The Process of Certification and Certification Decision of TAP AG in Albania

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The Process of Certification and Certification Decision of TAP in Albania

1- Current situation of the TAP’s Project Implementation in Albania.

2- TAP Certification Application and relevant Law and Regulations.

3- ERE’s Preliminary Certification Decision.

4- ECRB and Energy Community Secretariat Opinion.

5- Final Certification Decision.
Southern Gas Corridor (SGC) & Natural Gas Reserves (trillion M$^3$)

**SGC:** Investment of approx. USD 45 bln
Crossing six countries – 3,500 km*

**TAP:** Designed to expand from 10 to 20 bcm/a (plus)
878 km in length (105 km offshore)
48” onshore, 36” offshore

* BP World Energy Statistical Review 2014
TAP’s shareholders

Supported by major energy companies

- SOCAR (20%)
- BP (20%)
- SNAM (20%)
- Fluxys (19%)
- Enagás (16%)
- Axpo (5%)
Pre-Selection Phase

TAP designated **Project of National Importance**, December 2012

**Intergovernmental Agreement** (IGA) on TAP between Albania, Italy and Greece, February 2013

**Host Government Agreement** (HGA), April 2013

TAP’s **Environmental, Social and Impact Assessment** (ESIA) approved, 3 May 2013

**Memorandum of Understanding** (MoU) for support of TAP & IAP, May 2013
Current Situation of the TAP’s Project Implementation in Albania

Development Phase

Q2 2015 TAP begins pre-construction work in Albania

Pipeline construction


Albanian authorities provided full support for:

- Updating cadaster data
- Land Easement and Acquisition (LEA)
- Permitting and approval process

Local communities favorable towards TAP
Current Situation of the TAP’s Project Implementation in Albania

Execution Phase

First gas | TAP starts operations **2020**

**Pipeline construction**


- **2013-2015**: Pipeline construction
- **2016**: First gas | TAP starts operations
- **2017-2019**: Further implementation
Project Scope – At a Glance

- **Access roads:** 150 km (new and upgraded)
- **Bridges:** 52 refurbished or replaced
- **8,500** plots of land and approx. **30,000** Project Affected People
- **215 km** of pipeline
- **One** Compressor Station in Fier and **one** metering station in Bilisht (designed to be expanded for future compression)
- **8** block valve stations (BVS)
- Crossing **570** roads, **440** rivers/channels & **1** railway (major and minor crossings)
Aspects from Construction works for Access Roads & Bridges (AR&B) ...
Aspects from Construction works for AR&B …
Aspects from Construction works for AR&B …
TAP in 2016

Pipe arrivals in port of Durrës

Pipe transportation

Start of works for the Compressor Stations

Starts of works for the pipeline itself

Completes the phase of ARB rehabilitation
• According to the Section 4.5.2 of the FJO, TAP AG shall be fully certified before the start of the construction of the pipeline, and not later than 1 January 2018,

• Article 10 of the Gas Directive lays down the certification procedure applicable to all unbundling models foreseen by Article 9 of the Gas Directive, among which the ITO model.

• As no person from a third party controls TAP AG, the NRAs consider that TAP shall be certified, according to the procedure laid out in Article 10 of the Gas Directive and Article 3 of Regulation (EC) No 715/2009.
• On 01 July 2015 - TAP AG based on point 4.5.2 of the Final Joint Opinion (FJO) filed a request for certification to ERE, including the relevant documents.

• TAP AG filed the same application to AEEGSI and RAE at the same date.

• Based on the Energy Community Treaty ratified with Law no. 9501, 03.04.2006, the Ministerial Council Decision no. D/2011/02/MC – EnC, and other national relevant legislation ERE begun the procedure to approve the Regulation on the Certification of the Transmission System Operator for Natural Gas.

• After following the ERE standard procedures on 5th of August 2015, the Board of ERE with Decision no. 100 approved the Regulation on the Certification of the Transmission System Operator for Natural Gas.


• On 31st October 2015 ERE amended the Regulation on the Certification of the Transmission System Operator for Natural Gas in compliance with the new Gas Law (amendment were only to add the relevant articles from the new law).
3- ERE’s Preliminary Certification Decision

• Based on the relevant regulation as mentioned in previous slide, on 05.08.2015, ERE with the decision no.101 begun the procedures to review the application of TAP AG company for Certification in conformity with article 4.5.2 of the Final Joint Opinion.

• Regarding the application done by TAP AG company for the certification, ERE started the necessary activities in collaboration with RAE and AEEGSI, to finalise the adoption of a joint decision for TAP AG according to ITO model, that is in conformity with Chapter IV Directive 2009/73/CE, and exempted from article 22 of the Directive, as provided in paragraph 4.5 point 2 of the Final Joint Opinion.

• During the reviewing process additional documents has been required from TAP by the three NRAs.

• Such cooperation was in the form of meetings and conference calls, (at some point the Commission and Secretariat were involved in order to get their informal opinion before the preliminary decision).
• On the 31st of October 2015 – ERE’s Preliminary Decision on Certification of TAP AG based on Law no.102/2015 “On Natural Gas Sector” articles 13, 37 and 38, the Regulation for the Certification of Transmission System Operator for Natural Gas article 11 point 3, article 4.5.2 of the Final Joint Opinion,

• This decision (the annex) was previously agreed with RAE and AEEGSI

• Article 11 of Energy Community Treaty and article 9 of Ministerial Council Decision No. D/2011/02/MC-EnC, provides that ERE shall inform the Energy Community Secretariat for the decision expressed/unexpressed with words for the certification of transmission system operator of natural gas. The Secretariat decides according to the procedures defined in article 9, point 1 of the Ministerial Council Decision of Energy Community.
• On 02 December 2015 ERE notified to the Secretariat its Decision no.130 of 31 October 2015 on the Preliminary Certification of TAP AG Company as Independent Transmission Operator of Natural Gas.

• On 02 December 2015 the Secretariat forwarded the Preliminary Certification Decision to the ECRB President with the request for providing an ECRB Opinion on the Preliminary Certification Decision pursuant to Article 3(1) Gas Regulation

• ECRB examined the preliminary Certification Decision in accordance with the procedures laid down in ECRB Procedural Act no.1/2015

• On 27 January 2016 ERE received the Opinion 01/2016 of the Energy Community Regulatory Board: On the Decision of the Albanian Regulatory Authority, ERE,no.130 of 31.October 2015 on the Preliminary of Certification of TAP AG company as Independent Transmission Operator of Natural Gas

• The Secretariat decides according to the procedures defined in article 9, point 2 the Ministerial Council Decision of Energy Community.
5- Final Certification Decision.

• ERE on 27th of January 2016 received the Opinion of the ECRB on the Preliminary Certification decision.

• To our knowledge RAE and AEEGSI have received the Commission’s Opinion on Preliminary Certification Decision for TAP.

• ERE is still waiting for the Energy Community Secretariat Opinion.

• Soon after receiving the Opinions the three NRAs will start the process of reviewing their preliminary decisions in order to take into account the above mentioned opinions.

• The final certification decision will be a joint decision agreed by the three NRAs.
THANK YOU