

## **OPERATIONAL RULES FOR THE SUPPLIER CHARGED WITH PUBLIC SERVICE OBLIGATION OF NATURAL GAS SECTOR**

### **I. GENERAL PROVISIONS**

#### **Article 1 Purpose and Scope**

1. Operational rules for the supplier charged with public service obligation for natural gas sector aim to define and ensure the public service of natural gas supply from the supplier charged with this obligation (hereinbelow – Public Service Supplier), supporting the provisions of Law no. 102/2015 “On Natural Gas Sector”, as amended.
2. The public service of supply is an obligation of the public service that is set to the Supplier of Public Service, which shall ensure the right for the supply with natural gas of the customers that benefit from the public service in the Republic of Albania, with a defined quality of supply, with regulated, easily and clearly comparable, transparent and non-discriminatory prices, to protect them from the not-reasoned increases of the price aiming at achieving a competitive, secure and sustainable natural gas market from the environmental point of view, without being discriminated on their rights and obligations, as provided on Law no. 102/2015 “On Natural Gas Sector” as amended.

#### **Article 2 Legal basis**

1. These rules/conditions shall be drafted being supported on articles 23, letter “f” and article 92, point 3, of Law no. 102/2015 “On natural gas sector”, as amended; Law no. 43/2015 “On Power Sector”, as amended; Law no. 9902, dated 17.04.2008, “On the protection of the customers”, as amended; Law no. 9887, dated 10.03.2008, “On the protection of the personal data”, as amended; Council of Minister Decision no. 533, dated 25.07.2019 “On approving the conditions and procedures for setting public service obligation, that shall be implemented to the licensees on natural gas sector, which exercise the natural gas transmission, distribution and supply activity”.

### **Article 3**

#### **Terms and definitions**

1. This regulation is interdependent, shall be interpreted and implemented in conformity with the general legal framework, and especially with Law no. 102/2015 “On Natural Gas Sector”, as amended, the Network Code and the methodologies approved by ERE, for natural gas sector.
2. On these Rules the following terms shall have these meanings:

**“Energy Regulatory Authority”** or **“ERE”** shall mean the regulatory institution of power and natural gas sector, which shall operate in conformity with this law and power sector law in Albania.

**“Public Service”** shall mean the service that is ensured by a licensee that operates on natural gas sector, that is connected with the safety and quality of supply, the realized prices in natural gas sector, natural gas efficiency, the energy from renewable resources, environmental protection, compliance of which shall not violate competition, except when it is necessary to ensure the public service in question.

**“Public service obligation”** shall mean the obligation set to the licensee for performing the public service, regarding the safety and quality of supply, the regulated prices in natural gas sector, energy efficiency, environmental protection, the compliance of which shall not violate competition except when it is necessary to ensure the public service in question.

**“Supply”** shall mean the sale and resale of natural gas, including LNG to the customers.

**“Supplier”** – shall mean the entity that supplies (sales or resales natural gas) the customer according to a supply contract;

**“Person”** shall mean any natural or legal person, the government or any state agency, any local authority or other legal entities acknowledged from the law within or outside the country except ERE.

**“Safety”** shall mean the natural gas supply safety and technical safety.

**“Network”** shall mean the interconnected pipeline system.

**“End-use customer”** shall mean the customer that purchases natural gas for personal usage.

**“Vulnerable customer”** shall mean a household customer, who, due to the social status, shall enjoys some special rights, regarding the gas supply, ensured for exceptional cases, according to the definitions of this law.

**“Household customer”** shall mean the customer, that purchases natural gas for household consumption, and not for commercial or professional activities.

**“Non household customer”** shall mean the natural or legal persons that purchase natural gas, which is not for household usage, producers and wholesale customers.

**“Network operator”** shall mean the Transmission System Operator and/or the Distribution System Operator.

**“Gas supply contract”** shall mean a contract for natural gas supply, but that not include natural gas derivates.

**“Tariff methodology”** shall mean the act that defines the conditions for the way of calculating the tariffs for the regulated activities of natural gas.

**“Rules for the practices and procedures”** shall mean the rules approved by ERE Board, where there are defined the procedures and terms implemented by ERE.

## **II. SPECIFIC PROVISIONS FOR PUBLIC SERVICE OBLIGATION**

### **Article 4**

#### **Public service obligation**

1. The licensed company and defined with the role of natural gas Supplier, is set public service obligation, according to the definitions of article 89, of law no. 102/2015, “On natural gas sector”, as amended.
2. Charged with public service obligation, the public service supplier is obliged to perform the supply of the customers, according to the definitions of Council of Minister Decision no. 533, of date 25.07.2019 “On approving the conditions and procedures for setting public service obligation, that shall be implemented to the licensee on natural gas sector, that perform the natural gas transmission, distribution and supply activity”.
3. The supplier, who has the public service obligation shall:
  - a. ensure the supply as a public service for all those customers foreseen on the regulation and that enjoy the right from this type of supply;
  - b. shall perform the supply within the public service, exclusively according to the tariffs defined by ERE, which shall be based on regulated conditions;

- c. shall undertake the measures to realize the safe, reliable and qualitative supply of these customers, according to the public service framework;

**Article 5**  
**Public service obligation of supply**

1. To ensure this service, as protection measures for the general interests, to the public service Supplier, shall be set the obligations as follows:
  - a) the supply with regulated price of natural gas as defined in the contract;
  - b) the quality of natural gas is defined in the regulated contract between the parties that shall be approved by ERE.
  - b) The Public Service Supplier shall provide to the customers the right of standard contracts, prepared according to the standard conditions of natural gas supply, approved by ERE, in conformity with article 95 of Law no. 102/2015, “On natural gas sector” as amended and he respective legislation for customer protection.

**Article 6**  
**Supply with natural gas with regulated price**

1. The price of natural gas for the provided quantities shall be regulated in conformity with the definitions as in point 5, of Council of Minister Decision no. 533, dated 25.07.2019 “On approving the conditions and procedures for setting public service obligation, that shall be implemented to the licensees on natural gas sector, which perform the natural gas transmission, distribution and supply activity.”
2. The public service obligation of supply shall be set in a way that the customers are supplied with natural gas from the Public Service Supplier, with regulated prices that shall be approved by ERE, in conformity with article 92, of Law no. 102/2015 “On natural gas sector”, as amended and the methodologies approved by ERE.

**Article 7**  
**Regulation of natural gas supply**

1. The supplier of public service shall provide to the customers that have the right of public service, the supply service in conformity with the general rules of the Standard Contract of natural gas supply for the end use customers that benefit from public service obligation of supply approved with ERE Board Decision.

2. The supplier, which has public service obligation, shall deliver to the end-use customer the signed written contract, within 8 days from the date when initiated the supply.
3. The public service supplier shall maintain a register for the number of customers supplied from him and a specific register with any data of these customers which shall be regularly updated and shall be communicated to the network operator and ERE.
4. The supplier charged with public service obligation, according to Law no. 102/2015 “On Natural Gas Sector”, as amended, and on the regulations approved by ERE.

### **Article 8** **Vulnerable customers**

1. The supply of the vulnerable customers shall be performed from the supplier charged with public service obligation as defined on article 97, of Law no. 102/2015 “On natural gas sector”, as amended.
2. The household customers that have the vulnerable customers status, in conformity with the conditions defined on Article 97, of Law no. 102/2015, shall have the right to benefit from public service obligation of supply.
2. The supplier, which is charged with public service obligation, shall sign within 5 days from the registration day of the vulnerable customers, the contract with natural gas supplier.
3. All of the expenses from the supplier regarding the specific conditions of supply for this category of customers, during the year, defined on point 4, of this article, shall be covered from the tariff of that year. On the next year may be the regulation of the incomes depending on the performance of the previous year.
4. The supplier that supplies with natural gas the vulnerable customers, may interrupt the service according to the specific conditions for this customer’s category, approved by ERE.

### **Article 9** **Quality of Service**

1. The standards for the quality of supply, including the necessary requirements for the continuity of supply in a sustainable level of pressure from the public service supplier, included on the existing codes and regulations, shall be considered public service obligations.
2. Quality of Performance Indicators or “QPI” are the parameters used to meter the performance and supply level for the natural gas services as defined on the “Regulation for defining the Standards and the Minimum Requirements of the Quality of Services and Supplies in Natural Gas sector”, approved with ERE Board Decision.

**Article 10**  
**Monitoring and supervision**

1. ERE, shall act within its competences shall monitor and supervise the implementation of the respective license terms and conditions for the licensee charged with public service obligation for natural gas market in Albania.
2. Public service supplier that violate the conditions defined as above, shall be responsible according to the provisions of article 106, of Law no. 102/2015 “On natural gas sector” as amended.
2. The supplier charged with public service obligation shall send at ERE the information and the written declaration to perform the supply activity realized as a public service obligation during the previous year, according to the reporting requirements approved by ERE according to article 16, point 24 of Law no.102/2015 “On natural gas sector”, as amended.

**II. FINAL PROVISIONS**

**Article 11**  
**Settling the disputes**

Any dispute between, the public service Supplier and the customers, shall be handled by ERE, in conformity with the “Regulation for handling the complaints submitted by the customers and settling the disputes between the licensees in power and natural gas sectors”.

**Article 12**  
**Review and amendment**

This regulation shall be reviewed and/or amended only with ERE Board decision.

**Article 13**  
**Entry into force**

This regulation shall enter into force after the publication in the publication in the Official Gazette.