

**Demand assessment report
for incremental capacity between
*Snam Rete Gas S.p.A. and Plinovodi
d.o.o.***

2023-10-23



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

Plinovodi d.o.o.

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A. Non-binding Demand indications

The Involved TSOs, Snam Rete Gas (“SRG”) and Plinovodi, have launched a non-binding market demand assessment on incremental capacity for interconnection points. TSOs, have in accordance with the Articles 26 to 29 of the Commission Regulation (EU) 2017/459, invited all the Network Users to fill in the non-binding incremental capacity survey, which was available on the TSOs websites for eight weeks, between 3 July and 28 August 2023. Within this period, no non-binding gas transmission demand indications for firm capacity at the interconnection point between the entry-exit system of SRG and the entry-exit system of Plinovodi were received by the Italian TSO, SRG.

The following table shows indications of non-binding demand for firm unbundled capacity referred to gas transmission per Šempeter Entry IP in direction from Italy to Slovenia and Šempeter Exit IP in direction from Slovenia to Italy, which were received only by Slovenian TSO Plinovodi within the 8 weeks deadline set out as per article 26(6) CAM NC:

<i>From</i> <i>[entry-exit system name]</i> <i>“EXIT CAPACITY”</i>	<i>To</i> <i>[entry-exit system name]</i> <i>“ENTRY CAPACITY”</i>	<i>Gas year</i> <i>[yyyy/yy]</i>	<i>Amount</i> <i>[kWh/d)/y]</i>	<i>Request is submitted to both TSOs</i> <i>[yes] or [no]</i> <i>(detailed information shall be provided below)</i>	<i>Period when Demand Indication was received¹</i> <i>[please include the period according to the numbers 1) - 3)]</i>	<i>Additional Information</i> <i>(e.g. type of ca-capacity, if different from bundled firm freely allocable)</i>
SRG	Plinovodi	2023/24	4,800,000	No	2	Unbundled demand
SRG	Plinovodi	2024/25	14,400,000	No	2	Unbundled demand
SRG	Plinovodi	2025/26	14,400,000	No	2	Unbundled demand
SRG	Plinovodi	2026/27	14,400,000	No	2	Unbundled demand
Plinovodi	SRG	2024/25	1,200,000	No	2	Unbundled demand
Plinovodi	SRG	2025/26	1,200,000	No	2	Unbundled demand
Plinovodi	SRG	2026/27	1,200,000	No	2	Unbundled demand
Plinovodi	SRG	2027/28	1,200,000	No	2	Unbundled demand

¹ 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).



This analysis takes into account non-binding demand indications received within 8 weeks after the 3 July 2023.

B. Demand assessment

The Demand Assessment Phase commenced immediately after the start of the annual yearly capacity auction, as specified in Article 11(4) of the Commission Regulation (EU) 2017/459, and closes maximum 16 weeks after the annual yearly capacity auction in accordance with Article 26 of the Commission Regulation (EU) 2017/459.

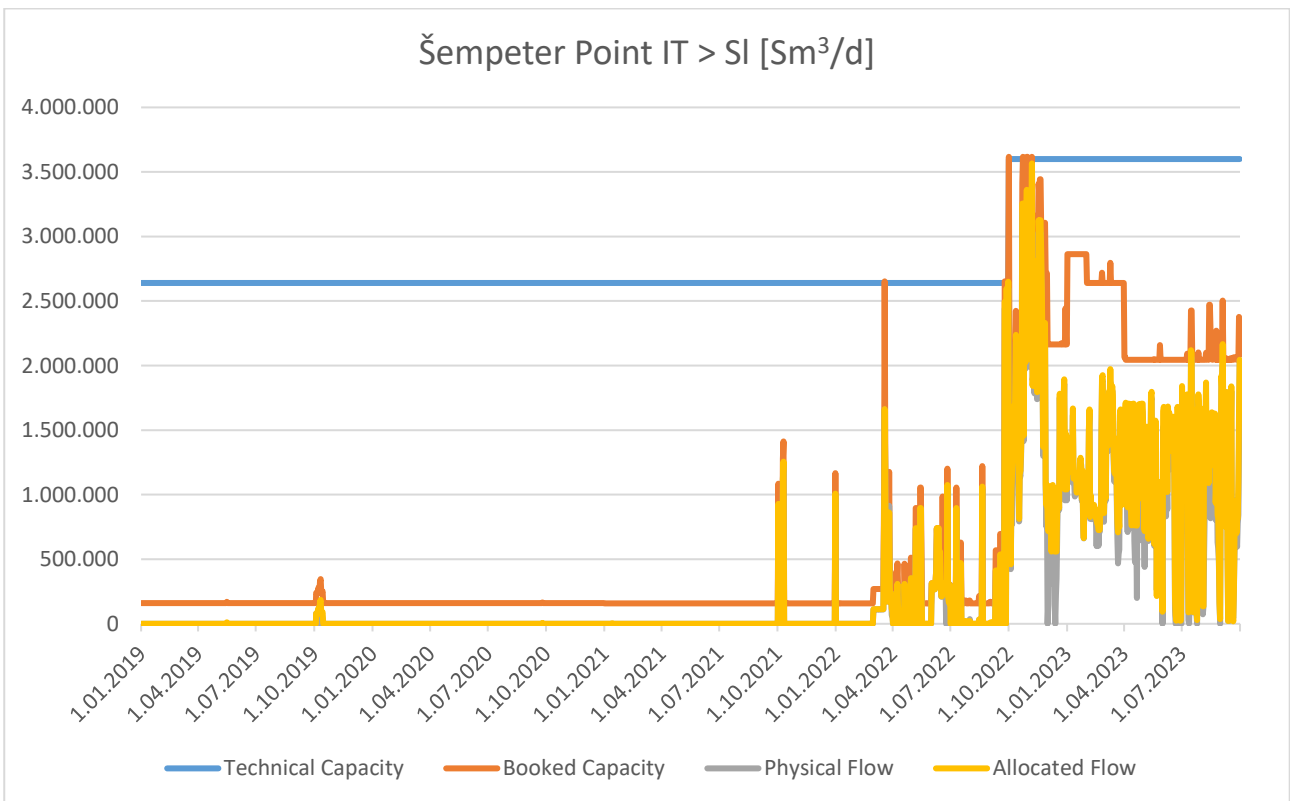
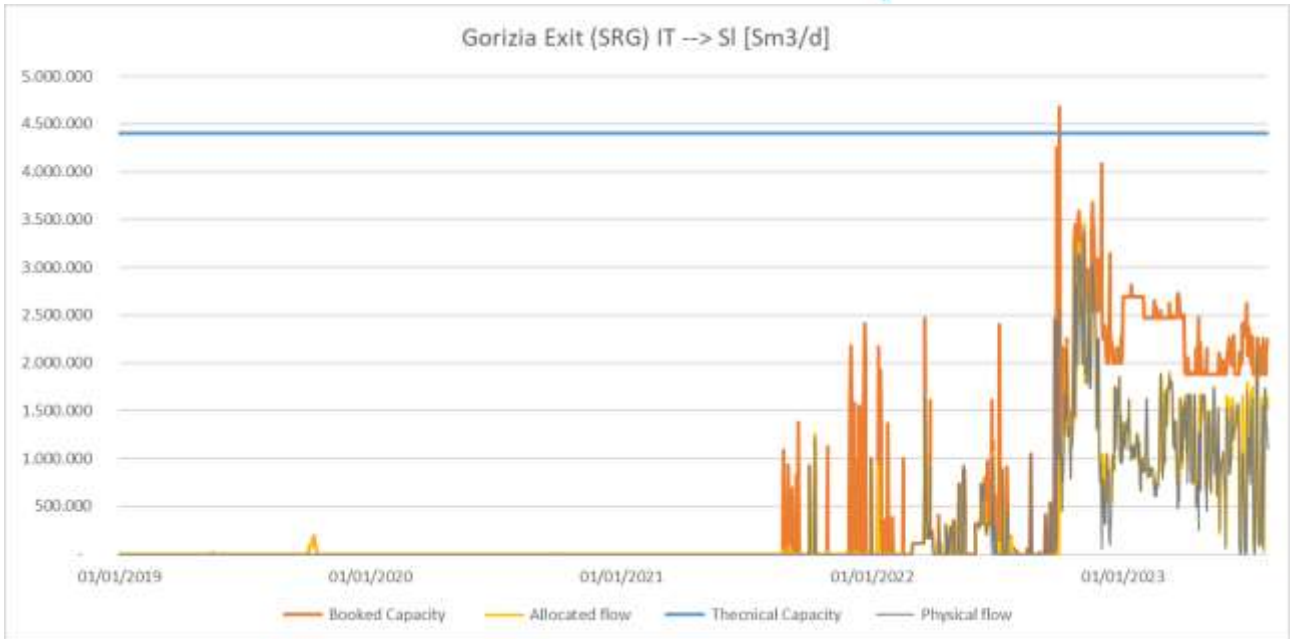
The transmission systems operators conducting this market demand assessment report gave network users the opportunity to submit non-binding demand indications to quantify potential demand for incremental capacity from 3 July up to 28 August 2023.

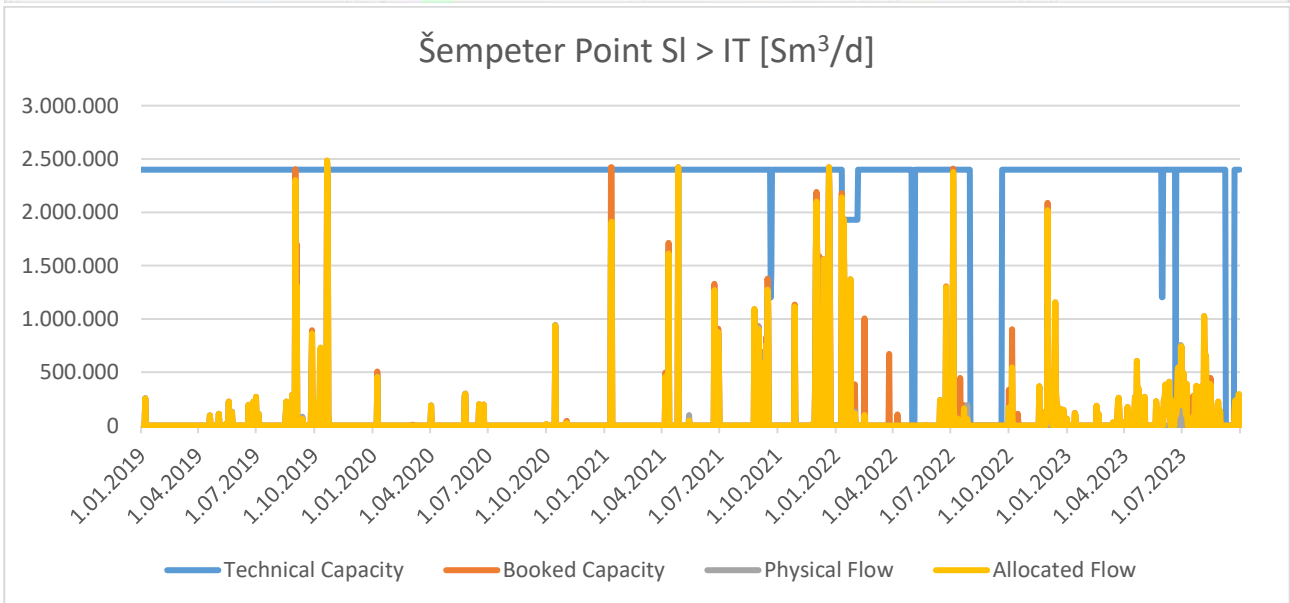
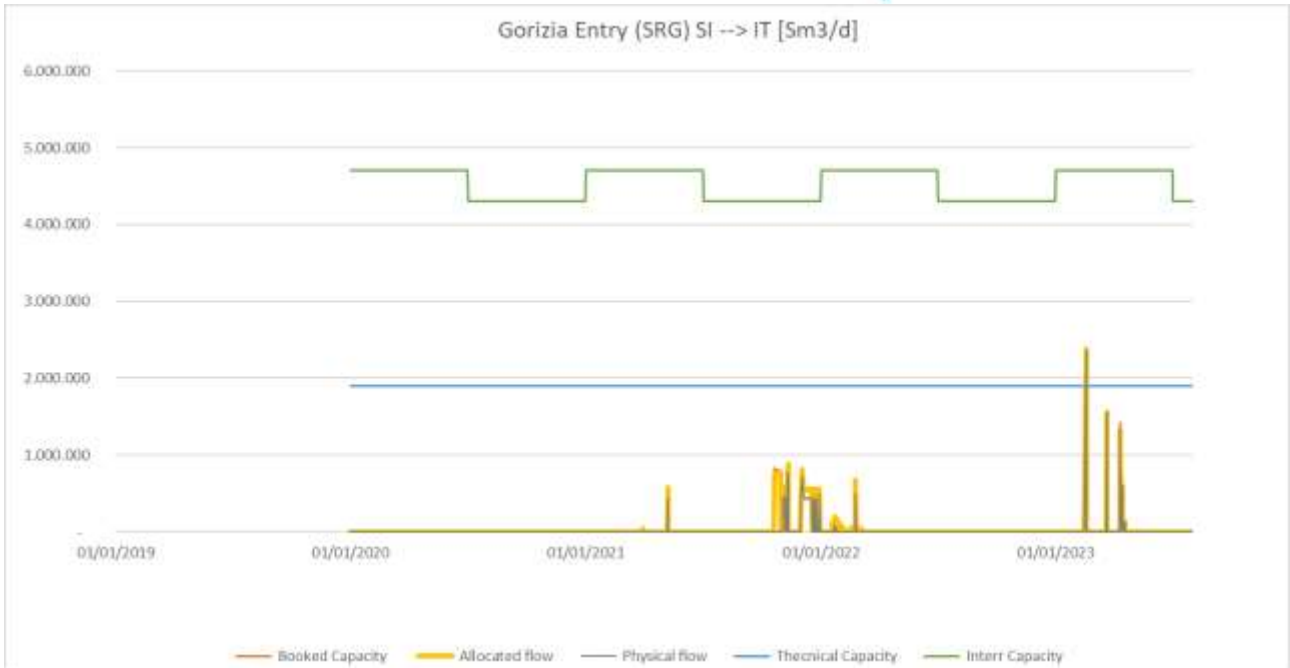
i. Historical usage pattern

Following Russia-Ukraine war, major changes in supply and demand patterns occurred resulting in several gas transportation routes makeovers, some of which determining congestion situations across the Union.

As shown in the following graphs, also the flows at the interconnection point between Italy and Slovenia have undergone changes, in particular with reference to the emergence of export flows from Italy to Slovenia, as reaction to the significant reduction of Russian supplies.

The utilisation of the technical firm capacity is presented in the chart below by comparing the technical capacity with the booked capacity, the allocated “commercial” flow and the physical flow from the year 2020 to 2023 at the interested interconnection point.







ii. Results of current annual yearly auction

In the last annual yearly auctions, that took place on 03 July 2023 the following results have been achieved:

Interconnection point name	Flow direction	Gas year	Offered capacity Amount		Booked Capacity Amount	
			Sm ³ /d	kWh/d	Sm ³ /d	kWh/d
Gorizia	IT->SI	23/24	3.779.999	40.603.152	0	0
Gorizia	IT->SI	From 24/25 to 27/28	2.159.131	40.603.152	0	0
Gorizia	IT->SI	From 28/29 to 37/38	1.919.226	23.192.472	0	0
Sempeter	IT->SI	23/24	3.061.557	33.159.936	911.768	9.840.000
Sempeter	IT->SI	From 24/25 to 27/28	3.083.716	33.399.936	0	0
Sempeter	IT->SI	From 28/29 to 31/32	2.723.716	29.500.752	0	0
Sempeter	IT->SI	From 32/33 to 37/38	2.880.000	31.193.472	0	0
Gorizia	SI->IT	23/24	3.051.393	33.159.936	883.397	9.600.000
Gorizia	SI->IT	From 24/25 to 27/28	3.051.393	33.159.936	0	0
Gorizia	SI->IT	From 28/29 to 31/32	2.714.673	29.500.752	0	0
Gorizia	SI->IT	From 32/33 to 37/38	2.870.438	31.193.472		
Sempeter	SI->IT	From 23/24 to 27/28	2.160.000	23.192.472	0	0



<i>Sempeter</i>	<i>SI->IT</i>	<i>From 28/29 to 37/38</i>	<i>1.920.000</i>	<i>20.615.520</i>	<i>0</i>	<i>0</i>
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iii. Expected amount, direction and duration of demand for incremental capacity

- SRG didn't receive non-binding demand indications for the Incremental Capacity Process 2023.
- The received demand indications within the current incremental process are not considered sufficient by Plinovodi to develop any additional incremental capacity.

The available capacity (i.e. technical capacity which is not yet booked in the long term) for the requested period is therefore currently deemed sufficient to cover potential future need for capacity. Capacity information in general can be found on concerned TSOs website as well as on ENTSOG's Transparency Platform.

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

Based on this report and according to the assessment result of the non-binding demand indications, the historical usage patterns and the results of the latest annual auctions, which already indicated that no additional demand levels for incremental capacity need to be developed, currently **no incremental capacity project will be initiated for the Incremental cycle 2023**. This conclusion is without prejudice to the possibility for both TSOs to develop projects also concerning the Interconnection Point between Italy and Slovenia, in line with their network development plans.

D. Fees

For the incremental capacity cycle addressed by this report, involved TSOs did not introduce a fee for the evaluation and processing of non-binding demand indications.



E. Contact information

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