

**Demand assessment report
for incremental capacity
between Bulgaria and Greece,
where no non-binding demand indications
were received**

2021-10-25

This report is a joint assessment of the potential for incremental capacity projects conducted by:

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Table of Contents

A. Non-binding Demand indications	4
B. Demand assessment	5
i. Historical usage pattern	5
ii. Results of current annual yearly auction	8
<i>Bulgartransgaz results</i>	8
<i>DESFA results</i>	9
iii. Expected amount, direction and duration of demand for incremental capacity	11
C. Conclusion for the (non)-initiation of an incremental capacity project/process.....	11
D. Fees	11
E. Contact information	12

A. Non-binding Demand indications

Currently, Bulgaria (BG) and Greece (GR), have one Interconnection Point (IP), located on the Greek-Bulgarian border, in the area of Kulata/Sidirokastro, connecting Bulgartransgaz EAD transit gas transmission system with the gas transmission system operated by DESFA S.A.

Kulata/Sidirokastro interconnection point, serves mainly as an entry point to Greece. The technical capacity in flow direction from Bulgaria to Greece is 117 265 MWh/d, equal in both sides of the IP. As a result of the signing of an Interconnection Agreement between Bulgartransgaz EAD and DESFA S.A., and the reverse connection of the modernized CS Petrich, reverse flow from Greece towards Bulgaria either as backhaul (version 1 of the IA signed in June 2016) or as physical flow in reverse direction (version 2 of the IA signed in June 2017) is also offered, giving the possibility for natural gas imports in Bulgaria. As of 1 April 2019, the reverse flow capacity has been increased to 46 535 MWh/d. After 1 January 2020 the reverse flow capacity was further increased to 64 826 MWh/d at the end of the demand process. In addition, interruptible capacity is also available.

In accordance with Regulation EC 459/2017, the following periods have been included in this analysis:

- a) non-binding demand indications received within 8 weeks after the start of the annual yearly capacity auction on 5 July 2021.
- b) non-binding demand indications received later than 8 weeks after the start of the annual yearly capacity auction on 5 July 2021, which would have been considered in the current incremental capacity cycle.

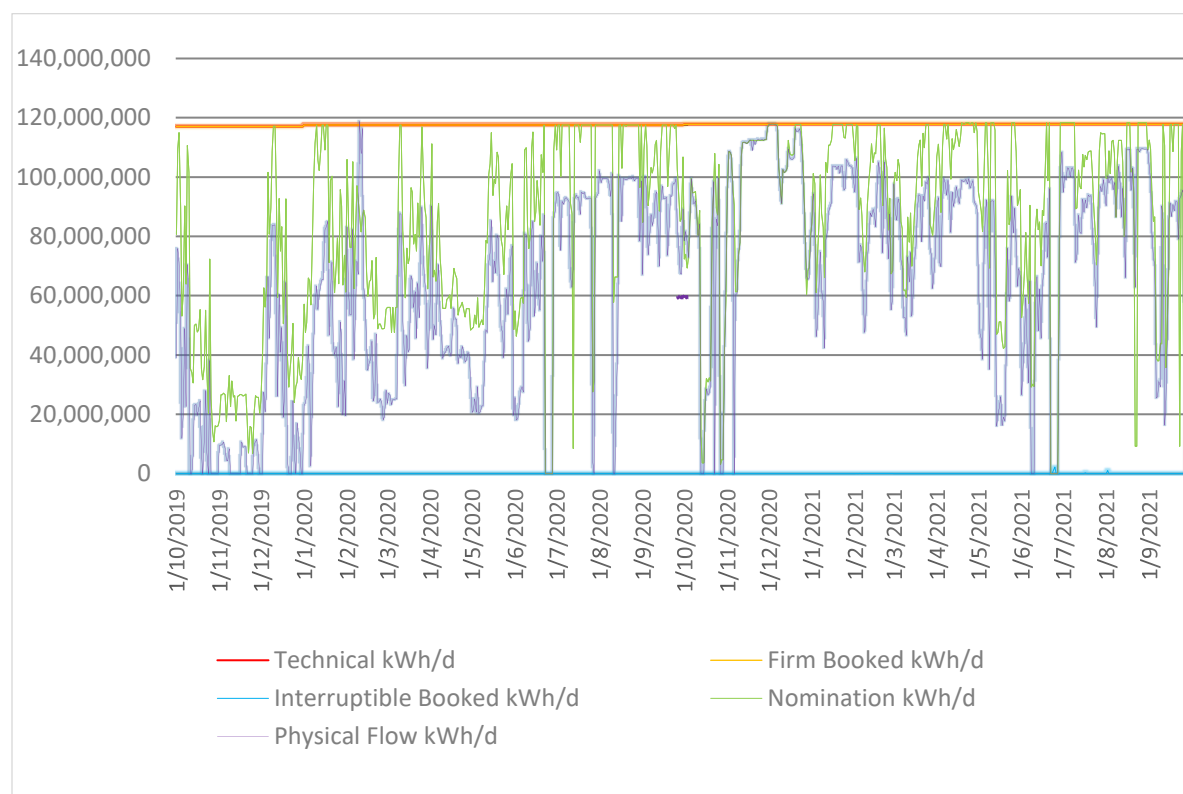
The involved TSOs, Bulgartransgaz EAD (BG) and DESFA S.A. (GR) have not received any non-binding demand indications for firm capacity at the interconnection points between the entry-exit system of Bulgartransgaz EAD and the entry-exit system of DESFA S.A. Therefore, zero amount for non-binding demand indications has been used as a basis for this demand assessment.

B. Demand assessment

i. Historical usage pattern

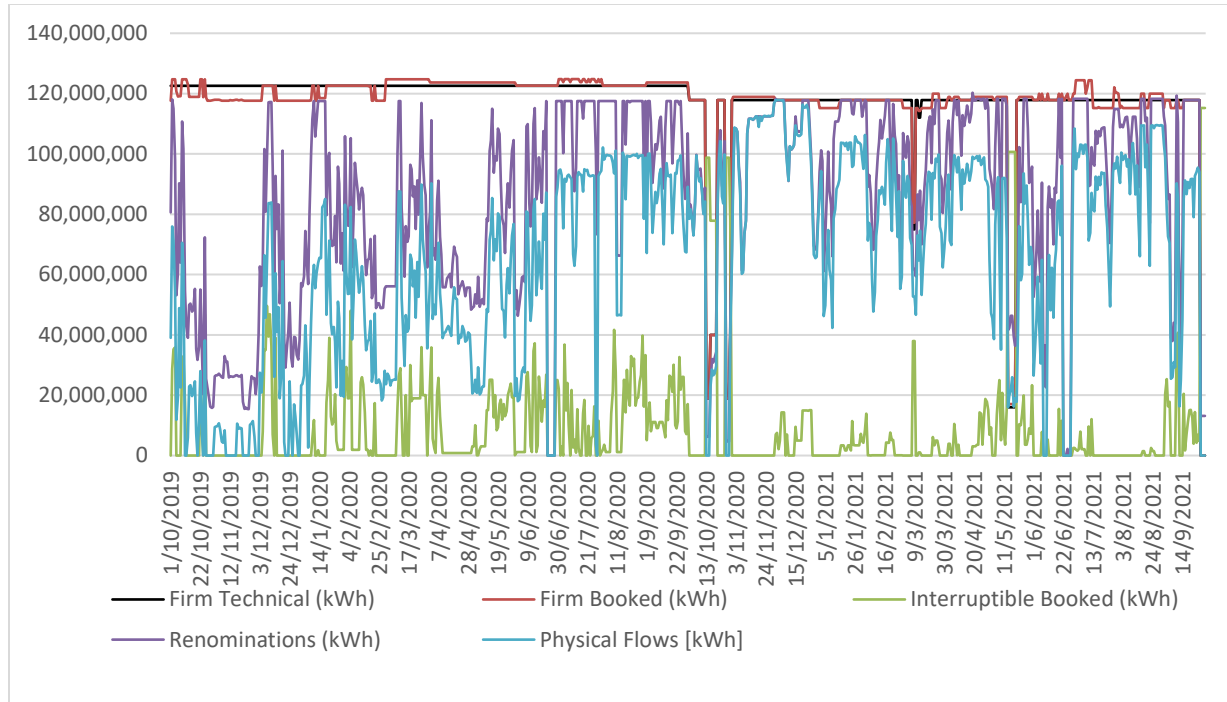
The utilization of the capacity of the Interconnection Point Kulata/Sidirokastro is presented in the graphs below¹. The technical capacity, the booked capacity, as well as the nominated quantities but also the actual physical flow, for the previous 2 years, are presented.

Graph 1: IP Kulata/Sidirokastro exit Bulgaria [kWh/d]

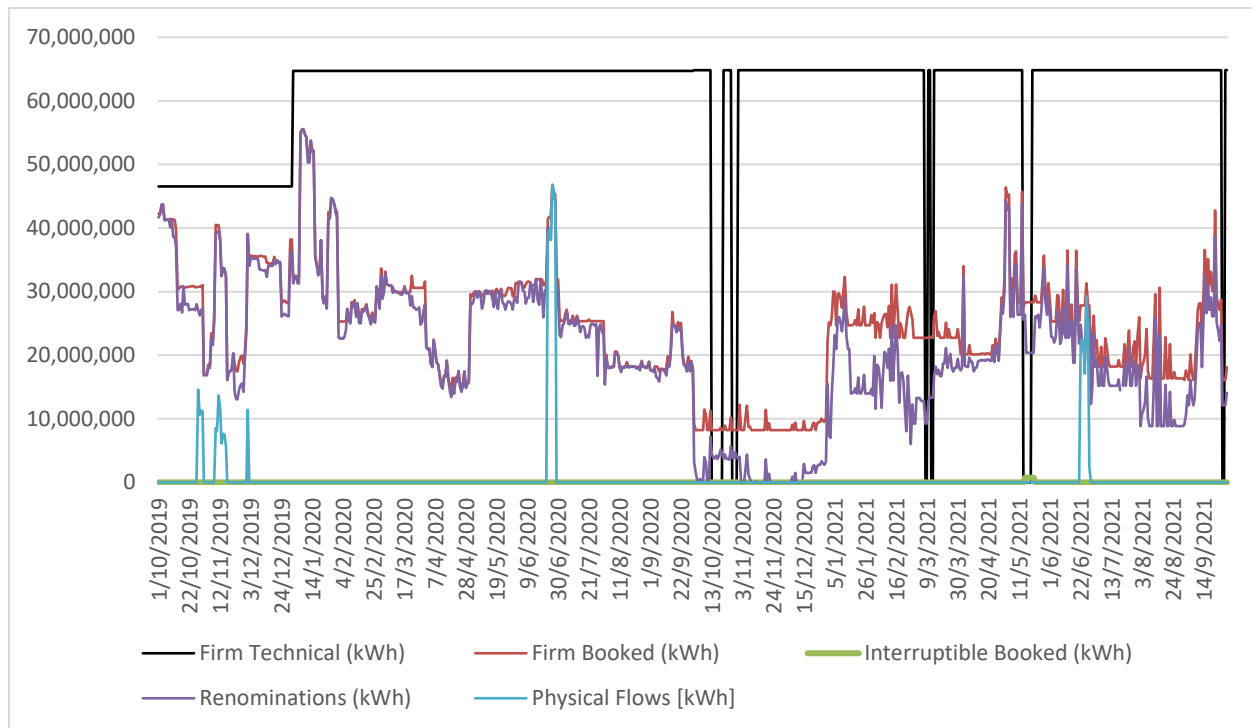


¹ ENTSOG Transparency Platform data was used for the preparation of the graphs

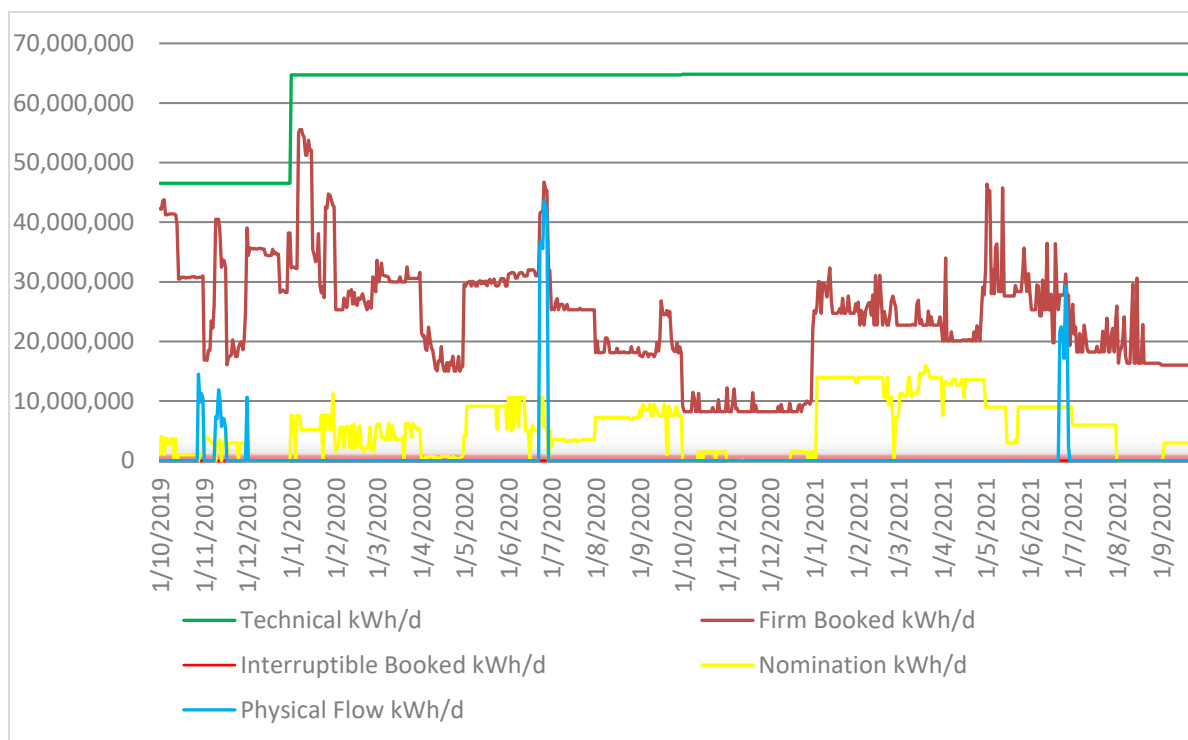
Graph 2: IP Kulata/Sidirokastro entry Greece [kWh/d]



Graph 3: IP Kulata/Sidirokastro exit Greece [kWh/d]





Graph 4: IP Kulata/Sidirokastro entry Bulgaria [kWh/d]



ii. Results of current annual yearly auction

Bulgartransgaz results



In the recent annual yearly firm capacity auction taking place on 05.07.2021 for the joint IP Kulata/Sidirokastro the following results have been achieved:



























Yearly auction for bundled firm capacity from Bulgaria to Greece and from Greece to Bulgaria						
IP name	IP EIC code	Flow direction	Gas year	Offered capacity (kWh/d)	Booked capacity (kWh/d)	Capacity type
Kulata/Sidirokastro	21Z000000000020C		2021/2022	0	0	Firm
Kulata/Sidirokastro	21Z000000000020C		2021/2022	56 076 730	7 000 000	Firm

DESFA results

In the recent DESFA S.A. annual yearly firm capacity auction that took place on 05.07.2021 for the joint IP Kulata/Sidirokastro the following results have been achieved:

Yearly auction for unbundled firm capacity from Bulgaria to Greece						
IP name	IP EIC code	Flow direction	Gas year	Offered capacity (kWh/d)	Booked capacity (kWh/d)	Capacity type
Kulata/Sidirokastro	21Z000000000020C		2021/2022	21.986.470	21.886.400	Firm
Kulata/Sidirokastro	21Z000000000020C		2022/2023	69.486.470	69.486.470	Firm
Kulata/Sidirokastro	21Z000000000020C		2023/2024	87.636.470	73.056.507	Firm
Kulata/Sidirokastro	21Z000000000020C		2024/2025	87.636.470	73.056.507	Firm
Kulata/Sidirokastro	21Z000000000020C		2025/2026	87.636.470	73.056.507	Firm
Kulata/Sidirokastro	21Z000000000020C		2026/2027	56.058.901	35.000.000	Firm
Kulata/Sidirokastro	21Z000000000020C		2027/2028	56.058.901	35.000.000	Firm
Kulata/Sidirokastro	21Z000000000020C		2028/2029	56.058.901	35.000.000	Firm
Kulata/Sidirokastro	21Z000000000020C		2029/2030	56.058.901	0	Firm
Kulata/Sidirokastro	21Z000000000020C		2030/2031	93.812.326	0	Firm

Yearly auction for bundled firm capacity from Greece to Bulgaria						
IP name	IP EIC code	Flow direction	Gas year	Offered capacity (kWh/d)	Booked capacity (kWh/d)	Capacity type
Kulata/Sidirokastro	21Z000000000020C		2021/2022	56.076.730	5.000.000	Firm
Kulata/Sidirokastro	21Z000000000020C		2022/2023	56.076.730	0	Firm

Kulata/ Sidirokastro	21Z000000000020C	 → 	2023/2024	56.076.730	0	Firm
Kulata/ Sidirokastro	21Z000000000020C	 → 	2024/2025	56.076.730	0	Firm
Kulata/ Sidirokastro	21Z000000000020C	 → 	2025/2026	58.076.730	0	Firm
Kulata/ Sidirokastro	21Z000000000020C	 → 	2026/2027	51.623.760	0	Firm
Kulata/ Sidirokastro	21Z000000000020C	 → 	2027/2028	51.623.760	0	Firm
Kulata/ Sidirokastro	21Z000000000020C	 → 	2028/2029	51.623.760	0	Firm
Kulata/ Sidirokastro	21Z000000000020C	 → 	2029/2030	51.623.760	0	Firm
Kulata/ Sidirokastro	21Z000000000020C	 → 	2030/2031	51.623.760	0	Firm
Kulata/ Sidirokastro	21Z000000000020C	 → 	2031/2032	51.623.760	0	Firm
Kulata/ Sidirokastro	21Z000000000020C	 → 	2032/2033	51.623.760	0	Firm
Kulata/ Sidirokastro	21Z000000000020C	 → 	2033/2034	51.623.760	0	Firm
Kulata/ Sidirokastro	21Z000000000020C	 → 	2034/2035	51.623.760	0	Firm
Kulata/ Sidirokastro	21Z000000000020C	 → 	2035/2036	51.623.760	0	Firm

iii. Expected amount, direction and duration of demand for incremental capacity

The expected demand level for incremental capacity at the interconnection point Kulata/Sidirokastro, between Bulgartransgaz and DESFA entry-exit systems, for the future period, is zero. No demand indications have been received as presented in chapter A. The historical usage of the concerned interconnection point, as well as the available capacity on firm and interruptible basis (i.e. technical and/or interruptible capacity which is not yet booked), are currently sufficient to cover potential need for incremental capacity in the period before the start of the next Incremental process, in 2023. It is mentioned, that there is also the possibility to use CMP procedures if needed.

C. Conclusion for the (non)-initiation of an incremental capacity project/process

According to the assessment result of the non-binding demand indications and the historical usage patterns, which already indicated that no demand levels for incremental capacity need to be developed, **no incremental capacity project will be initiated. Based on the aforementioned decision, no technical studies for incremental capacity projects will be conducted.**

D. Fees

Neither Bulgartransgaz EAD, nor DESFA S.A. introduced a fee for the evaluation and processing of non-binding demand indications.

E. Contact information

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