

New Connection Agreement

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Prot No. [ ]

Tirana, on [ ]

**NEW CONNECTION AGREEMENT**

Between the parties :

OSHEE company

[ ]

New Connection Agreement

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## AGREEMENT- ACT

This agreement is connected today on [ ]

### BETWEEN:

(1) **Electricity Distribution Operator company**, (hereinafter "OSHEE" company);  
represented by Mr. \_\_\_\_\_

(2) \_\_\_\_\_ (hereinafter \_\_\_\_\_), represented by Mr. \_\_\_\_\_

### WHERE:

The customer has applied at OSHEE company and OSHEE has agreed to connect the building with the Distribution System in the Connection Point, which is part of the terms and conditions for this Agreement.

### It is agreed as follows:

#### 1. *Agreement –Act Object*

The object of this Agreement-Act is the electricity supply of the building [ ] with address [ ], on the request of the customer Mr. [ ] which undertakes the construction of the electricity cabin with transformer [ ] kVA, [ ] kV, and session [..... mm2] as well as the [overhead power/cable] lines in [ ] kV voltage, that will serve for electricity supply of the building according to the proposal of date: [ ], Prot No. [ ]

#### 2. *Legal Basis of the Agreement Act*

- Fifth Part, Session 1, articles 27, 28, 29 and the following of Law No. 43/2015 "On Power Sector".
- ERE Board Decision No.166, of date 10.10.2016 "On approving the Regulation for New Connections in the Distribution System"
- Council of Ministers Decision No. 704 of date 29.10.2014 "On approving the tariff manual for services in territory planning, Designing, Supervision, Testing"

### **3. The applicable conditions**

This agreement (including all Annexes) defines the General Conditions of OSHEE company for the Customer's Connection with the electricity Distribution System.

### **4. Connection agreement**

4.1 For any new connection agreement, submitted by the Applicant, the feasibility study shall be performed in advance by OSHEE, which include the necessity study for constructing the transforming cabin and its effects in the distribution grid according to point 1.7 and annex 1 of New Connection Regulation as well as defines the main direction and above all shall be drafted the implementation project.

The fix tariff of about 14000 ALL, for the feasibility study, calculated according to Council of Ministers Decision No. 704 , of date 29.10.2014, shall be paid by the Applicant before the approval of the New Connection, whether it is approved or not.

4.2 Depending on the terms and conditions of this Agreement, OSHEE company agrees to connect the building with the Distribution System at the Connection Point and the connection equipments that shall be supplied with electricity from the buidling connection date for an undefined term.

4.3 Before beginning the works for realizing the new connection, the customer shall pay any tariff defined regarding the execution of this agreement.

### **5. Documentation for new connection in Medium Voltage**

The customer shall submit the following documentation:

1. Application for electricity supply
2. Identity documentation (photocopy of the ID or passport)
3. Ownership certification of the building by the property registration documents such as: purchase contract, donation act, property division estate act, rent contract, respective documentation for buildings in legalization process.
4. Photocopy of the registration Certificate (for households)
5. Electrical project of the building primarily approved by the Technical and Industrial State Inspectorate (are excluded the cases for installed capacity

under 20 KW) that contain only the building for which it is applied the new connection

6. Design of all equipments in the building
7. Electrical engineer license that has done the electrical project of the building
8. Planview of the building in 1:1000 scale (two copies)
9. Installation declaration and the grounding protocol, issued by an electric engineer equipped with a license.
10. Detailed engineering report regarding the project and calculating the data, performed by an electrical engineer equipped with a license.
11. Construction permit of the building, where are identified the environment that will be used as transforming cabin
12. Electrical load graph
13. Analytical report for cos  $\phi$  assessment

## **6. Tariffs**

- 6.1 The customer shall pay at OSHEE all the tariffs defined according to the New Connection Regulation and this agreement
- 6.2 All amounts payed by the Customer at OSHEE, according to this agreement, shall be fully executed without any deduction and postponement.

## **7. Representations**

Both parties shall continuously represent and guarantee each other during the Agreement-Act that they have full power to connect and implement this agreement. The implementation of this agreement shall not conflict, violate, or damage any contract, agreement, judgement, statute, ordinance, or regulation that may be binding for one of the Parties.

## **8. Amendments**

- 8.1 Any amendment of this agreement shall be effective if it is not made in the written form and signed by both parties.
- 8.2 Each party may inform at any time the other Party to propose that this Agreement shall be amended.

- 8.3 If the proposed amendment of this provision is not accepted by the parties within (1) one month from the proposal date, each party may send at ERE the issue for solution. The parties are obliged to accept ERE decision and implement it. And if possible they may connect an additional agreement that may be attached to this agreement.

**9. *Utilisation right***

The customer, shall permit the employees, the sub-contractors, agents, or OSHEE consultants to enter at those parts of the customer's environment to perform the connection or modification works or to operate, read the meters, inspect, test the metering equipments, work with OSHEE or the building equipments, to disconnect the Connection Point or to enable OSHEE to fulfill its obligations according to the conditions and deadlines of this Agreement. OSHEE shall have the secure and unhindered access.

All access rights issued to OSHEE to utilise the equipments and the supply connection according to this agreement shall include: the right for vehicles pass, the right to construct the plants, the right to use the equipments and connections according to the needs. These rights are necessary to perform the main functions based on which is issued the access right. All these rights shall be executed for free. The OSHEE company employees shall try to cooperate with the customer during the work time at the customer's environment.

**10. *Works for the connection***

- 10.1 The works for realizing the new connection at OSHEE company environments, shall be performed by OSHEE, with the equipments defined by OSHEE and with the applicant expenses. All other works for realizing the new connection shall be made by the Applicant with his own expenses, respecting in this way all the quality standards for the materials and the technical standards according to the norms.
- 10.2 The customer shall perform the works for his connection in conformity with the "New Connection Proposal" letter and shall take the necessary approvals for this purpose, with its own expenses (construction, works permission, different approvals etc).
- 10.3 Verification of the regulations for performing the works and installations shall be supervised by OSHEE based on the respective projects and estimates set available to OSHEE by the Customer. The tariff for performing the supervision service, calculated according to Council of Ministers Decision No. 704, of date 29.10.2014, shall be paid by the Customer after the New Connection approval.
- 10.4 The customer shall primarily inform OSHEE for the conclusion of the works and the begin of the building test and the electricity installations by this Company.

The tariff for performing the test service, is calculated according to Council of Ministers Decision No. 704, of date 29.10.2014, shall be paid by the Customer after the approval of the New Connection.

- 10.5 The customer shall not be connected in the electricity distribution grid if the building and the electricity installations are not tested by OSHEE because of the works failure to comply with the technical project submitted by the Customer.
- 10.6 The customer is obliged to supply the switching parts that shall serve for the maintenance of the cabin.

### **11. *Limiting the request for Electricity***

- 11.1 The customer shall not be supplied with electricity by the Connection Point if it is exceeded to maximum permitted power, as agreed in the Offer for the New Connection.
- 11.2 If the required maximum capacity is exceeded the Customer shall apply additional capacity according to the rules and tariffs in force.
- 11.3 In case of an existing contract and the Customer requires additional capacity then he shall address to his Supplier to enable this process. The supplier addresses this request to the Distribution company for performing all processes described above
- 11.4 The customer is not entitled to use the electricity cabin equipments and medium voltage connection for other purposes outside this agreement.

### **12. *Power factor and phase symetry***

The customer shall take all the measures to maintain the full power factor load in the Connection Point for imported electricity in 0,90 value.

### **13. *Metering equipments***

- 13.1 OSHEE company shall install and maintain the Metering Equipments at any Connection Point in conformity with the Metering Code. The verification and testing of the metering equipments, shall be based on the provisions of article 77 Law No.43/2015 "On Power Sector"
- 13.2 The customer shall not intervene or permit any interference at the Metering Equipments and shall compensate OSHEE in case of any intervention.
- 13.3 In case one of the Parties has reasons to believe that the Metering Equipments

operate outside the permitted error scale then it immediately inform the other party. In this way, the Metering Equipments shall be controlled by an independent certified Laboratory. If during the test of the Metering Equipments:

- a) It results that the Metering Equipments which operate outside the permitted error scale, shall be re-tested or replaced and the expenses of the re-test or replacement shall be covered by OSHEE company;
- b) It results that the Metering Equipments which operate within the permitted error scale, the expenses of this examination and test shall be paid by the Customer if he has required OSHEE company to carry out such tests for the Metering Equipments.

13.4 If during the control performed by the authorised company for meter verification, it results that the metering equipments operate outside the permitted error scale, the parties shall refer to the definitions made in the Metering Code for regulating the inaccuracies in the metering.

**14. *The perspective for developing the distribution system***

OSHEE company shall continuously develop the distribution system and the longterm solution provides the replacement of the existing 6; 10 and 35 kV grids with 20 kV voltage grid. If the assets of the connection belong to another voltage level (6; 10 or 35kV) and the future development requires their replacement with a 20kV grid, then, these equipments and the installation work shall be performed by OSHEE company informing the Customer preliminary.

The customer is responsible and obliged for all the expenses performed by OSHEE company for the replacement of the equipments for the purpose they to adopt with the new voltage level.

**15. *Transferring the ownership of the cabin equipments***

The asset ownership for the new connection, which is added to the existing grid is of the user, until the full amortization of the assets or at the end of the given authorization, based on the connection agreement, signed between the parties. After the full amortization of the asset connection, their ownership passes to the grid operator.

With the end of the amortization Deadline, the Customer is obliged to inform OSHEE company for beginning the procedures of asset transfer in the ownership of the last one mentioned.

**16. *Handling the ownership over the immovable property.***



- a) Distribution System Operator may purchase has the usufructary right free of charge over the immovable property destined as electricity cabin, according to the provisions made in the legislation in force.
- b) The usufructary shall be established with a notary agreement between the parties, shall be registered at the immovable property registers and realized in conformity with the provisions of the Civil Code as amended.
- c) The change of the immovable property owner shall not violate the usufructary right of the Distribution System Operator company.
- d) At any time, if OSHEE company and the asset Owner (the Customer) agree that the last one mentioned to grant the movable and immovable property at OSHEE then shall be realized the respective granting contracts based on the Civil Code.

### **17. Utilizing and Maintaining the Connection**

The connections, including the connection in MV/LV and the transforming cabins, are operated and maintained by OSHEE company. The controlling and maintenance costs, are paid by the Customer.

The Control and the Maintenance shall be performed implementing the Regulation for Usage and Technical Safety where are provided the deadlines and the works to be performed during the prophylactic and medium overhauls ( Annex 2). These works shall be performed according to the graphs drafted by OSHEE company and the asset owner shall be informed, whom is obliged to pay for the service based on the situation issued by OSHEE company.

The cost for utilizing and repairing the defects and overhauls is paid by the Customer, if that is the responsibility of the latter.

If the Customer does not respect the obligations defined in the Agreement-Act then OSHEE company is entitled to interrupt electricity at the delivery object

In any case of ownership change over the assets for the Connection the definitions in this agreement-act are obligatory to be implemented from the new owner.

The asset owner for the New Connection and OSHEE are obliged to inform all the customers that will be supplied from the transforming cabin for the agreement-act.

### **18. Full agreement**

This agreement (together with all the attached documentation) compose the full agreement between the Parties regarding its subject. This Agreement substitutes all the previous agreements between the Parties regarding its subject. Each Party accepts and confirms that it will not sign this agreement in reliability of a representation, guarantee or other enterprise, other than the other Party, if are not fully reflected in this Agreement.

**19. *Applied law***

The agreement shall be interpreted, explained and administered by the Laws of the Albanian Republic and both Parties will be subject to exclusive jurisdiction of the Albanian courts.

**The Customer**

**OSHEE company**