

**APPROVED**  
*with Decision No [ ] dated [ ] [ ] 2018*  
*of the TSO Supervisory Board*

**APPROVED**  
*with Decision No [ ] dated [ ] [ ] 2018*  
*of ERE Board of Commissioners*

## **COMPLIANCE PROGRAM OF THE TRANSMISSION SYSTEM OPERATOR FOR ELECTRICITY**

### **TRANSMISSION SYSTEM OPERATOR TSO Company**

#### **I. GENERAL PROVISIONS**

1. This Compliance Program (hereinafter – “the Program”) of the transmission system operator for electricity (hereinafter – “the TSO”) shall establish the conditions for unbundling and independence of the TSO pursuant to the Law No 43/2015 “On Power Sector” and shall set out the measures taken in order to ensure that discriminatory conduct in the TSO’s activities is excluded, specific obligations of the TSO’s employees to meet the objectives stipulated herein, and requirements for the implementation and monitoring of this Program.
2. This Program aims at ensuring:
  - 2.1. Proper unbundling and independence of TSO;
  - 2.2. Avoid the TSO discriminatory behavior towards other participants of the electricity market (hereinafter – “participants”) and network users;
  - 2.3. Introduction of a mechanism for the implementation of this Program and definition of functional duties and obligations of the TSO employees in this regard; and
  - 2.4. Introduction of a mechanism for the monitoring and reporting on the implementation of this Program.
3. All terms of this Program shall be used within the meaning prescribed on Law No 43/2015 “On Power Sector”, as amended.

#### **II. LEGAL STATUTE AND STRUCTURE OF THE COMPANY**

1. Transmission System Operator – TSO company is established and operates as a joint stock company according to Law no. 9901 dated 14.4.2008 “On Entrepreneurs and Companies” as amended, registered as a legal person with Decision no.31935, dated 17.4.2004, of Tirana District Court.
2. TSO company is organized in the form of joint stock company with 100% state-own capital with the sole shareholder the Ministry of Finance and Economy, the State representative as the owner of TSO shares, according to the definition made with Council of

Minister Decision no.317, on date 24.07.2016 “On defining the Public Authority representing the State as the owner of Power Sector companies”.

3. Referring to point 2 of the Council of Ministers Decision no.317, dated 27.04.2016, “On defining the Public Authority Representing the State as the Owner of Power Sector companies” the public authority representing the state as the owner of the Transmission System Operator (TSO) shares is MZHETTS (the Ministry of Economic Development, Tourism, Trade and Entrepreneurship).

Also on point 1, of Council of Minister Decision no. 317, dated 27.4.2016, it is defined that: The Public Authority representing the state as the owners of Albanian Power Cooperation shares and those of the Electricity Distribution Operator is MEI (the Ministry of Energy and Industry, currently the Ministry of Infrastructure and Energy).

As follows, on points 3 and 5, of Council of Minister Decision no.317, dated 27.4.2016, it is defined that:

The Minister of Energy and Industry and the Minister of Economic Development Turism, Trade and Entrepreneurship, appoint the members of the supervisory boards for the companies defined on points 1 and 2 within thirty days from the entry into force of this decision implementing the limitations defined on Law no.43/2015 “On Power Sector”.

From the above mentioned, being that the transmission, generation and electricity supply activities are performed by companies organized in the form of entrepreneurs (state-owned joint stock companies), the above mentioned authorities perform the function of the Shareholder Assembly for the respective companies taking any decision in the Shareholder Assembly authority in a public limited company according to the provisions of Law no.9901 of date 14.04.2008 “On Entrepreneurs and companies” as amended.

The Ministry Energy and Industry and the Ministry of Economic Development, Turism, Trade and Entrepreneurship (today the Ministry of Infrastructure and Energy and the Ministry of Finance and Economy, based on Council of Ministers Decision no.504 dated 13.09.2017) are two high level bodies of the government organized according to Law no. 90/2012 "On the organization and operation of the state administration”.

Law no. 90/2012, “On the organization and operation of the state administration” regulates the organization and operation of the state administration under Council of Minister’s responsibility, by defining the criteria for the establishment and operation of the state institutions.

On article 4, “The bodies and institutions of state administration” defines that:

1. The prime minister and the ministers are high level bodies of the state administration. They govern and supervise the state administration within the respective area of the state activity.

2. The State Administration is composed from these institutions:

a) The Prime ministry;

b) The Ministries;

c) the institutions depending on the Prime minister or the Ministries;

ç) direct units that provide the services;

d) autonomous agencies;

dh) major administration.


The relations between the ministries and the Council of Ministers are defined on article 5 “the Ministries” as follows:

1. Any ministry is governed and represented by the minister, hereinafter the responsible minister. The Minister is responsible in front of the Council of Ministers and the Assembly for the activity of the ministry, the institutions under its administrations and the autonomous agencies hereinafter “ministerial system” within the respective area of the state activity.

2. The Council of Ministers, with the Prime minister proposal, defines the state activity area under the responsibility of each ministry, hereinafter “the state administration area”.

3. The ministry performs the administrative functions within the respective area of state responsibility, except those delegated to the depending institutions or that are charged by law to the autonomous agencies.

From all above mentioned, each Ministry performs the administrative functions within the respective area of state responsibility.


 The respective responsibility area of the Ministry of Infrastructure and Energy is defined on decision no.504, dated 13.9.2017, of the Council of Ministers, “On defining the state responsibility area for the Ministry of Infrastructure and Energy” and respectively:

*“II. The mission of the Ministry of Infrastructure and Energy is the draft and implementation of the general state policy, in the planning and urban development sector, in the infrastructure and transport sector, in telecommunication and postal service sector, in the energy sector, utilizing the energy and mineral resources and in industry sector.*

*III. The Ministry of Infrastructure and Energy exercises its activity in these state responsibility areas:*

*.....9. Energy and energy resources sector, including the renewable energy sources, energy efficiency and the climatic changes.*

*.....”*

 The respective legislation based on which the Ministry of Energy and Industry exercises its activity on power sector is law no. 43/2015, "On Power Sector" and the secondary legislation issued on its implementation.

Concretely the role of the Ministry of Infrastructure and Energy relating to TSO company is defined on the articles below of Law no. 43/2015, "On Power sector";

On article 4 “Power sector policies”

*1. The Council of Ministers shall be responsible for the overall policy of power sector of Albania consistent with policies of economic development of the country and respective policies developed in other sectors.*

2. The Ministry responsible for energy:

a) drafts the National Energy Strategy, which is approved by the Council of Ministers and is updated at least every five years. The National Strategy of Energy defines the objectives of the energy sector development and the ways of their accomplishment, providing a sustainable development of the national economy in a medium and long term period;

b) drafts midterm programs for development of the power sector, which are approved by the Council of Ministers in compliance with the National Energy Strategy;

c) assess the necessity of constructing new generation capacities and strengthening the grids, in compliance with the midterm programs, taking in consideration:

i) the general expected electricity balances for the future;

ii) the security and stability of electricity supply;

iii) the cost, including any mechanisms for costs minimization, for such new generation capacities;

ç) supervise the implementation of policies and programs of power sector development, in line with economic and social development of the country.

On article 5 “Data and information on electricity balance”

“1. Any physical or legal entity that produces, transmits, distributes, imports, exports or supplies electricity is obliged to submit data related to its activity to the responsible ministry for energy in order to support the drafting of power sector development policies and communication with specialized institutions, within the framework of the international commitments of Albania as well as preparation for publication of the annual energy balance.

2. The minister responsible for energy approves the type and format of data reporting.

On article 6 “Rules on security of electricity supply”

“1. The Council of Ministers shall, upon proposal of the responsible Minister of Energy, in collaboration with other relevant institutions or entities in the energy sector, approve rules on electricity security of supply, which include:

a) measures for providing the supply with electricity;

b) measures to be taken in cases when security of supply is at risk;

c) measures to be taken in case of emergency situations

ç) role and obligations of electricity market participants, regarding the security of electricity supply.

On article 31 “Construction of new interconnection lines”;

“1. The new interconnection lines constructed by Transmission System Operator or private investors, shall be approved by the Council of Ministers with the proposal of the responsible minister for energy.

On article 33 “Direct lines”:

*“1. All electricity producers and suppliers within a given territory may supply their facilities, branches and clients, via a direct line.*

*2. Direct lines, constructed for electricity export purposes by domestic producers to connect customers outside the country, are subject to Council of Ministers approval, after the given opinion from ERE.*

*3. Direct lines, constructed for the connection of a domestic producer inside the country, or supply company which supplies its assets or eligible customers, are approved by the responsible ministry for energy after the opinion issued by ERE.*

*4. Council of Ministers shall approve the criteria and procedures for granting of authorizations for the construction of direct lines.*

*5. The Minister authorizes the construction of a direct line even in the case when to the applicant is refused access in the grid for cases defined in Article 29 of this law, or in case a procedure for dispute settlement has been initiated, as set forth under the Article 24 of this law;*

*6. The Minister may refuse to grant its authorization for the construction of a direct line if the granting of such authorization would obstruct the fulfilment of public service obligations and customer protection, defined by the provisions of this law. The explanations for such a refusal should be fully justifiable and are notified to the applicant.*

On article 34 “Technical standards and safety standards in the power sector”

*“1. Technical rules for design, construction and operation of the plants producing electricity, transmission system, distribution system, interconnection lines or direct lines in the Republic of Albania, including the rules of technical safety, are developed by the ministry responsible for energy in cooperation with General Directory of Standardizations and are approved with the Council of Ministers decision.*

*4. The control of implementation and observation of technical rules provided in point 1 of this article, in the power sector shall be carried out by the responsible inspectorate subordinate to the ministry responsible for energy, in compliance with the legislation in force.*

On article 60 “Transmission network development”;

*“1. The Transmission System Operator drafts a ten-year network development plan in consultation with the stakeholders and present it for approval of ERE.*

*6. In case ERE finds out that the transmission system operator does not meet the projected investment, which according to the 10-year plan should have been carried out in three successive years, and can be financed without impeding the normal operation of the network, then the ERE takes at least one of the following measures:*

*a) execute the investment in question;*

*b) require to organize a competitive procedure open to any investors for executing the investment in question;*

c) require to accept capital increase to finance the necessary investments.

7. When ERE exercises its authority according to letter (b) point (6), of this article, it may oblige the transmission system operator to agree to one or more of the following:

- a) ensure financing by any third party;
- b) require construction by any third party;
- c) manage new assets after construction.

*In these cases the relevant tariffs shall cover the costs of the investments in question.*

8. ERE on exercising its competences provided at points 1, 6 and 7 of this Article shall take the opinion from the responsible minister on energy.

Lastly on article 97 “Electricity market”

*“3. Minister responsible for energy in collaboration with other stakeholders in electricity sector and after the opinion given from Competition Authority, shall develop an Electricity Market Model, which is adopted by decision of the Council of Ministers, defining at least:*

- a) the ways the participants of the electricity market cooperate;
- b) relevant contractual relationships
- c) the main required information and data exchanges between market participants

🚩 The respective responsibility area of the Ministry Finance and Economy is defined on Council of Ministers Decision no. 503 dated 13.09.2017 “On defining the state responsibility area for the Ministry Finance and Economy” and respectively:

III. The Ministry of Finance and Economy exercises its activity on these state responsibility areas in conformity with the respective legislation:

”.....

17. Administration of the state area;

.....”

VII. The Ministry of Finance and Economy represents and protects the state interests within the responsibility area, according to point III of this decision.

🚩 Regarding the role of the Ministry of Finance and Economy (former Ministry of Economic Development, Tourism, Trade and Entrepreneurship) in report with TSO company, we explain as follows:

It result that Transmission System Operator, TSO company is organized in the form of a joint stock company with 100% state capital. This is in conformity with the definitions of Law no.43/2015, “On Power Sector”, where on article 53 it is defined that:

“- *Transmission System Operator:*

*1. The Transmission System Operator shall be a legal entity licensed to conduct the activity of operating an electricity transmission system, which owns the transmission system and respect the independence criteria established by Article 54 of this law.*

*3. The Council of Ministers shall appoint the public authority representing the state as owner of the Transmission System Operator shares, shall be independent of any production or supply activity according to the provisions of Article 54.*

Implementing point 3 article 53 of this law, it is approved Council of Ministers Decision no.317 of date 27.04.2016 “On defining the Public Authority representing the State as the owner of the company shares for the Power Sector“ which has designated the Ministry of Energy and Industry as the Public Authority, representing the state as the owner of the shares for the Albanian Power Corporation (KESH) and the Electricity Distribution Operator company as well as the Ministry for Economic Development, Tourism, Trade and Entrepreneurship as the Public Authority, representing the state as the owner of shares for the Transmission System Operator.

On point 3 of the Council of Ministers decision it is defined that the Minister of Energy and Industry and the Minister of Economic Development, Tourism, Trade and Entrepreneurship appoint the members of the supervisory boards for the companies defined on points 1 and 2, implementing the limitations defined on Law no. 43/2015, “On Power Sector”.

Also on article 1 Law no. 8/2016 “For an addition and an amendment on Law no. 7926, of date 20.04.1995, “On transforming the state companies in entrepreneurs”, as amended is defined that:

*“Exercising the right of the state property owner representative, including the right to appoint the supervisory council members, in power sector companies, shall be in conformity with the definitions of Law no. 43/2015, “On Power Sector”, and natural gas companies shall be in conformity with the definitions of Law no. 102/2015 “On Natural Gas Sector.”*

So, from the definitions mentioned hereinabove, results that each of the mentioned ministries shall perform the function of the share owner in the respective companies.

Furthermore, should be clarified that, the organization of the economic activity in Albania is regulated by Law no.9901 of date 14.04.2008 “On Entrepreneurs and Companies” as amended. This Law defines and regulates the entrepreneur status for the establishment and administration of entrepreneurs, the rights and obligations of the founders, partners and shareholders, the reorganization and liquidation of entrepreneurs. This law is obligatory even for the state companies.

TSO from the legal organization point of view is subject to Law No. 9901 of date 14.04.2008 “On Entrepreneurs and Companies” as amended. So the role of the Ministry of Economic Development, Tourism, Trade and Entrepreneurship as the public Authority, representing the state as the owner of the shares for TSO company is the owner of 100% of the shares. For TSO company this ministry exercises the rights and obligations, as any other private owner performs, to the shares of the joint stock company that in Albania operates based on Law No. 9901 of date 14.04.2008 “On Entrepreneurs and Companies” as amended.

So the Ministry of Economic Development, Tourism, Trade and Entrepreneurship (today the Ministry of Finance and Economy) has the role of the only shareholder taking every decision in the authority of the General Assembly in a share-holder company according to the provisions of Law no. 9901 of date 14.04.2008 “On Entrepreneurs and Companies” as amended.

This role for the Albanian Power Corporation and the Electricity Distribution Operator, based on article 1 of Council of Minister Decision no.317 of date 27.04.2016 “On defining the Public Authority representing the State as the owner of the shares for the Power Sector is performed by the Ministry of Energy and Industry (today the Ministry of Infrastructure and Energy).

Regarding the appointment of the Supervisory Board, on article 135 “The rights and obligations” of Law no. 9901 of date 14.04.2008 “On Entrepreneurs and Companies” as amended, it is defined that:

2. The general assembly takes the decisions for the following issues of the company:

a) defining the trading policies;

b) statute amendments;

c) the appoint and dismissal of administration council members (one level system) and (two level system) of supervisory board members.

On TSO company statute (article 13 “The Supervisory Board”), it is defined that:

The Supervisory Board is composed of 6 (six) members appointed from the General Assembly.

So the Ministry of Economic Development, Tourism, Trade and Entrepreneurship (today the Ministry of Finance and Economy) appoints the members of the TSO company Supervisory Board. It results that the Ministry of Economic Development, Tourism, Trade and Entrepreneurship represents the State as the owner of shares for power sector companies as the General Assembly of TSO company and implementing point 3 of Council of Ministers Decision no.317 of date 27.04.2016 “On defining the Public Authority representing the State as the owner of shares for Power Sector companies”, where it is defined that:

The Ministry of Energy and Industry and the Ministry of Economic Development, Tourism, Trade and Entrepreneurship appoints the members of the supervisory boards for the companies defined on points 1 and 2, implementing the limitations defined on law no. 43/2015, "On Power Sector"

The Ministry of Economic Development, Tourism, Trade and Entrepreneurship has approved with Decision no. 4911, of date 14.06.2016 “On the amendment of the Supervisory Board” the new member of TSO company Supervisory Board.

Also the Ministry of Energy and Industry (today the Ministry of Infrastructure and Energy) as the owner of the Albanian Power Corporation and the Electricity Distribution Operator implementing point 3 of Council of Ministers Decision no.317, of date 27.04.2016 “On defining the Public Authority that represents the State as the owner of the shares for Power Sector companies” with Order no.210 of date 30.06.2016 has approved the members of KESH company Supervisory Board and with Order no. 209 of date 30.06.2016 has approved the



members of OSHEE company Supervisory Board.

For the above mentioned, we conclude that the Supervisory Board members of TSO company are appointed by the Ministry of Economic Development, Trade, Tourism and Entrepreneurship (actually the Ministry of Finance and Economy) respecting the limitations imposed by article 54 Law no.43/2015, "On Power Sector"

- Based on article 54, on points 3, 4, 5, 6 it is defined that:

*“3. Beginning from January, 1, 2016, the same entity is not entitled that on the same time to:*

*a) exercise control directly or indirectly over a licensee performing any of the functions of electricity and natural gas generation or supply, and to exercise control or exercise any right over the Transmission System Operator or over the transmission network;*

*b) exercise control directly or indirectly over the Transmission System Operator or over the transmission network, and exercise control or exercise any right over an licensee performing any of the functions of electricity and natural gas generation or supply;*

*c) appoint members of the supervisory board, the managing board or other bodies legally representing the Transmission System Operator or the transmission network, and directly or indirectly exercise control or any right over a licensee performing any of the functions of electricity and natural gas generation or supply;*

*ç) be a member of the supervisory board, the management board or other bodies representing the licensee to the other licensees performing any of the functions of generation or supply, or of the transmission system operator or transmission network..*

*4. The prohibitions in letter “a”, “b”, and “c” of the above paragraph shall apply in particular to:*

*a) the ability to exercise voting rights;*

*b) the competence to appoint members of the supervisory board, the managing board or other bodies representing the licensee;*

*c) the right to hold the majority share.*

*5. The obligation set out above, is deemed fulfilled if two or more companies, who have their transmission networks, have established a joint venture, which acts as a transmission system operator in two or more countries. No other company may be part of this joint venture, unless the company is defined as independent operator of the transmission system and has been certified pursuant to the conditions determined in this law.*

*6. Where the person referred to in the above paragraph is a state-controlled public body, the two separate public bodies that exercise control, one over the Transmission System Operator or over a transmission network and the other over the licensee that performs any of the functions of electricity generation or supply, shall be deemed not to be the same person.*

As evidenced above, based of Council of Ministers Decision no.317, of date 27.04.2016 "On

defining the Public Authority representing the State as the owner of the shares for Power Sector companies” results that the Ministry of Economic Development, Tourism, Trade and Entrepreneurship is the holder of 100% of the TSO company shares, while the Ministry of Energy and Industry is the holder of 100% of KESH and OSHEE companies shares, that respectively perform the electricity generation and distribution and universal supply activities.

In this way, due to TSO company ownership unbundling from the electricity production, distribution and supply, results that this unbundling is performed according to the provisions of point 6 article 54 of Law no.43/2015 “On Power Sector” as well as in conformity with what is defined on article 8 letter “a” of the “Rules on the Certification of Transmission System Operator for Electricity” where it is defined that the criterias that should be fulfilled from the applicant to enable the decision-making and the certification from the Regulator is: a) *the legal entity that owns the Transmission System Operator for electricity should not have the right to control directly or indirectly the generation, distribution and supply activities or vice-versa;*

On article 8, point 2, letter “b”, of the Regulation it is defined that: *“The legal entity that owns the Transmission System Operator for Electricity does not appoint, control or is a member of the board or management structures in the generation, distribution, supply activities or vice versa, as well as does not have the right to vote or the right of the majority of shares”;*

This request of the Regulation, has found a solution within the provisions of Council of Minister Decision no.317, of date 27.04.2016 “On defining the Public Authority representing the State as the owner of power sector companies” and Order no.4911 dated 14.06.2016 of the Ministry of Economic Development, Tourism, Trade and Entrepreneurship on appointing the new members of the TSO Supervisory Board explained in details as above.

Based on article 54/1 of Law no. 43/2015 “On Power Sector” the Transmission System Operator exercise its own activity independent of other activities in the power sector, like production, distribution, trade and supply of electricity, and in accordance with the principles and requirements prescribed by this law.

Actually, TSO is licensed for the electricity transmission activity referring to ERE decision no. 24, dated 26.3.2009 “On renewing the license for electricity transmission activity”. Regarding the other activities, like: production, distribution, trading and supply, TSO does not result to perform these activities.

1. TSO is co-owner with equal votes, of the “Coordinated Auction Office in South East Europe (SEE CAO)”. SEE CAO is established as a company with limited liabilities, registered in the Central Business Register of Podgorica, Montenegro, with its premises in Podgorica, Montenegro. SEE CAO performs these services, the available allocation of the transmitted capacity (ATC) by Auction processes defined with the Auction Regulation, in both directions between the co-owners. SEE CAO is directed by a Board of Directors where each founding company defines its representative in the Board of Directors which is responsible for selecting the Executive Director of the company. Regarding the business relations, between co-owner SEE CAO and TSO-s, shall be clarified that, SEE CAO acts as an agent to all the TSO-s, by performing in the name of the SEE CAO and for the account and interest of the TSO-s the capacities allocation auctions. This relation is regulated according to the definitions made on the service agreement. While the contractual agreement for the capacities allocation of the interconnection is regulated between SEE CAO and the winners from the auctions results.

2. TSO is organized and operates as a joint stock company based on Law no. 9901, dated 14.04.2008, “On Entrepreneurs and companies”, as amended, the statute of the company and its internal acts. The Managing Bodies of the company are: the General Assembly, the Supervisory Board and the Administrator which exercise their competences according to the definitions of the above mentioned Law and the Statute of the Company.

Referring to point 2 of the Council of Minister Decision no. 317, dated 27.4.2016, “On defining the Public Authority Representing the State as the Owner of Power Sector Companies”, the public authority representing the state as the owner of shares for the Transmission System Operator (TSO) company is the Ministry of Economic Development, Tourism, Trade and Entrepreneurship MZHETTS (today the Ministry of Finance and Economy), which acts as the sole shareholder of the TSO company, taking any decision in the competence of the General Assembly in a joint stock company according to the provisions of Law no. 9901, dated 14.4.2008, “On entrepreneurs and companies” as amended.

Referring to article 135 point “b” where it is defined that the General Assembly takes decisions for appointing and dismissing of the administration board members (one level system) and (in two levels system) of the supervisory board members as well as article 13 of the TSO Statute where it is defined that the Supervisory Board is composed of 6 (six) members which are appointed by the General Assembly. MZHETTS, as the general assembly, has appointed the members of the TSO Supervisory Board, respecting the provisions of point 3, Council of Ministers Decision no.317, dated 27.04.2016, “On defining the Public Authority representing the State as the owner of the Power Sector companies” and the provisions of article 54 Law 43/2015, as explained in details above.

Based on article 158 of the Law where it is defined that the Board of Directors shall nominate one or more natural persons as the administrators of the company, for a term established by the statute, not exceeding 3 years, as well as article 20.1 of the TSO Statute where it is defined that the Supervisory Board appoints the Administrator of the Company, with Decision no. 17, dated 30.06.2017 it is reappointed the administrator of the TSO, from the new abovementioned Council.

3. The Organisational chart of TSO company is approved with Supervisory Board Decision no.30, dated 11.10.2017, it is conceived with some directories performing the administrative functions depending from the Administrator of the company and 4 departments, 3 of which are directly connected with the fulfilment of the obligations defined on article 56 and 57 of Power Sector Law and 1 Department covers the administrative functions and the daily services in the company. The organisational chart of the company is as follows:

- Cabinet
- Economic Directory
- Legal Directory
- International Projects Directory
- Directory of Transmitted, Lost and Imbalance Energy
- System Operator Department
- Market Operation Department
- Transmission Grid Department

- Administration Department

Directory of Transmitted, Lost and Imbalances Energy, is organized as a separate directory because of its importance and as a structure charged for ensuring energy for the losses and the ancillary services in the energy market by competitive and transparent procedures and ensuring the system balancing through the organization and operation of the imbalancing market, it is considered as a necessity imported by the new power sector law and a necessary condition for the well functioning of the power sector in a transparent way to avoid any discrimination.

International Projects Directory which guarantees the optimal implementation of the network development projects, financed by the international donor's community. Follows and implements the respective legislation to fulfil and implement the foreign project from the initial stages of funding to the completion and picking up the work.

System Operation Department is the one that ensures the continuity and reliability of electricity supply performing the coordination of the work in the electricity generation, transmission and distribution system, implementing the Transmission Grid Code, Albanian Electricity Market Model and Rules and all the legal, by-legal and the regulations in force. This department includes 3 directories: The Directory of the Standards and Codes, Operations Directory and Market Monitoring Directory.

Market Operation Department, is composed of two directories: Market Monitoring Directory and Market Administration Directory, is conceived as an entity that is legally and financially unbundled by the TSO, with Council of Ministers Decision, according to the provisions of article 57/2 of Law 43/2015. This department according to the rights and obligations provided on the Law, is charged with the electricity market operation, the organization and administration of financial statements for electricity between the market participants, keeping the accounts on the name of trading parties for the sale-purchase of electricity transactions between the parties, the management of the process to register the parties in the market, management of the proposal process, approval and any amendment of the Market Rules in conformity with the Law etc.

Transmission Grid Department manages and supervises the project, construction and maintenance activities of the Transmission network (lines, substations and communication means) which guarantee the electricity supply in a safe and efficient way.

This department includes three directories:

- System Development Directory which is responsible for the project, construction and modification of the TSO Transmission Grid (lines, substations and ancillary objects in conformity with the defined plans of the investments and reinforcements, adapting them with the system planification requirements and with the technical, financial and environmental specifications of the company. Follows the continuance and implementation of the projects drafted or adopted by this directory, defines TSO environmental policy and ensures its implementation to minimize the affection on the environment of its activities and objects and performing the legal actions and drafting the necessary documentation for opening the expropriation procedures and real estate registration of the TSO.
- Utilization and Maintenance of the Transmission Directory, utilizes and maintains 400 kV, 220 kV 154 kV and 110 kV, of the connection substations between each other and the substations near electricity generation resources with a high voltage 220 kV. Utilizes and maintains the telecommunication system in TSO and KESH companies, utilizes and maintains the electricity metering system in the objects within TSO company and especially at the interconnection lines and the boundaries with OSHEE and KESH production facilities and maintains the protection system.
- Monitoring and Regional Coordination Directory that is the responsible structure for coordinating and monitoring the activities between “Utilization and Maintenance of the Transmission Directory”, its subordinate sectors, Planification Operation Unit and Project Management Unit as well as their subordinate sectors.

*The organizational structure of the company is attached as an Annex of this Program.*

### **III. UNBUNDLING AND INDEPENDENCE OF THE TSO**

#### **A. Unbundling of the TSO**

1. The TSO shall be unbundled from other activities not related to electricity transmission in compliance with Article 54/1 of Law 43/2015 “On Power Sector”.
2. The TSO shall be a separate legal person which is not part of the vertically integrated undertaking or its corporate structure and which does not perform nor is otherwise engaged in activities of production and/or supply of natural gas and electricity.
3. To ensure a proper unbundling of the TSO, the same person or persons shall not be entitled at the same time:
  - a. directly/indirectly exercise control over a licensee, performing any of the functions of production or supply of electricity and to exercise control or any other right over the Transmission System Operator or the transmission system;
  - b. directly or indirectly to exercise control over the Transmission System Operator or over the transmission system, and directly or indirectly to exercise control or

exercise any right over an undertaking performing any of the functions of production or supply of natural gas and/or electricity;

c. to appoint members of the supervisory board, the administrative board or bodies legally representing the undertaking, of the Transmission System Operator or the transmission system, and directly or indirectly to exercise control or exercise any right over an undertaking performing any of the functions of production or supply of natural gas and/or electricity; and

d. to be a member of the supervisory board, the administrative board or bodies legally representing the undertaking, both of an undertaking performing any of the functions of production or supply of electricity and the activity of the Transmission System Operator or the transmission system.

4. The rights referred to in Paragraph 3 shall include, in particular:

4.1. the power to exercise voting rights;

4.2. the power to appoint members of the supervisory board, the administrative board or bodies legally representing the undertaking;

4.3. the power of holding a majority share.

### **B. Managerial independence of the TSO**

1. The TSO's managers, i.e. the Administrator and the Members of the Supervisory Board, the Administrator and the administrative staff (heads of structural units), shall be independent from the vertically integrated undertaking or any part thereof. For this purpose, the following requirements shall be implemented:

a. TSO's managers shall not be employed or otherwise professionally engaged by the vertically integrated undertaking or any part thereof;

b. Salaries of TSO's managers shall be established on the basis of the activity or performance of vertically integrated companies, but on the basis of the structure for the salaries Guideline of the TSO staff, as specified on the internal acts of the company and at the respective employment contract;

- c. The TSO's managers shall hold no interest or receive any financial benefit, directly or indirectly, from vertically integrated undertaking or any part thereof.
- d. Transfer of the TSO's managers to the vertically integrated undertaking or to any part thereof, and vice versa, shall be made subject to transparent conditions clearly set on the internal acts of the company and the individual employment contract, shall be implemented regularly;
- e. TSO's managers shall not hold shares of the vertically integrated undertaking or of any part thereof.

### **C. Operational and decision-making independence of the TSO**

5. The TSO shall operate as a transmission system operator for electricity under the terms and conditions stipulated on Law No. 43/2015 "On Power Sector", other applicable legal acts and the Transmission Grid Code.

6. The TSO shall inter alia be responsible for granting and managing third-party access, including collection of access charges and congestion (flows) charges, for operating, maintaining and developing the transmission system, as well as for ensuring the long-term ability of the transmission system to meet reasonable demand through investment planning.

7. When developing the transmission system, the TSO shall be responsible for planning (including authorisation procedure), construction and commissioning of the new infrastructure.

8. The TSO shall be independent in the investment planning as regards the transmission system pursuant to the requirements of Law No 43/2015 "On Power Sector" and other applicable legal acts, and shall therefore comply with the ten-year transmission network development plan approved and monitored by the Energy Regulatory Authority (hereinafter – "ERE").

9. TSO shall maintain at its disposal the required financial, technical, physical and human resources to carry out its tasks as of the transmission system operator for electricity in line with the requirements for its independence established in Paragraphs 15-18 of this Programme.

10. None of the TSO's operational activities and/or decision-making rights may be affected by commercial or any other interest of the vertically integrated undertaking or any part thereof.

## **IV. EXCLUSION OF DISCRIMINATION CONDUCT**

### **A. Access to the transmission system**

11. The TSO shall ensure equal access to the transmission system for all participants and network users which are in conformity with the requirements set forth on Law No 43/2015 "On Power Sector", other applicable legal acts and the Transmission Grid Code.

12. The TSO may refuse granting the access to the transmission system only on the basis of the cases defined on Law no. 43/2015 “On Power Sector”, other applicable legal acts and the Transmission Grid Code.

13. Granting access to the transmission system or refusal to grant such an access, as well as provision of the TSO’s services shall not result in any preferential treatment of individual participants and network users or, on the contrary, shall not be discriminatory towards any of such individual participants and network users.

14. The TSO’s employees shall deal, the requests of the participants or network users for taking the services by the TSO, services received from participants or network users in a fair and non-discriminatory manner, not favouring any individual participant or network user that could result in an unfair commercial advantage.

15. Paragraphs 23 and 24 shall apply to the procurement and sale of services, pricing, access to exclusive services and customer services, including the promptness of the provision of individual services and their efficiency.

16. Tariffs and other charges for the TSO services shall be regulated under the terms and conditions defined on the applicable legal acts, and shall be published on the TSO website and be equally applied to all participants and network users matching respective criteria set in applicable legal acts and the Transmission Grid Code.

### **B. Competition and commercial agreements**

17. The TSO’s activities shall not restrict or affect the fair competition in the electricity market.

18. Any commercial and financial transactions by the TSO, including loan, credit and other financial agreements, as well as all transactions with related undertakings shall be arranged exclusively on market conditions and in no case they may adversely affect the TSO’s independence.

19. In conformity with the obligations provided on the legal and by-legal acts, TSO shall notify ERE of any concluded commercial and financial transactions referred to in Paragraph 28 and upon ERE's request, provide copies of such transactions and relevant source documents commercial offers, statements of acceptance, memoranda, invoices, etc.

20. Copies of all contracts concluded by the TSO with other participants, network users and/or other third parties and relevant source documents (commercial offers, statements of acceptance, memoranda, invoices,etc.) shall be diligently stored and archived at the TSO’s premises and shall be available to the TSO’s compliance officer (hereinafter –“the Compliance Officer”).

### **C. Conflict of interest**



21. Conflict of Interest cases shall be handled according to Law no. 9367, dated 07.04.2005 “On preventing the conflict of interests in performing the public functions” as amended, Law no.9049 dated 10.04.2003 “On the declaration and control of the assets, financial obligations of the elected persons and some public employees” as amended the by-legal acts issued for their implementation, Ethics Code for TSO employees and the definitions of this Program;

22. In declaring case of an existing or potential conflict of interest, the TSO's manager or employee shall notify the TSO Administrator and TSO Compliance Officer without any delay, but in any case not later than the next business day, after he/she became aware of an existing conflict of interest or of any circumstance that may potentially cause a conflict of interest.

23. A conflict of interest shall mean any situation in which an occurred personal interest of the TSO's manager or employee, whether directly or through other related persons, or incompatible conflict with the TSO unbundling, independence, market conduct and/or operational activities, or conflict in which the TSO manager or employee is or potentially may be in a position to benefit from actions or decisions made as the TSO manager or employee.

24. Within 10 (ten) days upon the notification of the conflict of interest, the TSO's manager or employee in question shall hold consultations with the TSO Administrator or the TSO Compliance Officer in order to prevent or eliminate the conflict of interest, or to terminate the employment or other relevant professional relations with the TSO in case of the failure or unwillingness of such a manager or employee to resolve the existing or potential conflict of interest.

25. All employment contracts concluded between the TSO and its managers or employees, as well as professional instructions for appointed managers shall provide the possibility of termination of employment contracts or removal from the office of an appointed manager at the discretion of the TSO in case of the failure to prevent or resolve the conflict of interest or unwillingness of a manager or employee to resolve the existing or potential conflict of interest.

## **V. INFORMATION POLICY OF THE TSO**

### **A. Provision of Information**

26. The TSO shall provide the operational and other relevant information of the transmission system and its services which is not protected as commercially sensitive information under the terms and conditions of applicable legal acts and this Programme. Provision of information shall be done in a fair, transparent and non-discriminatory manner. The TSO shall prevent any provision of information in a way that could, directly or indirectly, bring competitive advantage to any individual participant or network user. Public information shall be published on the TSO's website, as required by the Law No 43/2015 "On Power Sector" and other applicable legal acts.

27. The TSO shall provide sufficient information to the distribution system operator and transmission system operators of the neighboring countries to ensure safe and efficient transmission and supply of electricity between interconnected electricity systems. Such information shall be provided under the terms and conditions defined on Law No. 43/2015 "On Power Sector", the legal acts in force and the grid code.

28. The TSO shall provide to the participants and network users with information necessary for efficient and unrestricted access to the transmission system. Such information shall be provided in an understandable and clear form and in a non-discriminatory manner under the terms and conditions stipulated on Law No 43/2015 "On Power Sector", other applicable legal acts and the Transmission Grid Code.

### **B. Confidentiality of information**

29. The TSO shall ensure the confidentiality of commercially sensitive information obtained by the TSO in the course of its operational and/or commercial activities, and shall take all reasonable and prudent measures to prevent commercially sensitive information regarding its own activities which may contain commercial value for other persons.

30. For the purposes referred to in Paragraph 38, commercially sensitive information shall mean:

30.1. Information about management, operation and development of the transmission system, except for public information defined as such by the Law No 43/2015 "On Power Sector" and this Programme;

30.2. Information containing trade secrets and other commercially sensitive information obtained by the TSO in the course of carrying out its activities;

30.3. Other information of commercial, financial or technical nature that came to the knowledge of the TSO's managers or employees in the course of and due to carrying out their professional activities, which is commercially sensitive and may be obtained by certain participants, provide as a competitive advantage in the electricity market; and

- 30.4. Information classified as confidential in confidentiality and/or non-disclosure agreements signed by the TSO;
31. The TSO shall not disclose commercially sensitive information to any third party, except where:
- 31.1. Disclosure of information is expressly required by the law, provided that such a disclosure takes place in the legally stipulated manner;
  - 31.2. A prior written consent for disclosure is given by the person to whom the TSO has the obligation to preserve the confidentiality of information; or
  - 31.3. The information is no longer confidential due to its lawful public disclosure.
32. In case of disclosure of commercially sensitive information by the TSO to any third party under conditions stipulated in Paragraph 30, such a disclosure shall take place to the extent necessary for the TSO to provide its services and shall be in conformity with the confidentiality and/or non-disclosure agreement establishing the obligation of a third party regarding confidentiality of information received from the TSO, as well as establishing liability of such a third party in the event of non-performance or improper performance of its confidentiality obligations.
33. The TSO shall preserve confidential information qualified as such under the respective contracts. Such contracting parties shall ensure their managers and employees, who receive confidential information from the TSO, maintain confidentiality regarding any such information and do not disclose it to any third party unless otherwise expressly stipulated in relevant contract. Obligation to preserve confidentiality of information shall last during the entire period of contractual relations and after their termination until relevant confidential information becomes publicly disclosed in a lawful manner.
34. Implementing the definitions of the Code of Ethics for TSO employees, the internal regulations of the company and the definitions of this Program, the managers or employees of the TSO shall ensure the confidentiality of commercially sensitive information which they have at their disposal due to their professional duties. In particular, in order to secure confidentiality of commercially sensitive information the TSO's managers and employees:
- 34.1. Shall not leave physical media of commercially sensitive information (documents, electronic data storages, computers, tablets, smart-phones, etc.) unattended in public places;
  - 34.2. Shall not discuss commercially sensitive information in public; and

- 34.3. When using electronic mail or any applications of online communication, shall carefully check the content of messages and addresses of recipients to avoid possible disclosure of commercially sensitive information to any third party.
35. Any written documents of the TSO containing commercially sensitive information shall be marked as such on their cover page.
36. Access rights to the TSO's information systems and databases, as well as access rights to shared disk drives and files shall be set so as not to favour any participant or network user. For this reason, any online transactions or actions posing a risk of disclosure of commercially sensitive information shall be clearly identified and a list of active access authorisations shall be maintained by the Compliance Officer and updated annually or, when necessary, more frequently.
37. All TSO's managers and employees, its authorised representatives, auditors and advisers shall not disclose commercially sensitive information to any third party throughout the duration of their appointment, employment or collaboration with the TSO and at least 3 (three) years onwards after the termination of such appointment, employment or collaboration unless:
- 37.1. A prior written consent for disclosure is given by the person to whom the TSO has the obligation to preserve the confidentiality of information;
- 37.2. The information is no longer confidential due to its lawful public disclosure; or
- 37.3. Disclosure of relevant information is required by applicable law.
38. In case of disclosure pursuant to Paragraph 36, the TSO's managers, employees, its authorised representatives, auditors and advisers are obliged to ensure that commercially sensitive information is disclosed to all participants and network users simultaneously so as not to give any respective person an unfair commercial advantage in the electricity market.
39. In compliance with the TSO's transparency requirements, it shall be ensured that all participants and network users are treated in a non-discriminatory manner and on equal terms when providing operational and other relevant information concerning the TSO's activities. If any commercially sensitive information is to be disclosed, it shall be ensured that all participants and network users are provided with this information simultaneously by publishing it on the TSO's website.
40. Confidentiality agreements with the TSO's appointed managers, employment contracts with the TSO's employees, as well as agreements concluded between the TSO and its authorised representatives, auditors and advisers shall provide for relevant obligations of respective managers, employees, authorised representatives, auditors and advisers regarding confidentiality of commercially sensitive information and shall establish the liability in the event of non-performance or improper performance of such obligations.
41. Any breach of the obligation to preserve confidentiality of commercially sensitive

information, as required under this Programme and respective contracts, may be qualified as a gross violation of obligations of the TSO's manager, employee, authorised representative, auditor or advisor, and may give the TSO the right to claim for the compensation of damages.

### **C. Public information**

42. Public information shall mean any information that is generally known as possessing a public character, or any information to which mandatory disclosure requirements established by applicable law are applied. Such information cannot be classified as confidential or commercially sensitive and shall be available to all participants, network users and any other third parties.

43. The TSO shall place on its website the following information:

43.1. The list of services provided by the TSO, information on tariffs and other conditions of provision of such services, including technical conditions for access and connection to the transmission system;

43.2. The methodology for determination of transmission tariffs and the methodology for determination of the fee for connection to the transmission system;

43.3. Information regarding the capacities of the transmission system and transactions in connection with them, in conformity with the effective legal and by-legal acts;

43.4. Data on planned and actual volumes of electricity that shall be transported by the transmission system; and

43.5. Other information specified on Law No 43/2015 "On Power Sector", other applicable legal acts and the Transmission Grid Code.

44. The TSO shall store the information referred to in Paragraph 42 for 5 (five) years from the date of its placement and shall produce it at the request of competent authorities of the Republic of Albania and of the Energy Community Secretariat.

## **VI. IMPLEMENTATION OF THE PROGRAM**

### **A. Binding character of the Program**

45. Provisions of this Programme are binding to all the TSO's managers and employees and in cases referred to in this Programme and contracts concluded by the TSO or in applicable legal acts, implementation of certain provisions of this Programme is binding to the TSO's authorised representatives, auditors, advisors, contractors, participants, network users and other third parties.

46. All the TSO's managers and employees, its authorised representatives, auditors and advisors shall confirm by signing thereof that they are informed about this Programme and shall implement it. In case of changes of or amendments to this Programme, the Compliance Officer shall as soon as possible notify the TSO's managers, employees, authorised representatives, auditors and advisors of the content of such changes or amendments and respective managers, employees, authorised representatives, auditors and advisors shall confirm by signing thereof that they were duly notified regarding changes of or amendments to this Programme.

47. All the TSO's managers and employees, authorized representatives, shall be instructed on the implementation of this Programme on a regular basis (at least annually). New managers and employees shall be respectively instructed before starting their mandate or employment. Respective instructions shall be given by the Compliance Officer.

48. If any TSO's manager or employee becomes aware of a violation of any provisions of this Programme, such a manager or employee shall immediately notify the Compliance Officer.

49. Violation of any provision of this Programme may be qualified as a gross violation of obligations of the TSO's manager, employee, authorised representative, auditor or advisor, and may give the TSO the right to apply disciplinary actions under the terms and conditions stipulated in applicable legal acts, relevant contracts and/or the TSO's internal acts.

## **B. Monitoring the implementation of the Program**

50. Continuous monitoring of proper implementation of this Programme shall be performed by the Compliance Officer who shall exercise his functions on the basis and within the powers provided on article 21 Directive 2009/72/EC, on this Program and the Contract concluded between the TSO and the Compliance Officer.

51. Implementing the definitions made on ERE Board decision no. 43/2017 “ On the final approval for the certification of the Transmission System Operator for Electricity TSO company in conformity with article 54, point 6 of Law no.43/2015 “On Power Sector” and article 9 point 6 of Directive 2009/72/EC after receiving the opinion of Energy Community Secretariat, as well as article 21 of Directive 2009/72/EC, the Compliance Officer is appointed from the Supervisory Board of TSO company with decision no.20 dated 30.05.2017, which has taken ERE approval with Decision no.147, dated 28.09.2017. Also the minimum requirements for the Compliance Officer, professional qualities and other relevant selection criteria are set by the Supervisory Board of TSO company and are approved by ERE.

52. The contract between the TSO and the Compliance Officer which has taken ERE

approval, includes the requirements defined on article 21 Directive 2009/72/EC and the approval of this program. For this purpose the TSO provided ERE all the data and information necessary to justify the compliance with respective requirements. This contract is signed between the parties after ERE approval.

53. The Compliance Officer shall be independent in carrying out its duties. For this purpose:

53.1. The Compliance Officer shall not perform any other professional duty and shall not be allowed to either directly or indirectly perform any other function or participate in business or be a business partner with any part of the vertically integrated undertaking or with its majority shareholders, or with any undertaking engaged in electricity activity other than transmission of electricity;

53.2. The Compliance Officer shall have not been performing any other professional duty and either directly or indirectly performing any other function or participating in business or being a business partner with any part of the vertically integrated undertaking or with its majority shareholders for a period of at least 3 (three) years before the date of its appointment as the TSO's Compliance Officer;

53.3. Upon termination of contractual relations with the TSO, the Compliance Officer shall not perform any other professional duty and shall not be allowed to either directly or indirectly perform any other function or participate in business or be a business partner with any part of the vertically integrated undertaking or with its majority shareholders, or with any undertaking engaged in electricity activity other than electricity transmission for a period of not less than 4 (four) years; and

53.4. The Compliance Officer shall hold no economic interest in activities of or receive any financial benefit, directly or indirectly, from the vertically integrated undertaking or any part thereof, or from any undertaking engaged in electricity activity, other than electricity transmission.

54. The Compliance Officer shall have sufficient powers as well as adequate financial and organisational conditions enabling, *inter alia*, to propose measures ensuring implementation of this Programme and to require for cooperation from the TSO's managers and employees when verifying and ensuring compliance with this Programme.

55. Remuneration of the Compliance Officer shall not be based on any performance evaluations by the TSO's management. Respective remuneration policies shall be clearly elaborated in the contract between the TSO and the Compliance Officer.

56. The Compliance Officer shall have access to all necessary data and premises of the TSO and to all information needed to carry out its duties. The Compliance Officer shall have access to the TSO's premises without prior notification.

57. The Compliance Officer shall have a right to attend all meetings of the TSO's managers and corporate bodies, including the general assembly, supervisory and management bodies, which have the obligation to notify the Compliance Officer of scheduled meetings and to

provide with all information and materials necessary to participate at the meeting. The Compliance Officer shall attend all meetings that address the following matters:

57.1. conditions for access to the transmission system and use of the transmission network, in particular regarding prices and services related to access to the transmission system and use of the transmission network, as well as regarding capacity allocation and congestion management (flows), transparency, balancing and secondary markets;

57.2. projects undertaken in order to manage the transmission system and to maintain and develop the transmission network, including investments in cross-border interconnection lines and connections; and

57.3. purchases or sales of energy necessary for the operation of the transmission system, including ancillary services and balancing service.

58. Apart from the right stipulated in Paragraph 56, the Compliance Officer shall have a right to take part in all meetings of the TSO's corporate bodies, managers or employees, including operational meetings. Responsible managers and/or employees shall notify the Compliance Officer of scheduled or unscheduled meetings.

59. In order to ensure the implementation and monitoring of this Programme and to fulfil its duties, the Compliance Officer shall in particular be in charge of:

59.1 monitoring the implementation of this Programme;

59.2. elaborating an annual report, setting out the measures taken in order to implement this Programme and submitting it to ERE;

59.3. reporting to competent corporate bodies of the TSO and issuing recommendations on this Programme and its implementation;

59.4. investigation of and reporting to competent corporate bodies of the TSO on any alleged violations with regard to the implementation of this Programme, and submission of proposed solutions for necessary remedial measures;

59.5. investigation of potential or existing conflict of interest of the TSO's managers and employees, provision of consultations with regard to the prevention of such potential and remedying existing conflict of interest, as well as provision of proposed solutions for necessary remedial measures;

59.6. notifying ERE of any substantial breaches with regard to the implementation of this Programme;

59.7. reporting to ERE on any commercial and/or financial relations between the TSO and the vertically integrated undertaking or any part thereof;

59.8. submitting proposals to the TSO's competent corporate bodies, following prior



approval by ERE, as regards the ten-year transmission network development plan or individual investments in the transmission network;

59.9. monitoring the TSO's compliance with the provisions of the Law No 43/2015 "On Power Sector" and this Programme regulating confidentiality in the TSO's activities;

59.10. monitoring legislative and regulatory changes relevant for the application and implementation of this Programme;

59.11. providing consultations in relation to drafting and approving the TSO's internal acts and reflecting legal and regulatory changes in these acts;

59.12. responding to the questions of the TSO's managers and employees regarding this Programme;

59.13. instructing the TSO's managers and employees on this Programme, its implementation and, where relevant, its amendments, as stipulated in Paragraph 56;

59.14. coordinating communication with ERE, other competent authorities, participants and/or other third parties with regard to the implementation of this Programme.

60. While performing its activities, the Compliance Officer shall provide opinions regarding any internal document or action of the TSO with regard to their compliance with applicable legal acts, including any legal and regulatory changes at stake, and with this Programme.

61. The Compliance Officer shall refuse any instruction or request from the TSO, its corporate bodies, managers, employees and/or any other representatives which are or potentially may be in conflict with the mandate and/or independence of the Compliance Officer.

62. The Compliance Officer may be dismissed by the Supervisory Body of the TSO, after the preliminary approval by ERE, due to the lack of independence or professional capacities.

### **C. Reporting on the implementation of the Program**

63. Each year, no later than by [31 March], the Compliance Officer shall prepare and submit to ERE a report on the TSO's compliance with this Programme, which shall be published on the TSO's and ERE's websites. The first report shall be submitted within March 31 2019.

64. The Compliance Officer shall submit the Report referred to in Paragraph 62, even to the Energy Community Secretariat.

65. The Compliance Officer shall report on a regular basis, either in an oral and/or written form, to the competent corporate bodies of the TSO with regard to the implementation of this Programme.

## **VII. GENERAL PROVISIONS**

66. This Programme shall be adopted by Supervisory Board decision of the TSO and within 5 (five) days, shall be submitted to ERE for approval. This Programme shall come into effect the next day after its approval by ERE.

67. Any amendments to this Programme shall be accepted and come into effect as specified on Paragraph 65.

**Compliance Officer**

**Brunilda Veizi**