LAW No 7/2017

ON

THE PROMOTION OF THE USE OF ENERGY FROM RENEWABLE SOURCES

In accordance with Articles 78 and 83 paragraph 1 of the Constitution, with the proposal of the Council of Ministers.

THE ASSEMBLY OF THE REPUBLIC OF ALBANIA DECIDED:

CHAPTER I

GENERAL PROVISIONS

Article 1

Purpose

- 1. The purpose of this Law is to:
 - a) Promote the increase of use of energy from renewable sources to ensure a sustainable development of the Republic of Albania and to comply with its commitments under the Energy Community Treaty;
 - b) Reduce the import of fossil fuels, greenhouse gas emissions and protect the environment in compliance with the international commitments of the Republic of Albania in line with the relevant international treaties or agreements;
 - c) Promote the development of the renewable electricity market and its regional integration;
 - d) Increase the diversification of the energy resources and the security of energy supply in the Republic of Albania;
 - e) Promote the development of rural and isolated areas by improving their supply with energy.;

Directive 2009/28/EU Of the European Parliament and of the Council, dated: 23 April 2009, "On the promotion of the use of energy from renewable sources" and amending and repealing Directives 2001/77 / EC and 2003/30 / EC, CELEX number-32009L0028, the Official Journal of the European Union, series L, no. 140xxxx / x, dated 05. 06. 2009, p 16-62.

¹ This law has been partially approximated with:

Subject matter

This Law establishes:

- a) The legislative framework for the promotion of use of energy produced from renewable sources;
- b) The binding national objectives for the contribution of energy from renewable energy sources in gross final energy consumption;
- c) The rules for supporting the energy produced from renewable sources;
- d) The obligation for transparency of information;
- e) The rules for access and operation of the grids for renewable energy sources and connection to the electric energy grid within the territory of the Republic of Albania;
- f) The rules for issuing, transferring and cancelation of Guarantees of Origin for the energy produced from renewable sources,
- g) Monitoring the implementation of the reporting requirements and Law.

Article 3

Definitions

In this Law the following terms have the following meaning:

- 1. 'Aerothermal energy' is the energy stored in the form of heat in the ambient air;
- 2. 'Geothermal energy' is the energy stored in the form of heat beneath the surface of solid earth:
- 3. 'Hydrothermal energy' is the energy stored in the form of heat in surface water;
- 4. 'Biomass' is the biodegradable fraction of products, waste and residues from biological origin from agriculture (including vegetal and animal substances), forestry and related industries including fisheries and aquaculture, as well as the biodegradable fraction of industrial and urban waste;
- 5. 'Bioliquids' are the fuels in liquid or gaseous form, mixed with hydrocarbon fuels, produced from biomass, according to the dispositions on law no. 9876, date 14.2.2008 "For the production, transportation, and the trade of biofuels and other renewable fuels to be used on the transport sector.
- 6. **'Energy from renewable sources'** means energy from renewable non-fossil sources, namely wind, solar, aerothermal, geothermal, hydrothermal and ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas and biogases;
- 7. 'Gross final consumption of energy' Is the entire amount of energy delivered to the territory of the Republic of Albania, for industrial purposes, transportation, for the household sector, for different services, including public and private services, agriculture, forestry and fisheries, including the consumption of electricity and heat even for subsistence in all energy sectors, as well as loss of electricity and heat in the transmission and distribution system;
- 8. 'Guarantee of origin' is an electronic document which has the sole function of providing proof to a final customer that a given share or quantity of energy was produced from renewable sources;

- 9. **'Competitive bidding process'** is an objective procedure, transparent, non-discriminatory and competitively enabling the participation of a sufficient number of companies and in which financial support granted on the basis of the initial bid submitted by the bidder
- 10. **'Support scheme'** is any instrument, scheme or mechanism applied in that promotes the use of energy from renewable sources by reducing the cost of that energy, increasing the price at which it can be sold, or increasing, by means of a renewable energy obligation or otherwise, the volume of such energy purchased;
- 11. 'Contract for difference' is the contract, of which the model is approved by the Council of Ministers, between the operator of renewable energy and producers of energy from renewable sources that is declared bidder successful in bidding to obtain assistance in investment or operational, as envisaged in Article 9, of this law.
- 12. **"Strike Price"** is the final price that the priority producer of electric energy will benefit, as the result of being awarded in a competitive procedure.
- 13. "Reference Price" is a price, which is based in Albania's stock market of energy, or up until its creation, in a comparable electricity market.
- 14. 'Priority producer' Is any manufacturer that produces electricity from sources of renewable energy, and in the case of hydro power with an installed capacity of up to 15 MW per generating unit, which benefits from support schemes according to the dispositions of this law.
- 15. 'Renewable energy operator' is the entity responsible for billing and collecting the liability of renewable energy applied to all final customers of electricity.
- 16. " **Net energy metering schemes** " is a scheme that makes the bidirectional measuring possible for small and medium enterprises or household customers, who have installed a total capacity for the production of electricity from wind or sun under 500 kW, which cannot be dispatched. These clients produce a part or all of the energy required for their needs and inject excess energy produced in the distribution network.
- 17. 'Solar photovoltaic systems' is an equipment or installation used to transform solar energy into electricity for on-site consumption or delivery into the electricity networks;
- 18. **'Generation unit'** Is any technical tool, which transforms the energy produced from renewable sources in electricity or heating
- 19. 'Installed capacity of an installation' Is the power of electricity, for which the production unit is technically capable of producing, working as planned, without limitations, and without considering small, short-term interruptions.
- 20. **'Existing priority producers'** are priority producers, from hydro resources, that regardless of the moment of signing the contract with the contracting authority, are equipped with a 'Plant acceptance certificate' in accordance with the relevant legislation, within the 31st of December 2020.
- 21. 'Renewable energy obligation' is a fixed tariff that applies to the final consumers, in accordance with the respective amount of electric energy measured and delivered by the suppliers to these clients. This obligation is calculated as the product of the total amount of electric energy produced by renewable energy sources and the bonus given for the promotion of renewable energy resources, in proportion to the total amount of electric energy delivered by the supplier to the final client.
- 22. "Ministry" is the ministry responsible for energy.
- 23. "Minister" is the minister responsible for energy.

2. For words and terms not expressly mentioned in the definitions listed under paragraph 1 of this Article, reference shall be made to the terms and definitions determined by Law no. 43, dated 30/04/2015 "On power sector", Law no 124 on Energy Efficiency, dated 12/11/2015.

CHAPTER II

NATIONAL TARGETS FOR THE USE OF ENERGY FROM RENEWABLE SOURCES AND THE MEASURES FOR THEIR REALIZATION.

Article 4

National Targets

- 1. The national targets of energy produced from renewable sources in gross final consumption of energy and the indicative trajectory are set and described in Annex I.
- 2. The share of energy from renewable sources shall be calculated as the gross final consumption of energy from renewable sources divided by the gross final consumption of energy from all energy sources, in line with the methodology approved by the Council of Ministers.
- 3. In order to reach the targets set in Annex I of this Law the Republic of Albania can apply measures of cooperation with other Contracting Parties of the Energy Community. The Council of Ministers, upon the Ministers proposal, shall approve the method and criteria of cooperation.

Article 5

National renewable energy resources action plan

- 1. The Ministry in collaboration with the agency responsible for renewable energy sources, other responsible institutions and consulting with the Energy Community Secretariat, according to the dispositions of Article 4 of this Law, shall develop the National Renewable Energy Action Plan, which is revised every 2 years.
- The National Renewable Energy Action Plan shall set out the measures to achieve the national targets of electric energy produced from renewable sources in, heating and cooling purposes, for transport, in gross final energy consumption by 2020 as set by Annex I to this Law.
- The National Renewable Energy Action Plan shall be approved by the Council of Ministers upon the minister's proposal. The approved renewable energy action plan shall be notified to the Energy Community Secretariat.
- 4. The implementation of the National Renewable Energy Action Plan shall be monitored by the agency responsible for renewable energy sources. The Agency shall submit a monitoring report to the Ministry each year by 30th June, of every year.

- 5. By September 30 every two years, the ministry shall submit to the Council of Ministers a report on the implementation of the National Renewable Energy Action Plan and the fulfilment according to the national obligatory objectives by renewable resources. This report shall be published on the official internet page of the ministry.
- 6. If the report described in Article 5 finds that the share of energy from renewable sources fell below than the indicative trajectory in the immediately preceding two-year period set out in Annex I by more than 1 percentage point, the Ministry proposes to the Council of Ministers the amendment of the national renewable energy action plan, setting out adequate and appropriate measures to re-join the indicative trajectory in Annex I.

Information, certification and statistics

- The Ministry shall ensure that information on the benefits and costs of developing and using energy from renewable sources, as well as on support measures is made available to all interested parties.
- 2. The Council of Ministers will approve, upon the proposal of the Ministry and the Minister responsible for Urban Development, certification schemes and the relevant certification criteria for installers of small-scale biomass furnaces and stoves, solar photovoltaic and solar thermal systems, shallow geothermal systems and heat pumps. The certification awarded in any of EU Member States or Contracting Party of the Energy Community is recognised based on those criteria.
- 3. All entities that produce energy from renewable sources shall be under the obligation to submit to the agency responsible for renewable energy sources their annual energy generation data, the payment of financial duties, and other data defined by a ministers ordinance non later than March 31 of each year,.

Article 7

Duties of the Agency responsible for renewable energy sources

- 1. The agency responsible for renewable energy as an institution depending on the Minister shall have the following main duties:
 - a) Creating, recording and updating the registry of priority energy producers;
 - b) Registering the energy balance of all priority energy producers;
 - c) Drafting and submission to the Ministry of the draft of the National Renewable Energy Action Plan in deadlines defined by this ministry;;
 - d) Monitoring the implementation of the National Renewable Energy Action Plan following the approval by the Council of Ministers;
 - e) Creates and submits to the Ministry and ERE by the 1st of June of each year an evaluation of the share of energy generated from renewable sources as compared to the gross final consumption of energy for the previous year;

- f) Developing all required documents and submitting them for approval to the Ministry responsible for energy as provided in Article 6 (1) of this Law;
- The council of ministers, upon the Ministers proposal appoints or creates an institution that will carry out the duties and responsibilities of the Agency responsible for renewable energy.

CHAPTER III

PROMOTING ELECTRICITY GENERATION FROM RENEWABLE ENERGY SOURCES

Article 8

Support measures for electricity produced from renewable sources

- In order to ensure the national target on renewable energy, the Council of Ministers upon proposal by the minister approves measures to promote the use of electric energy from renewable sources.
- 2. Support by a contract for difference to priority producers of electric energy, except for the cases foreseen in this law, shall be granted through a competitive process. The support shall be granted in the form of a premium to reach the strike price, as an addition to the reference price.
- 3. The ministry upon consultation with the agency responsible for renewable energy sources, the Energy Regulatory Entity, and the Energy Community Secretariat creates any proposal for support measures. The conditions and procedures for granting the support measures, that involve aid from the state budget shall be approved by the Council of Ministers upon proposal of the minister. These measures in any case shall be given in accordance with the legislation in force for state aid.
- 4. Priority electric energy producers are responsible to balance. They shall become a balance responsible party by signing a contract with the transmission system operator or can transfer the balance responsibility to another balance responsible party thus becoming a member of the balance responsible group in accordance with the Market Rules, and other procedures approved by ERE, under consultation with the Energy Community Secretariat.

Article 9

Contracts for difference

- 1. The support under the Contract for Difference takes the form of a variable premium calculated as the difference payment between the price with which the renewable energy producer was declared successful in the competitive process for granting the aid (the strike price) and the market price for electricity (the reference price).
- 2. The beneficiaries of the operational support under a Contract for Difference and the maximal level of such support will be determined in a competitive process open to all generators producing electricity from renewable energy on the basis of clear, transparent and non-discriminatory criteria, except the cases in which:
 - a) only one or a very limited number of projects could be eligible for a competitive bidding process, or

- b) a tendering process would lead to demonstrable higher support levels, or
- c) a tendering process would result in demonstrable lower prices
- 3. The bidding process can be limited to only a specific technology where a process open to all generators would lead to a suboptimal result which cannot be addressed in the design process in view of, in particular:
 - a) The longer-term potential of a given new and innovative technology;
 - b) The need to achieve diversification of resources;
 - c) Network constraints and grid stability;
 - d) System integration costs;
 - e) The need to avoid distortions on the raw material markets from biomass support.
- 4. The model of the contract for difference, terms and procedures, as well as the cases defined on paragraph 2 and 3 of this article, shall be proposed by the Minister and approved upon a Decision of the Council of Ministers.
- 5. The Renewable Energy Operator, will introduce and use an application form for support according to the contract for difference. The application form includes among others the applicant's name and the type of the undertaking, a description of the project, including its location and start and end dates, the amount of support needed to carry it out and the eligible costs. In the application form, beneficiaries must describe the development of the project without the support.
- Support of the renewable energy producers will in any case only be granted until the plant
 has been fully depreciated according to normal accounting rules and any investment aid
 previously received must be deducted from the financial support, according to the contract
 for difference.
- 7. Renewable energy producers are obliged to pay the difference between the reference price and the strike price to the Renewable Energy Operator when in practice the reference price exceeds the strike price. If the day-ahead power auction hourly price is below zero for less than six consecutive hours, the support will be capped at the strike price. If the day-ahead power auction hourly price remains negative throughout a six-hour period or longer then the difference amount under the Contract for Difference will be set to zero for the entirety of that period.
- 8. Contracts for Difference will have the duration of maximum 15 years.

Support measures for electric energy production from small renewable resources

- 1. The support according to the contract for difference do not apply for priority producers
 - a. of an installed electric energy capacity up to 2 MW;

- b. of an installed electric energy capacity up to 3 MW for wind energy;
- c. for demonstrative projects;
- 2. The acquisition price of electric energy from hydro power plants of an installed capacity of up to 2 MW is defined by ERE, is based on a methodology approved by the Council of Ministers, upon proposal of the Minister. The methodology defines the calculation criteria based on the price of the organized electric energy market, or upon its creation, on comparable prices of organized markets of neighbouring countries, plus a defined bonus for the promotion of these resources, that takes into consideration a reasonable return on investment. On any case, this price shall not be lower than the approved price from ERE for the year 2016.
- 3. The acquisition price of the electric energy from every other priority producer defined on paragraph 1 of this Article, is calculated by ERE in accordance with the methodology approved from the Council of Ministers, upon proposal from the Minister, that shall take into consideration a reasonable return of investment, according to the technology used.
- 4. On the creation of the methodology about the selling price according to paragraph 2 and 3 of this article, the ministry also takes the opinion of the State Aid Commission.

Renewable Energy Operator

- 1. The Renewable Energy Operator is responsible for the billing and the collection from every electric energy Supplier, of the payments for the renewable energy obligation for all categories of priority producers, applied to all final consumers according to the relevant electric energy measured and delivered to these clients. The Council of Ministers defines the operator that shall carry out the functions of the Renewable Energy operator, according to the responsibilities defined on this law and the Law on electric energy sector.
- 2. 1. The Renewable Energy Operator is responsible for signing and managing Contracts for Difference with the priority energy producers. This involves management of the contracts throughout their life, as well as forecasting CFD payments to priority producers, according to the renewable energy obligation. The Renewable Energy Operator is also responsible for settlement of amounts payable to priority producers.
- 3. ERE defines the renewable energy obligation to be paid by the final consumers of electric energy, on a yearly basis. ERE also defines the methodology for the calculation of this obligation and also the compensation procedure of the difference for the producers.
- 4. The Renewable Energy Operator has to ensure that detailed records regarding all measures involving the granting of aid are maintained. These records must be kept for the duration of the Contract for Difference plus an additional period of ten years, including all information relevant to demonstrating that the terms of the Contract for Difference have been complied with.

5. The Renewable Energy Operator publishes each year details of calculations and payments under the Contract for Difference. The renewable energy operator will perform an evaluation of the first round of the competitive process including the completed percentage of projects of renewable energies declared winner on the competitive process, after having the 'Plant acceptance certificate'.

Article 12

Access to the grids

- Transmission and distribution of electricity from renewable sources is guaranteed, based on transparent and non-discriminatory criteria and based on tariffs approved and published by ERE. The producers that produce energy from renewable resources have a priority on the access to the grid.
- 2. The Transmission System Operator and the Distribution System operator guarantee access on their grid in accordance with the law no. 43/2015 "On electric energy sector".
- 3. The criteria set out in the paragraph 1 of this article will be included in the agreement of operation between the system transmission operator or distribution system operator and renewable energy producers.
- 4. ERE will adopt appropriate grid and market-related operational measures in order to minimise the interruptions of electricity produced from renewable energy sources.

Article 13

Connection to the grids

- Transmission and distribution system operators take the appropriate steps to develop the
 transmission and distribution grid infrastructure, intelligent networks, storage facilities and
 the electricity system, in order to allow the secure operation of the electricity system as it
 accommodates the further development of electricity production from renewable energy
 sources, including interconnections with the neighbouring countries in accordance with the
 national renewable energy action plan.
- 2. Upon proposal of transmission and distribution system operators, ERE shall approve the facilitating procedures and rules for the connection of generation facilities to the grid, pursuant to the criteria set forth by Law no. 43/2015 "On power sector" in collaboration with the state, and local authorities involved in authorisation, planning and permitting procedures at local, and national level.
- 3. Transmission and distribution system operators shall, upon the request of a producer of energy from renewable sources, and in accordance with codes and regulations approved by ERE, propose as connection point to their network the one point which meets the most favourable conditions for the renewable energy producer from point of view of cost and distance to the grid. In selecting the best and most convenient connection point, the

transmission and distribution system operators shall take into account the technical constraints and economic efficiency of the selected connection point to the grid. The transmission and distribution system operators shall provide any new producer of energy from renewable sources wishing to be connected to the system with the comprehensive and necessary information required, including:

- a) a comprehensive and detailed estimate of the costs associated with the connection;
- b) a reasonable and precise timetable for receiving and processing the request for grid connection;
- c) a reasonable indicative timetable for any proposed grid connection.

Article 14

Cost for grid system connection and capacity expansion

- The necessary costs of the connection of installations that generate electricity from renewable energy sources to the connection point and the necessary metering devices to record the electricity supplied and received shall be borne by the renewable energy producer.
- 2. If the grid system operator after the approval of the connecting point according to the Article 13 paragraph (3), assigns a different connection point, it must cover the resulting additional costs that are caused to the producers.
- 3. The grid system operator shall cover the costs of optimising, strengthening and expanding the grid system.

Article 15

Net metering energy schemes

- 1. In compliance to the measuring scheme, a small or medium enterprise or a family consumer can install a total capacity up to 500kW for the production of electric energy from the sun or wind to cover a part or all the energy for their own needs and can introduce the surplus energy produced into the distribution grid.
- 2. The consumers according to the net energy measuring scheme, shall install on their own expenses a bidirectional meter.
- 3. The net balance and the billing is made on a monthly basis for each measuring unit. The surplus electric energy higher than their monthly consumption is sold to the supplier of the universal service, charged with the duty of public service, according to the price defined by ERE, based on the corresponding methodology approved by the Council of ministers, upon proposal of the minister.
- 4. The ministry shall approve a facilitated procedure of issuing authorisations for connecting small renewable energy projects to the grid .

GUARANTEE OF ORIGIN FOR ENERGY GENERATED FROM

RENEWABLE ENERGY SOURCES

Article 16

Guarantee of origin

- 1. Upon request of the renewable energy producer, ERE shall issue a guarantee of origin for each electricity unit generated by the power plant, after acquirement of the right to build the renewable energy power plant.
- 2. One guarantee of origin shall be issued in the standard form for an electricity unit of 1 MWh and it shall specify:
 - a. The energy source from which the energy was produced,
 - b. the start and the end dates of the production;
 - c. The name, location, type and capacity of the installation where the energy was produced;
 - d. Whether and to what extent the producer has benefited from investment support and from other national support schemes;
 - e. Date of commissioning of the installation and when became operational;
 - f. The date, country of issuance of the guarantee and a unique identification number;
- 3. The guarantee of origin can be transferred, alone or along with the physical transfer of the energy and shall not have an effect on the decision of using the cooperation mechanisms for the achievement of the objective or in the calculation of the final gross consumption of energy from renewable resources, according to the Article 4 of this Law.
- 4. ERE shall put in place an electronic register of guarantees of origin with an appropriate data processing mechanism to ensure that guarantees of origin shall be issued, transferred and cancelled electronically and are accurate, reliable and fraud-resistant. Any interested party shall be entitled to freely access this register.
- ERE shall monitor the issuance, transfer and cancellation of guarantees of origin, and it shall ensure that the same unit of electricity from renewable energy sources is taken into account only once.
- 6. The guarantees of origin shall be issued based on comprehensive data and adequate information to certify the origin of electricity supplied by the producer as well as measurement data certified by the transmission or distribution network operator. Guarantees of origin shall only be issued if the producer provides all information required in paragraph (2) of this Article.
- 7. No support shall be granted to a producer when that producer receives a guarantee of origin for the same production of energy from renewable sources.
- 8. Any use of a guarantee of origin shall take place within 12 months of production of the corresponding electricity unit. A guarantee of origin shall be cancelled once it has been used.
- 9. The electricity supplier obliged to prove the share or quantity of energy from renewable sources in its energy mix for the purposes of providing customers with the information on the consumption of renewable energy it may do so by using its guarantees of origin.
- 10. The amount of energy from renewable sources corresponding to guarantees of origin transferred by an electricity supplier to a third party shall be deducted from the share of

- energy from renewable sources in its energy mix for the purposes of paragraph 7 of this Article.
- 11. If the electricity was produced by a hydropower plant with a pumped storage system from water that has previously been pumped uphill, the guarantees of origin shall be issued solely for the amount of electricity corresponding to the difference between the electricity generated from the hydropower plant and the electricity consumed by the pumped storage system.
- 12. If the electricity is generated from municipal and industrial waste, the guarantee of origin shall be issued solely for the amount of energy corresponding to their biodegradable share, as defined under Article 3 paragraph 1 point 4 of this Law.
- 13. ERE shall approve a special regulation on the establishment of an accurate, reliable and fraud-resistant system for issuing, transfer and cancelation of the guarantees of origin. This regulation, among other things, particularly stipulates:
 - a. The documentation to be provided by the producer for the technical qualification of its installation as a plant generating electricity from renewable energy sources;
 - b. The technical qualification procedure, and in particular the time limit for ERE to reply to applications submitted and the legal consequences resulting from failure to comply with this obligation;
 - c. The application procedure for the issuance, registration, transfer or cancellation of guarantees of origin;
 - d. The procedure for monitoring and verification of the accuracy and reliability of the obligations implemented by the producer;
 - e. Matters related to the collaboration with competent authorities of EU Member States and other countries with which an agreement for mutual recognition of guarantees of origin is signed.

Monitoring procedure

- 1. In order to ensure that the conditions for issuing guarantees of origin have been met and the data and information based on which they are issued is correct, the representatives of ERE and any person authorized by it, without prejudice to observance of the business confidentiality, shall have free access to the relevant production plant and all data and information relating to that plant. The producer shall be obliged to facilitate the work of the representatives of ERE and persons authorized by it.
- ERE may refuse to recognize the Guarantee of Origin only when there is doubt concerning
 its accuracy, reliability, or truthfulness. ERE shall notify the Energy Community Secretariat
 for every refusal along with the reasons for the refusal. The opinion of the Energy
 Community Secretariat on the recognition of the guarantees of origin shall be taken into
 consideration by ERE.

Article 18

International cooperation on guarantees of origin

- A Guarantee of Origin for electricity generated from renewable energy sources issued by an EU Member State or any country which is a Contracting Party to the Energy Community Treaty, shall also be recognized in the Republic of Albania.
- ERE shall work closely with all authorities that issue guarantees of origin in EU Member States, and with any country which is a Contracting Party to the Energy Community Treaty, in order to disclose to end consumers the share of energy generated from renewable sources in total energy supplied.

CHAPTER V

RENEWABLE RESOURCES ENERGY ON TRANSPORT AND FOR THE PRODUCTION OF HOT WATER.

Article 19

Use of renewable energy resources in transport

The fulfillment of national obligations on renewable energies for the intentions of using the energy form renewable resources on all forms of transport, according to the national objectives for the use of renewable energy resources, according to Article 4 of this Law, is achieved through legislation on production, transport and marketing of biofuels and other renewable fuels, for transport.

Minimal objectives for the use of solar energy for the production of hot water

- 1. The Council of Ministers determines minimal indicators for the production of urban hot water for use of sanitary and technological processes, obtained from the systems of solar panels.
- 2. Minimal Indicators of solar energy use, determined under paragraph 1 of this article, will be decided taking into account the quantity of solar radiation in different areas of the country.
- 3. The Council of Ministers approves the specific criteria for the calculation of solar energy used to obtain hot water, either separately or as a part of the Building Energy Code taking into account the latest EU standards approved for this purpose.

CHAPTER VI

FINAL DISPOSITIONS

Article 21

Subordinate legislation

- 1. The Council of Ministers is charged, within 12-months form the entry in force of this law, with the approval of the subordinate legislation according to Article 4, paragraph 2 and 3; 5, paragraph 3; 6, paragraph 2; 7 paragraph 2; 8, paragraph 1 and 3; 9, paragraph 4; 10 paragraph 2 and 3; 15 paragraph 3; 20 paragraph 1 and 3 and 22 paragraph 2 and 4 of this law.
- 2. The ministry responsible for energy is charged, within 12 months form the entry in force of this law, with the approval the subordinate legislation according to Articles 6 paragraph 3; 15 paragraph 4 and 22 paragraph 1 of this law.
- 3. The Energy Regulatory Entity is charged, within 12 months form the entry in force of this law, with the approval the subordinate legislation according to Articles 8 paragraph 4; 11 paragraph 3; 12 paragraph 4; 13 paragraph 2; and 16 paragraph 13 of this law.

Article 22

Transitory dispositions

- Priority producers, that have a 'Plant acceptance certificate' for the electric plant, within 31 December 2020 have the right to choose to benefit the support scheme according to the contract for difference, in line with the dispositions of this law and the procedures approved by ERE. The 'Plant acceptance certificate' is issued by the contracting authority, according to the ministers guidelines.
- 2. The acquisition price of the electric energy form the priority producers, that have a 'Plant acceptance certificate' for the electric plant within 31 December 2020 and that are not part of the support scheme by a contract for difference, is calculated by ERE in accordance with the Methodology approved by the Council of Ministers, upon proposal of

- the Minister. This methodology is created with the consultation of the Energy Community Secretariat.
- 3. The methodology foreseen on paragraph 2 of this Article defines the calculating criteria for the price based on the price of the organized market of electric energy, or upon its creation, on comparable prices of organized markets of neighboring countries, plus a defined bonus for the promotion of these resources, that takes into consideration a reasonable return on investment. On any case, this price shall not be lower than the price approved by ERE for the year 2016.
- 4. The obligation for the acquisition of electric energy produced by priority producers of electric energy, that do not benefit from the support scheme, according to the contract for difference, is considered an obligation of the public service and is charged to a party licensed by ERE, in accordance with the conditions and procedures approved by the Council of Ministers.
 - **5.** Until the creation of the balance market, but not later than 31st December 2022, the existing priority producers shall not be responsible for the costs of the caused disbalance. These costs are taken into consideration by ERE on the electric energy distribution fee. Existing priority producers shall notify to the Distribution System Operator the production schedule, in accordance with the electric energy market rules.

Repeal of Acts

The Law no. 138/2013, dated 02.05..2013 "On renewable energy sources", is made invalid.

Article 24

Entry into force

This law enters into force 15 days after its publication in the Official Journal.

Annex I

- a) The overall objective of Albania for energy from renewable energy sources on the gross final energy consumption is 38% in 2020.
- b) The Guiding Trajectory described in the Article 4 contains indicators below of the part of energy from renewable sources

Share of					Objective of
renewable	Average for	Average for	Average for	Average for	renewable
energy in	2011-2012	2013-2014	2015-2016	2017-2018	energy in
Albania in		2013-2014	2013-2010	2017-2010	Albania in
2009					2020

31,2% 32	2,6% 33,2%	34,3%	35,6%	38%
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