



PRESS RELEASE

Gas: exemption from third party access rules for the Trans Adriatic Pipeline

***Final Joint Opinion by the Energy Regulators of Albania, Greece and Italy
published online***

Athens, Milan, Tirana July 25th 2013:

The three National Regulatory Authorities of Italy, Greece and Albania, are publishing today the public version of their joint opinion on the exemption of the Trans Adriatic Pipeline (TAP AG) from third party access rules and other provisions of the Third energy package.

The achievement of this decision is the result of an excellent co-operation of almost two years between the Regulatory Authorities of two Member States and one Contracting Party of the Energy Community on the basis of the third package, which will stand up as a best practice in Europe.

The document represents the Authorities' comprehensive assessment of TAP AG's application for exemption, taking into account the results of the market test. It incorporates the conditions set by the European Commission, under their Decision C(2013)2949 final of 16 May 2013 and it takes note of the Opinion 1/2013 of the Energy Community Secretariat dated 14 May 2013. The Authorities final decision establishes a stable, harmonized, transparent and flexible regulatory framework for the development and operation of the TAP pipeline, as part of a long-distance supply route. The establishment of such a predictable regulatory framework has increased the confidence on TAP as a transportation route for the Azeri gas to Europe, as evidenced by the final selection of this route for the transportation of the Shah Deniz gas volumes.

TAP, when completed, will be a major Interconnector opening the Southern Gas Corridor for the supply of Europe with gas from Caspian sources. These new gas volumes will be, from a European perspective, significant enough to reduce the dependency of the European Union on the traditional Russian, Algerian and Norwegian gas supplies, especially when combined with the diversified sources of gas which are imported to Italy from North Africa and elsewhere.

TAP will benefit Italy by enhancing competition on the Italian gas markets and fostering the security of supply of the country through the creation of an alternative import channel to the gas system.

In addition, the regulatory framework established, in particular the possibility to add new entry and exit points, allows TAP to become an essential supply route for South East Europe (SEE), as it will facilitate the gasification of the countries in the region, will decrease their dependency from a single source of supply and will contribute to the development of essential gas infrastructures, as the Ionian Adriatic Pipeline and the Energy Community Gas Ring, as well as new gas interconnectors to the rest of the SEE region.

Furthermore, TAP shall contribute to the establishment and the development of the Albanian gas market, as it will remove its isolation from the European markets, providing the link to both Italy and Greece.

Finally, TAP will contribute to the maturity of the Greek gas market and will establish a market based bridge between the Eastern gas resources and the Western gas markets.

The acceptance of TAP AG's request for exemption has been accompanied by a set of conditions along the following lines:

- Access to the TAP pipeline by all future buyers of Shaz Deniz II gas is granted under the same terms and conditions.
- The maximum possible capacity for the transportation of gas through TAP will be developed in a way that is technically and economically feasible, under a market based approach, following the European best practice.
- The gas markets in South East Europe will have direct access, via TAP, through Albania and Greece, to gas supplies from Italy in a fully regulated way.

- The interoperability of TAP to existing and future gas infrastructures in Italy, Albania and Greece is safeguarded through the development of new entry and exit points in TAP, following the needs of the market in all three countries.
- TAP AG will operate as an independent system operator for the entire period of the exemption, prior to the ownership unbundled regime to be implemented after that period.
- Pro-competitive measures prevent the development and the strengthening of dominant market positions in all three countries.

The Final Joint Opinion document is available in the following links;

Albanian Energy Regulatory Entity;

[http://ere.gov.al/doc/Vendimi64FJO_Public\(2\).pdf](http://ere.gov.al/doc/Vendimi64FJO_Public(2).pdf)

Greek Regulatory Authority for Energy;

http://www.rae.gr/site/categories_new/about_rae/factsheets/2013/gen/25072013.csp

Autorità per l'energia elettrica e il gas;

<http://www.autorita.energia.it/allegati/docs/13/249-13all.pdf>