## CONNECTION AGREEMENT WITH THE TRANSMISSION SYSTEM

## Between TRANSMISSION SYSTEM

### **OPERATOR TSO company**

AND

(User)

\_\_\_\_/\_\_\_/\_\_\_\_

## **THIS CONNECTION AGREEMENT** ("**The Agreement**") is connected today on date \_\_\_\_\_.20\_\_ between:

- The TRANSMISSION SYSTEM OPERATOR, (hereinafter TSO company), joint stock company, registered as legal entity with Tirana District Court Decision No. 31935, of date 14.07.2004, premises in Tirana , \_\_\_\_\_\_, Unique Identification Number (NIPT) K42101801N, represented by Mr. \_\_\_\_\_, the Administrator of TSO company, AND
- COMPANY \_\_\_\_\_, a company established according to the legislation of the Republic of Albania, registered as a legal entity with Tirana District Court Decision No. \_\_\_\_\_, of date \_\_\_\_\_, premises in Tirana, Unique Identification Number (NIPT) \_\_\_\_\_, address: \_\_\_\_\_, represented by the Legal Representative

Mr.Mrs.\_\_\_\_\_, (hereinafter "The User")

Each of them referring to this agreement as the "**Party**" or together "**Parties**" according to the case.

#### Since:

- A. With the Official Letter Protocol No. \_\_\_\_, of date \_\_\_\_\_, the Company has submitted at TSO the request for connection with the TSO transmission grid , for a \_\_\_\_\_\_ (HPP/Load) with capacity \_\_\_\_\_\_, set in \_\_\_\_\_.
- B. With the Official Letter of TSO company Protocol No. \_\_\_\_\_ of date \_\_\_\_\_, to the Company \_\_\_\_\_\_ is given the Connection Offer to be connected in the

transmission grid of TSO company, of the \_\_\_\_\_\_according to the principal electricity scheme of the \_\_\_\_\_\_ connection with the approved transmission system (Annex 1);

- C. (Summarized description of the connection scheme).
- D. With the Official Letter "Acceptance Declaration", Protocol No. \_\_\_\_\_, of date \_\_\_\_\_ the Company \_\_\_\_\_ has informed TSO company for accepting the Connection Offer of \_\_\_\_\_ by the \_\_\_\_\_ scheme (Annex 1);

- E. To the TSO and to the Company are requested according to the Grid Code (as described above) to start an agreement for the connection of, \_\_\_\_\_, with the transmission grid, according to the approved electricity principal scheme;
- F. To the company is granted /is in of granting a license (for Electricity Generation/other) by ERE approved with ERE Board Decision No. \_\_\_\_, of date \_\_\_\_\_ attached to this agreement as Annex No.2. In granting this License the company shall deliver at TSO company a copy of this License that shall be attached to this Agreement.
- G. The company accepts that the provisions defined in this agreement are subject and shall be regulated by the Transmission Grid Code and its annexes, the Regulation of the Procedures for New Connections and the Modification of the Existing one with the Transmission Grid as well as other acts issued for their implementation, and declares to recognise them without any condition or reserve;

#### **THE PARTIES AGREES** as follows:

#### **ARTICLE 1 – THE ANNEXES AND THE DEFINITIONS**

- 1. All the provisions and Annexes constitute an integral part of this Contract.
- 2. The annexes shall mean:

a.	Annex No.1:	Technical Documentation of the connection with the National
		Transmission Network;
b.	Annex No.2:	The Electricity Production license, issued from ERE or the Application at ERE to be equipped with the electricity production
c.	Annex No.3:	Technical specifications of the Commercial Meter of the system;
d.	Annex No.4:	Technical specifications of the connection with the
		Telecommunication system.
e.	Annex No.5:	Technical specifications of the connection with the SCADA system of the National Dispatch Center.
f.	Annex No.6:	Responsibility and Readiness Declarations.
g.	Annex No.7:	The Parts of the connection assets that shall be delivered.

h. In case of conflict, between the definitions made on the Annexes of this contract and the following provisions, the later shall prevail.

3. In this Agreement, (including its Annexes) except when the context requires otherwise, the following terms shall have the meaning as follows and except these definitions any other term used in this declaration shall have the same meaning with the definitions of the terms provided on Law no. 43/2015, "On Power Sector"

"Act"	shall mean any Law, Council of Ministers Decision, Instructions of the Ministries or regulatory/not regulatory public bodies, that have the power to issue acts, to regulate a specific field, which are effective on the activity of the parties and especially on the scope of this agreement.
"Produced Energy"	shall mean the energy injected to the Transmission network of TSO company, at the Metering Point as it is metered according to the Metering Code and this Connection Agreement.
"Agreement"	shall mean this agreement connected between the user with the TSO to define the conditions for the connection and the use of the national electricity transmission network from the user
"disconnection event"	shall mean any disconnection in the Transmission Network or de- energization of the plant that does not permit the User to fully/partially inject Electricity to the Connection Point that is as the result of intentional behavior or the TSO company negligence of the applicable law provisions, of the Network Code or this Agreement.
"User"	shall mean the natural or legal entities, which supply or are supplied with electricity by the transmission system network.
"Facility"	shall mean generation plant or load
"[Hydro] [Solar] [Wind] Plant [Other renewable resources]"	[in the case of the connection agreement with the generation plant] shall mean, the hydro power plant that shall be constructed from the User.
	[in the case of the connection agreement with the generation plant] shall be understood the Photovoltaic plant that shall be constructed by the User.
	[in the case of the connection agreement with the generation plant] shall be understood the Wind plant that shall be constructed by the User.
	[in the case of the connection agreement with the generation plant] shall be understood the plants from the other renewable resources that shall be constructed by the User.

shall mean the connection assets (lines, substation, other connecting elements), that shall be constructed by the user, to connect the generation plant/electricity customer with the transmission network as submitted on Annex No.1.
shall mean the substation/ kV that shall be constructed by the User near the (Hydropower plant / the Photovoltaic Plant / wind plant with transformer power MVA.
shall mean, the point where the objects are connected with the transmission network, that defines the exact location of the connection with the transmission network (incomes and outcomes in the connection, connection in the busbar etc.)
shall mean, the point where electricity is metered, that the user injects/receives from the transmission network installed on the high voltage side of the capacity transformer.
shall mean the testing, controlling and checking the connection assets process (HV/MV substation and parts of the connection line), to meet the conditions and the definitions provided in the Transmission Network Code.
shall mean at any time, the official document for licensing an entity and its activity according to the implemented law.
shall mean the Transmission Network Code approved by ERE that is the technical rules, which regulate the operation of the transmission system and define the service conditions provided by the Transmission System Operator to the users of the transmission system, in conformity with ENTSO-E rules.
shall mean ERE (Energy Regulator Authority)
shall mean the national electricity transmission network as defined at the Transmission Network Code
shall mean any sale, transition, transferring, disconnection, rent, alienation, donation, withdrawal, exchange or any resign from the control.
shall mean the works that shall be performed by the user or its contractor to realize the connection in the transmission network.

"Obligatory Planned Disconnections"	shall mean any obligatory disconnections from the circumstances as defined in this agreement required by TSO in conformity with this agreement and that amends the planned disconnections in the system
"Working Day"	shall define all the week days except Saturday and Sunday and any official holiday in the Republic of Albania.
"Operative Center of the User"	shall mean the organizational center of the user with the necessary technical capacities that is the direct interface between the user's object and TSO /National Dispatch Center

## **ARTICLE 2 – OBJECT**

(i) The Object of this Agreement is to define the terms and conditions for connection in the Transmission Grid of TSO company, \_\_\_\_\_\_(*the object is completed with the* 

*respective description*) of \_\_\_\_\_\_ company, according to the scheme \_\_\_\_\_\_ (Annex 1).

## **ARTICLE 3 – DURATION OF THE AGREEMENT**

- 1. This Agreement is signed for an indefinite duration, except of the cases of settling the agreement according to article 18.
- 2. In case the User aims to conclude this Agreement shall notify its purpose by informing TSO by a registered notification 3 (three) months in advance.
- 3. Settling the Agreement brings the physical disconnection (*according to the connection project*).
- 4. When the TSO aims to terminate this Agreement, shall notify the Respective Ministry for Energy at least 6 (six months) in advance.

## **ARTICLE 4 – DECLARATIONS AND GUARANTEES OF THE USER**

The User declares and guarantees to TSO that:

- 1. The user is established in conformity with the Albanian legislation, registered at the Commercial Register and is not subject to any liquidation and/or bankruptcy procedure.
- 2. The user owns all the necessary authorizations to implement the works regarding the construction, commissioning and the set into operation of the object and the connection assets.
- 3. The user owns all the financial, technical and technological equipment's to realize the project that is connected with the construction of the object, the connection assets and all other activities connected with the maintenance and usage from the user itself. The expenses for maintaining and using the connection assets are in charge of the Company and are defined according to the maintenance agreement that is connected between TSO and the Company after the signature of the Operation Agreement.
- 4. The user shall comply with all the applicable procedures and rules in conformity with the Transmission Grid Code and the Albanian legislation in general to construct and set into operation the object and the connection assets.
- 5. The connection and implementation of this agreement by the user does not constitute any violation of the Albanian legislation, the statutory documents of the company and any agreement or contract where the user is a party.
- 6. The company shall guarantee and ensure to TSO, during the duration of this contract, the right to access and perform the works in the connection substation with the transmission grid of the user as well as on the ground track where the connection line track passes.

7. The company shall transfer to TSO ownership the connection assets with the transmission grid and shall guarantee and ensure to TSO company, the gratification, to use and enjoy the transferred ownership, by a granting contract. In this case point 3 of these articles shall not be implemented for the part regarding the maintenance expenses and those of using the connection assets.

## **ARTICLE 5 – TSO company DECLARATIONS AND GUARANTEES**

TSO company declares and guarantees the User that:

- 1. TSO company is a public legal entity, which acts in conformity with the Albanian legislation and right.
- 2. TSO company owns all the technical and technological equipment's, as well as the responsible and qualified staff to implement the obligations deriving from this agreement.
- 3. The connection and implementation of this Agreement by TSO company does not compose any violation of the Albanian legislation in force, of the documents establishing it and any contract or agreement where TSO is a party.

## **ARTICLE 6 – OBLIGATIONS OF THE USER**

- 1. The user has projected and shall construct with its own expenses the object and the connection assets to ensure the connection of the \_\_\_\_\_\_ (the object is completed with the description according to the project) with the \_\_\_\_\_\_ KV transmission grid of TSO company.
- 2. The User shall respect all the technical specifications regarding the telecommunication, SCADA system and the metering, parts of this agreement and detailed on Annexes No.3,4 and 5.
- 3. The user to construct the connection assets, the contemporary technology and all the safety systems, protecting the national electricity transmission grid.
- 4. The user shall perform all the works regarding the construction of the connection assets, in full conformity with the project submitted and approved by TSO company.
- 5. The user shall at any time allow the TSO, its employees, subcontractors and/or third parties authorized by it to have access in the area under its ownership where it is located the substation and the connections that are under construction/are constructed, to inspect the carried out works and perform the required verifications in conformity with the Transmission Grid Code.
- 6. The user guarantee that with his expenses shall remain valid for the term of this Agreement all the necessary authorizations for the well-functioning of the connection assets.

- 7. If the User requires the disconnection of the electricity connection from the Transmission Network shall inform TSO company, 6 (six months) in ahead and the Company is obliged to cover the necessary expenses for the disconnection."
- 8. The user guarantees that with its own expenses shall remain valid for the term of this Agreement all the necessary Authorizations for the well-functioning of the \_\_\_\_\_ (the object) and the connection assets.
- 9. The user undertakes to keep efficiently the \_\_\_\_\_ (the object) not to cause

damage to other users included in the TSO company Transmission Grid.

10. On the request of TSO company and on the manner defined by the latter, the Company, by carrying out the respective expenses, shall perform the necessary interventions in the

\_\_\_\_\_, when the developments in the Transmission Grid or the grid needs make this necessary to guarantee the safety of the Albanian Power system;

11. The company shall immediately inform TSO for any amendment and/or event regarding the technical characteristics, the management, operation and control of the \_\_\_\_\_\_ (the object) and in general to respect the informing obligations in conformity with the provisions of the Grid Code.

## **ARTICLE 7 – ISSUING THE ACCESS**

- The user is obliged to issue full access to TSO company, without any objection or any kind of claim, so that the TSO will make the expansion of the increasing substation \_\_\_\_\_\_KV (*this is completed according to the points in the transmission grid and details on the expansion method*), for the need to develop the transmission system in conformity with the Transmission Grid Code. For this reason, on the substation area shall be foreseen the free space for the expansion according to a plan approved by TSO.
- 2. The authorizations shall be issued by TSO company for the connection of a third party by the connection assets realized from the Company, shall be respecting article 28 of Law no. 43/2015 "On Power Sector" and the Regulation on the Procedures for the New

Connections and the Modification of the Existing ones in the Transmission Grid

#### **ARTICLE 8 – OBLIGATIONS OF TSO COMPANY**

- 1. TSO company shall:
  - a) shall undertake the respective planning's and obligations.
  - b) Shall deliver the \_\_\_\_ Connection Session that shall be delivered and pass into the ownership of TSO company, initiates at the pillar no. \_\_\_\_\_ to the pillar no. \_\_\_\_\_,

including the pillars, the foundations and the land surfaces of the pillar's foundations [applicable when there is a grant]

c) Within a reasonable period from the moment when the Company has fulfilled the stipulations made in articles 9 and 11, as well as with written notification from its side, to provide the Company access to the Transmission Network, in order to facilitate the completion of works by energizing Substation \_\_."

# ARTICLE 9 – DELIVERY OF THE CONNECTION SESSION [this is applicable when there is a grant

- 1. The ownership transfer of the \_\_\_\_\_ Connection Part that starts from pillar No.\_\_\_\_\_ to pillar No.\_\_\_\_\_ including the pillars, the basis where the pillars are constructed and the ground surface of the pillar basis (the fourth sided surface that form the feet of the pillar plus one meter for each side) shall be made as soon as this connection is completed and shall be ready for use. This transfer may be made before, if the will of the parties is dictated, at any case, the ownership transfer shall be before the Connection Part and Substation concerned to be energized.
- 2. The transposition of ownership shall be with a grant contract, where the company shall grant and the TSO shall accept the assets provided in point (1) of this article."
- 3. On **Annex 7**, part of this Agreement, are given the plans where it is submitted the Connection Line \_\_\_\_\_\_ including the piles, the basis and \_\_\_\_\_\_ connection

length that shall be transferred to TSO company and their respective values.

#### ARTICLE 10 – CONNECTION WITH SCADA SYSTEM OF TELECOMMUNICATION AND COMMUNICATION WITH THE NATIONAL DISPATCH CENTER

- 1. The users connected on the transmission grid, shall transfer the data on real time to the National Dispatch Center, realizing the obligatory connection and the telecommunication fulfilling the requirements provided on Annex No.4.
- 2. The entity undertakes the integration of the necessary data for the new substation to control the monitoring of SCADA system at the National Dispatch Center. The necessary data to be integrated shall be the statuses of the switches/knives, alarms and meters (P, Q, U, I, F) for the High Voltage tracks of this substation, complying the requirements defined on Annex no.5."
- 3. The company undertakes to implement all the obligations arising from the Transmission Code, the Connection Code which include but not only the immediate implementation of the National Dispatch Center orders, except of the cases when such action may endanger the safety of the staff or the plant

## ARTICLE 11 – THE TESTING, COMMISSIONING AND ENERGIZATION

- 1. After the conclusion of the connection assets tendering and the \_\_\_\_\_\_ (object), the user shall inform TSO, to organize a joint working group. The role of TSO company in this working group is to assist during the testing and commissioning of the equipment's installed to connect the production/consumer Plant, in conformity with the Transmission Grid Code. Failure of TSO staff during the testing and commissioning processes, makes the results invalid.
- 2. To perform the testing and commissioning of the connection assets, the User sets at the disposal of TSO company all the technical documentation related with the functioning of such installations. This documentation shall be on Albanian and English language.
- 3. TSO company may require to the user that with his expenses to make additional works not provided on this agreement but deemed necessary to verify that the connection assets are in conformity with the specifications and the terms of this agreement.
- 4. The user is obliged to submit full protocols of control and testing of the equipment's, performed on the presence of the TSO specialists and signed by them, and submit at TSO company a copy of the accepting protocols (FAT&SAT), the capacity transformers and primary, secondary equipment's;
- 5. After the conclusion of the testing and commissioning provided on point (i) of this article, between TSO and the Company representatives, shall be signed the commercial metering protocol installed on the \_\_\_\_\_\_ KV side of the increasing transformer for the KV substation.

6. The TSO shall be energized in the connection station with \_\_\_\_\_\_ kV transmission grid, only after completing the obligations provided in this agreement, as well as the respective obligation defined on the Operation Agreement, for the connection in the transmission grid according to the approved project.

## **ARTICLE 12 – THE COMPATIBILITY AND THE OPERATIONAL NOTIFICATIONS**

- 1. In conformity with the Transmission Grid Code/the Connection Code, the regulation and this agreement, according to the work graph part of this agreement, the user shall submit a periodic report and a final certification of its infrastructure connection performance with the transmission grid, explaining the fulfill in quantitative and qualitative terms of the technical requirements and the operational criteria specified on the Transmission Grid Code, and additional requirements provided by law, bilateral agreement and/or as required by TSO company.
- 2. The operational procedure of informing the connection and the energization of the user shall be performed in conformity with the respective provisions of ENTSO-E (European Network of Transmission System Operators for Electricity) codes, regarding the requirements for the production and customer Plants of Electricity and detailed as follows:
  - a) Energization Operational Notification (EON);

- b) Intermediate/temporary Operational Notification (ION),
- c) Final Operational Notification (FON), and
- d) Limited Operational Notification (LON).
- 3. The user shall help and all the necessary information for TSO to collect the data to verify the fulfill of the technical and performance requirements.
- 4. The user shall control with TSO the relevant issues in an early stage of the project to enable the necessary corrections before verifying full compatibility for the effect of the final commissioning and energization of the connection.
- 5. The respective commissioning group together with the operational certification one, drafts the Technical Permission which contains full technical documentation described on the Transmission Grid Code/the Connection Code.
- 6. After signing this agreement, the company shall fulfill all the requirements of the Operational Agreement and sign it before setting into normal usage.

## ARTICLE 13 – PLANIFICATION OF THE DISCONNECTIONS AND DE-ENERGIZATION

- 1. Based on the procedures defined in the Transmission Network Code, the System Operator shall be permitted to perform the accurate management of the technical situations to the power system, taking into consideration a wide range of operational conditions, in normal and not-normal circumstances, on current conditions and of a system in the future. At the Network Code are not provided and handled all of the operational opportunities, so the TSO company in unforeseen circumstances of the Code, may act decisively in implementing its obligations.
- 2. TSO company and the user shall coordinate the planned disconnections to the network, in conformity with the Transmission Network Code, to that measure it is practically possible and reasonable.
- 3. TSO and the user shall make reasonable efforts to ensure that such disconnections shall be on a minimum duration and shall cause minimal concerns for the third parties and shall not damage the safe and reliable operation of the system.
- 4. Except of the annual planning for the disconnections TSO company, shall make obligatory scheduled disconnections and de-energization of the user's connection point, when this is required to exercise their operations, on the condition to inform this latter 7 (seven) calendar days before the performance of obligatory scheduled disconnections, according to the case, when such notifications shall be according to Paragraph 5 as follows.
- 5. TSO notification shall include:

- a) the notification and the reasoning
- b) updated plan of the disconnections
- c) obligatory scheduled disconnection specifying the expected number of the disconnections, the duration in time and the dates for each connection point where shall be performed the disconnection.
- 5. When the user prevents TSO company in performing the obligatory scheduled disconnections, it becomes obligator for all the consequences and costs relating with the delays that may be caused to TSO or to third parties with which TSO is on contractual agreements.
- 6. TSO shall exercise its right to de-energize the user at any time and on the terms and the measure that TSO considers proportional with the situation, in conformity with the Transmission Network Code, or any of the following circumstances:
- a) In the event of a Force Majeure, when considered that the circumstances require such a measure;
- b) To realize the projects for strengthening the transmission network, by sending written notification to the User at least prior to 7 (seven) calendar days;
- c) To realize the new connections of the third parties in the transmission network by sending the written notification to the User at least prior to 7 (seven) calendar days;
- d) To find and eliminate a defect for maintaining, repairing or testing a part of the network, which are necessary to ensure the normal operation and to strengthen the operational security of the network, by sending the written notification to the User within a term that is practically possible and reasonable for the TSO company;
- e) If necessary in an emergent situation closer to the electricity network or if needed to mitigate the effects of any material risk or financial loss of any person or ownership connected with or closer to the network;
- f) When required by the supplier of the user for non-payment of electricity supply. In such a circumstance TSO may require non-payment evidence by the user;
- g) When the user does not fulfill the obligations based on the Transmission Network Code and according to TSO company assessment this has a damaging material effect in the network;
- h) In the function of article 7 "The Exercise of the Rights" of the Operational Agreement, from the moment it is signed and applicable from the Parties of this Agreement;
- i) If the agreement between the parties is terminated;
- j) After the written notification prior to 7 (seven) calendar days there is no agreement between the parties for the amendments to the Users network (additional capacity, reconfiguration, etc.)
- k) If during the performance of the works or during the operation of the connection assets, based on a reasonable opinion of each party, the terms and the operation approach of the transmission network or if the connection part or the substation shows an immediate threat for injury or material damages to any person or the transmission network or the substation itself, TSO shall order according to the case the operational staff of the substation to immediately de- energize the connection part and the substation or TSO may de-energize parts of the transmission network, in any case in compliance with the Transmission Network Code, if necessary or appropriate to avoid the occurrence of these injuries or damages event.

- 7. In case of de-energization of a user, TSO shall document the expenses regarding the deenergization and shall invoice to the user these expenses when:
- a) de-energization is made on the request of the user;

b) de-energization is made on the conditions of article 28 of the Operation Agreement from the moment that it is signed and is applicable from the Parties of this Agreement and the user has been the cause for the de-energization need;

c) when de-energization is because of the violation of the Transmission Network Code or the Connection Agreement, the Operation Agreement and the Maintenance Agreement. (if applicable).

d) when the costs caused by de-energization shall be documented and published.

- 8. When de-energization is required from the supplier of the user, the TSO shall invoice the expenses regarding the de-energization to the supplier of the user.
- 9. Without violating the other obligations of this Agreement, TSO company shall re-energize as soon as possible the user when it is informed that the circumstances that lead to deenergization do not exist anymore or when there is a documented guarantee that the circumstances shall not be repeated;
- 10. TSO may require from the affected user from de-energization, reasonable evidences or conduct tests by itself, by third parties or permit TSO to perform the necessary tests to verify that the causes of de-energization are handled or do not exist.
- 11. When the verification or the tests are conducted by TSO company the user shall be responsible to cover the respective costs.
- 12. The re-energization shall be performed with the coordination of both parties ensuring the safety of the system operation and avoiding the concerned effects for the third parties.
- 13. The costs for re-energization are allocated on the same way as the costs for deenergization.
- 14. If, during the Duration of this Agreement, the User is not able to deliver the Produced Energy as consequence of a Disconnection Event, then the TSO company shall compensate the User, according to the effective legislation."
- 15. TSO company on each case shall document and publish the costs caused as consequence of a Disconnection Event and shall publish the compensations as consequence of the deenergization event.

## ARTICLE 14 – THE RIGHTS AND OBLIGATIONS OF THE COMPANY AS THE USER OF THE CONNECTION

1. After connecting the \_\_\_\_\_(object), in accordance with the provisions of the

Operation and Transmission Agreements (where applicable), the company has the right to inject/receive electricity in/from the Transmission Grid in conformity with the declared installed capacity and in conformity with:

- a. Technical rules for connections defined by TSO company;
- b. Technical and economic conditions of the access and interconnection in the grid defined by the Authority;
- c. Dispatch rules defined in the Transmission Grid Code;
- d. Other requests defined in the connection with the transmission grid and are defined on the Transmission Grid Code.
- 2. The User of the Connection may not inject/receive in/from the grid a capacity larger that the one defined in the Connection Offer.

#### **ARTICLE 15 – TRANSFERING THE AGREEMENT**

- 1. In cases the user shall transfer this agreement to third parties, it shall primarily fulfill these conditions:
  - a) The third party shall be equipped with the necessary licenses by Energy Regulator Authority (ERE) and
  - b) To verify the liquidation of any obligation to TSO company,
  - c) To have notified TSO by writing, 3 (three) months before executing the transferring.

## **ARTICLE 16 – FORCE MAJEURE**

- 1. 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 implement 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 eruptions, 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.
- 2. In case each party is unable to meet any or all the obligations according to this agreement because of a Force Majeure event, this agreement shall be in force for:
  - a) the respective obligations of the party that fails to meet them shall be suspended for a period equal with the event or the circumstance of the Force Majeure.
  - b) the obligations of the other Party due to the non-compliance party according to this agreement that the other party is unable to meet them directly as the result of suspending the obligations of the non-compliance party, shall be suspended for a period equal with the event or the circumstances of the Force Majeure accepting that:
    - i. the suspension for the fulfillment is of a non-greater purpose and non-greater duration than the one required for the Force Majeure;
    - ii. any obligation of each party established before the Force Majeure by causing the suspension of the fulfillment shall not be skipped because of the Force Majeure.
  - the non-compliance party shall immediately inform the other party for the event or the circumstance of the Force Majeure, including the expected nature and duration, and continuous to regularly report regarding them during the Force Majeure period;
  - iv. the non-compliance party uses all the reasonable opportunities to prevent, avoid or mitigate the consequences of the Force Majeure; and
  - v. as soon as possible after showing the Force Majeure event or circumstance the Parties shall discuss to continue their actions as long possible in conformity with this agreement and the Transmission Grid Code.

#### ARTICLE 17 – NON-COMPLIANCE CASES

- 1. If it is ascertained that the user breaches/or non-compliance with any of the provisions of the Agreement, Transmission Grid Code or the legal framework then TSO in conformity with its powers shall inform the user as soon as possible by instructing him for their elimination defining the deadlines for this purpose.
- 2. Following TSO notification and implementing the instructions for eliminating the breach/non-ompliance by the user this latter shall inform TSO within the deadlines defined in the instructions given by it, or within 5 working days if TSO has not specified other deadline, for the steps undertaken to eliminate the violation or its final elimination or the inability to eliminate the violation.
- 3. If the user does not act in conformity with the instructions of TSO, the security standards, the Transmission Grid Code and the Connection and Operation Agreement, TSO shall issue a second written warning and shall proceed with the de-energization after 7 (seven) days from the notification, on the condition that on the expiry date of the notice, the user has not acted in conformity with TSO instructions.
- 4. Except as provided above, when the user does not fulfill its obligations according to the conditions of this agreement and TSO accesses necessary the emergent exercise of its functions, has the right to immediately de-energize the substation and inform by writing the user for the reasons of this de-energization. The user in this case shall respond for the damages caused by TSO and shall take the measures to correct the situation and/or fulfill its obligations, as soon as possible. The de-energization shall continue until the user correct the situation and/or fulfill its obligations

#### **ARTICLE 18 – SETTLING THE AGREEMENT**

- 1. TSO company has the right that at any time to settle the agreement, if it is verified any of the following behaviors:
  - a. The company does not respect the definitions made on this agreement, in the connection offer and the final draft-implementation accepted by TSO.
  - b. Suspension of one or more permissions for access and connection with the transmission Grid;
  - c. Failure to follow the technical and economic conditions of the connection with the transmission and the interconnection Grid;
  - d. Failure to fulfill the obligations for TSO notification
  - e. Any other behaviour that may endanger the safety and continuity of the electricity grid Operation Service or is clearly in contradiction with the provisions of the Grid Code.
- 2. In such cases, the physical disconnection, shall be after the termination of the process for settling the disputes according to the abovementioned article.
- 3. In any case the company shall respond for the damages caused to TSO company.

#### **ARTICLE 19 – CONFIDENTIALITY**

- 1. Each of the Parties undertakes to preserve the confidentiality of the content of this agreement and its conditions, as well as any other information and document that the parties have exchanged or are informed during the negotiations of this agreement, except of the cases where the public disclosure of the above mentioned is required by the Albanian legislation, or the financial institutions of the User (if any) (including its branches, employees, advisors and any other related party), on the condition that these financial institutions comply with the confidentiality obligations."
- 2. The obligation to preserve the confidentiality of the information received as above for each of the parties in this agreement continues even after its settling.

#### **ARTICLE 20 – NOTIFICATIONS**

1. Except when provided otherwise on other articles of this agreement, any communication shall be in the written form and shall be notified with the receipt notification, on the addresses defined as follows:

#### For TSO company:

Address:	TSO company.
Postal code:	Autostrada Tirane-Durres, Km 9, Yrshek, Kashar,
	Tirane, Shqiperi
Phone number:	+355 4 2225581
Email address:	info@ost.al
To the attention of:	TSO company Administrator

#### For the User:

Address: Postal Code: Phone Number: Email address: To the attention of: the Legal Representative of the User

Or on the address and/or fax number that is communicated to the parties according to the method defined above.

2. Any communication in the following addresses and carried out according to the manner set above is valid and obligatory for the parties. The communications are considered valid in the moment of receiving the notification from the recipient according to the method defined above.

#### **ARTICLE 21 – AMENDMENTS**

- 1. Any possible amendment of the conditions of this agreement or any right arising from this agreement, shall be valid if done in the written form and shall be signed by the parties or if the proposed amendments are approved by ERE.
- 2. Each party has the right to inform the other party to recommend these amendments in the agreement as they are necessary to ensure the compatibility with the requirements of the Transmission Grid Code, the Respective licenses that they have as well as other relevant acts.

#### **ARTICLE 22 – SEPARABILITY**

1. Any article, provision, session, paragraph or subdivision of this agreement which is or will be declared invalid or ineffective, shall be removed from the agreement and shall not be implemented and shall in any way affect in the validity of the other provisions of this agreement, as far as permitted by the legal provisions.

## ARTICLE 23 – APPLICABLE LAW AND THE SETTLEMENT OF THE DISPUTES

- 1. This agreement is drafted in conformity with the Albanian legislation and shall be implemented and interpreted in conformity with it.
- 2. All the disagreements that shall be raised as consequence of the interpretation and implementation of this Agreement, when they have to do with the interpretation of the Transmission Network Code provisions, shall be settled in conformity with the procedures provided in it. In any other case the parties shall try to settle the disputes with understanding between them.
- 3. When the parties have not settled with understanding the dispute within 30 (thirty) calendar days, each Party may send this Dispute for settlement at ERE.
- 4. If the dispute is not settled by ERE, each Party shall have the right to go to Tirana District Court."

## **ARTICLE 24 – LANGUAGE**

- 1. Except when provided otherwise in this agreement, all the notifications, or other documents that one party gives to the other according to this agreement, shall be on the Albanian language.
- 2. This agreement is drafted in 4 (four) copies, on the Albanian language, where three copies are for TSO company and one for the user.

TSO company FROM: Mr.\_\_\_\_\_ USER FROM: Mr.\_\_\_\_\_

Administrator of TSO company

Legal representative of the user

Page **16** from **22** 

Annex No.1: Technical Documentation of the connection with the National Transmission Grid.

Annex No.2: Electricity generation license, issued by ERE.

Annex No.3: The technical specifications in the Metering System

Annex No.4: The technical specifications of the connection with the Telecommunication system

Annex No.5: The technical specifications of the connection with SCADA system of the National Dispatch Center.

Annex No.6: Declarations of Responsibility and Readiness.

Annex No.7: Submission of the Connection Part