



REPUBLIKA E SHQIPËRIË

ENERGY REGULATORY AUTHORITY

BOARD

DECISION

No. 263, dated 28.12.2020

“ON OPENING THE PROCEDURE TO APPROVE THE COMPLIANCE PROGRAM OF THE TRANSMISSION SYSTEM OPERATOR FOR NATURAL GAS, “ALBGAZ” COMPANY“

Based on article 16, of law no. 43/2015 “On Power Sector“, as amended; article 47, point 1, of law no. 102/2015 “On Natural Gas Sector“, as amended; point 76, of the Compliance Program, approved with ERE Board Decision no. 77, dated 26.05.2017; article 19, point 1, letter “f“, of the "Rules on ERE Organization, Operation and Procedures" approved with ERE Board Decision no. 96, dated 17.06.2016, the Energy Regulatory Authority (ERE) Board on their 28.12.2020 meeting, after reviewing the report protocol no. 142/7, dated 24.12.2020, prepared by License, Authorisation and Supervision Directory, as well as Natural Gas Directory, “On opening the procedure to approve the compliance program of the transmission system operator for natural gas, ALBGAZ company “,

Observed that:

- "ALBGAZ" company with official letter protocol no. 143/1, dated 28.10.2020, protocolled at ERE with no. 1123/2 dated 04.11.2020, submitted for approval the compliance program of the transmission system operator for natural gas.

- In article 47, point 1, of law no. 102/2015 "On natural gas sector", as amended, it is defined that TSO designs a compliance program, which provides the necessary measures to ensure non-discriminatory behavior, which is approved by ERE, as well as the method for the supervision of the compliance with this program. The compliance program sets out specific obligations for TSO employees in order to meet these objectives. The compliance with the program is supervised independently by a compliance officer.

- In point 76, of the Compliance Program of the transmission system operator for natural gas, approved with ERE Board Decision no. 77, dated 26.05.2017, it is defined that this program shall be approved with the decision of the responsible body of TSO company and within 5 (five) days after its adaptation this decision shall be submitted at ERE for approval. This Program shall enter into force the day after being approved by ERE.

- In point 1, of ERE Board Decision no. 109, dated 02.07.2020, “On some amendments in ERE Board Decision no.221, dated 20.12.2019,“ On some amendments in ERE Board Decision no. 179, dated

08.11.2017, " On the certification of the “combined operator of natural gas ALBGAZ company”, as amended", it is defined that "ALBGAZ" company shall submit for approval at ERE by 20.12.2020 the Compliance program adapted according to the one approved by ERE with decision no. 77, dated 26.05.2017, "On approving the compliance program of the transmission system operator for natural gas."

- The company submitted for approval at ERE the Compliance Program within the term defined in ERE Board Decision no. 109/2020.

- The compliance program of the transmission system operator for natural gas, submitted by "ALBGAZ" company is for the most part in accordance with the Compliance Program, approved with ERE Board Decision no. 77, dated 26.05.2017, whereas the points for which arises the need for discussion with "ALBGAZ" company and the interested parties are as follows:

- Everywhere in the text, the acronym TSO (Transmission System Operator) shall be replaced with “ALBGAZ” company
- In Chapter II, legal status and the TSO organisational chart, point 5, the shareholding structure of the TSO must be explained, , including the relations of TSO’s shareholders with the undertakings engaged in production and/or supply of natural gas and electricity, or having any commercial interest thereto.
- Chapter II, legal status and the TSO organisational chart, point 6, should explain the separation and independence of public bodies which are authorized to represent the State’s shareholding rights on one hand and the undertakings engaged with production and/or supply on the other hand. The above is considered to be provided in the Compliance Program of ALBGAZ company.
- In Chapter II, legal status and the TSO organisational chart, point 6-10, an accurate listing of the definitions in the Program should be made.
- In Chapter III, TSO unbundling and independence , letter B, Managerial independence of the TSO, point 15, TSO managers must be clearly defined, according to the functions they hold in the bodies or structure of "ALBGAZ" company, for which it is obliged to follow the criteria set out in points 15.1-15.6.
- In Chapter VII, Final provisions, point 76, the General Assembly shall be defined, as the governing body of the company that approves the Compliance Program, after the approval by the Supervisory Board

For all of the above mentioned ERE Board,

Decided:

1. To open the procedure to approve the Compliance Program of the transmission system operator for natural gas, "ALBGAZ" company.
2. License, Authorisation and Supervision Directory shall inform the interested parties about ERE Board Decision.

This decision enters immediately into force.

About this decision may be required its review within 7 calendar days and may be complained on Tirana Administrative Court within 30 calendar days from the day of its publication on the Official Gazette.

This decision shall be published on the Official Gazette.

ERE CHAIRMAN

Petrit AHMETI