

Incremental Capacity Demand Assessment Report between Romania and Bulgaria

25.10.2021

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

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A. Indicative demands

During the period of collection of non-binding requests for incremental capacity within the market demand assessment process for incremental capacity conducted by Transgaz and Bulgartransgaz in July 2021, i.e. „no later than 8 weeks after the end of the annual auction of firm annual capacity products" (5 July 2021), as provided for in Article 26 of Regulation (EU) No 2017/459 (CAM NC), gas market participants did not submit any indicative demand for incremental capacity to either of the two TSOs. A non-binding indicative demand was submitted to both TSOs after the deadline provided for in the Regulation and Transgaz and Bulgartransgaz agreed to consider it in this cycle of the incremental capacity market demand assessment process, as Art. 26(7) of the CAM NC provides as follows:

*„Transmission system operators **may consider non-binding demand indications submitted after the deadline set out** in paragraph 6 in the ongoing market demand assessment, or introduce them into the next market demand assessment."*

The demand received, which is the subject of the analysis hereunder, includes non-binding incremental capacity demand indications **in the direction Bulgaria → Romania** for 10 gas years at the following interconnection points located at the common border:

- **Interconnection Point (IP) Negru Voda 1/Kardam** - a connection between the Bulgarian national gas transmission network operated by Bulgartransgaz EAD (RNTG) and the Romanian national transmission system operated by Transgaz S.A. (Romania), located at the Bulgarian-Romanian border near Negru Voda (Romania) and near Kardam (Bulgaria), for the transmission of natural gas in the direction Romania-Bulgaria (so far) and in the direction Bulgaria-Romania as of 01.01.2020; and
- **Entry-exit interconnection point (IP) Ruse/Giurgiu** – a connection between the national gas transmission network of Bulgartransgaz EAD and the national gas transmission system operated by Transgaz S.A. (Romania), located at the border between Bulgaria and Romania, near the town of Ruse (Bulgaria) and near the town of Giurgiu (Romania).

According to the **Joint Methods for the determination the technical capacities** for **IP Negru Voda 1/Kardam** and **IP Ruse-Giurgiu**, concluded between Transgaz and Bulgartransgaz, in the indicated transmission direction (BG>RO), the following capacities are available as of 01.10.2021:

Maximum technical capacity	IP Negru Vodă 1 / Kardam (BG>RO)	
	EIC Code: 21Z000000000159I	
	m ³ /day (0°C)	kWh/day (25°C /0°C)
	13 783 240	155 727 070

Maximum technical capacity	IP Ruse-Giurgiu (BG>RO)	
	EIC Code: 21Z0000000002798	
	m ³ /day (0°C)	kWh/day (25°C /0°C)
	2 328 250	26 831 559

The following **indicative data related to the non-binding firm incremental capacity demand** has been used as the basis for this assessment report:

Transgaz Data

Indicative demand submitted to Transgaz at IP Negru Vodă 1/Kardam EIC Code: 21Z000000000159I

From [entry-exit system name] “EXIT CAPACITY”	To [entry-exit system name] “ENTRY CAPACITY”	Gas year yyyy/yy	Amount (kWh/d)/ y	Request is submitted to other TSOs [yes, TSO] or [no] (detailed information shall be provided below)	Period when Demand Indication was received* [please include the period according to the numbers 1) - 3]]	Additional Information (e.g. type of capacity, if different from bundled firm freely allocable)
Bulgartransgaz	Transgaz	2021/22	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2021/22	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2022/23	5 000 000	Yes	3	

Bulgartransgaz	Transgaz	2023/24	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2024/25	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2025/26	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2026/27	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2027/28	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2028/29	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2029/30	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2030/31	5 000 000	Yes	3	

* The following standardised period shall be used for indicating the receiving date of the demand indication:

- 1) later than eight weeks after the annual yearly capacity auction in the previous incremental capacity cycle, that have not been considered previously;
- 2) within eight weeks after this year's yearly capacity auction (0 – 8 weeks after yearly auction in year);
- 3) later than eight weeks after this year's yearly capacity auction, but that will be considered in this incremental capacity cycle (9 – 16 weeks after yearly auction in year).

Indicative demand submitted to Transgaz at IP Ruse-Giurgiu, EIC code: 21Z0000000002798

From [entry-exit system name] “EXIT CAPACITY”	To [entry-exit system name] “ENTRY CAPACITY”	Gas year YYYY/YY	Amount (kWh/d)/ y	Request is submitted to other TSOs [yes, TSO] or [no] (detailed information shall be provided below)	Period when Demand Indication was received* [please include the period according to the numbers 1 - 3]	Additional Information (e.g. type of capacity, if different from bundled firm freely allocable)
Bulgartransgaz	Transgaz	2021/22	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2021/22	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2022/23	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2023/24	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2024/25	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2025/26	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2026/27	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2027/28	4 000 000	Yes	3	

Bulgartransgaz	Transgaz	2028/29	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2029/30	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2030/31	4 000 000	Yes	3	

* The following standardised period shall be used for indicating the receiving date of the demand indication:

- 1) later than eight weeks after the annual yearly capacity auction in the previous incremental capacity cycle, that have not been considered previously;
- 2) within eight weeks after this year's yearly capacity auction (0 – 8 weeks after yearly annual capacity auction);
- 3) later than eight weeks after this year's yearly capacity auction, but that will be considered in this incremental capacity cycle (9 – 16 weeks after yearly annual capacity auction).

Bulgartransgaz data

Indicative demand submitted to Bulgartransgaz at IP Negru Vodă 1/Kardam, EIC code: 21Z000000000159I

From [entry-exit system name] “EXIT CAPACITY”	To [entry-exit system name] “ENTRY CAPACITY”	Gas year yyyy/yy	Amount (kWh/d)/y	Request is submitted to other TSOs [yes, TSO] or [no] (detailed information shall be provided below)	Period when Demand Indication was received* [please include the period according to the numbers 1) - 3)]	Additional Information (e.g. type of capacity, if different from bundled firm freely allocable)
Bulgartransgaz	Transgaz	2021/22	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2021/22	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2022/23	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2023/24	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2024/25	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2025/26	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2026/27	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2027/28	5 000 000	Yes	3	

Bulgartransgaz	Transgaz	2028/29	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2029/30	5 000 000	Yes	3	
Bulgartransgaz	Transgaz	2030/31	5 000 000	Yes	3	

* The following standardised period shall be used for indicating the receiving date of the demand indication:

- 1) later than eight weeks after the annual yearly capacity auction in the previous incremental capacity cycle, that have not been considered previously;
- 2) within eight weeks after this year's yearly capacity auction (0 – 8 weeks after yearly annual capacity auction);
- 3) later than eight weeks after this year's yearly capacity auction, but that will be considered in this incremental capacity cycle (9 – 16 weeks after yearly annual capacity auction).

Indicative demand submitted to Bulgartransgaz at IP Ruse-Giurgiu EIC code: 21Z000000002798

From [entry-exit system name] "EXIT CAPACITY"	To [entry-exit system name] "ENTRY CAPACITY"	Gas year yyyy/yy	Amount (kWh/d)/ y	Request is submitted to other TSOs [yes, TSO] or [no] (detailed information shall be provided below)	Period when Demand Indication was received* [please include the period according to the numbers 1) - 3)]	Additional Information (e.g. type of capacity, if different from bundled firm freely allocable)
Bulgartransgaz	Transgaz	2021/22	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2021/22	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2022/23	4 000 000	Yes	3	

Bulgartransgaz	Transgaz	2023/24	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2024/25	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2025/26	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2026/27	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2027/28	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2028/29	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2029/30	4 000 000	Yes	3	
Bulgartransgaz	Transgaz	2030/31	4 000 000	Yes	3	

* The following standardised period shall be used for indicating the receiving date of the demand indication:

- 1) later than eight weeks after the annual yearly capacity auction in the previous incremental capacity cycle, that have not been considered previously;
- 2) within eight weeks after this year's yearly capacity auction (0 – 8 weeks after yearly annual capacity auction);
- 3) later than eight weeks after this year's yearly capacity auction, but that will be considered in this incremental capacity cycle (9 – 16 weeks after yearly annual capacity auction).

B. Demand assessment

i. Historical usage pattern

The historical usage at IP Negru Voda 1/Kardam and IP Ruse-Giurgiu is available on the websites of both OTS and is also published on the ENTSO-G transparency platform, relevant EIC codes: 21Z000000000159I for Negru Vodă 1 and 21Z0000000002798 for Ruse-Giurgiu.

ii. Results of the current annual auction for yearly firm capacity products

Transgaz data

In the recent annual auction for yearly firm capacity held on the Regional Capacity Platform (RBP) on 05.07.2021 for the joint interconnection points the following results were obtained:

IP	EIC interconnection point	Flow direction	Gas year	Offered capacity, kWh/day	Allocated booked capacity, kWh/day
Negru Voda 1/ Kardam	21Z000000000159I	BG>RO	2021/2022	140.154.363	1.940.000
Ruse/Giurgiu	21Z0000000002798	BG>RO	2021/2022	24.767.627	2.000.024

Bulgartransgaz data

In the recent annual auction for yearly firm capacity held on the Regional Capacity Platform (RBP) on 05.07.2021 for the analyzed interconnection points the following results were obtained:

IP	EIC interconnection point	Flow direction	Gas year	Offered capacity, kWh/day	Allocated booked capacity, kWh/day
Negru Voda 1/ Kardam	21Z000000000159I	BG>RO	2021/2022	140.154.363	1.940.000
Ruse/Giurgiu	21Z0000000002798	BG>RO	2021/2022	24.148.403	2.000.024

iii. Quantity, direction and expected duration of incremental capacity demand submitted to Transgaz and Bulgartransgaz

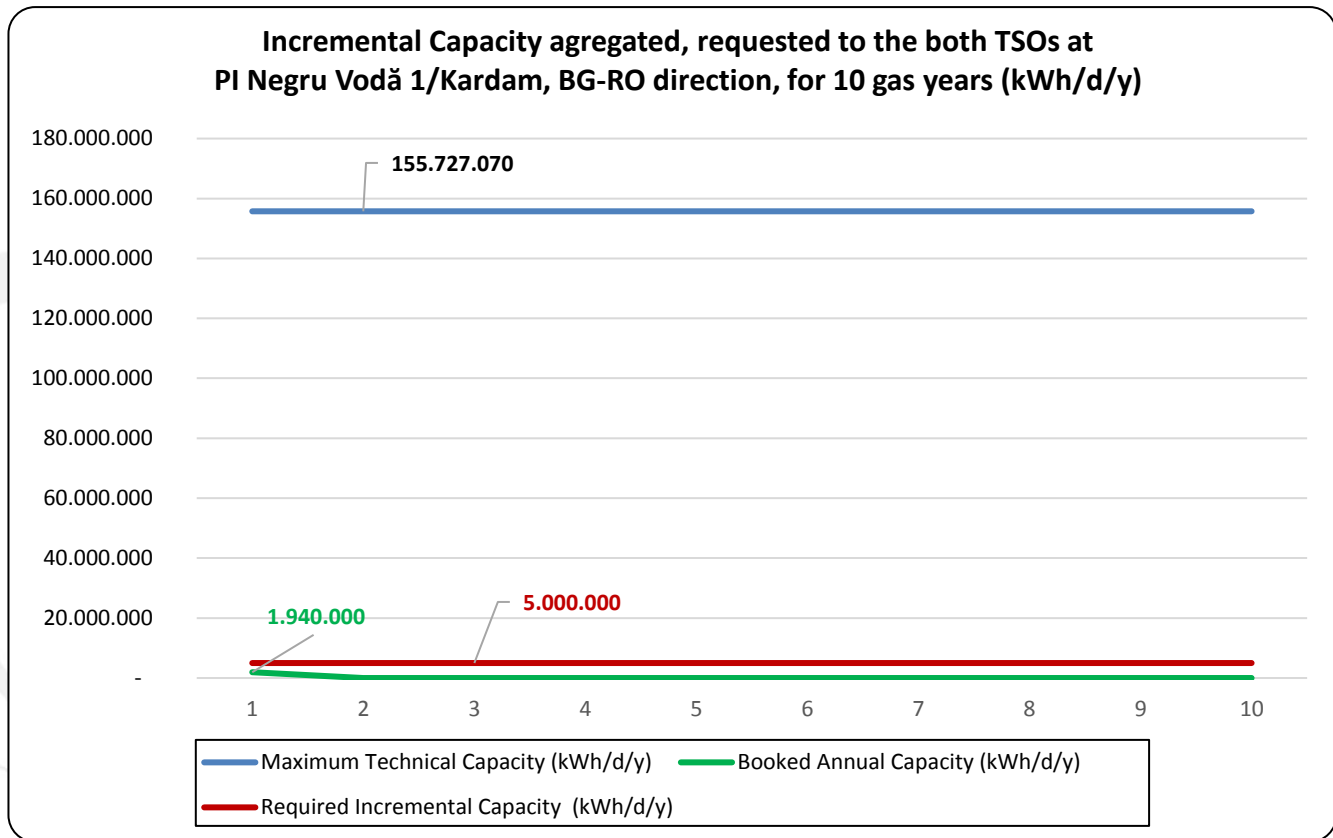
Non-binding Incremental Capacity demand received by the two TSOs in 2021 under Regulation (EU) 217/459			
Interconnection Point		Negru Voda 1/Kardam	Ruse/Giurgiu
EIC Code		21Z000000000159I	21Z0000000002798
Flow direction		BG>RO	BG>RO
No. year	Year/(M.U)	kWh/day (25°C /0°C)	kWh/day (25°C /0°C)
1.	2021/2022	5 000 000	4 000 000
2.	2022/2023	5 000 000	4 000 000
3.	2023/2024	5 000 000	4 000 000
4.	2024/2025	5 000 000	4 000 000
5.	2025/2026	5 000 000	4 000 000
6.	2026/2027	5 000 000	4 000 000
7.	2027/2028	5 000 000	4 000 000
8.	2028/2029	5 000 000	4 000 000
9.	2029/2030	5 000 000	4 000 000
10.	2030/2031	5 000 000	4 000 000

The assessment of incremental capacity demand shall be based on existing technical capacity, annual capacity booking and indicative non-binding incremental capacity demands received at the specified interconnection points located at the border between the two entry-exit systems.

The analysis focuses on the requested transmission direction.

Aggregated indicative data requested in the two IPs at the Romanian-Bulgarian border for the period 2021/22 - 2030/31

IP Negru Vodă 1/Kardam:



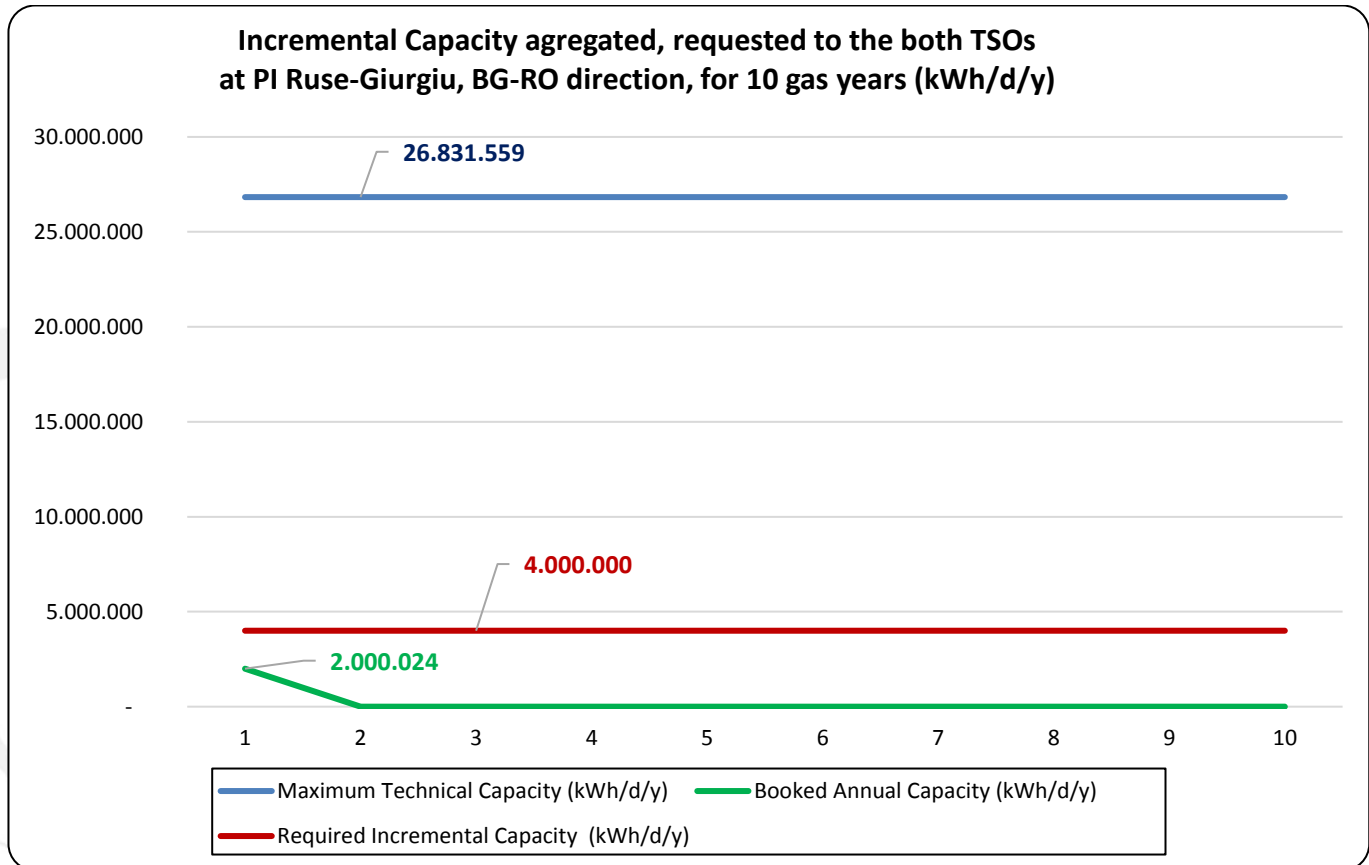
For **Negru Voda 1/Kardam IP**, on the flow direction (BG-RO), there was only one incremental capacity demand at the level of **5 000 000 kWh/day/year** received by both TSOs for a period of 10 gas years, i.e. between gas years 2021/22 and 2030/31.

The maximum **technical capacity of Negru Vodă 1/Kardam IP** on this transmission line, shown in section A, is **155 727 070 kWh/day/year**.

Booked capacity, presented in section B, point ii.) was only achieved for the year 2021/22, at the level of **1 940 000 kWh/day/year**.

Available capacity for the period under review is **153 787 070 kWh/day/year** for 2021/22 and **155 727 070 kWh/day/year** for 2022/23 - 2030/31.

Ruse-Giurgiu IP



For **Ruse-Giurgiu IP**, on the flow direction (BG-RO), there was only one incremental capacity demand at the level of **4 000 000 kWh/day/year** received by both TSOs for a period of 10 gas years, i.e. between gas years 2021/22 and 2030/31.

The maximum technical capacity of **Ruse-Giurgiu IP**, on this transmission line, shown in **section A**, is **26 831 559 kWh/day/year**.

Booked capacity, presented in **section B**, point ii.) was only achieved for the year 2021/22, at the level of **2 000 024 kWh/day/year**.

Available capacity for the period under review is **24 831 535 kWh/day/year** for 2021/22 and **26 831 559 kWh/day/year**, for 2022/23 – 2030/31.

C. Conclusion for (non)initiating an incremental capacity project

In the framework of the analysis of the indicative non-binding demands for incremental capacity received by the two TSOs at **the interconnection points Negru Voda 1 / Kardam and Ruse-Giurgiu, on the BG-RO direction, Transgaz and Bulgartransgaz concluded that there is sufficient available capacity** to satisfy the indicative non-binding demand received in this assessment cycle (2021), on the two IPs.

In this context, the two TSOs **decided not to initiate any incremental capacity projects.**

D. Fees

Transgaz S.A.

SNTGN Transgaz SA did not introduce a fee for the evaluation and processing of non-binding demand indications.

Bulgartransgaz EAD

Bulgartransgaz EAD did not introduce a fee for the evaluation and processing of non-binding demand indications.

E. Contact information

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