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REPUBLIKA E SHQIPËRIË  
ENERGY REGULATORY AUTHORITY

**BOARD**

***DECISION***

***No.187, Dated 10.11.2017***

**ON**

**LICENSING ALBGAZ COMPANY IN NATURAL GAS DISTRIBUTION ACTIVITY**

Based on article 4, point 50 and article 22, point 2 letter “b”; 24 point 2 and article 50 of Law No. 102/2015 “*On Natural Gas Sector*” as well as articles 4, point 1, letter “b”; articles 5; 11 and 12 of the “*Regulation on the procedures and terms for license issue, modification, transferring, renewal and license removal on Natural Gas Sector*”; ERE Board, on their 10.11.2017 meeting, after reviewing the report on licensing “Albgaz” company in natural gas distribution activity, prepared by License and Market Monitoring Directory,

**Observed that:**

- “Albgaz” company with the official letter Protocol no. 62, dated 19.07.2017 has submitted at ERE the application to be equipped with license in Natural Gas Distribution activity.
- ERE Board with decision no. 126, dated 16.08.2017, opened the procedure to license Albgaz company in natural gas distribution activity.
- ERE Board with decision no. 179, date 08.11.2017 approved the Certification of “Albgaz” company as the combined operator in natural gas.
- With Decision no. 155, dated 28.09.2017, ERE Board let effective ERE Board Decision no. 90, dated 07.06.2017 “On approving the temporary transmission tariff of natural gas from “Albgaz” company for 05.01.2017 – 20.09.2017” period until on 31.12.2017.
- With decision no.178, dated 08.11.2017, ERE Board approved the “Methodology for tariff calculation of natural gas transmission and distribution network”

- Albgaz company with the official letters ERE Protocol no. 521/4 dated 09.10.2017, ERE protocol no. 139 dated 21.11.2017 and ERE protocol no. 139/1 dated 07.11.2017, has submitted at ERE the documents for its application.
- Application of “Albgaz” company, partially completes the requirements provided from ERE in the “*Regulation on the procedures and terms for license issue, modification, transferring, renewal and license removal on natural gas sector*” as follows:
- The form and document for application, article 9, point 1, letters “a”, “b”, “c”, “d” (points i,ii,iv); letter “e” Documentation and the financial guarantees points i, ii, v, vii, is completed correctly.
- Specific documentation for the type of license, article 9 point 2, letter “b”, points i, ii, iii, v, vi, vii, viii, ix, x, xi, xii, xiii, xiv, xvi.

For the missing documentation regarding:

- The form and documentation for application, article 9, point 1, letter “d” (points v, vi,);
- The documents and the financial guarantees, article 9, point 1, letter “e” points iv, vi,
- Specific documents for the type of license, article 9 point 2, letter “b”, points iv, xv, xvii, xviii, shall inform the entity to submit them within the term provided on this decision.

For all of the above mentioned, ERE Board

#### **Decided:**

1. To license “Albgaz” company in Natural Gas Distribution activity for a 30 –years period, on the condition that within 6 months based on article 24 point 2 of Law no. 102/2015, “*On Natural Gas Sector*” to complete all the missing documents as follows:
  - Document showing ownership title on its owning assets, to perform the functions or complete the obligations according to the required license.
  - Environmental permissions and authorizations
  - An insurance verification from an insurance company (that operate in conformity with the effective Albanian legislation) identifying liability coverage for injury, illness or death of Persons or for loss or destruction of property caused or resulting from the Applicant's activities within the required License on a level of liability not less than 10 million USD.
  - Business plan.
  - Daily projected volumes to be elaborated according to the Applicant’s assessments.
  - The working program to implement the project and the expected lifetime of the project.
  - The program provided for the Distribution System maintenance.
  - The average natural gas quantity provided to be distributed during a year according to a standard monthly program.

2. The licensed company is obliged to respect the conditions provided on the natural gas license for the distribution activity approved by ERE Board.
3. License and Market Monitoring Directory, shall inform the stakeholders for ERE Board Decision.

This decision enters immediately into force.

This decision is published on the Official Gazette.

This decision may be complained on Tirana Administrative Court, within 45 calendar days from the publication in the Official Gazette.

**CHAIRMAN**  
**Petrit AHMETI**