**MODEL OF**

**AGREEMENT ON**

**access and usage of the electricity transmission network and the fee for using the electricity transmission system**

CONLUDED BETWEEN:

**AD “MEPSO”**

And

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User

Based on Article 81 of the Law on Energy ("Official Gazette of the Republic of Macedonia" No. 96/2018), and 74 of the Network Code for Electricity Transmission (Official Gazette of the Republic of Macedonia No. 12/2015) as well as the Electricity Supply Rules (Official Gazette of the Republic of Macedonia No. 172/2018) is concluded:

**AGREEMENT**

**on the method and conditions for using the electricity transmission network and the fee for using the electricity transmission system**

1. **ELECTRICITY TRANSMISSION SYSTEM OPERATOR OF THE REPUBLIC OF NORTH MACEDONIA,** a Joint Stock Company for electricity transmission and power system control, in state ownership - SKOPJE “Maksim Gorki” No.4, 1000 Skopje, with Unique identification No. of the entity: 5933781 and Unique Tax No.: MK 4030004529600 represented by the President of the Management Board of JSC MEPSO Eva Shukleva.

and

1. **User**

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**Article 1**

**Scope of the Agreement**

1. The subject matter of this Agreement on the method and conditions for using the electricity transmission network and the fee for using the electricity transmission system (hereinafter: Agreement) represent the rights and obligations between the Contracting Parties regarding the method and conditions for using the electricity transmission network and the fee for using the electricity transmission system.

**Article 2**

**Access to the electricity transmission network**

1. JSC MEPSO is obliged to provide unhindered access to the User of the electricity transmission network, for the purpose of procurement, transmission, and supply of electricity in the manner and conditions determined by this Agreement.
2. JSC MEPSO is obliged to ensure objectivity, non-discrimination and transparency of information and data related to access to the electricity transmission network.
3. Electricity transmission network means power plants and other equipment for transmission of electricity at 400 kV and 110 kV voltage level, which are owned by JSC MEPSO and parts of facilities and network at 110 kV and higher voltage level, which are in property of transmission system Users, or they have the right to use them.
4. The connection of electricity facilities to the User of the electricity transmission network shall be carried out in accordance with the law, the by-laws and the Network Code for Electricity Transmission system operation (hereinafter: Network Code).

**Article 3**

**Data for responsible departments**

1. The Contracting Parties agree within 15 days after signing this Agreement to exchange data on the responsible departments (persons) who will be tasked with coordinating and planning the short-term and long-term outages of the connection elements of the electricity transmission system in the form of a written notification.
2. Each contracting Party is responsible, in case of a change in the submitted data, to inform the other Party in a timely manner, within the time limit and in the manner determined in paragraph 1 of this article.

**Article 4**

**Obligations of the Contracting Parties in the event of an accidental outage**

1. In the event of an accidental outage of a part of the electricity transmission network for any reason, the two Contracting Parties will make every effort, each on their part, to re-establish a normal mode of operation, while considering the maximum use of all technical possibilities for taking over or delivery (transmission) of electricity.
2. In order to maintain the reliability of the electricity transmission system in case of its endangerment due to the occurrence of unforeseen circumstances, JSC MEPSO should undertake the necessary measures and activities determined by law, other regulations and the Network Code.

**Article 5**

**Maintenance of facilities**

1. The User of the electricity transmission network has the obligation to maintain in a reliable condition, exploit, reconstruct, overhaul and operate the connection facilities, which are in his possession in relation to the delivery point, in accordance with the technical norms and rules that are in force.
2. JSC MEPSO has the obligation to maintain them in a reliable condition, exploit, reconstruct, overhaul and manage the electricity transmission facilities and all the necessary installations that are in its possession intended for connection with the User of the electricity transmission network, all in accordance with the technical norms and rules which are in force.
3. The Contracting Parties agree to regulate the manner and conditions for maintenance of common facilities and equipment with separate agreements.

**Article 6**

**Planned outages and operation**

1. In the event of the need to disconnect an element(s) from the electricity transmission network or an element(s) from the User's network if he has such a network or elements, which affect the other Contracting Party, for the purpose of upgrading, modifying or implementing of the technical solutions that will improve the operation of the respective network, the disconnection will be carried out in terms previously agreed and confirmed by both Parties.
2. JSC MEPSO and the User of the electricity transmission network harmonize the plans from paragraph 1 of this article according to previously agreed dynamics. In case of inconsistency between the Contracting Parties, the User of the electricity transmission network has the obligation to adjust its operation according to the needs of JSC MEPSO.
3. To ensure reliable operation of the electricity transmission network, JSC MEPSO and the User of the electricity transmission network agree to make available to each other all the necessary information.

**Article 7**

**Forced disconnection of transmission capacities**

1. If the fulfillment of the obligations of this Agreement by the User of the electricity transmission network and/or JSC MEPSO would endanger the health and life of people, the reliability of the equipment, would damage the property or cause an accident, then JSC MEPSO and /or the User of the electricity transmission network can access the forced disconnection of the electricity transmission capacities in a manner, procedure and notification that are in accordance with the Law on Energy and the Network Code.
2. In the case of paragraph 1 of this article, JSC MEPSO and/or the User of the electricity transmission network make every effort to establish a normal operating mode of the electricity system as soon as possible.

**Article 8**

**Voltage quality and reactive power exchange**

1. The Contracting Parties agree that they will keep the exchange of reactive energy at the lowest possible level.
2. In order to ensure the required voltage quality according to the Network Code, the Contracting Parties shall make every effort to limit the feedback effects from the network of one Contracting Party to the network of the other Contracting Party.

**Article 9**

1. Calculation measuring points are measuring points where the delivered and/or received electricity from the transmission system given in Annex 1 of this Agreement is determined or measured.
2. In the event of a malfunction of the calculation measuring devices from paragraph 1 of this article, the control measuring devices specified in Annex 2 of this Agreement are used to determine the delivered and/or received electricity.
3. The location of the calculation measuring points is determined by JSC MEPSO in accordance with the Electricity Transmission Network Code.

**Article 10**

**Registration of electricity at the calculation measuring points**

1. At each delivery point of electricity between the electricity transmission system and the User of the electricity transmission network, measuring equipment for registration of active and reactive power in two directions, in time intervals of 15 minutes, should be installed.
2. The electricity transmission system operator is obliged to install a measuring device that will be for calculation purposes, and the other Contracting Party is obliged to install a control measuring device with the same technical characteristics.
3. The two Contracting Parties agree to mutually exchange data from their measuring devices according to agreed time dynamics, in agreed time intervals and after the occurrence of specific operational circumstances that will cause the need to exchange data from measuring devices.
4. According to the needs of the power system, JSC MEPSO will request the installation of protective devices, and the User is obliged to procure, install and maintain them according to the instructions of JSC MEPSO.

**Article 11**

**Measuring devices and measuring equipment**

1. Measuring devices used for calculation and invoicing must be verified by the Bureau of Metrology at the Ministry of Finance of the Republic of North Macedonia in accordance with the Law on Metrology. Measuring devices and connection terminals must be sealed by JSC MEPSO.
2. Any change or control of the measuring equipment can only be done according to a previously established and jointly agreed work plan and always in the presence of both Contracting Parties. Records signed by both Contracting Parties should be drawn up for the mentioned activity, and each Party keeps one copy of the records.

**Article 12**

**Interventions in the measuring equipment**

1. No Contracting Party may independently carry out any interventions in the measuring equipment used for calculation without first notifying and calling the other Contracting Party. The notification must be sent at least 3 (three) working days before the intended intervention.
2. The Contracting Parties can request an emergency control of the measuring devices, which must be carried out no later than 5 (five) working days after the submitted request.

**Article 13**

**Data reading from measuring points**

1. The reading of the data from the calculation and control measuring points is done with equipment and software for remote reading of the measuring points (red registry, load profile) by JSC MEPSO.
2. JSC MEPSO and the user of the electricity transmission network should ensure uninterrupted remote reading of the data from the calculation and control measuring devices.
3. JSC MEPSO delegates the right of remote access to the measuring data by defining the list of authorized users of the measuring data.
4. JSC MEPSO allocates the access time according to its own acquisition needs and the needs of the user based on non-discriminatory principles.
5. Non-observance of the determined allocation of time for access to the measuring data will lead to shortening of the right of access by JSC MEPSO.
6. It is the user's obligation to use licensed applications for communication and data transfer, and only the user can use the right of access granted to him by JSC MEPSO.
7. JSC MEPSO has the right to access the data from the measuring systems of the user of the electricity transmission network.

**Article 14**

**Communication links**

1. JSC MEPSO and the user of the electricity transmission network provide the communication links for reading, according to the existing systems of both Parties, without limitation towards the other Party.
2. In the event of a failure of the communication links, both Parties, with mutual cooperation, must restore them to a исправна состојба, so that the exchange of information is in accordance with the other articles of this Agreement.
3. In the event of a need to replace the existing system at one of the Parties, the other Party is required to provide full support for the exchange of the necessary information to continue in accordance with the other articles of this Agreement.

**Article 15**

**Control of the accuracy class of measuring devices**

1. If larger differences than allowed are observed when comparing values from calculation and control measurements, then control of the accuracy class of the calculation and/or control measuring devices should be performed. After the error is determined, the calculation will be corrected in accordance with Article 17 of this Agreement.
2. Any Contracting Party has the right to request an emergency verification of the accuracy class (emergency verification) of the measuring device for calculations.

**Article 16**

**Costs for control of the accuracy class / исправност of the measuring devices**

1. If, during the control of the class of accuracy/исправност of the measuring devices from Article 15 of this Agreement, the result shows that the measuring devices registered electricity within the limits of the prescribed permitted deviations, the costs for the performed control shall be paid by the Contracting Party that requested the emergency measurements.
2. If, during the control of the accuracy class/исправноста of the measuring devices from Article 15 of this Agreement, it is determined that there are deviations from the permitted limits, then the costs for the performed control of the measuring devices shall be paid by the owner of the measuring device.

**Article 17**

**Correction of the calculation**

1. If it is determined that the deviation of the measuring devices exceeds the permitted limits prescribed in the metrology regulations for the corresponding accuracy class of the measuring devices or a malfunction of the measuring equipment occurs, the calculation is corrected.
2. The correction of the calculation from paragraph 1 of this article is made for the period during which the error lasted.
3. If the time when the error occurred cannot be determined exactly, then half of the time since the last control is taken into account during the correction, but at most 6 (six) months back.
4. The correction of the calculation will be performed on the basis of a record of the ascertained amount of electricity, according to the prices that were valid during the period when the error lasted.

**Article 18**

**Accounting period**

1. The accounting period lasts for one month, and it starts on the first day of the month at 00:00 and lasts until the last day of the month at 24:00.

**Article 19**

**Data for calculation of compensation for electricity transmission**

1. For the calculation of the fee for the electricity transmission service that AD MEPSO invoices for the delivered amounts of electricity measured at the delivery points, the data registered on the calculation measuring devices are used.
2. In the event of a failure of the calculation measuring devices or their calibration, the compensation from paragraph 1 of this Article will be calculated according to the data registered on the control measuring devices.
3. When determining the fee from paragraph 1 of this Article, the appropriate tariffs for the use of the electricity transmission system determined by the Energy and Water Services Regulatory Commission of the Republic of North Macedonia shall be applied.

**Article 20**

**Technical losses of electricity**

1. If the control measuring device from Article 19 paragraph 2 is not located at the point of delivery/reception of electricity, the reported value will be corrected for the percentage of technical losses to the point of delivery/reception of electricity.
2. The percentage of losses from paragraph 1 of this Article is determined on the basis of available documentation by authorized persons of both contracting parties.

**Article 21**

**Invoicing and payment**

1. Calculation data is reconciled no later than the 4th working day of the current month for the previous month.
2. By the 5th working day of the month, for the previous month, AD MEPSO should submit an invoice for compensation for the use of the electricity transmission system. The calculation should be prepared based on regulated prices and tariffs, approved and published by the Energy and Water Services Regulatory Commission of the Republic of North Macedonia.
3. The user of the electricity transmission network is obliged to pay the total amount of the invoice from paragraph 2 of this Article by the 15th of the current month for the previous month.
4. In case of a dispute, if the user of the electricity network refuses to pay the part of the calculated amount that is disputed, then within the agreed term the user of the electricity network is obliged to pay the part of the calculated amount that is not disputed.
5. For late payment, the user of the electricity transmission network is obliged to pay legal penalty interest.

**Article 22**

**Payment guarantee**

1. In order to secure the payments from this Agreement, the user of the electricity transmission network, within eight (8) days after signing this Agreement, will submit to AD MEPSO a bank guarantee that is an integral part of this Agreement or will deposit funds to the account of AD MEPSO.
2. The amount of the bank guarantee and/or the deposited funds should cover the amount of the highest monthly invoice for the transmitted electricity calculated according to the planned consumption in the electricity balance, which will be delivered by the User of the electricity transmission network at the request of AD MEPSO. If the acquisition of electricity exceeds the planned quantities, AD MEPSO has the right to immediately request a new bank guarantee and/or deposited funds according to the new consumption.
3. The bank guarantee will be payable upon presentation of an invoice and a statement signed by an authorized person that the invoice has not been paid within the term and manner provided by this Agreement.
4. Bank guarantees must be issued in a form in which the guarantor bank unconditionally and irrevocably undertakes to pay any amount to the guaranteed, upon first written request submitted to AD MEPSO.
5. If the user of the electricity transmission network does not pay his obligation within the agreed term, AD MEPSO delivers him a written warning.
6. If within 8 (eight) days from the delivery of the written warning the User does not pay the due obligation, AD MEPSO will charge the bank guarantee and/or use the deposited funds.
7. If the bank guarantee is partially or fully charged and/or the deposited funds are fully or partially used, the User has the obligation to immediately, but not later than 8 (eight) days, submit a new bank guarantee and/or replenish the deposited funds in an amount according to paragraph 2 of this Article.
8. The term of validity of the bank guarantee and/or deposited funds shall cover one calendar year plus 15 (fifteen) days from the currency date of the last invoice in that year. For each subsequent calendar year, during the validity period of this Agreement, before the expiry of the validity of the current bank guarantee, the User is obliged to submit a new bank guarantee for the following calendar year plus 15 (fifteen) days from the currency date of the last invoice in that year.
9. The user of the electricity transmission network, apart from a bank guarantee or deposited funds specified in paragraph 1 of this article, can submit a bill of exchange that will cover the amount of the highest monthly invoice for the transmitted electricity calculated according to the planned consumption in the electricity balance. The rights and obligations under the promissory note are governed by an enforceable clause of this Agreement which reads:

**Enforcement Clause**

The user of the electricity transmission network accepts the legal consequences arising from this Agreement and agrees to have it solemnized by an authorized Notary and to present an EXECUTIVE DOCUMENT on the basis of which AD MEPSO will be able to carry out forced execution for the purpose of collecting overdue and unpaid claims in accordance with Article 21 of this Agreement with the right, in accordance with the provisions of the Law on Execution of Republic of North Macedonia, to carry out a procedure for forced execution from all denar and foreign currency giro accounts of the User, as well as from the entire movable and/or immovable property at its disposal.

1. If the *Executive Clause* is implemented, the User has the obligation to repeat the procedure as in paragraph 9 of this Article immediately but not later than 8 (eight) days.
2. The user of the transmission network, apart from a bank guarantee or deposited funds referred to in paragraph 1 of this Article or a promissory note referred to in paragraph 9 of this Article, may pay the fee for using the transmission network in advance.
3. AD MEPSO will disconnect the user from the transmission network if the user does not provide a bank guarantee and/or deposited funds and/or promissory note in accordance with paragraph 2 and paragraph 9 of this Article or does not provide a new bank guarantee and/or does not replenish the deposited funds in accordance with paragraph 7 of this Article and/or did not implement the procedure from paragraph 10 of this Article and/or did not make an advance payment in accordance with paragraph 11 of this Article.

**Article 23**

**Settlement of monetary claims**

1. The contracting parties can set off by mutual consent all due mutual monetary claims.

**Article 24**

**Confidentiality of information**

1. The contracting parties agree to treat confidentially, as a business secret, any information about business activities, financial and legal situations that are mutually exchanged for the purpose of realizing this Agreement.
2. The information from paragraph 1 of this Article must not be disclosed or otherwise made available to unauthorized third parties.
3. The information from paragraph 1 of this Article can be made available to third parties only in justified cases, where the prior written consent of the other Contracting Party is mandatory.
4. The information from paragraph 1 of this Article can be made available to the Energy and Water Services Regulatory Commission of the Republic of North Macedonia or other competent state bodies, only if this is established by law or other by-laws or at the request of a competent court.
5. In case of violation of the provisions of this Article of the Agreement by one of the Contracting Parties, the other Contracting Party has the right to demand compensation for the damage.
6. This provision will apply in the period from the date of disclosure of the information and will last for three years after the expiration of this Agreement or after its termination.
7. The Parties agree that their confidentiality obligations for information and data under this Agreement will survive the term of this Agreement, unless a change in law occurs or such information otherwise becomes publicly available.

**Article 25**

**Force majeure**

1. Force majeure, in the sense of this Agreement, means unforeseeable natural events (floods, earthquakes, landslides, fires, strong winds, excessive ice deposits on conductors and poles, atmospheric discharges), as well as other events that did not occur through fault and are beyond the control of the Contracting Parties, such as: war, civil disorder, unavoidable emergencies, if they prevent to a significant extent or make impossible the operation of the Contracting parties.
2. Any event of force majeure shall release the Contracting Parties from their obligations under this Agreement, to the extent that such event of force majeure prevents the affected Contracting party from fulfilling its contractual obligations and during the period in which such event of force majeure operates.
3. If, as a result of force majeure, during the execution of obligations, one of the Contracting Parties is only partially affected, this Contracting Party is responsible for the execution of obligations that are not affected by force majeure.
4. The Contracting parties agree to immediately notify each other of the existence of any circumstances that are beyond their control, which cause non-fulfillment or unsatisfactory fulfillment of the obligations of this Agreement and to undertake reasonable and justified mutual cooperation for the prevention of such circumstances and their consequences.
5. The Contracting party affected by a force majeure event shall notify the other party in writing of the occurrence and termination of such force majeure event.
6. The Contracting Parties agree that the obligations of the Contracting Party that notified of such an event, which were due during the occurrence of force majeure, will be fulfilled after the correction of the circumstances caused by the occurrence of force majeure.
7. If, according to the Network Code for the transmission of electricity, as a result of force majeure, there is a disruption in the operation of the electricity system, the user of the electricity transmission network agrees to participate in system restoration to normal operation according to the defense plans, as and the power restoration/restoration plan.

**Article 26**

**Dispute resolution**

1. The contracting parties agree to try to resolve any dispute between them, arising from this Agreement, through direct negotiations.
2. If the dispute is not resolved by agreement by both parties within 30 (thirty) calendar days, the interested Contracting Party submits a request for resolution of the disagreement to the Energy and Water Services Regulatory Commission of the Republic of North Macedonia in accordance with the Law on Energy and the Rulebook on the manner, conditions and procedure for resolving disputes that have arisen between the Entities licensed for energy activities, as well as the amount of compensation for the costs of resolving the dispute.
3. If the dispute that has arisen is not resolved even after the procedure from paragraph 2 of this Article has been carried out, the interested Contracting Party may initiate an appropriate procedure before the competent court.

**Article 27**

**Inheritance of rights and obligations**

1. The Contracting parties have rights and obligations, if there are status or legal changes in their legal status, to transfer all or part of their rights and obligations arising from this Agreement to another.
2. For all changes from paragraph 1 of this Article, both Contracting Parties are obliged to notify the other Contracting Party in writing within 5 (five) working days of the occurrence of the change at the latest.
3. This Agreement will also apply to the legal successors of the Contracting Parties that will result from possible structural changes of the Contracting Parties in accordance with the Law on Trade Companies (annexation, division, merger or establishment of trade companies).

**Article 28**

**Annexes to the Agreement**

1. The Annexes to this Agreement are an integral part of the Agreement.

**Article 29**

**The duration and signing of the contract**

1. This Agreement shall enter into force on \_\_\_\_\_ and will produce a legal effect (rights and obligations) for the Contracting Parties until its termination (according to Article 32 of this Agreement).
2. The Contracting Parties agree that this Agreement fully represents their will, and it is signed by the persons authorized to represent the Contracting Parties, in 5 (five) original copies - two for each Contracting Party and one for the Energy and Water Services Regulatory Commission of the Republic of North Macedonia.

**Article 30**

**Amendment and addition to the Agreement**

1. If one of the Contracting Parties wishes to amend or supplement this Agreement, it shall send a Proposal for amendment or addition to the other Contracting Party.
2. The proposal for amendment or addition will always be in the form of a written proposal regarding the affected part of the Agreement.
3. The Agreement can be amended or supplemented only by the Contracting Parties, in writing through their authorized representatives.

**Article 31**

**Amendment or supplement to the Agreement**

1. If for any reason any part(s) of this Agreement, including its annexes and amendments, becomes invalid or inapplicable, the other parts of the Agreement will remain valid and in force between the Contracting Parties, unless the reason for such invalidity or inapplicability renders invalid or unenforceable the entire Agreement or any part thereof without which this Agreement would not have been concluded or could not be expected to be concluded.
2. If there are changes in the legal and by-law regulations, the Contracting Parties agree to harmonize the Agreement with the new regulations, by concluding an Annex to this Agreement.
3. The Contracting Parties undertake, if the opportunity arises, to replace certain parts of the Agreement with legal provisions that will contribute to the improvement of their situation from an economic, technical and legal point of view.

**Article 32**

**Termination of the Agreement**

1. This Agreement may be terminated amicably by mutual consent of both Parties. For the amicable termination of the Agreement, the Contracting Parties shall conclude a written agreement by which they will settle the disputed issues, otherwise the Agreement shall not be considered to have been amicably terminated.
2. The Contracting Party proposing amicable termination of this Agreement is obliged to notify the other Contracting Party 30 days in advance, with prior written notification.
3. AD MEPSO has the right to unilaterally terminate this Agreement without prior notification or notice period if the transmission network user does not adhere to the obligations assumed by this Agreement.

**Article 33**

**Notices and documents**

1. All notices and documents that are in accordance with and in connection with this Agreement will be compiled in written form in the Macedonian language in the Cyrillic script, except for the symbols of the International System of Units - SI (system Internationale d'Unites)
2. Notices given by the Contracting Parties in connection with this Agreement shall be sent to the address of the other Contracting Party given in this Agreement, by courier, registered mail or scanned via e-mail.
3. Notices sent by registered mail will be considered delivered on the 5th day after they are sent, while notices sent by e-mail on the 2nd day after they are sent.
4. Postal addresses/of the Contracting Parties:

For AD MEPSO: For the transmission network user:

Maksim Gorki No.4, street -------

1000 Skopje, 1000 Skopje,

Fax 352, Fax --------

Republic of North Macedonia Republic of North Macedonia

e-mail: \_\_\_\_\_\_\_\_\_\_ e-mail: \_\_\_\_\_\_\_\_\_\_

**Article 34**

**Application of legal and by-law regulations**

1. For everything that is not regulated by this Agreement, the corresponding legal and by-law regulations will be applied, especially the provisions of the Law of obligations and the Law on Energy and their by-laws.

**Article 35**

1. With the entry into force of this Agreement (Article 29 of this Agreement), Agreement no. \_\_\_\_\_\_\_\_\_\_ of \_\_\_\_\_ year.

List of attachments that are an integral part of this Agreement.

Attachment 1. Accounting measuring points

Attachment 2. Backup measuring points

Skopje, date \_\_\_\_\_\_\_\_\_\_\_\_

FOR AD MEPSO: FOR ----------------

Zuhdi Enuz -----------------------

**ATTACHMENT 1: Accounting measuring points at the delivery point**

 **AD MEPSO and -----------------------**

**ATTACHMENT 2: Backup measuring points**