



REPUBLIKA E SHQIPËRIË

ENERGY REGULATOR AUTHORITY

BOARD

DECISION

No. 45, Dated 29.03.2024

ON

OPENING THE PROCEDURE TO REVIEW THE DRAFT “CONTRACT FOR DIFFERENCE” (CFD) GENERAL CONDITIONS OF THE STANDARD CONTRACT FOR SUPPORT

Based on Article 16 of Law no. 43/2015 "On Power Sector" as amended; Article 14 of Law no. 24/2023 "On promoting the use of energy from renewable sources"; as well as articles 19 and 15 of the Regulation for ERE Organization, Operation and Procedures approved with Energy Regulator Authority (ERE) Board decision no. 96, dated 17.06.2016; ERE Board, on their meeting dated 29.03.2024, after reviewing the report with Protocol no. 823 dated 26.03.2024, prepared by the Technical Directorates "On opening the procedure to review the draft "Contract for Difference (CFD) General Conditions of the Standard contract for Support",

Observed that:

- The Energy Regulator Authority, based on Article 14, point 2 of Law no. 24/2023 "On promoting the use of energy from renewable sources" is the authority responsible for approving the "General conditions of the standard contract for support".
- Referring to Article 14 of Law no. 24/2023 "On promoting the use of energy from renewable sources" provides that: *1. Contracts for support include: a) general conditions, which consist of standardized contractual conditions and terms, which are similar to all comparable projects. b) individual conditions, which consist of specific conditions applicable to individual projects and/or choices between options available under general conditions. 2. The general conditions of the standard contract for support are approved by the Energy Regulator Authority. 3. In a competitive process, the minister may publish in advance as part of the documents of the competitive procedure the general and individual conditions of the relevant contract for support. 4. Contracts for support generally have a duration of 15 years.*
- Regarding the fulfillment of the obligation derived from the above-mentioned provision and supported in the “Regulation for ERE Organization, Operation and Procedures”, approved with ERE Board decision no. 96, dated 17.06.2016, but also pursuant to ERE board decision no.

351/2023 "On approving ERE calendar of measures for 2023 in order to fulfill the recommendations of the resolution for the evaluation of the Energy Regulator Authority activity approved by the Assembly of Albania", through the consultant contracted by the Ministry of Infrastructure and Energy (MIE), via e-mail dated 19.12.2023, has made available the draft agreement for the "Contract for difference" in Albanian and English.

- From the preliminary evaluation of the general conditions of the "Draft Contract for Difference" it results that the agreement contains 24 clauses and 6 annexes which foresee the obligations and responsibilities of the signatory parties on the one hand; (i) the supporting party in the capacity of "Supporting Party/Contracting Authority" and on the other hand (ii) the Producer (BRE) in the capacity of "Seller/Developer".
- The Draft Contract for Difference aims to determine the general conditions aimed at regulating legal/financial relations related to: (i) design, (ii) financing, (iii) construction, (iv) operation (v) guarantees and (vi) maintenance of the electricity production plant from renewable sources (BRE) with a specific installed capacity and which shall be located within the territory of the Republic of Albania.

For all of the above mentioned, ERE Board

Decided:

1. To open the procedure to review and approve the general conditions of the Contract for Difference.
2. The Legal Directory shall inform the Ministry of Infrastructure and Energy as well as the interested parties about ERE Board decision.

This decision enters immediately into force.

Any party involved in this procedure may request from ERE, - within 7 calendar days from the date of the decision, to review the board decision if it has provided new evidence that could lead the board to obtain a decision different from the previous one or for material errors ascertained. This decision can be appealed in the Administrative Court of Tirana, within 30 calendar days from the day of publication in the Official Gazette.

This decision shall be published on the Official Gazette.

CHAIRPERSON IN DUTY

Erjola SADUSHI