

Buenos Aires, September 29, 1995

PURSUANT TO Law 24076, Resolution ENARGAS Nr. 93/94 and Resolution ENARGAS Nr. 139/95, and

WHEREAS:

Assertion of control measures as regards compliance with the regulations in force by CNG Refueling Stations and users of CNG equipment to be used in motor vehicles is essential.

This Authority has instructed that vehicles using Compressed Natural Gas (CNG) in their propulsion system shall show the mandatory CNG Fuel System Identification Sticker affixed at the top right side of their windshields, before refueling.

Penalties must be applied to the Refueling Station responsible persons whenever they do not comply with safety standards, since non-compliance constitutes a risk for public safety which must be protected by the regulatory authority.

Distributors are empowered to apply those penalties and preventively shut off natural gas supply by sealing the gas inlet valve at each Refueling Station measuring bridge.

For that purpose, it is essential to urge the Ministry of the Interior and through it, the Argentine Federal Police; the Government of the City of Buenos Aires; the Provincial Governments and, through them, their Municipalities and Police Departments to conduct efficient control mechanisms for compliance with the legal and technical regulations in force by the CNG Refueling Stations and Users; in exercise of their own local control and police powers as regards safety.

In addition, as this Authority has stated that Distribution Licensees primarily hold quality and safety control of CNG Refueling Stations (Annex XXVII, Transfer Agreements) they shall also be urged to comply with the regulations in force applicable to these matters.

In order to unify criteria, the regulations stipulated on the same issues by Resolution ENARGAS Nr. 93/94 shall be accurately stated.

The ENTE NACIONAL REGULADOR DEL GAS is empowered to issue this Resolution as regards the stipulations of Sections 2, subsection a), 21 and 52, subsections b), m), ñ), w) and x) of Law 24076.

THEREFORE:

THE ENTE NACIONAL REGULADOR DEL GAS BOARD OF DIRECTORS RESOLVES:  
SECTION 1: Section 1 of Resolution ENARGAS Nr. 93/94 is hereby replaced and shall be drafted as follows: *“Mechanisms for safety and quality inspection to be carried out for qualifying Compressed Natural Gas (CNG) Refueling Stations are hereby approved and shall be exercised by Gas Distribution Licensees, all in accordance with Annexes I, II and III. Penalties Policy approved*

*as Annex III to this document may also be applied by the Argentine Federal Police, the Government of the City of Buenos Aires and the Municipalities and Police Departments depending on Provincial Governments in exercise of their own local control and police powers as regards safety”.*

SECTION 2: This Resolution shall be in force as of the next day of its publication.

SECTION 3: Communicate, deliver to the NATIONAL BUREAU OF OFFICIAL REGISTRY, publish and file it.

RESOLUTION ENARGAS Nr. 197.

[Signed by Raul E. García, President. Ente Nacional Regulador del Gas; Eduardo A. Pigretti, Director. Ente Nacional Regulador del Gas; Hector E. Formica, Director. Ente Nacional Regulador del Gas; Ricardo V. Busi, Director. Ente Nacional Regulador del Gas]

### ANNEX III

- 1) As of August 5, 1995, persons responsible for Compressed Natural Gas dispensing shall verify, **before refueling**, that vehicles using Compressed Natural Gas (CNG) in their propulsion system show the mandatory CNG Fuel System Identification Sticker affixed at the top right side of their windshields, regulated by Resolution ENARGAS Nr. 139/95 (Official Bulletin; 28/03/95).
- 2) In case the user fails to exhibit the identification previously mentioned, fuel shall not be dispensed.
- 3) Whenever a Distributor detects non-compliance with the previously stated obligation, it shall be empowered to **preventively shut off natural gas supply by sealing the gas inlet valve at the Refueling Station measuring bridge**, as follows:
  - 3.1) The first time, for TWENTY FOUR (24) running hours;
  - 3.2) The second time, for SEVEN (7) running days;
  - 3.3) The third time and subsequent ones shall be considered as serious offense and penalties foreseen in subsections 9.2) and 9.3) of Resolution ENARGAS Nr. 93/94 may be applied.
- 4) Measures taken shall be recorded in an Inspection Record, including at least:
  - Place and date;
  - Refueling Station name, firm name, and identity data of responsible persons;
  - Identity data of vehicle's owner;
  - License plate number and, in case of a cab, license of the pertinent municipal qualification;
  - Make and number of the CNG equipment regulator;
  - Signature and print or type of the inspected persons
- 5) Distributor shall always notify ENARGAS about preventive shut offs within TWENTY FOUR (24) hours after their implementation, submitting a copy of the Document drafted thereof.
- 6) Notwithstanding any provision included herein, when the Distributor finds other violations to the regulations in force, procedure stated in Annex I to Resolution ENARGAS Nr. 93/94 (Official Bulletin; 17/11/94) shall be followed and, according to the violation severity, penalties deemed convenient according to point 9) of said Annex may be applied.
- 7) Violations shall be considered formal and shall disregard fraud or negligence of Refueling Stations and/or those persons represented by them, except otherwise expressly stated.
- 8) Penalty enforced in the main administrative office shall constitute a background to consider when incurring in the same infraction.
- 9) Regardless of the penalties application, the Refueling Stations shall have to compensate for damages and it shall not prevent the Control Authority from initiating proceedings for the fulfillment of those obligations and of any other legal obligation that may correspond.

- 10) In case provisions included herein are applied by municipal and/or police authorities in exercise of their own local control and police powers as regards safety, they shall account for the actions taken to the area Licensees so that they implement the measures stated in Resolution ENARGAS Nr. 93/94 (Official Bulletin; 17/11/94) and amendments incorporated by the Resolution approved by this Annex.