



REPUBLIKA E SHQIPËRIË

ENERGY REGULATOR AUTHORITY

BOARD

DECISION

No. 293, Dated 12.10.2023

ON

**OPENING THE PROCEDURE TO REVIEW THE REQUEST OF ALBGAS COMPANY
FOR THE APPROVAL OF THE TEN-YEAR INVESTMENT PLAN**

Based on article 16, of Law no. 43/2015 “On Power Sector” as amended; article 16, point 12; articles 46 and 56 of Law no. 102/2015 “On Natural Gas Sector” as amended; articles 8,9,10 of the *Regulation on the procedures for submission and approval of the investment plans of natural gas transmission and distribution operators*, approved with Energy Regulator Authority (ERE) Board decision no.18, dated 10.01.2018; as well as articles 15 and 19 of the Regulation for ERE Organization, Operation and Procedures, approved with ERE Board decision no. 96, dated 17.06.2016; ERE Board on their meeting dated 12.10.2023, after reviewing the report Protocol no. 2152/4, dated 10.10.2023 prepared by the Working Group “On opening the procedure to review the request of AlbGaz company for the approval of the ten-year investment plan”,

Observed that:

- "Albgaz" company in the quality of the Combined Operator of Natural Gas, through official letter Protocol no. 103 dated 12.09.2023, protocolled at ERE with Protocol no. 2152 dated 12.09.2023, submitted the request for the approval of the ten-year Investment Plan, for the development of the transmission network for Natural Gas in the Republic of Albania, which includes the company's short- and medium-term investments.
- The application for approval of the ten-year Investment Plan by ERE was made in accordance with the provisions provided in article 46 and 56 of law no. 102/2015 "On natural gas sector", as amended, as well as in implementation of Article 8, point 1 of the *Regulation on the procedures*

for submission and approval of the investment plans of natural gas transmission and distribution operators, approved with ERE board decision no. 18, dated 10.01.2018.

- "Albgaz" company declares that the principles followed in the drafting of the investment plans are in harmony with the national strategy for the development of the natural gas sector, approved with Council of Ministers decision no. 87/2018 "On the approval of the National Plan for Natural Gas Sector (Gas Master Plan for Albania), amended by Council of Ministers decision no. 563, dated 04.10.2023, provided for in Article 6, letters "a" and " b" of the Regulation on the procedures for submission and approval of the investment plans of natural gas transmission and distribution operators.
- Pursuant to article 8, point 6, letter "d" of the *"Regulation on the procedures for submission and approval of the investment plans of natural gas transmission and distribution operators"*, the company must submit a complete cost benefit analysis that proves the effectiveness of each planned project and justifies the costs associated with them.
- Based on Article 6, letter "f" of the *"Regulation on the procedures for submission and approval of the investment plans of natural gas transmission and distribution operators"*, "Albgaz" company has the obligation to publish the investment plan on its official website. Within the context of the application at ERE, "Albgaz" company has informed that in accordance with article 10, point 1 of the *"Regulation on the procedures for submission and approval of the investment plans of natural gas transmission and distribution operators"*, approved with ERE board decision no. 18, dated 10.01.2018, a consultation was held to obtain opinions from interested parties, notices of which are published on the website of MIE, KKT and QPZ.
- "Albgaz" company accompanied the application for the approval of the investment plan with documentation and several reports, feasibility studies, cooperation agreements between several operators and the Ministry of Infrastructure (MIE), including the following:
 - Official letter from the Ministry of Infrastructure and Energy (MIE), with Protocol no. 6429/1, dated 21.08.2023, through which MIE's readiness and support is expressed in the realization of this project during 2023;
 - The official letter from the Albanian Power Corporation (KESH) company with Protocol no. 3933/4 dated 11.09.2023, through which requested from "Albgaz" company that for the installed capacity of Vlora TPP, for a maximum regime at 80%, the required annual amount of gas shall be around 130 mcm per year.
 - "Albgaz" company must submit at ERE the opinion from the Ministry of Finances and Economy regarding the investment plan pursuant to Article 10, point 3 of the *Regulation on the procedures for submission and approval of the investment plans of natural gas transmission and distribution operators*; a summary table showing the investments of the ten-year plan with the relevant items and values together with the period when the

investments shall be carried out, specifying the source of financing, as well as any other necessary information or documentation that may be needed during the review process of the investment plan based on the legislation in force.

For all of the above mentioned, ERE Board,

Decided:

1. To open the procedure to approve “the ten-year investment plan of Albgaz company”
2. The Natural Gas Directory shall inform the applicant, the Ministry of Infrastructure and Energy and the Ministry of Finances and Economy 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 45 calendar days from the day of publication in the Official Gazette.

This decision shall be published on the Official Gazette.

ERE CHAIRMAN

Petrit AHMETI