



ALBANIAN NATURAL GAS SECTOR SEMINAR

ENERGY REGULATORY ENTITY (ERE)

William Robb

Consulent

Albanian Natural Gas Sector ERE 15th Anniversary

- Beginning:
 - Memorandum of Understanding (MOU)
 - 1 JULY 2008
- Parties:
 - Ministry of Economy, Trade & Energy (METE)
 - U.S. Agency for International Development (USAID)
- Framework for energy cooperation
- Technical assistance to ERE for natural gas sector

Albanian Natural Gas Sector ERE 15th Anniversary

- International Resources Group (IRG)
 - Selected by USAID to provide natural gas expertise to Government of Albania
- Began work in fall 2008
- Scope of Work
 - Provide technical assistance to ERE
 - Develop rules & model form documents for natural gas sector
 - Comply with EC Directives

Albanian Natural Gas Sector ERE 15th Anniversary

- **Activities**
 - Legal review of natural gas law
 - Assessment of sector
 - Identified areas for assistance
 - Consulted with ERE
 - Prepared Action Plan
 - **ERE & IRG**
 - Implement Action Plan
 - Coordinate with Energy Community (EC) Secretariat

Albanian Natural Gas Sector ERE 15th Anniversary

- Action Plan
 - Amend Rules of Practice and Procedure
 - Develop Licensing Rules
 - Prepare model form licenses
 - Other regulations
 - Capacity building

Albanian Natural Gas Sector ERE 15th Anniversary

- Accomplishments
 - Rules of Practice and Procedure amended to accommodate natural gas activities
 - Licensing rules drafted and in process of adoption
 - Consulted with EC Secretariat
 - Third party access rules drafted and in process of adoption
 - Consulted with EC Secretariat
 - Drafting stage:
 - Model form Transportation License
 - Other model form licenses (Storage, LNG, Distribution)

Albanian Natural Gas Sector ERE 15th Anniversary

- Accomplishments cont.
 - Drafting stage cont.
 - License and asset transfer rules
 - License termination
 - Model Market
 - Tariff methodologies
 - Initial review by IRG tariff expert
 - Further development necessary

Albanian Natural Gas Sector ERE 15th Anniversary

- Accomplishments cont.
 - Capacity building
 - Technology/expertise cooperation
 - U.S.A. Study tour, March 2010
 - Organizer -- USAID/National Association of Regulatory Utility Commissioners (NARUC)
 - ERE delegation visited:
 - Massachusetts Department of Public Utilities
 - Ohio Public Utilities Commission
 - Federal Energy Regulatory Commission (FERC)

Albanian Natural Gas Sector ERE 15th Anniversary

- U.S.A. study tour, cont.:
 - Discussion Topics
 - Fundamental principles of regulation
 - Licensing procedures
 - Third party access
 - Development of wholesale and retail markets
 - Best practices

Albanian Natural Gas Sector ERE 15th Anniversary

- Issues not yet addressed:
 - Tariff methodologies
 - Accounting rules
 - Gas balancing
 - Gas specifications
 - Grid codes
 - Model form contracts

Albanian Natural Gas Sector ERE 15th Anniversary

- Summary
 - ERE: Molding the regulatory aspects of Albanian Natural Gas Sector
 - Congratulations to ERE as much progress has been made
 - However, much remains to be done