

REPUBLIC OF ALBANIA ENERGY REGULATOR AUTHORITY Board



TRANSMISSION SERVICE AGREEMENT

between

TRANSMISSION SYSTEM OPERATOR ('TSO' company)

and the SUPPLIER (S)

This agreement for electricity transmission service is signed today on date // between:
Transmission System Operator, (hereinafter TSO company), joint stock company, registered as legal person with Tirana District Court Decision No. 31935, date 14.07.2004, with its headquarters in Tirana, address: Autotrada Tirane- Durres ,Km 9, Yrshek, Kashar, Tirane Shqiperi, Unique Identification Number (NIPT) No K42101801N, represented by MrEngjell Zeqo, the Administrator of the Company, hereinafter refered as TSO company,
and
(Supplier), registered as legal entity at National Registration Center (QKR) on date with premises at, address:, Albania, Unique Identification Number (NIPT) No, represented by Mr the Administrator of the Company, Hereinafter referred as the (Supplier S) each of them referred to this agreement as the "Party" or together "Parties" according to the case.
Legal Basis a) Law No. 43/2015 "On Power Sector"; b) Council of Ministers Decision No. 519, of date 13.07.2016 "Electricity Market Model";
 c) ERE Board Decision "On approving the Albanian Electricity Market Rules"; d) Transmission Grid Code; e) ERE Board Decision No. 24, of date 26.03.2009 "On renewing the Electricity Transmission License of TSO company"; f) ERE Board Decision Noof date/ "On the Electricity
Fix tariff, that shall be paid to electricity generators from the hydro power plants for 201_" g) ERE Board Decision No, of date//"On issuing the Supply license to company; Annex 1
ARTICLE 1 DEFINITIONS
In this agreement, including its annexes despite when the context requires otherwise, the following terms shall have the meaning as follows:
Agreement; Shall mean this Agreement for Transmission Service, together with the annexes, schedules and other attached documentation Commencement date, shall mean the day when the agreement begins to extend its effects
Parties shall mean TSO company and the Supplier (S) TSO company, shall mean a legal person, responsible for the operation,
maintenance, and development of the transmission system, including
interconnections with other cross-border countries, to ensure the long-term ability of the system to fulfill the reasonable requirements of electricity transmission. Adresa: Blvd "Bajram Curri" Rruga Viktor Eftimiu 1023 Tirane Tel +355 42 22 963 Tel +355 42 69 590

(S)-Supplier	is a le	egal e	ntity 1	licensed	l from	ERE, a	s the	Sup	plier	(S)
, who has sign	ed an	agree	ment	for ele	ctricity	supply,	with	the	end	use
customers, hereinafter re-	erred a	as (S)								

End-use customer shall mean a customer that purchases electricity only for personal use. Hereinafter referred as end-use customer

Metering Points shall mean the connection points of the metering equipments by which it is made possible the electricity metering that passes at that element according to Annex 5 of this agreement.

Imbalance shall mean the difference electricity on hourly basis nominated by the Supplier and the electricity measured at the metering point (points) of the respective end-use customer, as defined in Albanian Electricity Market Rules, (as amended).

Metering system shall mean the total metering equipment: meters automat devices, metering transformers, metering protectors and isolators, circuits and equipments for data maintenance, data transmission and communication and necessary cable connections that are active and reactive electricity metering equipment in the metering point.

Program- shall mean electricity hourly quantity nominated by the Supplier for the supply of end-use customer, in conformity with Electricity Market Rules.

Transmission shall mean electricity transmission in high and very high voltage level, whose operation includes transmission or international interconnection.

Transmission System is the system used to transmit electricity in high and very high voltage level connected in parallel with the systems of the other countries including above all the system of lines, supporting structures, transforming and switching equipments to deliver electricity to the customers or in the distribution grid, not including the supply.

Force Majeure shall mean an natural or social act or event such as earthquakes, lightning, cyclones, floods, volcanic eruptions, fires or wars, armed conflict, insurrection, terrorist or military action, which prevent a licensee from performing his obligations under the license or other acts or events that are beyond the reasonable control and not arising out of the fault of the licensee, and where the licensee has been unable to overcome such act or event by the exercise of due diligence and reasonable efforts, skill and care.

Authorized representative shall mean the person officially charged from the Head of the company to follow this agreement and signing the measuring declaration.

Any term used in this Agreement and not defined here and above has the same meaning with the one defined at the Electricity Market Rules approved with ERE Board of Commissioners decision and the Transmission Grid Code approved with ERE Board of Commissioners Decision.

ARTICLE 2 OBJECT OF THE CONTRACT

- 2.1 The object of the agreement ("The Agreement") is to provide the Transmission Service for the Supplier (S) ______ by transmitting from the input to the output points, the electricity quantity that the Supplier (S) _____ requires to transmit, for each of the customers evidenced on Annex 2 and 5 as well as regulating the financial agreements and the salaries between the parties. Electricity transmission, implementing this Agreement shall begin on the Commencement Date provided in Article 16.
 - 2.2 The Electricity quantity and the period during which will be ensured the transmission service from TSO company shall be according to the conditions defined in Annex 3 of this Agreement.

ARTICLE 3 THE RIGHTS AND OBLIGATIONS OF TSO company

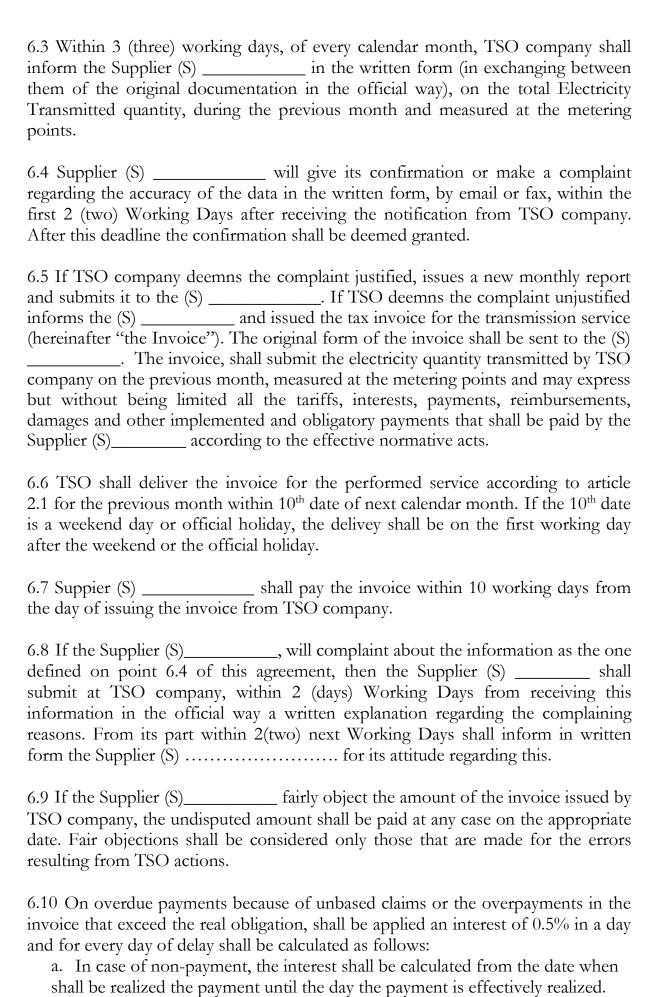
- 3.1 Transmission System Operator (TSO) shall ensure electricity transmission service from the input to the output points, for the Supplier ______, in the quantities and period of time specified on Annex 2 of this Agreement, excluding Force Majeure cases or Planned/ Unplanned Interruption Cases (according to the definitions made on articles 9, 10 and 11 of this Agreement).
- 3.2 TSO company shall provide this service in conformity with Council of Ministers Decision no. 519, of date 13.07.2016 "Electricity Market Model"; "Electricity Market Rules" and the "Transmission Grid Code" approved with ERE Board Decision.
- 3.3 TSO company has the right to invoice and collect the performed service amount in conformity with this agreement.
- 3.4 TSO company has the right to reduce the transmission (supply) programme for a defined period of time, by giving the respective explanations for this reduction, according to articles 9 and 10 of this Agreement.
- 3.5 TSO company has the right to interrupt the service in conformity with articles 9, 10 and 11 of this agreement.

ARTICLE 4 THE RIGHTS AND OBLIGATIONS OF THE SUPPLIER

SCITEI	·· L	
4.1 The Supplier (S)sh	nall inform TSO company for	the electricity
quantity, the nomination on hourly bas	is, in full numbers in MW, of	the electricity
that will be transmitted for the account	ınt of the Supplier	from the
input to the output points, for the day a	head, not later than 14.00 hou	r of every day
(on the day D, for the day D+l). For	the weekend or national holi	day days, the
program shall be given in advance, on	the last working day and shall	include even
the holidays and the first working day a	fter the holiday. The program	(nomination)
declared by the Supplier (S)	, submits a table according	to Annex 2,
where for every hour of the day ahead	d, it is given the energy (power	er, capacity in
MW) that is provided to be supplied (c	consumed) at the metering poi	nts according
to Annex 5. The Supplier (S)	has the right to cha	nge the daily
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version to be harmonized before with its respective counter part (by the other side of the border in case of import, or with the respective supply plant within the country) and be declared at the TSO company, not later than two hours before making effective the change.
4.2 Supplier (S) shall benefit from the service provided by TSO company in conformity with the definitions made in this agreement and Electricity Market Rules approved with ERE Board of Commissioners decision and the Transmission Grid Code approved with ERE Board of Commissioners decision.
4.3 Supplier (S) undertakes to pay to TSO company for what is provided on Article 2.1, the price according to article 6.7 and the responses for the imbalances in conformity with article 7 of this Agreement.
ARTICLE 5 PLANNING THE REQUEST
5.1 Planning the request for electricity shall be according to the obligations of the parties, in conformity with the Transmission Grid Code approved with ERE Board Decision, Electricity Market Rules approved with ERE Board Decision and the Electricity Market Model approved with Council of Ministers Decision no. 519 of date 13/07/2016. Responsible for forecasting the load that is expected to be consumed by the respective end-use customer, toward TSO company, is only the Supplier (S) that makes the nomination, and not the end-use customer.
ARTICLE 6 THE TRANSMITTED PRICE, INVOICING AND PAYMENT
6.1 The provisions of this article are implemented for each of end-use customers that are supplied by the Supplier (S) and for each of the invoices made by TSO company, regarding the electricity transmitted quantities for the account of the Supplier (S) for the supply of each of the customers or the group of customers. TSO company makes a monthly invoice for each of the Supplier (S) despite to the number of end-use customers that it supplies.
6.2 TSO company shall take the transmitted electricity quantity for the previous week, on hourly basis, for the account of the Supplier (S) at the metering points given on Annex 5 and shall inform the Supplier (S) in a written form ("Metering Declaration/declarations by TSO company) on the above mentioned quantities, detailed for each eligible customer (according to the definitions of Annex 4), not later than 12.00 hour of every Wednesday for the next transmission week.

schedule, at any time, with the condition that the new schedule (nomination)



be bank transfer of the TSO company
IBAN:
IBAN:
IBAN:
IBAN:
does not have a claim about the TSO company on time, the non-executed r day, for every day of delay, until the day
fails to pay the electricity invoices for point 6.8, TSO company has the right to the interest rate accumulated, from the Supplier (S) for the onformity with the rules for fimancial roved by ERE Board.
ing the tariffs/prices defined in this applied.
LE 7 NCES ces for the Supplier (S) shall Market Rules approved with ERE Board rules regarding the balancing issue shall ENI 8 ENTIALITY
ossible, except of the cases when required

b. In case of overpayments, the interest shall be calculated from the date when

the payment is realized to the date when there will be effectively realized the

others, are and shall remain confidential. Also, any Party shall not communicate to Adresa: Blvd "Bajram Curri" Rruga Viktor Eftimiu 1023

Tirane

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Tel +355 42 69 590

E-mail erealb@ere.gov.al

from the effective normative acts (including the rules issued from the regulatory authority with jurisdiction over the Party), the submitted agreements submitted by the parties, together with any document or data transmitted by one Party to the

the third parties (except the financial and legal audits and counselors, the corresponding bank or any governmental body with jurisdiction over the Party), any from the provisions of this Agreement or the details for any submitted agreement, without the written prior approval of the Other Party. If the information shall be given, to the Party to which it is required the information it shall inform the other Party and take the reasonable measures to require the protection of the information from other requests.

8.2 The provisions made on article 8.1 remain in force for a period of 5 years from the date of contract termination.

ARTICLE 9 FORCE MAJEURE

9.1 Force Majeure cases

Except the cases expressly provided in this Agreement, any Party shall be deemed in violating the terms of this Agreement if he evidences that the failure to impement their obligations is caused by a Force Majeure event. For the effect of this agreement a Force Majeure "is an event or natural/social act occurred in the country, such as earthquakes, cyclones, lightening, floods, volcanic erruptions, fires, wars, armed conflicts, insurrections, terroristic acts, that prevent the licensee in fulfilling his obligation according to the license, as well as other events, that are beyond the possible control of the licensee and doesn't occur because of his fault and the licensee is not able to eliminate them, even though he has executed properly his skills, efforts and care.

9.2 Reaction to a Force Majeure Case

Any Party shall make all the necessary efforts to avoid, as soon as practically possible, the reason for any delay or interruption implementing the obligations provided in this Agreement and shall undertake all the necessary steps to limit the damages of the other Party. If one Party is informed for a Force Majeure Event that shall affect or may affect over some or all its obligations according to this Agreement, is obliged to immediately inform in the written form the other Party for the situation. To gain time, this communication may be even by phone, but shall be followed by an immediate written communication. In the same way shall be acted even when the force majeure event is ceased/ended.

9.3 Continuance to perform the obligations

In the event of a Force Majeure, the parties shall undertake their best effors to:

- (i) Continue performing the obligations according to this Agreement as far as possible in a reasonable way, by giving daily accurate information over Electricity quantity that is possible to be transmited, depending on the circumstances.
- (ii) Minimize the consequences in the Force Majeure Event

ARTICLE 10 UNPLANNED INTERUPTIONS

- 10.1 In case one of the following events will occur, TSO company has the right to interrupt Electricity transmission, for the time it continues the Interruption Event. Such events are:
- (i) Destruction of the equipments as well as transmission lines of TSO company and interconnection transmission lines, which may not be foreseen or repair.
- (ii) When TSO company is obliged to realize the limitations in electricity transmission to ensure the work of the power system, according to the definitions of the Transmission Grid Code, and Electricity Market Rules approved with ERE Board Decision.

10.2 TSO company shall make	the best possible efforts to conclude as soon as
possible the performance of the	works and minimize the concerns/problems for
the Supplier (S)	_ TSO company by a technical act shall officially
inform the Supplier (S)	regarding the Interruption Event.

ARTICLE 11

PLANNED INTERRUPTIONS

11.1 The process of planned interru	ptions shall be in conformity with the rules
defined in Transmission Grid Code, ap	oproved with ERE Decision.
11.2 OST vlerëson kërkesën e	(F) dhe kthen përgjigje mbi pranimin ose
jo të kërkesës, ditën e nesërme të marr	jes së saj.
In order to allow the Supplier (S)	to take the appropriate measured, TSO
as manager in as a famoity resitle the same	al arragharria mua agama galad baterraam tha

company in conformity with the annual overhauls program, reconciled between the parties, shall inform in written form the Supplier (S) ______ not later than 20 days before the start of the maintenance woks, by specifying the extent of the works and the object (location) where these works shall be performed. After this notification TSO has the right to begin the maintenance works without the need of a prior approval by the Supplier (S) ______. In case the Supplier (S) ______ has reasonable justifications to require electricity not interruption, shall inform TSO company within three working days after receiving the notification for the overhaul.

TSO company considers the request of the Supplier (S) _____ and responds on accepting or not the requirement within the next day after receiving it.

11.3 TSO company is obliged to conclude the works within the notified deadline.

ARTICLE 12 SETTLING THE DISPUTES AND THE APPLICABLE LAWS

- 12.1 This Agreement shall be implemented in conformity with the normative acts and the international ratified agreements and with the effective legislation in the Republic of Albania.
- 12.2 In case of disagreements regarding the implementation of this agreement, the disagreement shall be informed to the authorized Representatives for handling the disagreements of every Party, that will try with understanding to settle it as soon as possible. If the Representatives reach to settle the disagreement, the solution shall be informed to the parties in writing and shall be obligatory for them. If the Representatives fail to settle the disagreement within a reasonable period, or if one Party did not reach to select a representative, within 10 (ten) days after the notification in writing of the disagreement then the issue shall be settled by ERE according to Power Sector Law, the Market Rules and the Grid Code.
- 12.3 When the disagreements of the parties refer to the Grid Code interpretation the parties shall act in conformity with the Grid Code provisions and the "Regulation on handling the disputes submitted by the customers and for settling the disagreements between the licensees, on Power and Natural Gas Sector" to settle the dispute and ERE decision is obligatory to be implemented by the parties.
- 12.4 Each party has the right to direct to the Distict Court of Tirana, if the party does not agree with the settling given according to point 12.2.

ARTICLE 13

ADMINISTRATIVE OFFENCES

13.1 If the Supplier violates one of the conditions of this contract, or any legislation in force, TSO company has the right to send an argumented request to the measures by ERE, according to article 42 and/or article 107 Law 43/2015 "On Power Sector".

ARTICLE 14 AUTORISATIONS

14.1 The Parties accept and guarantee that they have taken all the necessary authorizations and the required licenses to meet their obligations according to this Agreement.

ARTICLE 15 THE NOTIFICATIONS, AUTHORIZED REPRESENTATIVES ETC.

- 15.1 Immediately after signing this Agreement, each party shall define by writing an Authorized representative ("Authorized Representative") that shall be authorized to sign the Metering Declaration.
- 15.2 The notifications, invoices, (provided in articles 6.3, 6.4, 6.5 and 6.9 above) or other documents regarding this Agreement shall be send by fax on the numbers

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defined below and shall be considered received when the equipment that has send the fax will confirm the transmission. Any Party may change its fax number by notifying in the written form the other party. In case one party has changed the fax number, without notifying the other party, any notification send by the party to at the previous number, shall be considered received by the party that has made the change and has not notified.

- 15.3 The parties agree to inform their respective structures for this Agreement and to guide them for the obligations arising from this agreement to take all the measures for implementing it.
- 15.4 For any change in the definitions made in this article, the parties are obliged to inform the other party within 24 hours.

The authorized representatives for both parties:

E-mail erealb@ere.gov.al

For TSO company: Mr
Position he has in the company:
TSO company
Autotrada Tiranë- Durrës
Km 9, Yrshek
Kashar, Tiranë
phone: +355 4 2225581 fax: + 355 4 2225581
For the (S):
Mr Position he has in the
company: Administrator of the (S)
ranimistrator of the (5)
Rruga: Nr: phone:
fax:email:
ARTICLE 16 THE DEADLINE TO IMPLEMENT
THE AGREEMENT
16.1 This agreement is valid until on and extends its effects from the commencement date to implement the contract connected between the Supplie (S) and the end-use customer refering to point 3 "Duration of the contract" Annex 2.
16.2 The Supplier (S) shall immediately inform TSO company for
the termination of the contract with each of the end-use customer and for the
interruption of the transmission service to supply with electricity the respective
end-use customer, the Supplier (S) shall inform TSO company that it has signed a
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contract with a new end-use customer, three days before the supply date. 16.3 This agreement is valuable and extends its effects between the parties even if during its implementation the (S) informs that he has interrupted the supply contract with one of the end-use customers and has signed a supply contract with a new end-use customer. The Supplier (S) shall immediately inform TSO and the parties will reflect the appropriate changes in the Annexes of this agreement. These changes will not affect any of the other conditions of the agreement and will not be subject of ERE approval provided in Article 16.
ARTICLE 17 CHANGES AND AMENDMENTS
17.1 Any amendment of the Agreement shall be approved with ERE Board decision.
ARTICLE 18 EXECUTION FROM THE PARTIES
18.1 This agreement is drafted in 3 original copies, on the Albanian language, each of them with the same legal value, 2 for TSO company and 1 for the Supplier.
18.2 The parties declare that signing this Agreement shall be with their free and complete will and that this signiture is effective for the companies that they represent.
ARTICLE 19
FINAL PROVISIONS
19.1 The parties expressly undertake and promise to: i) To undertake reasonable actions, with fairness, consistency and it is important to maintain the continuity of the service for this exicting agreement; ii) To intercede and change this agreement if necessary as consequence of amendments in the law and the secondary acts; 19.2 All agreements signed until today for the transmission services between the parties are repealed.
Tirana on, / / On the name and account of TSO company. On the name and account of the (S) The administrator of TSO company.
The administrator of TSO company

Administrator of the Supplier (S)

Engjëll Zeqo

ERE Board of Commissioners	decision No,	of date	"For
issuing the supply license to	•••••		

The Form to Notify the contracts connected between the (S) and the End-Use Customers				
For tl	he End-Use Customer:			
1. Custo	Identifying the contracted parties: (S)omer)	and (End-Use		
2.	Delivery/withdrawal points: Entry	, Sub/Station		
3.	Duration of the contract:	-		
4.	Contracted quantities and the implemen	ted hourly programs:		

MWh

Conditions for transmitting electricity

TSO and (S)	shall implement the Market Rules, Transmission System
Code, the Metering	g Code and the obligations provided in this Contract.
TSO shall transmi	t electricity, according to the nominated programs, for electricity
supply and qualit	y parameters for this energy on the energy metering points
according to the s	pecifications and parameters issued on the Transmission System
Code.	•
TSO company sha	all apply in the obligations invoice of the (S)for the
transmitted electric	city the tariffs or payments approved by ERE, which shall be
approved and appl	ied during the implementation of this Agreement
(S)	undertake the obligation to implement the guidelines and
requirements issued	by the Dispatch Operator of TSO company, that has to do with
the dispatch of the I	Ower System.
(S) un	dertakes to inform not later than 10 days in advance TSO for the
changes in the di	stribution grid scheme that in consequence have considerable
changes of the requ	uest in one or some input points of the Transmission System.
The transmission	tariff, agreed in this Agreement, is not related with the voltage
level of the elect	ricity input points or characteristics of the customer that is
supplied by the Su	pplier (S)
The Parties in the	e Agreement agree that the access of electricity supply quality,
subject of this C	Contract, is identification, metering and reasoning process a
common act appro	oved by the Parties.

Meterings, reconcillations, etc

Electricity measuring transmitted in the Transmission System by TSO company,
for the account of the Supplier (S) shall be on the point/points defined
on this Agreement.
The installation, administration, renewal, control and verification of the metering
equipments are regulated in conformity with the definitions of the Metering Code.
Electricity metering shall be made by TSO company, for every hour of the day,
from hour 00.00 to 24.00, with the equipments, standards and the rules defined in
the Metering Code.
Invoicing mutual obligations, between the parties in this agreement, shall be in
monthly invoices on hourly measures.
TSO company is obliged to measure and notify the data from the metering system,
in conformity with the deadlines and specifications made in the Market Rules.
TSO shall provide additional information from the metering system in conformity
with the request of the Supplier (S) for the time TSO evaluates that it does
not violates the interests of the other parties in the market and the normal
performance of the Market.
Reconciliation of the metering data is an obligation between the parties preceeding
the deadlines of invoicing the monthly obligations and shall be according to the
deadlines and the Market Rules.
TSO company shall measure the transmitted electricity quantity in the Agreement
for the previous week, for the account of the Supplier (S) in the Input
points and shall inform by writing the Supplier (S)for the
("Declaration/declarations of the Metering by TSO company) on the above
mentioned quantity (according to Annex 2 definitions), not later than 12.00 hour
every Wednesday for the next transmitting week.
TSO company shall measure the transmitted electricity quantity for the account of
the Supplier (S) to all metering points on the previous day on hourly
basis and shall inform by writting (email) the Supplier (S)over the
above mentioned quantity not later that hour 12.00 of the next day. For the
weekend days or during the national holidays, this information shall be given on the
first working day after the holiday and shall include the holiday and the last working
day before the holiday. The quantity measured by TSO company, is submitted in a
worksheet, where for every hour of the previous day it is given the electricity
transmitted in kWh for every metering point according to Annex 5.

Since the tele-metering system, because of the technology, may face failures in transmitting the data from the metering to the central metering server, but not failures of recording the data in the memory of the meter itself, failures which are very rare and short in time, and will be announced, signalised from the system itself, then the daily/hourly datas that will be communicated by the metering /market operator, when accompanied by the note for the presence of partial failures in the respective metering point, shall be considered as operative data (not concluded ones, valuable for the invoicing) that serve any market participant to valuate his position, regarding the realization of the declared nomination or the respective imbalances. The un-transmitted data (measures) saved in the memory of the respective meter, shall be withdrawn in a future time (not within the day) and shall be transmitted to the center, saving their identity (the respective hour) by making poissible the update of the possible table of the valuable measures for the notifications (declarations) with weekly basis, but on final way on monthly basis. These data with hourly basis (updated in case of failures) shall serve as a basis to calculate the disbalances, power balance, invoicing etc. When in the metering system, are not transmitted the respective data, because of the defect or meter failure for the request, Tso for the Liquidation purposes shall evaluate electricity transmitted quantity, based on historical data and on the data of other metering mechanisms during the respective period.

ANNEX 5 Metering Points

Name of the End-Use Customer	Name of the Sub- station	Metering Point Code in TSO System