

# STATE ENERGY REGULATORY COMMISSION

8-10, Knyaz Dondoukov Blvd., Sofia 1000; tel. 932 10 13, fax 988 87 82; <http://www.dker.bg>

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## DECISION

**No ТПpГ-19  
of December 27, 2004**

On the grounds of Article 46, para. 2, in relation to Article 50, para. 1 and Article 39, para. 1, it. 3 of the Energy Law

## THE STATE ENERGY REGULATORY COMMISSION

### DECIDED:

**I. It initiates a procedure for conducting a competition for issue of a license for carrying out the activity of distribution of natural gas on the territory of the Danube region under the following terms and conditions:**

**1. Subject of the competition:** selection of a holder of a license for carrying out the activity of distribution of natural gas on the territory of the Danube region, according to item I of the List of the new detached territories for distribution of natural gas in the Republic of Bulgaria, for which no license has been issued (Promulgated, *State Gazette* No. 97/02.11.2004), and under the terms and conditions for gasification of the Danube region set out in the above List.

**2. Deadlines for construction of the separate parts of the gas distribution network:** The deadlines for construction of separate parts of the respective gas distribution network on the territory of the municipalities of the Danube region shall be not later than the tenth year of the entry into force of the license for carrying out the activity of distribution of natural gas in conformity with the business plan of the successful bidder in the competition.

**3. Terms and procedures for conducting the competition:** the competition shall be conducted by the State Energy Regulatory Commission following the terms and procedures laid down in the Energy Law, the Ordinance on licensing the activities in the energy sector, the List of the new detached territories for distribution of natural gas in the Republic of Bulgaria, for which no license has been issued, and complying with the requirements set out in the competition documentation.

**4. Requirements to the applicants for participation in the competition:**

An applicant for participation in the competition may be any legal person incorporated

under the Commercial Code, who possesses technical and financial capabilities, material and human resources and an organizational structure for carrying out the activity under the license and for whom the circumstances under Article 40, para. 3-5 of the Energy Law do not exist.

Any foreign person may participate in the competition following the terms and procedures of Article 46, para. 4 of the Energy Law.

In the performance of the activity of distribution of natural gas, the holder of the license should observe the provisions of the normative and administrative acts in force in the country. In the performance of the activities related to construction of the gas distribution network, the licensee is obliged to ensure safe and healthy labor conditions, to use technologies that increase energy efficiency, do not lead to pollution or damage to the environment, do not endanger the territories and sites protected by the law, do not create risks of labor incidents and improve the hygiene and labor conditions.

#### **5. Price of the competition documentation, place and deadlines for its purchasing:**

The price of the competition documentation is 10,000 BGN, payable in the Bulgarian National Bank – Central Office, in the name of SERC to bank account No 3000142000, bank code 66196611, bank identification No 6301301459.

The competition documentation shall be obtained in the records office of the State Energy Regulatory Commission every working day from 9.00 hrs. to 17.00 hrs. from January 31, 2005, until May 31, 2005, in compliance with a bilaterally signed list of its contents, on production of a document issued by the Bulgarian National Bank attesting its purchase and after signing a declaration for keeping the secret of the information contained therein. The declaration shall be signed in two copies by a person with representative power according to the registration of the trader.

When obtaining the competition documentation, a certificate for current state issued by the court of registration of the trader shall be submitted.

#### **6. Type, amount and method of payment of the competition participation bond:**

The applicants for participation in the competition shall append a document for a deposited money guarantee or unconditional and irrevocable bank guarantee issued by a first-class Bulgarian or foreign bank to the amount of 25,000 €(twenty-five thousand EUR), with a validity period until the closure of the competition procedure by issuing a license to the successful bidder in the competition. The money guarantee shall be deposited to the Bulgarian National Bank – Central Office, in the name of SERC, bank account No 3000142000, bank code 66196611, bank identification No 6301301459.

#### **7. Place, date, time and conditions under which applications for participation in the competition shall be accepted:**

The applications for participation shall be submitted every working day from 09.00 hrs. to 17.00 hrs. by July 1, 2005, inclusive, in the State Energy Regulatory Commission: 8-10 Knyaz Dondoukov Blvd., Sofia. The application shall be accepted by SERC and registered with an incoming number on condition that the applicant produces a certificate for purchased competition documentation issued by the Commission, evidencing that he has purchased the documentation at least one month prior to the date of filing of the application. The applications received on the date under it. I. 8 and after it shall not be considered by the State Energy

Regulatory Commission. The documentation for participation in the competition may not be withdrawn except in case of waiver of participation within the term for filing applications. Documentation for participation in the competition shall not be returned to the applicant after closure of the competition.

**8. Date, place and time of opening the received applications for participation in the competition:** the procedure of conducting the competition shall start from 14.00 hrs. on July 4, 2005, on opening the submitted bids in the State Energy Regulatory Commission: 8-10, Knyaz Dondoukov Blvd., fl. 5, hall No. 3, Sofia.

**9. Term for assessment of the bids:** the term for assessment shall not exceed 3 months of the date of opening of the applications for participation in the competition of the applicants.

**II. It adopts the competition documentation for participation in a competition for issue of a license for carrying out the activity of distribution of natural gas on the territory of the Danube region.**

**III. It approves a sample declaration for keeping the secret of the information contained in the competition documentation (<http://www.dker.bg>)**

**IV. It approves sample declarations under Article 34, para. 1, Article 31, para. 4 and para. 5 of the Ordinance on licensing the activities in the energy sector and a sample certificate for filing an application for participation in a competition under Article 37, para. 2 of the Ordinance on licensing the activities in the energy sector.**

**V. The announcement for the competition should be published in the *State Gazette*.**

**VI. For contacts:**

**Foreign Relations Department of SERC, tel. 93 210 60, 988 22**

**93 210 71**

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