



REPUBLIKA E SHQIPËRISË

ENERGY REGULATORY AUTHORITY

DECISION

No. 125, dated 06.05.2026

ON

**ON THE INITIATION OF THE PROCEDURE FOR APPROVING THE
STANDARD LICENCE FOR THE OPERATION OF SMALL-SCALE LNG
PLANTS**

Pursuant to Article 16, of Law no. 43/2015 “On Power Sector”, as amended as well as Articles, 16, 22, point 2 letter “ë” and 23 of Law. 102/2015, “*On Natural Gas Sector*” as amended; Articles 15 and 26 of the “*Regulation on ERE organization, operation and procedures*”, approved by ERE Board decision no. 96, dated 17.06.2016, ERE Board, on their meeting dated 06.05.2026, after reviewing the Report no. 1527, dated 06.05.2026, prepared by Technical Directorates, “*On the initiation of the procedure to approve the Standard license for operation of small-scale LNG plants activity*”;

Considering that:

- Pursuant to Articles 16(11), 22(2)(ë) and 23 of Law No. 102/2015 “On the Natural Gas Sector”, as amended, ERE is vested with the authority to approve licences and licence conditions for the operation of small-scale LNG plants, as well as to establish the licensing conditions and criteria applicable to activities carried out in the natural gas sector.
- The Standard Licence approved by ERE establishes the regulatory framework governing the operation of small-scale LNG plants and sets out the rights and obligations of licence holders, in accordance with Article 22(2)(ë) of Law No. 102/2015 “On the Natural Gas Sector”, as amended.
- The Standard Licence requires licence holders to maintain separate accounts for the licensed activity and any other activity carried out by the undertaking, and to submit annual financial statements to ERE by 31 March of each year, in accordance with Article 30 of Law No. 102/2015 “On the Natural Gas Sector”, as amended.
- The Standard Licence conditions establish the obligation of the licence holder to ensure the safe and sustainable operation of LNG facilities, including the preparation and implementation of operating procedures and emergency response plans for the management of leaks, fires, explosions and technical failures, as well as the employment of adequately trained and qualified personnel for the operation of small-scale LNG systems.
- The Standard Licence also requires licence holders to submit periodic reports to ERE containing operational, financial and quantitative data, including operating costs and revenues, cash flow statements, LNG volumes transported, the number of customers served, and information on complaints received and their resolution, in accordance with the reporting requirements approved by ERE pursuant to Article 16(24) of Law No. 102/2015.
- The conditions of the Standard Licence ensure regulated and non-discriminatory third-party access to the services provided by requiring the publication of information on contracted and available capacities, tariff methodologies and LNG volumes handled by each facility, thereby

- promoting competition and protecting customer interests.
- The Standard Licence establishes clear mechanisms for the application of administrative measures and licence revocation by ERE where the licence holder fails to comply with essential licence conditions, endangers public safety, health or property, breaches environmental protection requirements, or fails to pay regulatory fees imposed by ERE, in accordance with Articles 27 and 106 of Law No. 102/2015 “On the Natural Gas Sector”, as amended.
 - In this context, the Standard Licence aims to regulate the performance of this activity under a uniform regulatory framework, ensuring compliance with legal requirements, technical standards and safety obligations.

Decides:

1. To initiate the procedure for the approval of the Type License for the operation of small-scale LNG plants. (attached document).
2. Natural Gas Regulation Directorate, shall notify the stakeholders of ERE Board decision

This Decision shall enter into force immediately.

Each party involved in this procedure may request the review of the ERE Board’s decision within 7 calendar days from the date of receipt of this decision, in the presence of new evidence that may lead the Board to issue a different decision or in cases of identified material errors. An appeal against this decision may be filed with the Administrative Court of Tirana within 45 calendar days from the date of its publication in the Official Gazette.

This decision is published on the Official Gazette.

ERE CHAIRMAN

Petrit AHMETI



REPUBLIKA E SHQIPËRIË

ENERGY REGULATORY AUTHORITY

LICENSE FOR THE OPERATION OF SMALL-SCALE LNG PLANTS

License issued to: _____

NUIS: _____

License Number: _____

Series: _____

Effective date: _____

Duration: _____

Pursuant to the powers conferred by Law No. 102/2015 “On the Natural Gas Sector”, as amended, the Energy Regulatory Authority (ERE) hereby grants this Licence (the “Licence”) to the above-mentioned legal person (hereinafter referred to as the “Licensee”) for the operation of small-scale LNG plants, subject to the Licence Conditions attached hereto and forming an integral part of this Licence, as well as to any conditions established by the relevant ERE Board Decision.

This Licence shall enter into force on the date specified above and shall remain valid for the period for which it is granted, unless earlier revoked, suspended or terminated by ERE in accordance with the Licence Conditions, the relevant ERE Board Decision, or the provisions of Law No. 102/2015 “On the Natural Gas Sector”, as amended.

ERE CHAIRMAN

LICENSE CONDITIONS FOR THE OPERATION OF SMALL-SCALE LNG PLANTS ACTIVITY

Article 1 General Provisions

ERE is the competent authority in the Republic of Albania, designated under Chapter III, Section I of Law No. 102/2015 “*On the Natural Gas Sector*”, as amended, for the issuance and administration of licences in the natural gas sector “*On Natural Gas Sector*”, as amended, to issue and declare the effectiveness of this License.

1. If any condition of this License becomes void or cancelled or ceases to be effective, this condition shall be removed from the License and the remaining Conditions of the License shall continue to be fully effective.
2. In cases of License transfer, the Licensee is obliged to immediately inform ERE.
3. ERE has the exclusive right to modify this License, if the conditions or circumstances have changed and to comply the provisions of the Rules for Natural Gas Market Organization; Law no. 102/2015 “*On Natural Gas Sector*”, as amended, the General Conditions for the Supply with Natural Gas; Transmission Network Code; Distribution Network Code; the Metering Code; and/or the effective by-laws approved by ERE implementing Law no. 102/2015 “*On Natural Gas Sector*”, as amended.

Definitions of the terms defined to:

- Law no. 102/2015, “*On Natural Gas Sector*” as amended;
- “Regulation on the procedures and terms on license issue, modification, transferring or license removal on natural gas sector”, approved by ERE Board decision no. 97 dated 04.07.2017;
- “Regulation on the procedures of license removal in power and natural gas sectors”, approved with ERE Board Decision no. 58 dated 18.04.2017;
- “Regulation for ERE Organization, Operation and Procedures approved by ERE Board decision no. 96 dated 17.6.2016;
- The Regulations and Rules belonging to Natural Gas Sector (the Legislation in force), including this License for any purpose.

Other words and phrases used on this License and the License Conditions, which are not included on the above regulations and laws, shall have the meaning as follows:

- “**Liquefied Natural Gas**”(LNG) means methane (CH₄), which is converted into liquid at 1 atmosphere (atm) pressure and a temperature of minus 161 degrees Celsius.
- “**Small scale plant**” means the mobile unit used for the production / storage, transportation and / or production, storage, transportation and/or distribution of small quantities of LNG and/or CNG.
- “**Cross-Subsidies**”, means the transfer of the funds or costs allocation between the Licensee accounts, or the accounts for financial support of an activity or business except of the supply, production and/or natural gas trading from the incomes gained from the Licensee that conducts the Licensed Activity, or transferring the caused costs from the Licensee during conducting the Licensed Activity to another activity or business except of the supply, production, and/or natural gas trading activity.
- “**Licensed Activity**”, means the activities directly related and necessary to conduct the operation of small-scale LNG plants activity, in conformity with Law no. 102/2015 “*On*

Natural Gas Sector”, as amended, the Rules for the Operation of Natural Gas Market, the General Conditions for the Supply with Natural Gas, as well as other Rules and Regulations that are applied.

- **“Licensee”**, as used on this document means the Person mentioned on the first page of this License, that possess the license issued by ERE to conduct the Licensed Activity.
- **“Licensing procedures in natural gas sector”**, means the procedure provided on the *“Regulation for the procedures and terms of license issue, modification, transferring or license removal in natural gas sector ”*, approved with ERE Board Decision no. 97, dated 04.07.2017.
- **“Effective legislation”**, means the entire standards, codes, rules, regulations, methodologies and other effective decision or act, approved by ERE and other competent authorities according to Law no. 102/2015 *“On Natural Gas Sector”*, as amended.
- **“Commercial sensitive information”**, means the data regarding the business or of commercial nature of the System Users, that are owned from the Licensee during the process of conducting the Licensed Activity, which shall be kept confidential.
- **“Commercially Advantageous Information”**, means the information related to the Licensee activity itself, which shall be kept confidential and not be given or disclosed to others in a discriminatory approach.
- **“Force majeure”**, means a natural or social act or event occurred in the country as earthquakes, lightning, cyclones, floods, volcanic eruptions, fires or wars, armed conflict, insurrection, terrorist or military action, which prevent the licensee from performing its obligations under the license or other acts or events that are beyond the reasonable control and not arising out of the fault of the licensee, and the licensee has been unable to overcome such act or event by the exercise of due diligence and reasonable efforts, skill and care;
- **“Regulatory fee”** shall mean the annual payment that the licensed companies in the gas sector pay to ERE for covering the costs of its regulatory activities, based in a methodology approved by ERE.

Article 2

Performance of the Licensed Activity

1. The Licensee is authorised by this Licence to carry out the licensed activity of operating small-scale LNG plants according to the effective legislation in the Republic of Albania. In the event that the entity intends to carry out other regulated activities in the natural gas sector, such as transmission, distribution or storage, it shall obtain the respective licences for each of them, in accordance with Article 22, letter ë, of Law No. 102/2015. In any case, the Licensee shall maintain allocated accounts for each licensed activity, pursuant to Article 30 of this Law.
2. The Licensee shall not impede, prevent or attempt to prevent other Licensees or potential participants or competitors from engaging in or entering the business of operating small-scale LNG plants or other activities in the Natural Gas sector in the Republic of Albania;
3. The Licensee shall not engage in any form of monopoly or anti-competitive activity prohibited by the Legislation and secondary legislation in force.
4. The Licensee may not conduct other regulated activities in the natural gas sector, including transmission, distribution or storage of natural gas, without obtaining the respective licence from ERE.
5. By 31 January of each year, the Licensee shall submit to ERE the information and a

written declaration regarding the performance of the activity during the previous year and compliance with the legal framework in the natural gas sector, in accordance with the reporting requirements established by ERE pursuant to Article 16, point 24 of Law No. 102/2015 “On the Natural Gas Sector”, as amended.

6. The Licensee shall not cooperate with other persons to violate the interests of Licensees or Natural Gas customers.
7. The Licensee shall carry out the Licensed Activity in accordance with the principles of transparency established by the legislation in force.
8. A Licensee that aims to engage in activities other than the Activity for which it is Licensed shall inform ERE in cases where it intends to:
 - a) engage in an activity other than the Licensed Activity; or
 - b) establish an Affiliated Business.
9. ERE may impede engagement in another activity or impose specific conditions for the establishment of Affiliated Businesses where necessary to protect the interests of customers.
10. The Licensee is not responsible for the failure to comply with the Licence Conditions in the event of Force Majeure, to the extent that the Force Majeure is the cause of such failure to comply with the Licence Conditions. In such case, the Licensee shall immediately inform ERE and the other Licensees or customers with whom the Licensee has signed agreements.

Article 3 Obligations of the Licensee

1. The Licensee is obliged to comply with the Legislation in force and all Council of Minister Decisions and the Regulations and Rules approved by ERE.
2. The Licensee, in the operational activity of small-scale LNG plants, implementing this License, shall:
 - a) register with the natural gas market operator as a participant in the Albanian natural gas market, according to the registration procedures, and shall comply with the legislation in force and ERE decisions.
 - b) undertake all necessary measures for the improvement of the operational and economic efficiency of the licensed activity, to ensure the quality and continuity of the services provided by it for the benefit of customers and the natural gas sector;
 - c) carry out the operation of small-scale LNG plants, ensuring the safe and reliable operation of the plants, the protection of the life and health of personnel, environmental protection, as well as compliance with the effective technical and safety standards;
 - d) ensure objective and non-discriminatory conditions, for access to the services provided within the framework of the licensed activity;

- e) limit discrimination between users or groups of users of the operation of small-scale LNG plant service, especially where such discrimination favours affiliated undertakings;
- f) protect commercial nature confidential information, obtained during the carry out of its activity;
- g) ensure the operation, maintenance and periodic monitoring of the plants, cryogenic equipment, safety systems, metering systems and under-pressure equipment, in accordance with technical standards and the requirements of the legislation in force;
- h) draft and implement operational procedures and emergency plans for the management of leaks, fires, explosions, technical failures and any other risk related to the operation of small-scale LNG plants;
- i) ensure that the technical staff engaged in the operation of the plants shall be trained and qualified for the operation of cryogenic systems and natural gas infrastructure.

Article 4

Accounts and Reporting

1. The Licensee shall keep accounting records and prepare financial statements, which shall be maintained separately for the Licensed Activity and any other activity (including other Licensed activities) in which the Licensee is engaged, in accordance with the accounting rules and procedures approved by ERE and in accordance with Article 30 of Law No. 102/2015 “*On Natural Gas Sector*”, as amended. Where necessary and under the conditions specified in the applicable Rules and Regulations, these accounts may be provided in a consolidated form. The Licensee shall submit annual financial statements to ERE by 31 March of each year. If the Licensee carries out more than one activity, the expense invoices for each activity carried out shall be easily distinguishable as to which activity they belong, through clear identifying marks according to the licensed activity for which they have been used. In any such case, the Licensee shall declare at ERE the method of identification for each invoice.
2. The Licensee shall make available to ERE, the Ministry, the Competition Authority and other responsible authorities, for a period of at least five (5) years, all transactions under contracts for the provision of the operation activity of small-scale LNG plants, with other licensees or wholesale customers, as required pursuant to Article 77 of Law No. 102/2015 “*On Natural Gas Sector*”, as amended.
3. The data shall include details on the characteristics of the relevant transactions, such as:
 - a) duration,
 - b) bidding rules and the rules for settling the disputes,
 - c) the quantities, dates,
 - d) time for execution of the contract,
 - e) transaction prices,
 - f) means for identification of involved identification customers, details regarding not-paid contracts
4. ERE may make available to market participants certain data reported by the Licensee, provided that information constituting a commercial secret is not disclosed.

5. The Licensee shall immediately notify ERE of any emergency situation affecting the operation of the plant, describing the taken measures.
6. The Licensee shall allocate common costs between its Licensed Activity and other types of activities, in accordance with ERE Regulations and Rules.
The Licensee shall submit to ERE, upon its request, in the form and within the deadline established by ERE, the documentation establishing the basis for the allocation of common costs among the carried out activities, as well as the results achieved following such allocation.
7. The Licensee shall notify ERE within 10 days of any change of:
 - a) the address;
 - b) the statute of the Licensee;
 - c) the registration certificate;
 - d) the NUIS;
 - e) the main governing bodies; or
 - f) the structure of the Licensed business.
8. All official notifications, applications, petitions, claims or other correspondence with ERE related to the Licence shall be in the written form and signed respectively by an authorised officer or designated legal representative of the Licensee or ERE, and shall be sent by courier or registered mail, requesting confirmation of receipt. The addresses of the Parties shall be placed on the envelope. All notifications or other correspondence shall be deemed effective upon delivery, or, if not delivered due to the sender's fault, from the moment of presentation.
9. The Licensee shall submit to ERE Periodic information relating to:
 - a) Operational expenses and revenues (monthly, and on a 3-month progressive basis);
 - b) Cash-Flow statements (monthly and progressive);
 - c) Table with the data on the transported quantities of small-scale LNG (monthly and progressive);
 - d) Any information requested on a case-by-case basis by ERE;
 - e) The number of Customers to whom it has provided the transportation service (monthly and progressive);
 - f) Load curves;
 - g) Metering systems;
 - h) Data on registered complaints, their handling and corrections in the respective billings subject to complaint (monthly and progressive);
 - i) Any other information pursuant to Law No. 102/2015 "On Natural Gas Sector" and the reporting requirements approved by ERE pursuant to Article 16, point 24 of Law No. 102/2015 "On Natural Gas Sector".
10. The Licensee licensed in the operation of small-scale LNG facilities activity, for the provided services, is obliged to provide the information specified by this Law and other applicable legal acts, in a manner easily accessible to the parties. The Licensee shall publish:
 - a) detailed information, regarding the services it provides, the applicable conditions and the necessary technical information.
 - b) information on contracted and available capacities, information provided in numerical form, easily accessible to the parties.
 - c) data on the quantity of gas in each facility, or group of facilities, incoming and outgoing flows, as well as capacities available in the facility, including facilities for which third-party access has been exempted, where this obligation corresponds to the manner in which access has been provided to system users. This information shall be communicated to the national TSO licensed by ERE, which shall publish it, in summary form, for the system or subsystem. The information shall be updated at least on a daily basis.

- d) in order to facilitate the efficient use of the infrastructure and to ensure transparent, objective and non-discriminatory tariffs, it shall publish detailed information on the methodology and structure for the calculation of infrastructure tariffs under regulated third-party access.

Article 5
Use of Information

1. The Licensee shall ensure that any information obtained as a result of its Licensed Activity shall not be provided to any person, except where:
 - a) Prior written consent given by the Person to whom the information relates;
 - b) The information has become public;
 - c) The Licensee is required or permitted to disclose the information in order to comply with the Conditions of this Licence pursuant to ERE order, or any applicable legal provision;
 - d) The information shall be disclosed for the purpose of carrying out the Licensed Activity.
2. The Licensee shall ensure that any Affiliate Business shall not use any information of the Licensee to gain an unjustified competitive advantage and shall ensure that it does not disclose any information to any other Person (including other Affiliate Businesses) that may enable such Person to gain any kind of unjustified commercial benefit.
3. Any Commercially Advantageous Information in the possession of the Licensee shall be disclosed in a transparent and non-discriminatory way and shall be easily and equally accessible to existing and potential consumers and other stakeholders. The disclosure of Commercially Advantageous Information shall be processed so as to prevent preferential handling of individual consumers, other participants in the natural gas market or other stakeholders, with regard to the scope, content and/or form of the disclosed information and/or the time at which it is disclosed.
4. The Licensee shall take all necessary steps to keep confidential the information in its possession and to report to ERE in accordance with the Legal obligations under the requirements set out on Law No. 102/2015 “*On Natural Gas Sector*”, as amended, the General Conditions for Natural Gas Supply and the natural gas supply contract.
5. Information submitted to ERE by the Licensee shall be considered public, except where, upon a specific request of the Licensee, ERE approves by decision that such information is of ownership nature and its disclosure does not serve the public interest.
6. ERE shall preserve the confidentiality of Commercially Sensitive Information received from the Licensee in accordance with the conditions and deadlines set out in the Regulations and Rules applicable according to Articles 16, points 15 and 20 of Law No. 102/2015 “*On Natural Gas Sector*”, as amended.
7. The Licensee shall not enter into agreements which the Licensee knows or shall know that violate the Licence Conditions.
8. The Licensee shall comply with the Laws and Decisions of the Albanian Government and ERE Regulations and Rules.

Article 6
Regulatory fees

1. The Licensee shall pay regulatory fees to ERE on a regular and continuous basis throughout the term of this Licence as determined by ERE in the Regulation on Regulatory Fees as well as Article 14 of Law No. 102/2015 “*On Natural Gas Sector*”, as amended.
2. If the Licensee fails to pay the regulatory fees to ERE within the deadline determined by ERE, the Licensee shall be penalised in accordance with Law No. 102/2015 “*On Natural Gas Sector*” and the Regulation on the Conditions and Procedures for the Imposition of Fines and the Specific Measure for each Violation, approved by ERE Board Decision No. 95, dated 04.07.2017.

Article 7
Control on the Performance of the Licensed Activity

1. ERE shall monitor the Licensee's compliance with the Licence Conditions, shall review the reports received from the Licensee and is authorised to inspect at any time the financial records of the Licensee and may require a technical and/or financial audit of the Licensee's activities. For this purpose, ERE shall, among other things, have unrestricted access to the accounts of the Licensee pursuant to Articles 30 and 31 of Law No. 102/2015 “*On Natural Gas Sector*”, as amended.
2. Authorised representatives of ERE may enter the premises, equipment and documents of the Licensee to inspect the Licensed Activity in accordance with ERE Rules. The Licensee shall provide any assistance requested by ERE during such inspection.
3. Based on a confirmed complaint of any third party or on its own initiative, ERE may initiate an administrative investigation regarding the Licensee's compliance with the Licence Conditions or ERE Rules.
4. If, following the investigation, ERE concludes that the Licensee has failed to comply with the Licence Conditions, ERE may undertake other measures within its authority in order to ensure compliance with the terms and conditions of this Licence.
5. The Licensee shall inform and explain to ERE any breach of the Licence Conditions no later than one week after such breach is notified to the Licensee.
6. The Licensee shall comply with decisions issued by ERE, including the payment of fines imposed by ERE, in accordance with the Legislation in force.

Article 8
Amendment of the Licence

1. ERE may amend or revoke the Licence Conditions in the event that they are not in compliance with:
 - a) The legislation in force and the Decisions of the Government of the Republic of Albania that are in compliance with the legislation in force.
 - b) Decisions issued by a competent Albanian Court.
2. At any time, the Licensee may propose to ERE other amendments to the Conditions of this Licence by submitting a written proposal together with supporting documents. ERE may propose amendments to the conditions of this Licence and consult them with the stakeholders before approval.

Approved by ERE Board Decision no. 125, dated 06.05.2026

3. ERE shall make the final decision only after taking into consideration the interests of customers and other licensees. The stakeholders shall be informed in writing of any proposed amendment. If ERE and the Licensee reach an agreement on such amendments, the Licence Conditions shall be amended. If no agreement is reached, the Licensee may appeal to the Administrative Court of Tirana.
4. All amendments to the Licence Conditions shall be carried out by ERE in accordance with the conditions and deadlines set out in Law No. 102/2015 “*On Natural Gas Sector*”, the Licensing Procedure for the Natural Gas Sector and other applicable Regulations and Rules.
5. Amendments made to the Licence Conditions shall be published in the Official Gazette of the Republic of Albania.

Article 9

Imposition of Administrative Measures and Licence Revocation

1. If the Licensee fails to comply with the conditions of this Licence, ERE may apply administrative measures pursuant to Article 106 of Law No. 102/2015 “*On Natural Gas Sector*”, and the Regulation on the conditions and procedures for the imposition of fines and the specific measure for each violation.
2. ERE may remove the Licence in accordance with Article 27 of Law No. 102/2015 “*On Natural Gas Sector*” and the Regulation on the procedures for license removal in the power and natural gas sectors.

Article 10

Revocation of the Licence

1. ERE shall revoke a licence where the Licensee:
 - a) no longer fulfils the essential conditions of the Licence;
 - b) violates the legal provisions for environmental protection during the conduct of its activity;
 - c) endangers the life, health and property of citizens;
 - d) fails to make the regulatory payments imposed by ERE; ;
 - e) becomes financially insolvent or applies for bankruptcy;
 - f) upon the request of the licensee;
 - g) has ceased carrying out the functions assigned under the Licence.
2. The Licence may be removed by ERE in accordance with the conditions and deadlines set out in Law No. 102/2015 “*On Natural Gas Sector*”, the Licensing Procedures for the Natural Gas Sector, the Regulation on the procedures for refusal of licences in the Power and Natural Gas Sectors, as well as other applicable Rules and Regulations.

Article 11
Dispute Settlement and the Right of Appeal

1. Any dispute between the Licensee and a Market Participant shall, where possible, be settled amicably, in accordance with the Legislation in force and the Regulations and Rules of ERE.
2. If the solution is not settled with understanding, then ERE, upon the request of any Person who is a party to this dispute, shall settle the dispute and shall issue its decision in accordance with Article 98 of Law No. 102/2015 “*On Natural Gas Sector*” and the “Regulation on Handling the Complaints Submitted by Consumers and the Settlement of the Disputes between Licensees in the Power and Natural Gas Sectors”, approved by ERE Board Decision No. 114, dated 08.07.2016.
3. The Licensee may appeal against ERE decisions before the Administrative Court of Tirana.