

*REGULATION ON THE PROCEDURES AND TERMS FOR LICENSE ISSUE,
MODIFICATION, TRANSFERING OR LICENSE REMOVAL IN NATURAL GAS SECTOR.*

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CHAPTER I GENERAL PROVISIONS

Article 1

Authority

This Regulation is prepared in conformity with article 16 point 11 and article 24 of Law No. 102/2015, "On Natural Gas Sector".

Article 2

Scope of the Regulation

This Regulation defines the licensing procedures for;

1. Performing the activities as defined on Law No. 102/2015, "On natural Gas Sector" by specifying the terms and conditions for issuing, amendment of a License as well as ERE authority to define the payments to perform any type of License Application.
2. The conditions for license issuing, removal, modification and license transferring in conformity with article 27, 28 29 of Law No. 102/2015, "On Natural Gas Sector".

Article 3

Definitions

The definitions of the terms are defined in;

- (i) Law No. 102/2015, "On Natural Gas Sector"
- (ii) Law No. 43/2015 "On Power Sector"
- (iii) Rules on ERE organization and operation, are included in this document for all the purposes. In these rules the following terms shall have these meanings:

"Applicant" means any Person that applies for a proceeding for the procedures under this Regulation.

"Application" means the documents submission for one of the procedures provided on this regulation as explained in articles 8 and 9 of the Regulation.

"ERE Board" or "the Board" shall mean ERE decision-making body, composed of five members appointed according to the procedures provided in Law No. 43/2015 "On Power Sector" and Law no. 102/2015 "On Natural Gas Sector".

“**ERE**” shall mean Energy Regulator Authority acting in conformity with Law no.43/2015 “On Power Sector” and Law no. 102/2015 “On Natural Gas Sector”.

"Performance Guarantee" shall mean a commitment by parent company of the Applicant or the Licensee to ensure the fulfillment in a honest and reliable way from this Applicant or Licensee for all terms and conditions of the License. In case when there is not a parent company any owner that owns 5% or more of the shares or of its capital in this Application/License shall issue such Performance Guarantee.

"Financial Guarantee" means a guarantee from a bank or other responsible Persons, acceptable by ERE, to cover and ensure the fulfillment in a honest and reliable way of the financial obligations of the Applicant or the Licensee, where applicable, according to the terms and conditions of the License.

"Natural gas" is methane gas, including associated gas, as well as all hydrocarbons that are gaseous at normal atmospheric conditions, which include LNG, biogas or other types of gas transmitted and distributed in the piping system.

"License" means a right given by ERE to perform an activity in conformity with Law no. 102/2015 “On Natural Gas Sector”.

"Licensee" shall mean a Person that holds a License issued by ERE to perform the activities in natural gas sector, in conformity with the provisions of Law 102/2015 “On Natural Gas Sector”.

"TSO" shall mean Transmission System Operator for Gas.

"DSO" shall mean Distribution System Operator for Gas.

"Person" shall mean any legal person.

"Official Representative" shall mean the Person appointed by the governing bodies of the legal person authorized according to the Legislation in force, to represent the Applicant or Licensee for all the purposes as defined in this Regulation.

"System" shall mean any transmission, distribution grid, LNG plant or storage space in the ownership or for use/operation by a Licensee, including “line pack” together with the installations and its operations that ensure the ancillary services as well as those necessary to enable the entry in the transmission, distribution grids and LNG plants.

"Regulation" shall mean this document entitled the "Rules and conditions for license issue, modification, transferring and license removal in natural gas sector

"Application Tariff" means the respective payment, set by ERE Board in conformity with article 14 of Law No. 102/2015 "On Natural Gas Sector", that any Person or Licensee shall perform to ERE in conformity with this Regulation for handling the request submitted for Licensing, modification, or License transferring,

Article 4 **Licensed Activities**

1. ERE may issue Licenses for the activities defined from Law No.102/2015, "On Power Sector" as follows:
 - a. Natural gas transmission;
 - b. Natural gas distribution;
 - c. Natural gas supply (retail sale);
 - ç. Natural gas trading (wholesale sale)
 - d. Storage space operation for natural gas;
 - dh. LNG plants operation.
 - e. Market operator functioning for natural gas
2. Performing any above mentioned activity requires a special License.
3. The Licenses shall be issued by ERE in conformity with this Regulation case by case and shall be supported on the respective model Licenses approved by ERE.

Article 5 **Duration of License Validity**

Duration of a License validity issued according to this Regulation for transmission, distribution, storage and LNG from ERE in conformity with article 4 of this Regulation shall be for a 30 years period. The duration of license validity for the supply, trading, operation in natural gas spaces, operation of natural gas market, shall be for a 10 year period.

CHAPTER II **LICENSE APPLICATION PROCEDURES**

Article 6 **The Right to Apply for a License**

It has the right to apply for a license issued by ERE any person located in Albania and the object of the activity required for licensing. Any foreign person shall set up a company under

the legislation in force, with object the activity required for licensing by ERE for the whole period of license validity.

Article 7

Applicant Representative

1. The Official Representative shall represent the Applicant before ERE for any case that has to do with the Application or the License that may be issued.
2. The Official Representative shall submit at ERE the authorization, company decision or any other document signed or approved by the Applicant to appoint the Official Representative as its delegate.
3. The Official Representative shall submit at ERE the company decision or any other document regularly approved by the Applicant authorizing this representative to submit according to the case the request for License, its modification or transferring.
4. The Official Representative shall:
 - a. submit the Application for License together with the documentation required according to articles 8, 9 and 10 of this Regulation.
 - b. submit additional data and information required by ERE during the process of reviewing the Application for License.
 - c. represent the Applicant in all cases that has to do with the Application.
 - d. represent the Licensee in all cases that has to do with any License issued following the Application within the limits of the competences given in the authorization submitted at ERE.
5. The Applicant or the Licensee whoever it is may change their official Representative by immediately submitting a written notification at ERE for this change accompanied with the authorization of the company decision-making bodies for this purpose.

Article 8

Submitting an Application for License

1. The application consists in the Application form and documentation defined in article 9 of this Regulation, completed correctly by the Applicant.
2. The applicant shall pay at ERE the effective Application Tariff at the time when it is submitted the Application.
3. The documentation submitted by the Applicant shall be the original one and in the Albanian language and if copied or translated from the original the copied or translated documents shall be notarized.
4. The certifications and declarations supporting the Application shall be issued not earlier than 1 month from the date of submitting the Application.
5. The applicant shall ensure that all technical documentation submitted together with its Application is prepared and signed from professional experts licensed in the respective area. ERE may require that these experts to certify their expertise.
6. Any Application accompanied with the respective documentation shall be submitted in

two copies;

- a. The original one or notarized copy as defined in point 3 of this article.
- b. A printed photocopy and an electronic form of all documentation as defined in this Regulation.

Article 9

The Form and Documentation for Application

1. The Application Form (shall be completed by the Applicant)

An application for License shall be composed of:

a. Type of Application

| | | |
|---|---------------------|---|
| 1 | Type of application | <input type="checkbox"/> Licensing <input type="checkbox"/> Transferring <input type="checkbox"/> Change |
| 2 | Type of license | <input type="checkbox"/> Natural gas transmission <input type="checkbox"/> Natural gas distribution <input type="checkbox"/> Natural gas supply (retail sale) <input type="checkbox"/> Natural gas trading; (wholesale sale) <input type="checkbox"/> Operation of natural gas storage spaces <input type="checkbox"/> Operation of LNG plants |

(Note: Put X in the respective box)

b. General information for the Applicant (to be completed by the Applicant)

| | | |
|---|--|----------------------------------|
| 1 | Name of the Applicant | |
| | Registration number at the National Business Registration Center | |
| 2 | Headquarters of the Company | Address |
| | | Mobile phone |
| | | Phone / Fax |
| | | Email |
| 3 | Official Representative | Name |
| | | Function he holds in the company |
| | | Address |
| | | Mobile phone |
| | | Phone/ Fax |
| | | Email |

c. Data on the Applicant (to be completed by the Applicant)

| | | | |
|---|---|---------------------------------|--------------------------------|
| 1 | <p><u>I, the Applicant declare that:</u> (a). To the applicant it is never removed any license granted for natural gas activity or (b). To the applicant it is never refused any Application for natural gas license <u>in Albania or other countries</u> <u>if the response for any of the (1.a) or (1.b) questions is NO the Applicant shall attach a full explanation.</u></p> | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 2 | <p>I, the Official Representative, declare on the name of the Applicant that he is informed of the legal and regulatory framework in force for natural gas sector and submit the Applicant commitment for correct implementation of them.</p> | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 3 | <p>Is the Applicant engaged in any other trading activity in Albania or in any other country? <u>if the response of question 3 is YES then the Applicant shall attach additional explanations.</u></p> | Po <input type="checkbox"/> | Jo <input type="checkbox"/> |

d. Legal, Administrative and Ownership Documentation

- i) Registration act at National Business Registration Center and the statute and foundation act of the trading company.
- ii) Certification from the competent bodies that to the legal persons or persons and the top managers of the trading company there is not a final decision for any penal act.
- iii) In case of foreign citizenship companies shall be certified the Albanian residence of the company representative and the criminal record.
- iv) The organization chart and administrative operation of the company. Staff list according to the profile (in conformity with the activity for which it is required the License).
- v) Except the application for supply license (article 4.1.c), trading license (article 4.1.ç), and market operation agreement and the permissions approved by the Council of Ministers. The identity of all Persons that have ownership interest to the Applicant is bigger and equal with 5%.
- vi) Document that shows the titles or ownership on the assets that it has, that has dedicated or subcontracted/rent or that are reasonably expected to be acquired by or for the Applicant to perform the functions or fulfill the obligations under the required License. Permissions and environmental authorizations according to the case for the activities which exercise shall be performed with the respective assets.

e. Documentation and the Financial, Fiscal Guarantees;

- i) The declarations issued from the respective authorities to pay fiscal and social security liabilities in the measure that such obligations are fulfilled by the Applicant.

- ii) Financial statements audited by an accredited auditing company, for each of the last three years preceding the submission of the Application.
- iii) Appropriate Financial Guarantee (article 4.1.c) and trading (article 4.1.ç)] and Performance Guarantee that ensure the Applicant ability to fulfill its obligations under the required License, including but not being limited, to the final full/partial removal of the equipments and/or infrastructure and environment rehabilitation as well as managerial, operational and financial support, from the Applicant owners.
- iv) Except of the supply case (article 4.1.c) and trading case (article 4.1.ç) an insurance certificate from insurance companies (that operate in conformity with the Albanian legislation in force) that evidences the responsibility cover for the injury damages, or in case of the Persons death or for the loss or destroy of the property caused or that have resulted from the Applicant activities in the framework of the required License in a responsibility level not smaller than 10 million USD. This policy or these security policies shall be and remain in force with full effect for the entire duration of the required License. Furthermore the Licensee shall remain responsible for any damage that may occur, or is related or results from the performed activities during the duration of the License.
- v) Certify of executing the payment to ERE the Application Tariff in force at the moment of submitting the Application
- vi) A business plan which includes an analysis of the costs and the benefits including the costs for final removal of the equipments and environment rehabilitation with the conclusion of the operations.
- vii) If the Applicant aims to use a managing company for its daily operations he shall inform ERE for this purpose and issue a Performance Guarantee to honestly and in a reliable way perform the actions from this managing company.

2. Specific Document for the Type of License.

According to the type of License, the Applicant shall submit at ERE the following documents;

a. Natural Gas Transmission License;

a.1 The company that applies for a natural gas transmission license, shall be primarily certified according to the procedure defined in article 37 of Law 102/2015 “On Natural Gas Sector”

a.2 Information with general and technical data for the project including as follows:

- i. Location of the installations and the pipeline track including the Topographic map for the territory where it shall perform its activity.
- ii. Maximum technical capacity contracted and available in all off take points of the system and in take points from the System and its interconnections with the other Transmission and Distribution grids, storage and generation plants and LNG terminals.
- iii. Projected daily volumes to be processed according to Applicant estimations.

- iv. Technical standards, projected maximum pressures, compression requirements and other technical characteristics of the machineries and technical equipments that shall be installed.
- v. Projected work pressures supported on the estimations of the Applicant.
- vi. The categories and customer list as well as provided deliveries.
- vii. Location of the meters and specifications.
- viii. Location of gas quality control.
- ix. Certification of the contracts /commitments for gas transport.
- x. The expected requirements for the entry from the third parties and any requirement for the exclusion from the third party entry right, as any decision issued before for the exclusion from the obligation of issuing the entry right in the new infrastructures according to Law no. 102/2015 "On Natural Gas Sector",
- xi. Cross-border connections and the operation parameters with the neighboring countries.
- xii. Operational balancing agreements.
- xiii. The aimed resource and the procedure for natural gas procurement necessary for Transmission System Balancing.
- xiv. Ability to move in the opposite direction.
- xv. Applicant Jobs for the (a) proposed technical solution (b) assessment of the environmental impact (c) assessment of the cost (d) economical provisions including the financial ways that justify the business plan for the natural gas transmission project prepared by a specialized engineering company.
- xvi. The working program to implement the project and the expected lifetime of the project.
- xvii. Annual investment plans to improve, expand or other modifications of the Transmission System for a period not less than 5 years from the effective date of the License in conformity with the legislation in force.
- xviii. The foreseen maintenance program of the Transmission System.

b. License for Natural Gas Distribution:

Information with general and technical data for the project as follows:

- i. Location of the installations and the pipeline track including the Topographic map.
- ii. Geographical Area covered by the Application.
Maximum technical capacity contracted and available in all off take of the System and in take points from the System and its interconnections with the other Transmission and Distribution grids, storage and generation plants and LNG terminals.
- iii. Projected daily volumes to be processed according to Applicant estimations.
- iv. Technical standards, projected maximum pressures, compression requirements and other technical characteristics of the machineries and technical equipments that shall be installed.
- v. Projected work pressures supported on the Applicant estimations
- vi. Customer categories and the projected deliveries.

- vii. Location of the meters and the specifications.
- viii. Aromatization plans including locations
- ix. Certification of the contracts /commitments.
 - x. The expected requirements for the entry from the third parties and any requirement for the exclusion from right of third party entry, as any decision issued before for the exclusion from the obligation of issuing the entry right in the new infrastructures according to Law no. 102/2015 "On Natural Gas Sector",
- xi. Cross-border connections and the operation parameters of neighbouring DSO-s if appropriate.
- xii. Ability to move in the opposite direction if suitable.
- xiii. Applicant Jobs for the (a) proposed technical solution (b) assessment of the environmental impact (c) assessment of the cost (d) economical provisions including the financial ways that justify the business plan for the natural gas transmission project prepared by a specialized engineering company.
- xiv. The working program to implement the project and the expected lifetime of the project.
- xv. Annual investment plans to improve, expand or other modifications of the Distribution System for a period not less than 5 years from the effective date of the License in conformity with the legislation in force.
- xvi. The foreseen maintenance program of the Distribution System.
- xvii. Average quantity of natural gas provided to be distributed during one year supported in a typical monthly program.

c. License for the Operation of the Liquidified Natural Gas (LNG) Plants: Information regarding general and technical data for the project including as follows:

- i. Type of re-gasification plant
- ii. The maps and drawings showing the ground and sea location of the installations even the connection point (points) with the ground pipelines of the transmission including the storage spaces connected with LNG operations.
- iii. Technical maximum capacity, contracted and available in the off take point from/for the terminal
- iv. Projected daily volumes to be processed according to the Applicant estimations.
- v. Technical standards, projected maximum pressures, compression requirements and other technical characteristics of the machineries and technical equipments that shall be installed.
- vi. Projected work pressures supported on the Applicant estimations.
- vii. Targeted supply programs and the size of LNG tankers.
- viii. Size of the storage tanks.
- ix. Burimet e furnizimit.
- x. Supply resources.
- xi. The categories and the list of expected customers as well as projected deliveries.
- xii. The expected requirements for the entry from the third parties and any requirement for the exclusion from right of third party entry, as any decision

issued before for the exclusion from the obligation of issuing the entry right in the new infrastructures according to Law no. 102/2015 "On Natural Gas Sector",

- xiii. Applicant Jobs for the (a) proposed technical solution (b) assessment of the environmental impact (c) assessment of the cost (d) economical provisions including the financial ways that justify the business plan for the natural gas transmission project prepared by a specialized and licensed company for these services.
- xiv. The working program to implement the project and the expected lifetime of the project.
- xv. Annual investment plans to improve, expand and other modifications of the LNG plant for a period not less than 5 years from the date of effective License in conformity with the legislation in force.
- xvi. The foreseen maintenance program for the LNG plant.

d. License for the Operation of Storage Capacities for Natural Gas:

Information with general and technical data of the project including as follows:

- i. Geographical location of underground storage space and the pipeline track including a geographical map.
- ii. Description of the geological conditions of the underground storage space.
- iii. Maximum storage volume and the necessary gas.
- iv. Minimum quality request that the stored gas shall fulfill.
- v. Indebt profile for natural gas re-delivery.
- vi. Maximum pressure of underground reservoir.
- vii. Number of the wells and their maximum indebts for injection and generation.
- viii. Technical standards projected maximum pressures, compression requirements and other technical characteristics of the machineries and technical equipments that shall be installed.
- ix. Minimum requirements of gas quality that shall be re-delivered and the installations that ensure that the defined quality is reached.
- x. Certification of the contracts/commitments for storage.
- xi. The categories and the customer list. (Project).
- xii. The expected requirements for access from the third parties and any expected requirement for the exclusion from right of third party access, as any decision issued before for the exclusion from the obligation of issuing the entry right in the new infrastructures according to Law no. 102/2015 "On Natural Gas Sector",
- xiii. Applicant Jobs for the (a) proposed technical solution (b) assessment of the environmental impact (c) assessment of the cost (d) economical provisions including the financial ways that justify the business plan for the underground storage project of natural gas prepared by a specialized company.
- xiv. The working program to implement the project and the expected lifetime of the project.

- xv. Annual investment plans to improve, expand and other modifications of the storage spaces that shall be drafted according to article 56 point 2 of Law no. 102/2015 “On Natural Gas Sector”.
- xvi. The foreseen maintenance program of storage spaces.

e. Natural Gas Trading License:

Shall contain the general Information as follows:

- i. Average quantity of natural gas expressed in Million Nm³, foreseen to be delivered during a year.
- ii. The guarantee that the gas quality fulfills the minimal criteria of the System Operator.
- iii. The necessary financial capacity to perform the activity required from the License and especially to cover the financial exposure caused by gas balancing.

f. Natural Gas Supply License

Shall contain the general information including as follows:

- i. Average quantity of natural gas expressed in N^{m3}, foreseen to be delivered during a year.
- ii. The guarantee that the gas supply quality fulfills the minimal criteria of the System Operator.
- iii. The necessary financial capacity to perform the activity required from the License and especially to cover the financial exposure caused by gas balancing.

Market operation license

- a. List of the employees their profession and education
- b. Certification of possessing the hardware and software necessary for communication with all metering points as well as all participants in the market (their customers)
- c. List of Supervisory Council members

Article 10

Assessing the Documentation for License Application

1. After reviewing the submitted application, regarding the completion of the requirements of article 8 and 9 the Charged Persons from the Responsible Directory shall prepare a report proposing to ERE Board to open or not the procedures to review the application in conformity with the deadlines defined in the Rules for ERE Organization, Operation and Procedures as well as in this regulation.
2. Any application shall be submitted in conformity with the form, content, deadlines and the definitions of this regulation, by completing the requirements and the documents. Otherwise to ERE Board is proposed not to open the procedures for reviewing the application.

3. ERE Board may decide to open or not the procedures for the application review based on the legislation in force and the abovementioned report.
4. ERE may open the procedures to review an application even in the cases described on point 4 article 8 of this regulation, but the final decision for refusing or accepting the application shall be taken only after the permissions from other bodies are submitted.
5. In case of refusal ERE shall notify the applicant for the refusal reasons by giving the necessary instructions within 7 working days from taking the decision.
6. The applicant may submit a new application according to this regulation requirements and taking in consideration ERE instructions.
7. If the applicant submits the new application in conformity with point 6 of this article within 1 (one) month from the decision for not opening the procedures to review the application, the submitted documentation for the previous application and the executed payment for this procedure shall be considered valid for the new application.
8. In case of the approval for opening the procedures to review the application, within 2 (two) working days from taking the decision, ERE shall publish in the written media for two days the notification for the submitted application, in three daily newspapers delivered in all the country and published in Tirana.
9. The notification contains short information for the submitted application, a notification that the submission of the objections and complaints from the interested persons may be submitted at ERE within the deadlines defined by this regulation.
10. After publishing the notification in the media, ERE shall ensure that for a 30 working days period from the first date of publishing the notification for the license applications in the generation activity, the application and all the accompanying documentations or any other information are available for public inspection in its offices.
11. With ERE Board Decision, taking into consideration the applicant complaints, may be decided that information or documents that may cause commercial damage to the applicant, shall be taken confidential and may prevent their inspection from the third parties.
12. In any case ERE notifies the applicant for the objections submitted regarding the application for which are opened the licensing procedures and requires clarifications for the objections submitted from the interested parties.

Article 11

ERE Board Decision

1. In completing the deadline to submit the objections and complaints ERE Board shall access the Application supported on the criteria provided in Law no. 102/2015 “On Natural Gas Sector”. In taking the decision to approve or refuse an Application for License as well as the terms and conditions of this License, ERE Board shall take in consideration and support its decision on the criteria as follows:

- a. The application and accurate completion of information and the submitted documentation in conformity with this Regulation and the requirements for additional information if any by ERE;
- b. Report of the respective Directory at ERE prepared in conformity with point 11 of article 10.
- c. The objections and complaints regarding the issue, if any, submitted by the interested parties or from the public regarding the Applicant in an assessment process.
- d. In case of Applications for Transmission and Distribution License, the existence of the still valuable Licenses issued before for the same activities in the location and territory where the proposed activity aims to be performed.
- e. Safe and stable operation of the equipments, plants and/or systems. (not implemented in cases of supply (article 4.1.c) and trading (article 4.1.ç) of this Regulation)
- f. The request for natural gas resources.
- g. Requirements for the national security, life of the citizens, their property, health and public order (are not implemented for the cases of supply (article 4.1.c) and trading (article 4.1.ç) of this Regulation).
- h. Financial commitments taken and the guarantees offered from the Applicant
- i. Environmental protection; (is not implemented for the supply cases (article 4.1.c) and trading (article 4.1.ç) of this Regulation)
- j. Promoting efficient use of electricity in natural gas sector.
- k. Public service obligations expected from the Applicant as defined from the Albanian legislation and in particular Law no 102/ 2015 "On Natural Gas Sector".
- l. Promoting a competitive market for natural gas and at least in case of tariff customers supply, low cost principle for natural gas supply.
- m. Safety and reliability of natural gas supply and the upstream flow of this supply within the Republic of Albania.

2. In conformity with its organization and operation Rules, ERE shall inform in the written form the interested parties for the Board decision within 3 working days after taking this decision.

Article 12

Granting or Refusing the License

1. ERE Board shall take the final decision for granting or refusing the License within 90 working days from the date of first publication for the notification in the media, supporting its decision based on the criteria provided on article 11 of this Regulation.
2. Final Board Decision shall be in the written form and shall contain the reasons for granting or refusing the License.
3. ERE Decision for approving or refusing a License according to this Regulation shall be published in the Official Gazette.
4. ERE decision may be appealed in conformity with the provisions of Law no.102/2015 “On Natural Gas Sector”.
5. If ERE does not accept to extend a License validity shall be implemented the conditions of article 16 of this Regulation.

CHAPTER III LICENSE MODIFICATION AND TRANSFERRING

Article 13

Procedures for License Modification.

1. On Licensee request, with its own initiative or based on a final court decision ERE may modify the terms and conditions of a License, which it considers suitable, in conformity with the procedures defined by Law No. 102/2015 “On Natural Gas Sector” may decide to modify a license in the cases as follows:
 - a. when there are modifications of some circumstances (as may be the legal framework, court decisions) that have happened between the date of granting the license and the date of requiring a modification, or
 - b. in cases that bring considerable effects in the Transmission and Distribution System or in natural gas market, or
 - c. in case of legal, technical or financial amendments that make impossible the partial/full completion of the terms and conditions provided in the License;
2. If ERE decides to modify a License, it shall issue to the Licensee an amended License with the modifications by cancelling in this way the parts of the License that are not valid any more. If the Licensee objects the terms and conditions of the amended License then there shall be implemented the conditions of article 16 of this Regulation.
3. In case of the Licensee request to modify its License, ERE shall implement the same deadlines and procedures as in the case of licensing as defined by this Regulation. This modification request shall include;
 - a. The proposed text for the required specific modification.
 - b. A written information explaining the reasons for License modification request.
 - c. The company decision or any other document certifying the request of the Licensee for the specific amendment of the License.

4. Before approving the license modification, ERE publishes the proposed modifications and reviews the possible objections or complaints, submitted from the stakeholders regarding this modification.

Article 15

Full/Partial Transferring of the Licensee License.

1. Upon the request of the Licensee, ERE may partially/fully transfer the License to any other Person in conformity with Law No 102/2015. In case of full/partial transferring of the asset ownership, the Person to whom shall be transferred the assets shall apply at ERE for a new License for the activities that shall be transferred by submitting the documentation as follows:

- a. The Application Form as defined on points 1(a), 1(b), and 1(c) of article 9,
- b. Legal, administrative and ownership documentation as defined on point 1(d) article 9,
- c. The documentation and financial, fiscal guarantees as defined on point 1 (e) of article 9,
- d. Any proposal for amendment or replacement in the technical documentation,
- e. A declaration with the full facts that has to do with the need or the reasons for the proposed transferring.
- f. The transferring shall be according to the conditions of the "Regulation for the Procedures to Transfer the Licensee Assets".

2. Upon taking the decision from ERE to begin the procedures for assessing the Application for partial/full transferring of the License, ERE shall publish the Application in conformity with point 5 article 10 of this Regulation. The conditions of point 6 article 10 shall be implemented by all Applications for License transferring.

3. ERE shall take the decision to approve or refuse the Application for full/partial transferring of the License within 90 calendar days from the date of beginning the procedures for assessing the Application and during this period the actual holder of the License shall continue to perform the services in conformity with the obligations of the effective License.

5. The proposed Applicant for License shall:

- a. have the ability and technical, financial experience to assume the obligations that belong to the Licensee under this License;
- b. accept and assume all terms and conditions of the License including the grant of a Financial and Performance Guarantee and
- c. be registered and in conformity with all legal obligations to make business in Albania.

6. In conformity with the legislation in force, such transferring shall be conditioned from the written preliminary approval of ERE which shall not be refused or delayed in an unreasonable way.

7. The notification for the targeted transferring described on point 2 of this article and shall be accompanied with the following:

- a. A copy of the legal proposed documentation or other documented evidence for the targeted transferring;
- b. Documents related with the Applicant for the proposed License which shall include;
 - i. The audited financial statements and other data to ensure the reasonable ERE belief to fulfill the requirements defined in article 9 of this Regulation;
 - ii. Data for the identity of the Applicant owners for the proposed License, having in consideration that in case of a company, whose shares are registered in a well-known stock exchange, these data shall be required for the main owners (as defined and used from the laws and rules in force based on which these companies have registered their shares).
 - iii. Data for the direct/indirect parent companies, including the identity of the parent company owners for the proposed License Applicant,
 - iv. Any additional document or information required by ERE in a reasonable way may be judged necessary to take the decision for approving the proposed transferring.

8. Within 90 calendar days after taking full documentation and other data, ERE shall issue its decision to approve or refuse the proposed transferring. The publication and taking the public comments shall be according to the provisions of article 10.

Article 16

License Removal

With ERE initiative, to the interested persons or the license holders, ERE begins the procedure to remove the license implementing the provisions of the regulation and the procedures for removing a license.

CHAPTER V

GRANTING AND REGISTRATING THE LICENSES

Article 17

Registrating the Licenses

1. After taking ERE decision for licensing, full/partial transferring or License modification, the respective License is granted to the Applicant.

2. A copy of each granted License to perform the activities in natural gas sector shall be kept by ERE and registered in the Licenses Register.

3. The Licenses Register shall be kept in a written form from the Board Secretary as well as in the electronic form. It shall be published even in ERE website and be regularly updated.

4. In the Register shall be kept the information as follows;

- a. Register number of the License and the category.
- b. Date of approving the License
- c. Date of granting the license
- d. Name of the Licensee;
- e. Official Representative Signature as an evidence for taking the License from the Licensee.
- f. Service area.
- g. Headquarters address of the Licensee;
- h. Description of the activity which is object of the issued License.
- i. Duration of License validity
- j. Not-implementing ERE decisions for the tariffs,

Article 18 **Public Information**

1. The License Register is available for the public during the official working hours.

2. Based on the justified request of the Applicant, ERE may decide that some parts of the Applicant component information, its supporting or accompanying documents, or the License itself are of commercial sensitive information nature and shall not be exposed. The documentation classified as such shall be handled as confidential information and shall be protected from the exposure and shall be handled only according to ERE decision, taken in conformity with the legislation in force.

3. The confidential information shall not be available for the public since their publication may bring economical damages.

CHAPTER VI **FINAL PROVISIONS** **Article 19** **Amending the Regulation**

This Regulation may be amended with ERE Board decision.

Article 20 **Entry into Force**

This Regulation enters into force after publication in the Official Gazette

ANNEX A
REGISTRATION AND PROCEEDING PAYMENT OF AN APPLICATION

| AKTIVITY | Licensing | Modification | Renewal | License Transferring |
|---|------------------|---------------------|----------------|-----------------------------|
| Operation in LNG plants | 1 000 000 ALL | 100 000 ALL | 100 000 ALL | 100 000 ALL |
| Natural Gas Distribution | 1 000 000 ALL | 100 000 ALL | 100 000 ALL | 100 000 ALL |
| Natural Gas Supply | 1 000 000 ALL | 100 000 ALL | 100 000 ALL | 100 000 ALL |
| The Functioning of Natural Gas Market Operator | 1 000 000 ALL | 100 000 ALL | 100 000 ALL | 100 000 ALL |
| Operation in the Storage spaces of natural gas | 1 000 000 ALL | 100 000 ALL | 100 000 ALL | 100 000 ALL |
| Natural gas trading | 40 000 ALL | 30 000 ALL | 30 000 ALL | 30 000 ALL |