E. **Daily maintenance and operational costs of OER** shall mean the realized expenses in a reasonable way from OER for its daily operations.

F. **Reconciliation/correction factor** shall mean the factor that regulates the differences between the provided values of the incomes and expenses as well as the realized values of the previous year fund.

G. The definition of the end-use customer group (Q), includes the household and non-household customers, to whom shall be required to pay the renewable energy obligation, calculating the total electricity consumption in kWh for the respective end-use customer groups for the respective period.

$$RES\ Obligation\ (in\ Lek\ per\ kWh) = \frac{A + B + C + D + E + F}{Q}$$

(Formula 1)

As follows are submitted the steps for calculating each component of the formula.

A. CfD Support:

- Includes all CfD contracts that have the right to take support through the scheme
- The CfD contract shall define:

i. The guaranteed price in ALL per MWh. If the guaranteed price in the contract is specified in another currency (i.e Eur), shall be used a conservative exchange rate assumption to ensure the lack of financing risk.

ii. The calculation of the CfD reference price in ALL/MWh that is expected at any hour of the year. These assessments shall be conservative (i.e the low price of the market) to reduce the lack of financing risk.

iii. Calculation of the generated expected quantity of electricity on each hour of the year shown in MWh. These assessments shall be with a probability of excedance (e.x p10)to lower the lack of financing risk

iv. The calculation of the supporting payment for the producers (if the guaranteed price SP > the reference price CRP) or the liquidation to OER (SP < CRP) that is expected for each hour of the year.

v. The collection of the supporting payments and the expected repayments during the hours of the year.

- The collection of the supporting payments and expected re-payments during the hours of the year for all CfD contracts shall be defined as follows:

$$A\ [in\ Lek] = \sum_{all\ CfD\ contracts\ (j)} \left[\sum_{all\ hours\ (h)} (SP_j - CRP_{j,h}) \times EG_{j,h} \right]$$

(Formula 2)

B. FiT support:

- Identifies all FiT contracts that have the right to receive support through the scheme
- For any FiT contract:

i. Identification of the promotion tariff (FT) in ALL /MWh. Inf the contractual promotion tariff (FT) is specified in a different currency (e.x Euro), shall be used an assumption of the conservative rate currency to provide the lack of financing risk.

ii. The calculation of the reference price FiT (FRP) in ALL/MWh that is expected on each hour of the year. These assessments shall be conservative (i.e the low price of the market) to reduce the lack of tariff risk. This is the assessment of the market price for the product (e.x the reference price that is related to ALPEX market, or another exchange or an avoided hypothetic cost).

iii. The calculation of the expected generated electricity amount for every hour of the year expressed in MWh. This assessments shall be with a low exceeding probability (i.e P10) to lower the lack of financing risk.

iv. The calculation of the net supporting value (i.e FP – FRP) expected for every hour of the year.

v. The collection of the net supporting values expected during the hours of the year.

- Collection of the net sums that are expected for all FiT contracts.

$$B\ [in\ Lek] = \sum_{all\ FiT\ contracts\ (k)} \left[\sum_{all\ hours\ (h)} (FT_k - FRP_{k,h}) \times EG_{k,h} \right]$$

(Formula 3)

- In practice, performing these assessments per hour from ERE may be difficult, so these assessments may be performed on monthly basis using the simplified statistic assumptions.

C. Balancing cost:

The balancing costs are caused by small producers of renewable energy or when applicable the costs caused over the balancing tariff border set to respective MBE with priority producers shall be part of calculating the obligation of renewable energy;

$$C\ [in\ Lek] = C_1 + C_2$$

1. For any contract where the Priority Producer sells directly to ALPEX:

- The calculation of total generation (expected AEG) in MWh per year. This assessment shall shall be with a low extension probability (i.e P10) to reduce the lack of financing risk.

i. Assessment of the average quantity of the imbalances (IBP) expressed as a % of total generation.
ii. Calculation of the avarage balancing costs (BC) in ALL/MWh that is expected to be handled by the Priority Producer.
iii. The identification of the maximum price for the balancing services (BSCC) in ALL/MWh, if defined on the contract. This may require a convertion of the currency from Eur to ALL.
iv. The calculation of excess balancing costs beyond the border that the Priority Producer shall require to be recovered through renewable energy obligation.
v. The collection of excess balancing costs for thorse priority producers that have defined respective MBE as the balancing tariff border, for all the contracts when these Producers trade electricity directly to ALPEX.

$$C_1\ [in\ Lek] = \sum_{all\ type\ 1\ contracts\ (l)} AEG_l \times IBP_l \times max(0, BC_l - BSCC_l)$$

(Formula 4)

2. For any contract where OER shall produce to ALPEX:

i. The calculation of total generation (AEG) in MWh expected for the year. This assessment shall be with a low excess probability to reduce the lack of financing risk.
ii. Assesment of the average imbalances quantity (IBP) expressed as a % of total

generation of electrciity.

iii. The calculation of the average balancing costs (BC) in ALL/MWh that OER is expected to have.

iv. The calculation of the balancing costs that OER shall require to recover through the Renewable Energy Obligation.

v. The collection of the balancing costs for all the contracts where OER shall sell the production to ALPEX and their re-distribution of the priority producer, except of those costs caused over the balancing tariff border set to respective MBE with the priority producers which are covered through renewable sources obligation

$$C_2\,[in\ Lek] = \sum_{all\ type\ 2\ contracts\ (m)} AEG_m \times IBP_m \times BC_m$$

(Formula 5)

D. Work capital cost

Depending on the approved measure (or a combination of the measures), shall be defined the accompanied costs that may be covered through renewable energy obligation.

$$D\,[in\ Lek] = D_1 + D_2 + D_3$$

(Formula 6)

1. If the electricity suppliers are required to pay in advance the renewable energy obligation to OER the suppliers shall cover the of the increased short-term loan.

$$D_1\,[in\ Lek] = (A + B + C + D + E + F) \times \frac{n_1}{12} \times K_1$$

(Formula 7)

Where:

- $(A + B + C + D + E + F)$ is the value provided (in ALL) of the renewable energy obligation that the suppliers shall pay during the complete year. It is observed that **D_1** is on both sides of the equation, that shall be careful during the calculation.
- **n_1** is the number of the months that the supplier shall pay in advance for renewable energy obligation.
- **K_1** is the cost expressed (in annual %) for a specific supplier to maintain a short-term loan during a complete year.

2. If OER is required to maintain a bank guarantee that covers 6 - 12 months of the expected payments for the Priority Producer, OER shall recover the bank guarantee costs.

$$D_2\,[in\ Lek] = (A + B + C_1) \times \frac{n_2}{12} \times K_2$$

Where:

$$(A + B + C + D + E + F)$$

Where:

(Formula 8)

(Formula 9)

- $(A + B + C_1)$ is the value calculated (in ALL) of the expected payments for the priority producers during a full year. For FiT (B) support, it is assumed the net amount.

- n_2 is the number of the months for the expected payment that shall be covered by the bank guarantee.

- K_2 is the cost (annual cost expressed in %) for OER to maintain a bank guarantee during the complete year.

3. If OER is equipped in advance with a liquid capital from the state funds, the cost for the Albanian state shall be covered. The formula as follows assumes that only the interest shall be charged.

$$D_3\,[in\ Lek] = UWC\ \times K_3$$

(Formula 10)

Where:

- UWC is the primary capital (in ALL) guaranteed by the Albanian state.
- **K_3** is the capital cost (annual expressed in %) of the Albanian state.
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E. Daily operational costs of OER

The costs mentioned here are covered by renewable energy oblgiation. On these costs are included:

- The rent
- Staff expenses
- The costs of IT and communication
- The costs for the services
- The costs of professional expenses (e.x legal, accounting)

F. Reconciliation/correction factor

The calculation of the reconciliation/ correction for the T period:

i. Shall be taken into account the forecast to increase the renewable energy obligation, expressed in ALL, for T-1 (RO (forecast)T-1) according to the calculation for T-2).
ii. Identification of the actual increase of renewable energy obligation, expressed in ALL, for T-1 (RO (actual/current) T-1).
iii. Shall take into consideration the forecast set on the supporting scheme, expressed in ALL for T-1, according to the calculation for T-2.
iv. Identification of the actual expense of the supporting scheme, expressed in ALL for T-1.
v. Calculation of the difference between the forecast and the realization.

vi. Using the reconciliation/correction factor in the formula for renewable energy obligation applied for T+1.

$$F_{T+1}\,[in\ Lek] = RO(forecast)_{T-1} - RO(actual)_{T-1} + (A+B+C+D+E)(actual)_{T-1} - (A+B+C+D+E)(forecast)_{T-1}$$

(Formula 11)

1. Coverage from end-use customers and the suppliers The definition of end-use customer groups (Q), including household and non-household customers, to whom shall be required to pay renewable energy obligation.
2. The calculation of the total electricity consumption (TEC) in kWh for the respective groups of end-use customers during the calculation period. This assessment shall be conservative (i.e low total electricity consumption TEC) to reduce the lack of supply risk.
3. The calculation of the billing payment rate (BPR) in % for the respective groups of end-use customers (i.e the amount received from the supplier as a percentage of the invoiced amount). This assessment shall be conservative (i.e low BPR) to reduce the lack of financing risk.
4. The assessment of the probability for failure to pay from the supplier SDP) in % during the calculation period.

$$Q\,[in\ kWh] = TEC \times BPR \times (1 - SDP)$$

(Formula 12)

5. By the end of every (liquidation period) ERE shall take a decision for the amount of renewable energy obligation expressed in ALL per kWh that shall be paid by every end-use customer (during the next liquidation period).
6. ERE shall communicate the decision in a transparent way to all the suppliers of electricity and the end-use customers and shall publish this decision on its website as well as the national written media for 3 (three) consecutive days.

Article 8
The invoicing and the payment of renewable energy obligation and the support for the priority producers

1. Any electricity invoice that is invoiced from the electricity supplier for the end-use customer shall include renewable energy obligation invoiced from their electricity supplier.
2. Any priority producer shall invoice to the Renewable Energy Operator the sums of the obligations according to the terms and conditions defined on MBE/CfD.
3. Any supplier shall pay the obligation for its share of renewable energy in advance to OER. OER shall calculate the part of any supplier for renewable energy obligation in report with the share forecasted in the market for each supplier. Depending of the calculation period of the renewable resources obligation as well as the necessary liquidity financing from OER to execute the payments to priority producers shall be defined the pre-payment period of the renewable resources obligation from the electricity suppliers.
4. The reasonable costs to ensure such short term liquidity instruments may be covered through renewable energy obligation. OER shall confirm in advance Ere for such short

term liquidity instruments and the respective rates to ensure them according to each source.

5. In the event of differences between the market forecasts and realizations, OER shall perform the reconciliation [after every month or after every quarter defined on ERE decision and shall regulate the next group of payments according to the circumstances]. OER shall inform ERE regarding the reconciliation of the data as soon as possible.
6. The payment of the invoices issued from OER and accepted from the electricity supplier shall be within 5 (five) working days after accepting the monthly invoice issued by OER according to the terms and definitions of the contracts.

7. The payment of the invoices issued from the electricity priority producer and received from OER shall be according to the terms and conditions of respective CfD/MBE.

Article 9
Regulations of renewable energy obligation

1. ERE shall calculate the differences between the values and the quanties forecasted and realized for the promotion of energy from the renewable sources during the previous calendar year integrating a reconciliation/correction factor (F) according to Article 7 of this methodology.
2. The results shall be published for all the interested parties and shall be included to review renewable energy obligation for the next regulatory period.

Article 10
Maximum border for the short-term instruments for the liquidations from the supplier and Renewable Energy Operator (OER)

1. If ERE judges that the calculation of short term payments of liquidations of the supplier for one or more liquidation periods shall result in a non-proportional burden for the end-use customer or when judging that there is a considerable lack of competition to the wholesale, retail electricity market, that may establish barriers for the introduction of new suppliers, ERE may define the maximum limit of liquidity for any supplier based on its part of the market or may instruct OER to provide other alternatives of establishing the liquidity that is necessary according to the cases as follows:
    (a) obtaining monetary funds in the form of short term loans to cover the liquidation of the expected payments from priority producers, the costs of the debt that OER shall recover through renewable sources obligation.
    (b) use its liquid capital when it is sufficient to recover the liquidation of the payments where the cost of OER capital shall be covered through renewable sources obligation.
2. ERE may decide to make a detailed assessment of the electricity market and of the influence to renewable energy obligation for the prices of the end use customers.
3. In defining the maximum borders for the short-term liquidity of electricity suppliers or the debt cost or the cost of OER capital, ERE shall support the Albanian bank market rates for the respective period.

PART III
FINAL PROVISIONS

Article 11
Transitory provisions

1. Until the establishment of Renewable Energy Operator, which obligations shall be performed by the free market supplier (FTL). During this period the supplier in the free market shall perform the obligations for the calculation and collection of renewable energy obligation.
2. The priority producer shall submit to the free market supplier not later than 2 months from the entry into force of this methodology, the respective volumes that are forecasted to be produced for the remaining period of the current year.
3. All the electricity suppliers shall submit to the free market supplier the forecast of the electricity volume that is expected to be supplied from them not later than 2 months from the entry into force of this methodology for the remaining period of the current year.
4. The free market supplier, shall submit at ERE the request for application and calculation of renewable energy obligation for the first time, 3 months after the entry into force of this methodology for the remaining period of the current year.

Article 12
Extraordinary review of renewable energy obligation

1. When ERE accesses that there is an excessive deviation between the forecasted and realized values for the purpose of calculating the renewable energy obligation according to articles 7 and 9 of this regulation, ERE may perform a review within the regulatory period of renewable energy obligation.
2. The conditions and procedures for calculating and collecting renewable energy obligation shall be approved according to the legislation in force for the state aid.

Article 13
Settling the disputes

1. In case of disputes for the amount of the obligations, the contracting parties on the agreement between the Renewable Energy Operator and the priority producers or the agreement between the Renewable Energy Operator and the energy suppliers, initially shall make all the efforts to settle the dispute with mutual understanding.

2. If there is not a settlement with understanding between the contractual parties mentioned on point 1 of this Article, ERE shall act as the authority for settling the disputes implementing Law no. 43/2015 “On Power Sector”, as amended and the “Regulation for handling the complaints submitted from the customers and for settling the disputes between the licensees in power and natural gas sectors”. If there is no settlement yet, the parties shall address to the competent court.

Article 14
Review and amendment of the methodology

This methodology is object of review and amendment of ERE Board Decision, according to the Regulation on ERE Organization, Operation and Procedures.

Article 15
Effectiveness

This methodology becomes effective 15 days after its publication in the Official Gazette.