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SHEBERGHAN GAS GENERATION ACTIVITY (SGGA)

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Monthly Report

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Acronyms and Abbreviations

AEAI	Advanced Engineering Associates International, Inc.
AGE	Afghanistan Gas Enterprise
AGS	Afghanistan Geological Survey
APPF	Afghanistan Police Protection Force
ARDS	Afghanistan Reconstruction Development Service
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
O&GS	Oil and Gas Survey
OPIC	Overseas Private Investment Corporation
PCC	Particular Conditions of Contract
PMT	Project Management Team
PMU	Project Management Unit
SGGA	Sheberghan Gas Generation Activity
SPMT	Sheberghan Project Management Team
ToR	Terms of Reference
USAID	United States Agency for International Development
VTC	Video Teleconference

Country Team Staffing

Expatriate Staff	Functional Title
Ernest Gerloff	Chief of Party
Dave Davis	Director, Security and Transport
Ana Moncada	IPP/Power System Engineer/Manager
Wayne Register	Senior Procurement Advisor
Michael Scholder	Senior Transactions Advisor
Mauricio Medinaceli	Gas Economist
Stroud Kelley	Senior Legal and Regulatory Advisor
Daniel Brockway	Gas Midstream Manager
Scott Seeby	Gas Upstream Manager (Demobilized on 21 December 2012)
Key Afghan Staff	Position
Sher Rahman Mohmand	Deputy Director of Gas Tasks Force, MOM
Eng. Zalmai	Deputy Co-Director, Joint Gas Working Group
Ahmad Farid Naderi	Deputy Operations Manager
Naimatullah Kohsar	Deputy Energy Manager
Habibullah Mokhlis	Drilling Engineer (Sheberghan)
Shaista Labib	Deputy Procurement Manager
Shukrullah Poyan	Senior. Project Associate
Mohammad Bahir	Electrical Engineer/AutoCAD Specialist
Amanullah Khan	Deputy Director, Security
Daud Masjidi	Sr. Administrative & Financial System Specialist
Moh'd Suliman Kazimi	Manager, Finance and Disbursement
Muzhgan Waseeq	Manager, Office of Chief of Party
Farida Hamidi	Administrative Program Coordinator
Khusraw Razbaan Ahmadzai	Manager, IT and Facilities
Razia Rasooly	Manager, Human Resource and Training
Hanifullah Aziz	Manager, Procurement and Contracts
Abdul Haleem	Manager, Security and Transport Control Center
Asadullah Rasuli	Manager, Travel and Administrative Transactions

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.
- A. Waseeq and M. Bahir of SGGA completed compilation of briefing notebooks for newly arrived petroleum engineers.
- Eng. Zalmai guided new SGGA ex-pat staff on first Sheberghan area visits.
- Prepared draft report to USAID on draft tender documents.
- Sheberghan Drilling Program Tender.
 - Planning for January 7 bidder conference, assembling well and field data for bidders in progress.
 - 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.
 - Reviewed documents for Ministry tender for petroleum engineers.
 - 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).
 - Assist in preparations for bidder conference and site visit.
- 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.

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.
- 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.

1.3 CHALLENGES

- Fragmented and inconsistent tender review from both Ministry of Mines and USAID; continues resulting in extra efforts to coordinate with both organizations and ARDS in order to have Ministry deliver the drilling tender to ARDS.
- Likely unable to have the advertising done by 28th of December, therefore go to original plan of email and calling potential drilling companies from teams list of firms.
- 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 MONTH

- Assist with drilling tender Pre-Bid Conference.
- Respond to Pre-Bid Conference questions.
- 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.
- Assisting 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).
- Assisting 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.

- Presenting to DABS for their comments and future signature of the Sheberghan Project Management Team Agreement (DABS - SPMT).
- Preparation of 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.

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.

2.3 CHALLENGES

- Postponement of Sheberghan Working Group meeting until Fichtner is in Kabul to discuss the Power Sector Master Plan generically and will have specific request into ADB to have Fichtner discuss the Master Plan application to Sheberghan power plant and future expansions.

2.4 PLANS FOR NEXT MONTH

- Continue to develop required contract deliverables.

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

3.1 ACHIEVEMENTS / ACTIVITIES

- 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.
- 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.
- Began the translations of the capacity assessment questionnaires and CVs for the AGE and O&GS staff in Sheberghan.
- 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, skill sets, 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.

3.2 MEETINGS

- Met with counterparts in Sheberghan to conduct additional capacity assessment surveys.
- We had a 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.

3.3 CHALLENGES

- To start the Capacity Building plant we need the collaboration of the people of the MoM.

3.4 PLANS FOR NEXT MONTH

- Continue to develop and complete required contract deliverables.

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.
- Work on other early deliverables under USAID contract modification.
- Updated the draft Gantt Chart to track the actual versus planned progress.
- Refined the matrix to compare OPIC proposed scope of work for the Legal Transaction Advisor with SGGA proposed scope.
- Worked to complete the Deliverable 1-8 Joint Program Implementation Strategies and Procedures Manual.
- 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.

4.2 MEETINGS

- Met with USAID regarding re-designing the SGGA work Gantt Chart to track the actual versus planned progress.
- Met with USAID on the matrix to compare the OPIC proposed scope of work for the Legal Transaction Advisor with SGGA proposed scope.

- 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.

4.3 CHALLENGES

- The Environmental Scoping Study has received no comment from OPIC which were due in October 2012.
- Postponing issuing the tender for the Legal Transaction Advisors until scoping issues with OPIC are resolved.

4.4 PLANS FOR NEXT MONTH

- Continue to develop and complete required contract deliverables.

5 PROCUREMENT WORKSTREAM

5.1 ACHIEVEMENTS / ACTIVITIES

- Finalized tender following final comments from ARDS; obtained signed Minister letter forwarding to USAID and ARDS; made final USAID adjustments.
- Adjusted SGGA tender review letter based upon USAID requirements.
- Introduced new petroleum engineers, Scott Seeby and Dan Brockway to key ministry stakeholders: Eng. Zamir of MoM, Dr. Outbuddin of O&GS, and Ahmad Aimaq of PMO.
- Completed and submitted two deliverables to USAID: SGDP Proposed IL Procurement Schedule, 1-5 and Report on Draft of Drilling Contract Tendering Document, 2-1.
- Reached 90% completion on deliverable 2-2, Report on Completed and Issued Drilling Contract Tendering Documents.
- Conducted initial pre-bid conference planning.
- Made final update to the professional engineers scope of work, based upon Eng Zamir's comments.
- Finalized various logistics and operational plans for the 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.
- Assisted in update to the professional engineers PCC.
- Prepared Sheberghan trip layout.
- Did research on advertising rates in different regional and worldwide papers.
- 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.
- Finalized various logistics and operational plans for the pre-bid conference.
- Assisted in update to the professional engineers ToR.
- Continued working on online advertising services for drilling tender.

- Drafted and obtained signature of letter by AGS director to book AGS VTC room for pre-bid conference
- Submitted letter to invite Dr. Outbuddin for pre-bid conference to DM's office.
- Compiled Weekly Report.
- Compiled Monthly Report.

5.2 MEETINGS

- 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.

5.3 CHALLENGES

- Timing completion of ARDS and USAID final reviews in time for a 3 Dec 12 advertisement.
- Pushing a second tender (consulting services for professional engineers) through ARDS.
- Pushing a second tender (consulting services for professional engineers) through ARDS.
- Online advertisement services for drilling tender due to lateness of MoM publicity department responsiveness.

5.4 PLANS FOR NEXT MONTH

- Execute drilling tender Pre-Bid Conference.
- Facilitate response to questions from Pre-Bid Conference.
- Complete contract deliverable 2-2.
- Provide technical assistance to MoM to prepare them for bid evaluation.

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.
- We have received information about oil derivatives imports.
- Continued collecting gas operations data for the Gas Market Status and Feasibility Study deliverables.
- Visited institutions in and around Kabul to get information about the natural gas market in Afghanistan.
- Prepared charts of data from the information collected.

6.2 MEETINGS

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

6.3 CHALLENGES

- None

6.4 PLANS FOR NEXT MONTH

- Complete the Report on Current State of Natural Gas Sector Two to be delivered in January 2013.

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.