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SHEBERGHAN GAS GENERATION ACTIVITY (SGGA)

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SGGA Quarterly Report

(Section F, Paragraph B (3))

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Table of Contents

- 1. GAS WORKSTREAM (MOM LIAISON, DRILLING, ENVIRONMENTAL) 1
- 2. ENERGY AND POWER WORKSTREAM (DABS and MEW)..... 2
- 3. CAPACITY BUILDING (DABS & MOM, ECONOMICS, TRAINING)..... 4
- 4. RISK MANAGEMENT AND TRANSACTION ADVISOR WORKSTREAM 5
- 5. PROCUREMENT WORKSTREAM 6
- 6. GAS MARKET WORKSTREAM 8
- 7. SECURITY 8

Acronyms and Abbreviations

AEAI	Advanced Engineering Associates International Inc.
AEIC	Afghanistan Energy Information Center
AGE	Afghanistan Gas Enterprise
AGS	Afghanistan Geological Survey
APPF	Afghanistan Police Protection Force
ARDS	Afghanistan Reconstruction Development Service
CCO	Chief Communications Officer
CEO	Chief Executive Officer
COO	Chief Operating Officer
CV	Curriculum Vitae
DABS	Da Afghanistan Breshna Sherkat
DM	Deputy Minister
MEW	Ministry of Energy and Water
MoM	Ministry of Mines
NEPS	North Eastern Power System
O&GS	Oil and Gas Survey
OPIC	Overseas Private Investment Corporation
PCC	Particular Conditions of Contract
PMO	Project Management Office
PMT	Project Management Team
PMU	Project Management Unit
PPSA	Private Power Sales Agreement
SGGA	Sheberghan Gas Generation Activity
SPC	Special Procurement Commission
SPMT	Sheberghan Project Management Team
SWG	Sheberghan Working Group
ToR	Terms of Reference
USAID	United States Agency for International Development
VTC	Video Teleconference

1. GAS WORKSTREAM (MOM LIAISON, DRILLING, ENVIRONMENTAL)

1.1 ACHIEVEMENTS / ACTIVITIES

- Two new SGGA staff joined the team: Daniel Brockway and Scott Seeby, both Petroleum Engineers functionally responsible for Upstream and Midstream teams.
- Completed further revision of tender draft Particular Conditions of Contract in response to ARDS review.
- Prepared explanatory and orientation materials for Eng. A. B. Zamir of Ministry of Mines (MoM), our new MoM liaison.
- Assisted in preparation of response to USAID comments on tender documents and further tender revisions.
- Eng. Zalmai guided new SGGA ex-pat staff on first Sheberghan area visits.
- Sheberghan Drilling Program Tender.
 - Delivered press release on tender and distribution list to Ministry for distribution to oil and gas industry publications.
 - Obtained oil and gas industry publications' advertising rates for possible tender advertising.
 - Completed assembly of available well and field for supplemental information to bidders.
 - Ministry of Mines reported that press release distribution completed to oil and gas industry publications.
 - Obtained oil and gas industry publications' advertising rates for possible tender advertising and discussed with Alireza Tawakoli (Ministry of Mines).
 - Assisted in preparations for bidder conference and site visit.
 - In-house revisions and edits to tender documents prepared while awaiting comments from ARDS and Ministry of Mines.
 - Completed research on eligibility of direct contractors to Ministry of Mines for tax and customs duties exemptions under on-budget programs.
 - Prepared draft of environmental policies for Ministry for inclusion in tender.
- Environmental Compliance.
 - Delivered health, safety, and environmental draft regulations to translators.
 - Environmental scoping study completed and delivered to USAID as Deliverable 2-7, copies to Ministry of Mines.
 - Converted draft health, safety, and environmental policies from regulatory format to contract format for inclusion in drilling services contract; forwarded revision to S.Z. Hashemi, Ministry of Mines' Chief Counsel, for review.
- Working to gather well data for pre-bid conference.
- Edited PCCs for MoM professional engineers.
- Completed revision of draft project management agreement with Ministry of Mines.
- Petroleum Engineering Services Tender for Ministry – reviewed and edited draft scope of work and ranking documents.
- Assisted with Gas Market Study.
 - Eng. Zalmai and team updated data sheet on nine gas fields in the Sheberghan area (Khoja Gogerdak, Gerquduq, Juma, Bashikurd, Yatimtaq, Khowaja Bolan, Shakarak, Chenghgchy, and Jangal-e-Kalan. Original completed report will be maintained at Sheberghan data room.
 - Eng. Zalmai and team gathered data on past five years of oil and gas and oil and gas products production, sale, import and export.
- Updated work plan for internal use and recruiting petroleum engineers.

1.2 MEETINGS

- 28 Nov 12, Met with Eng. A. B. Zamir, Hydrocarbon Unit manager, Ministry of Mines to discuss tender status and terms.
- 9 Dec 12, Met with Dr. Outbuddin, Wayne Register, Scott Seeby and Dan Brockway for orientation; also met with Ahmad Aimaq with his PMO and discussed their future well work plans.
- 11 Dec 12, Sheberghan Working Group, USAID VTC connection failed. SGGA and MoM attendees made progress on MoM environmental policy next steps in an informal meeting.
- 12 Dec 12, Meeting with Dir. Gen. Jalil Jumriany, Eng. Zamir (Ministry of Mines), E. Gerloff, W. Register, S. Kelley, Sher Rahman, M. Scholder, D. Brockway, S. Seeby (SGGA) re tender status, environmental regulations.
- 24 Dec 12, Naimatullah Kosar and Ernie Gerloff met with Engr Zamir on 24 December to review advertising and news release approach for the Ministry of Mines for well drilling tender.
- Provided Jalil a copy of rough draft of Project Management Team (PMT) agreement, major comment was USAID should have SGGA pay for salaries of employees of the Gas Business Unit, as the Ministry does not have the funds.
- Met with USAID and turned in Deliverables regarding MoM assessment at Sheberghan, Status and Inception Report and the Three year capacity building program; plus rough draft copy of PMT agreements for Ministry of Mines and DABS for review and comment.
- 28 Nov 12, Met with Eng. A. B. Zamir, Hydrocarbon Unit manager, Ministry of Mines to discuss tender status and terms.
- Presented Jalil a copy of rough draft of Project Management Team (PMT) agreement, major comment was USAID should have SGGA pay for salaries of employees of the Gas Business Unit, as the Ministry does not have the funds.
- Met with USAID and turned in Deliverables regarding MoM assessment at Sheberghan, Status and Inception Report and the Three year capacity building program; plus rough draft copy of PMT agreements for Ministry of Mines and DABS for review and comment.
- Sheberghan drilling tender bidders' conference, 7 January.

1.3 CHALLENGES

- The Ministry does not have the funds for salaries of employees of the Gas Business Unit, therefore it is requested for USAID to have SGGA pay for such salaries until program completion.

1.4 PLANS FOR NEXT QUARTER

- Assist Ministry in completion of drilling tender activities.
- Continue to develop required contract deliverables.

2. ENERGY AND POWER WORKSTREAM (DABS and MEW)

2.1 ACHIEVEMENTS / ACTIVITIES

- Traveled to Sheberghan to review infrastructure to assist with future plans.
- Assisted DABS CCO Mirwais Alami in the preparation of a power point presentation for DABS commercial achievements for the 2012 first quarter.
- Participated in Fichtner Master Plan presentation that now includes Sheberghan 200MW Power Plant for the short term (up 2015).
- Coordinated with DABS Corporate Planning Department the data collection for the Northwest provinces (no. of customers, consumption, and supply).

- Assisted DABS COO Eng. Shekeeb Ahmad on the preparation of DABS questions to Fichtner Master Plan related to the synchronization of Sheberghan 200 MW Power Plant to Turkmenistan Electric System, voltage and other transmission constraints for the delivery of this power to the Northern Provinces, as well as the load forecast for the same area.
- Presented to DABS for their comments and future signature of the Sheberghan Project Management Team Agreement (DABS - SPMT).
- Prepared the capacity building strategy for DABS and MEW as well as in the draft of the Project Management Team (PMT) agreements for the same stakeholders.
- Prepared draft presentation for MEW to present at the Sheberghan Working Group (SWG).
- Prepared draft presentation for DABS to present at the SWG.
- Attend ADB meeting with Mr. Durrani to mutually update projects of interest.
- Traveled to Sheberghan to review infrastructure to assist with future plans.
- Prepared the objectives and working plan for the technical and commercial assessment to be conducted by DABS and SGGA team in Mazar-e-Shariff.
- Made initial contact with independent consultants for the Power System analysis for the Northeast electric system with Sheberghan 200MW Power Plant included (low flow and stability).
- Prepared preliminary content of the presentation, electric power system basic concepts and DABS challenges that MoM's Jalil Jumriany requested of the SGGA Power team.
- Inclusion of internal comments to the objectives and working plan for the technical and commercial assessment in Mazar-e-Shariff.
- The SoW "POWER SYSTEM ANALYSIS - Connection and Operation of Sheberghan 200MW Power Plant" was prepared.
- Compiled information from the power system studies done for Afghanistan to prepare the annexes to the SoW mentioned above (NEPS Siemens study, Fichtner Master Plan).

2.2 MEETINGS

- Met with Counterpart at DABS in preparation for trip to Sheberghan.
- Met with Afghan gas and energy contacts in Sheberghan.
- Met with DABS CEO Mr. Abdul Razaq Samadi to introduce part of SGGA team, one year extension of Uzbekistan selling agreement, and a future meeting to present SGGA project.
- 11 Dec 12, Afghanistan Power Sector Master Plan final draft presentation by Fichtner at MEW conference room.
- Met with DABS COO Eng. Shekeeb Ahmad and with MEW Energy Programming Director Eng. Mohd Humayyon Kohistani in relation to Fichtner Master Plan and Sheberghan 200 MW Power Plant.
- Follow-up meeting with Policy Director Eng. Malalai and Eng. Rahmat of MEW regarding domestic generation policy and SWG presentation.
- Follow-up meeting with DABS' Khwaja Mohammad Masood and DABS' executives, COO Eng. Shekeeb and CCO Mirawais Alami regarding domestic generation policy.
- Follow up meeting with Eng. Shakeeb of DABS regarding re-conducting of the 110KV line between Mazar and Sheberghan as well as the status of the PPSA with Turkmenistan.
- Met with Counterpart at DABS in preparation for trip to Sheberghan.
- Met with Afghan gas and energy contacts in Sheberghan.
- Meeting with DABS COO Eng. Shekeeb for the coordination of the activities between DABS and SGGA team, including: Technical and commercial Assessment for the Northeast electric systems, starting in Mazar, Capacity Building Program and the Project Manager Team and the Fichtner Master Plan Meeting for the final report planned to take place between the 21st and 25th of January in Stuttgart, Germany.

- Visited the National Load Control Center to gather data on their organization structure, procedures, and data collection processes.
- Meeting with Afghan Energy Information Center (AEIC) team to coordinate the assessment to be done in Mazar-e-Sharif, including possible budget support from SGGA.
- Met with MEW Policy Director – Eng. Malalai to discuss the PMT Agreement to be signed with MEW. She gave us the comments that her area had to the document and expecting the ones from Deputy Minister Eng. Faruq who will be the signature authority.
- Met with DABS Eng. Wali Oriak from Operations and Eng. Fasatulla from the commercial area to discuss the PMT Agreement to be signed with DABS.

2.3 CHALLENGES

- None.

2.4 PLANS FOR NEXT QUARTER

- Continue to develop required contract deliverables.

3. CAPACITY BUILDING (DABS & MOM, ECONOMICS, TRAINING)

3.1 ACHIEVEMENTS / ACTIVITIES

- Arranged translations of the job descriptions and questionnaires into Dari.
- Interviewed more translator candidates for capacity building.
- Finalized the capacity assessment trip for AGE and O&GS staff in Sheberghan.
- Conducted internal planning meeting for capacity assessment for DABS & MEW.
- Interviewed last translator's candidates for capacity building effort.
- Began work on the Joint Capability & Need Assessment report of MoM.
- Completed the work on the job descriptions, skillsets, and minimum qualifications for the staff to be recruited and trained for the SGDP.
- Finished the job descriptions and questionnaire into Dari.
- Worked to translate 200+ capacity assessment questionnaire plus CVs for AGE and O&GS staff in Sheberghan.
- Hired two translators for the capacity building effort.
- Collected input from the upstream and mid-stream gas experts for planning the capacity building effort.
- The Joint Report on Capability and Needs Assessment of MoM report, deliverable 1-7, was completed and submitted to USAID on 26 Dec 12.
- The Three-Year Joint Capacity Enhancement, Training, and Mentoring Program with Expat to Afghan Transition Plan, deliverable 1-9, was completed and submitted to USAID on 26 Dec 12.
- Planned travel to Sheberghan in order to start the assessment building.
- Continued the review and finalization work on the job descriptions, skillsets, and minimum qualifications for the staff to be recruited and trained for the SGDP.
- Continued the review and finalization work on the capacity assessment questionnaires.
- Finalized the capacity assessment trip for AGE and O&GS staff in Sheberghan.
- Conducted internal planning meeting for capacity assessment for DABS & MEW.
- Presented the Joint Report on Capability and Needs Assessment of MoM report to USAID and MoM.
- Presented the Three-Year Joint Capacity Enhancement, Training, and Mentoring Program with Expat to Afghan Transition Plan to USAID and MoM.

- Started the implementation of the Capacity Building for the On-Site Field Representative.
- Started developing Oil and Gas Basic Training program for MoM personnel.

3.2 MEETINGS

- Met with counterparts in Sheberghan to conduct additional capacity assessment surveys.
- Meeting with Jules J. Jordy, in the Office of Economic Growth & Infrastructure to explain him (and the rest of the team) the Joint Report on Capability and Needs Assessment of MoM and the Three-Year Joint Capacity Enhancement, Training, and Mentoring Program with Expat to Afghan Transition Plan.
- Meeting with Eng. Zalmi to coordinate the travel to Sheberghan for the assessment building work.
- Meetings with USAID and MoM to present the Joint Report on Capability and Needs Assessment of MoM report and the Three-Year Joint Capacity Enhancement, Training, and Mentoring Program with Expat to Afghan Transition Plan.
Meeting with our colleagues in Sheberghan to design the training Course for the Over- site field representative.

3.3 CHALLENGES

- To successfully execute the Capacity Building plan we need to increase collaboration with MoM staff.

3.4 PLANS FOR NEXT QUARTER

- Continue to develop and complete required contract deliverables.
- Kick off major Capacity Building courses, in later part of January and early February.

4. RISK MANAGEMENT AND TRANSACTION ADVISOR WORKSTREAM

4.1 ACHIEVEMENTS ACTIVITIES

- Worked to complete the Branding Implementation Plan and Marking Plan report.
- Worked to complete the Deliverable 1-2 Revised Annual Work and Staffing Plan.
- Updated the draft Gantt Chart to track the actual versus planned progress.
- Prepared draft PMU agreements.
- Revised and submitted the Deliverable 1-8 Joint Program Implementation Strategies and Procedures Manual.
- Worked on the Deliverable 1-3, SGGA Performance Monitoring Plan and refined the Proposed Indicators.
- Worked on the Deliverable 2-2, Model Power Purchase Agreement.
- Legal Transaction Advisors scoping matrix initial internal SGGA review is underway before sending to OPIC and USAID.
- Worked on other early deliverables under USAID contract modification.
- Refined the matrix to compare OPIC proposed scope of work for the Legal Transaction Advisor with SGGA proposed scope.

4.2 MEETINGS

- Met with USAID regarding re-designing the SGGA work Gantt Chart to track the actual versus planned progress.

- Met with OPIC regarding the Legal Transaction Advisor matrix to compare OPIC proposed scope of work.
- Met with Professor Malalai for potential local legal assistance for project financing requirements.
- Attended the Sheberghan Working Group meeting on December 11, 2012 and spoke with the TFBSO about collaborating more closely.
- Met with USAID regarding the financial management procedures for the Deliverable 1-8, Joint Program Implementation Strategies and Procedures Manual, and the Deliverable 1-3, Proposed Indicators for the SGGA Performance Monitoring Plan.
- Met with USAID on the matrix to compare the OPIC proposed scope of work for the Legal Transaction Advisor with SGGA proposed scope.

4.3 CHALLENGES

- Postponing issuing the tender for the Legal Transaction Advisors until scoping issues with OPIC are resolved.

4.4 PLANS FOR NEXT QUARTER

- Continue to develop and complete required contract deliverables.

5. PROCUREMENT WORKSTREAM

5.1 ACHIEVEMENTS / ACTIVITIES

- Completed and resubmitted revised conditions precedent to USAID, 14 Oct 12.
- Assisted MoM in development and completion of HR manual package; submitted to USAID on 26 Nov-12 - Final condition precedent.
- Made final update to the professional engineers scope of work, based upon Eng Zamir's comments.
- Completed and submitted a turnkey, lump sum, FIDIC-IADC hybrid drilling tender to MoM, 17 Oct 12.
- Tender made it through MoM review and the Minister signed our letters on 24 Oct 12.
- Adjusted tender on 25 Oct 12 and submitted to USAID and a few days later to ARDS.
- Finalized tender following final comments from ARDS; obtained signed Minister letter forwarding to USAID and ARDS; made final USAID adjustments.
- Made final update to the professional engineers scope of work, based upon Eng Zamir's comments.
- Finalized various logistics and operational plans for the drilling tender pre-bid conference.
- Supported visit by Sheberghan team during their visit, including processing purchase requests on their behalf and various trip paper works on behalf of the three visitors.
- Made final update to the professional engineer's scope of services, based upon ARDS's recommendation and send it to MoM and ARDS for their review.
- Completed online advertising services for drilling tender.
- Completed and submitted USAID deliverable: MoM SGDP/IL Advice and Support Action Plan With Schedule – 1-4.
- Completed and submitted USAID deliverable: SGDP Proposed IL Procurement Schedule – 1-5.
- Completed and submitted USAID deliverable: Report on Draft of Drilling Contract Tendering Document – 2-1.
- Completed and submitted USAID deliverables: 2 Monthly Reports.
- Completed and submitted 9 Weekly Reports.

5.2 MEETINGS

- 17 Nov 12, Met with ARDS to press for expedient review of the tender.
- 18 Nov 12, Met with Jalil on HR Manual status, availability of minister.
- 19 Nov 12, Met with HR on to clarify final manual staff.
- 20 Nov 12, Met with Jalil on sudden requirement to vacate offices.
- 21 Nov 12, Met with Eng. Zamir on tender and dropped HR manual for Jalil.
- 25 Nov 12, Met with Eng Zamir to provide the update the tender document.
- 26 Nov 12, Met with Eng Zamir to deliver new tender cover letter.
- 26 Nov 12, Met with USAID to deliver HR manual and Drilling tender document.
- 27 Nov 12, Met with MoM (Eng Zamir & Jalil) to pick up reviewed tender.
- 1 Dec 12, Met with ARDS and convinced them the tender was complete for advertising.
- 1 Dec 12, Met with USAID, weekly meeting, discussed tender approval and LTAs.
- 1 Dec 12, Met with Jalil of MoM and explained the status of the tender, discussed upcoming SWG meeting, and determined the new name of former PMU / Task Force.
- 4 Dec 12, Met with Jalil of MoM for a working lunch and discussed next tender steps.
- 9 Dec 12, Met with Dr. Outbuddin and introduced him to the new petroleum engineers: Scott Seeby and Dan Brockway; also met with Ahmad Aimaq with his PMO and discussed their future well work plans.
- 10 Dec 12, Met with Eng Zamir to provide him an updated professional engineers scope of work and to introduced Scott and Dan.
- 11 Dec 12, Attended the SWG which allowed time with Sayed Hashemi and Eng Zamir, even though there were technical problems with the VTC component of the event.
- 12 Dec 12, Met with DG Jalil Jumriany along with most of the team to discuss environmental issues, participation in the pre-bid conference, professional engineers tender, etc.
- 16, 19 Dec 12, Met with Eng Zamir and reviewed professional engineers scope of work.
- 19 Dec 12, Met with Tanka of ARDS and discussed Professional engineers tender.
- 22, 23 Dec 12, Met with Eng. Zamir and reviewed professional engineers scope of services and discussed the security arrangements for Sheberghan site visit.
- 23 Dec 12, Met with Tanka of ARDS and discussed Professional engineers tender.
- 24 Dec 12, Met with Eng. Zamir and discussed Sheberghan trip layout.
- 30 Dec 12, Met with Eng. Zamir and reviewed professional engineers scope of services and discussed the security arrangements for Sheberghan site visit.
- 3 Jan 13, Team meeting to script out the pre-bid conference logistics and execution, scheduled for 7 Jan 13.
- 5 Jan 13, Met with Jalil and Eng Zamir to review their attendance, opening comments, and discuss Pre-Bid Conference sequencing.
- 6 Jan 13, Traveled to AGS to review room prep progress for the Pre-Bid Conference.
- 7 Jan 13, Executed Pre-Bid Conference at AGS.
- 12 Jan 13, Met with USAID and discussed Pre-Bid Conference data and submitted another tender deliverable, 2-2.
- 15 Jan 13, Met with ARDS to post amendment and Pre-Bid Conference Q&A.

5.3 CHALLENGES

- Keeping MoM on schedule with the drilling tender: bids received, bids evaluated, proposed contract properly reviewed, and contract awarded.

5.4 PLANS FOR NEXT QUARTER

- Drilling tender bid opening, technical and business evaluation by MoM, review by USAID, SPC, and MoM, and contract award.
- Expand capacity development and process a second tender for professional engineering services.

6. GAS MARKET WORKSTREAM

6.1 ACHIEVEMENTS / ACTIVITIES

- Began orientation of new local economist, Mr. Fattah Ehrari, for gas market status and feasibility study efforts.
- Continued collecting gas operations data for the Gas Market Status and Feasibility Study deliverables.
- Visited institutions in and around Kabul to obtain information about the natural gas market in Afghanistan.
- Prepared charts of data from the information collected.
- Mr. Herari accepted the working conditions and he will be the new local energy economist.

6.2 MEETINGS

- Interview discussions with market research economists.
- 13 Nov 12, Sheberghan Working Group Meeting, Tuesday.

6.3 CHALLENGES

- None

6.4 PLANS FOR NEXT QUARTER

- Continue to develop and complete required contract deliverables.

7. SECURITY

- Retraining of the APPF guard force assigned to AEAI/SGGA facilities in Kabul at the APPF Training Academy is continuing. The last group will complete training in the next month.
- Movement restrictions were imposed on AEAI international personnel on 17 Dec 12 due to suicide attack in Jalal Abad Road.
- Security team Travelled to Mazar on 25 Nov 12 to support field mission in Sheberghan and Returned back on 6 Dec 12.