



## Licensing and certification procedures in the gas market Roundtable Discussion

**Update by \* Algerian Electricity and Gas Regulatory Commission \*** 

\*Madina HAMAOUI\_Gas engineer\*



#### Gas market design:



- **Before reform :** The gas system was vertcially integrated, all the activities of the gas chain (transmission, distribution and commercialisation) were operated by the national company (Sonelgaz).
- Main Reform : Law 02-01 (5 February 2002)
  - ✓ Creation of an independent regulatory authority for electricity and gas;
  - ✓ Transformation of Sonelgaz to a joint-stock company and unbundling of its activities (holding organisation);
  - ✓ Separation of the transport and distribution gas activities.

#### Licensing and certification



#### Transmission activity:

- The system of gas transmission is a natural monopoly monitored by the unique Operator GRTG.
- The ministry of energy issue a License for the gas transmission activity, after the advice of the Regulatory Authority (CREG).
- GRTG is authorized by the ministerial order of 2 April 2007 to monitor the gas transmission network as a single and unique operator.
- The Licence is non-assignable.
- The companies that construct the gas infrastructure connecting gas users to gas transmission network are authorized and the list of the companies is frequently updated.

### Licensing and certification



#### Distribution activity:

- The gas distribution system is a natural monopoly.
- Creation of concession for distribution of electricity and gas.
- Gas Distribution is operated by one public distribution company (Sonelgaz-Distribution) which manage 58 concessions spread over 6 regions.
- According to the 02-01 law and it's executive decree n° 08-114 dated April 09<sup>th</sup>, 2008 fixing modalities of allocation and withdrawal of electricity and gas concessions and the specifications of concession holder rights and obligations. Regulatory commission issue a Licence for the concession holder.
- The Licence is non-assignable.
- The companies that construct the gas infrastructure connecting buildings to gas distribution network, are authorized and the list of the companies is frequently updated.

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# THANK YOU FOR YOUR ATTENTION!