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### Inaugural Meetings of the Eastern Europe Natural Gas Partnership May 16-19, 2017 Zagreb, Croatia



Representatives from Albgaz, BH-Gas, Plinacro, Kosovo Ministry of Economic Development, GA-MA AD, Montenegro Bonus and USEA sign the NGP Memorandum of Understanding.

The United States Energy Association (USEA), through a United States Agency for International Development (USAID) supported project, has structured a landmark agreement among seven transmission system operators (TSOs) in seven countries in Eastern Europe to work together on planning, expanding and potentially interconnecting natural gas pipeline infrastructure.

A Signing Ceremony was conducted on May 17, 2017 in Zagreb, Croatia where the countries signed a Memorandum of Understanding under which they agree to develop network planning models, share pipeline network data, equipment information and other technical details. Countries signing onto the deal included: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo, Macedonia, and Montenegro. Romanian and Serbian TSOs plan to serve as observers to the Partnership and could sign onto the MOU at a later date. Under the agreement, USEA will provide transmission system operators with modeling software and train utility engineers and network planners.

USEA specialists will arrange periodical regional meetings and will oversee technical management of the models. USEA's Senior Director, Will Polen, said, "This way of coordinating regional gas network development plans and developing technical justifications for investments to support regional gas markets is a new, progressive approach never implemented before in southeast Europe." The models will be used to map existing infrastructure and forecast future system requirements. The models and analyses resulting from their use will be shared with

ministries, regulators and international financial institutions to encourage investment in natural gas infrastructure. “We will provide the technical basis for gas transmission infrastructure improvements and expansion, similar to the way we have with the electricity transmission system operators in southeast Europe with USAID support. During the last 25 years, USEA and USAID have worked to leverage \$1 billion of power sector investment in Europe and Eurasia” Polen said. “It is not an easy task. Infrastructure projects take a long time and require substantial feasibility assessment. But with the gas network computer modeling capability, the analytical work will become much more accurate, reliable and actually easier” Polen said.

USEA expects a new regional market supported by accelerated investment in natural gas pipelines will usher in a new age of energy security in Southeast Europe. Polen said “The modeling and analysis supported by this agreement will enlarge markets for liquefied natural gas and develop new resources that could transform the economy of Southeast Europe, a region that has relied on Russian natural gas.”

The modeling and analysis supported by the agreement would also bring much-needed natural gas resources to Albania, Kosovo, and Montenegro.