



Autorità per l'energia elettrica e il gas

Partnership agreement

Enti Rregullator i Sektorit te Energjise Elektrike (ERE) and Autorità per l'energia elettrica e il gas (AEEG)

WHEREAS:

The Electricity Regulatory Authority of the Republic of Albania (hereinafter ERE), pursuant to its founding laws (Law 9072 of 22 May 2003 on Power Sector as amended) is authorized to regulate the electricity sector and, in its capacity as national regulator, is also involved in the development of the energy market in South-East Europe;

The Regulatory Authority for Electricity and Gas of Italy (hereinafter AEEG), pursuant to its founding law (Law 481 of 14 November 1995) is responsible for regulating and overseeing the electricity and gas sectors. In its role as national sectorial regulator, it is also officially involved in matters concerning the integration of the European energy markets and the development of the internal market.

The partnership between ERE and AEEG (also referred to as the Parties) furthers the long-standing relationship between Albania and Italy, which aims to promote the institutional, economic and social development of South-East Europe;

ERE and AEEG already have several working relationships in the context of European institutional affiliation. In the work of the CEER (Council of European Energy Regulators), specifically the efforts of the CEER WG SEER (South East Europe Regulators), synergy between the Albanian and the Italian regulator has proved to be especially useful, leading indirectly to Albania's participation in both the Energy Community Treaty, signed in Athens on 25 October 2005, and the MEDREG (Mediterranean Working Group on Electricity and Natural Gas Regulation), formed in Rome on 29 May 2006;

ERE and AEEG believe it would be fruitful to strengthen their synergistic action, including through bilateral cooperation. Specifically, the Parties see an opportunity to focus their mutual efforts on the production of a stable regulatory sectorial framework, that will foster the efficient functioning of the markets, the development of infrastructures including interconnections, the efficient allocation of interconnection and transmission capacity, as well as energy procurement;

ERE and AEEG recognize that their collaboration could help the creation of an harmonized regulatory framework between the two countries, which would also stimulate new opportunities for investment. In addition, ERE and AEEG hope to gradually extend their bilateral cooperation to the gas sector being developed in Albania.

In light of the above, ERE and AEEG would like to establish stable cooperation relationships in the electricity sector, informed by the following criteria.

ART. 1

The above recitals are an integral and substantive part of this agreement and they have binding value.

ART. 2

The Parties commit themselves to collaborate in the performance of their respective institutional functions with respect to the following aspects:

- tariffs and markets;
- quality of services, controls and audits;
- interconnections and cross-border trading; transport and distribution;
- generation (including renewable sources), trading and selling;
- energy efficiency and environment's protection.

ART. 3

The Parties commit themselves to collaborate, including through the mutual exchange of information, on the basis of a detailed, mutually agreed annual work plan in order to achieve the objective per Art. 1. Said collaboration will be ensured by working groups, seminar series and workshops. Such initiatives may involve experts from renowned centres for research and education on regulatory issues, including the Florence School of Regulation.

ART. 4

The Parties will designate their respective officers for implementation of the Agreement.

The above officers within two months of the date of this agreement shall submit the annual work plan per Art. 3 to their respective Presidents. Moreover, every six months, the above officers shall also report to their Presidents on the state of implementation of this Agreement, starting from the date it comes into force.

ART.5

This Partnership Agreement shall come into force on the date it is signed by ERE and AEEG.

Rome,

ERE
Bujar Nepravishtha
Chairman

AEEG
Alessandro Ortis
President