

AVAILABILITY OF AND ACCESS TO INFRASTRUCTURE – A ROLE OF CAPACITY PLATFORM

12TH ENERGY COMMUNITY GAS FORUM
LJUBLJANA, SEPTEMBER 20TH, 2017



GAZ-SYSTEM - INTRODUCTORY INFORMATION



10,989 km
LENGTH OF TRANSMISSION NETWORK



896 GAS STATIONS



44 NODES



14 COMPRESSOR STATIONS



100% SHARES HELD BY
STATE TREASURY



LNG TERMINAL IN ŚWINOUJŚCIE
(OPERATED BY ITS SPV, POLSKIE LNG)



CERTIFIED TSO IN PL, CERTIFIED ISO
FOR THE YAMAL-EUROPE PIPELINE IN PL



CREATING A REGIONAL NATURAL GAS MARKET

THE NORTHERN GATEWAY PROJECT:

- ▶ **LNG TERMINAL:** 5 bcm/y regasification capacity since 2016, 7,5 bcm/y from 2020 ancillary services provided to the market
- ▶ **BALTIC PIPE:** up to 10 bcm/y since 2022, direct connection to the Norwegian Continental Shelf
- ▶ **Project role:** Diversification; Gas-to-gas competition; Flexible and efficient gas infrastructure; Regional gas market

POLAND – UKRAINE INTERCONNECTION:

- ▶ **Capacity:** 5-8 bcm/y towards UA, 5 bcm/y towards PL
- ▶ **Project role:** connection of Poland's and Ukraine's systems to diversify gas supplies for Ukraine and further integrate transmission networks and markets in Eastern Europe

POLAND – CZECH REPUBLIC INTERCONNECTION:

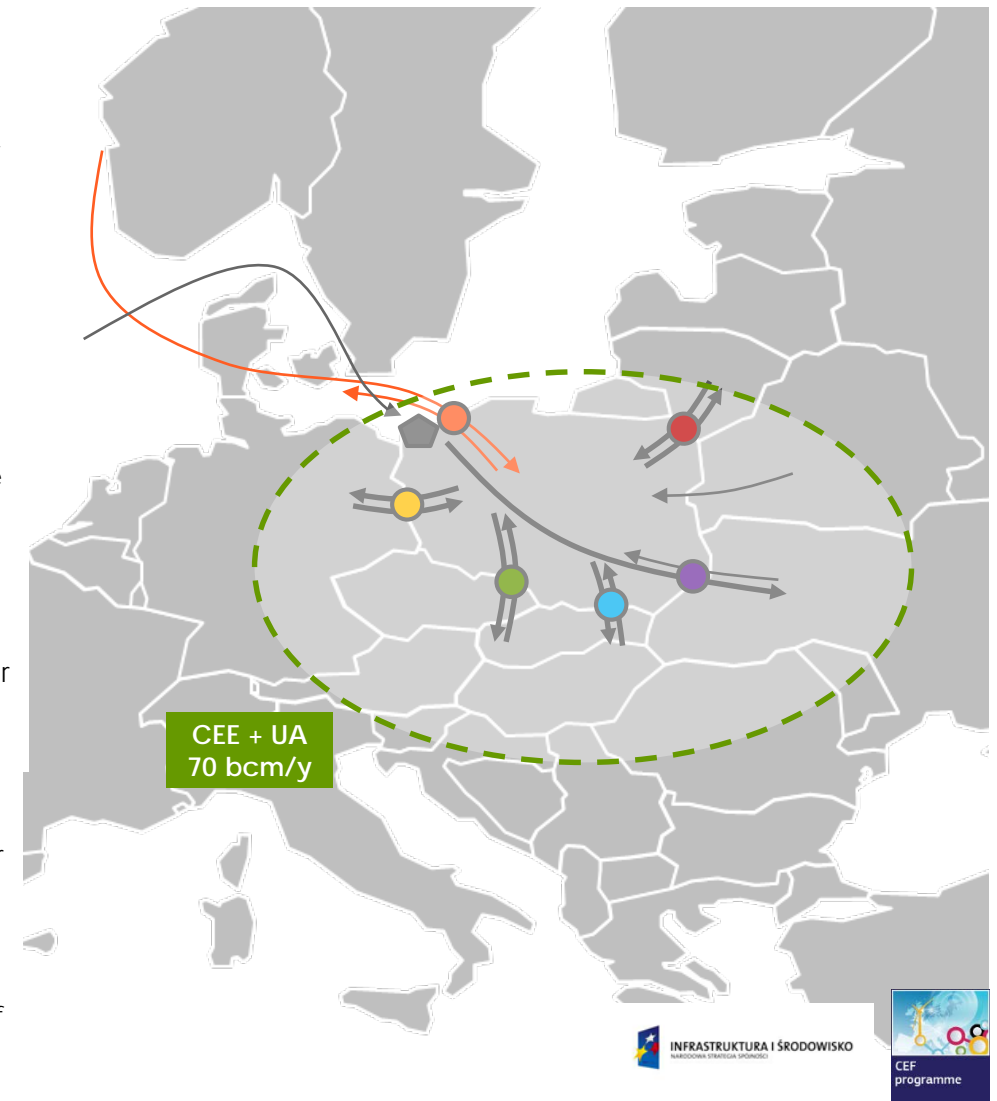
- ▶ **Capacity:** 5 bcm/y towards CZ, 6.5 bcm/y towards PL
- ▶ **Project role:** integration of the gas markets by creating a large transportation corridor between both countries

POLAND – SLOVAKIA INTERCONNECTION:

- ▶ **Capacity:** 4.3 bcm/y towards SK, 5.7 bcm/y towards PL
- ▶ **Project role:** integration of the gas markets by creating a large transportation corridor between both countries

POLAND – LITHUANIA INTERCONNECTION:

- ▶ **Capacity:** 2.4 bcm/y towards LT, 1.7 bcm/y towards PL
- ▶ **Project role:** integration of the isolated gas markets in the East Baltic region, diversification of supply



LNG TERMINAL IN ŚWINOUJŚCIE

Regasification Capacity

5 bcm/y – currently

7.5 bcm/y (recommandation issued) up to **10 bcm/y** – following further extension

LNG Offloading

Facility designated to receive carriers from 120,000 to 216,000 cm (Q-flex vessels)

Carriers characteristics, draught: 12.5 m, length: 315 m

Storage

Two storage tanks with capacity of 160,000 cm each.

Possibility for the construction of a third storage tank (space reserved)

Capacity booking

Booked: 570,000 cm/h (100%)

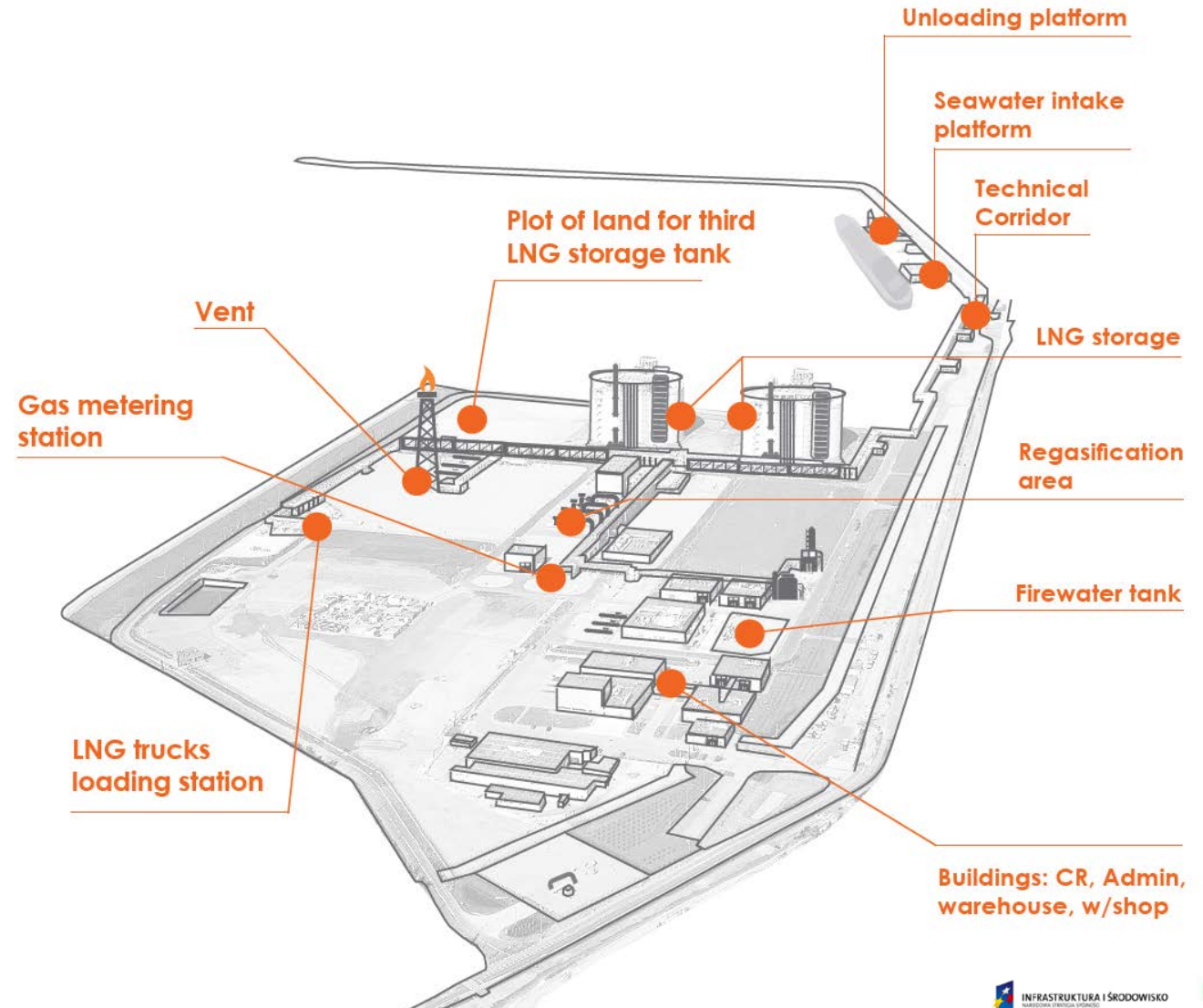
Timetable

Construction works: completed in Oct 2015

Start-up: Q4 2015 – Q2 2016

Technical start-up phase concluded with success

Commercial operations: Jun 2016 (first commercial cargo received on 17/06/16), a number of cargos already received 20



LNG TERMINAL IN ŚWINOUJŚCIE



LNG TERMINAL IN ŚWINOUJŚCIE

Additional LNG services to foster the deployment of LNG as a competitive and sustainable fuel:

- ▶ LNG truck loading services
- ▶ LNG bunkering services
- ▶ LNG reloading to smaller vessels
- ▶ LNG storage services
- ▶ LNG in transport sector
- ▶ LNG as a ship fuel

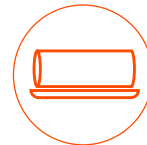
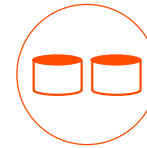
**New solutions to increase business opportunities
in the CEE and Baltic regions**

Positive influence on competition and sustainability

TODAY



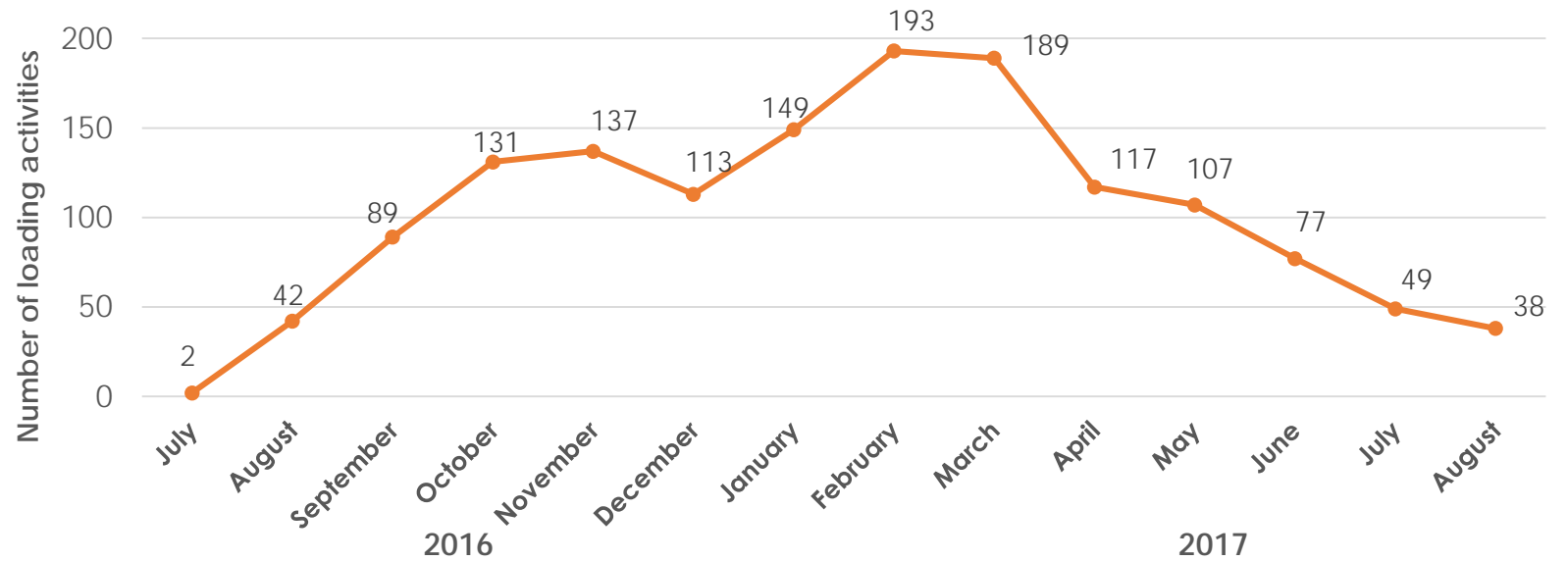
TOMORROW



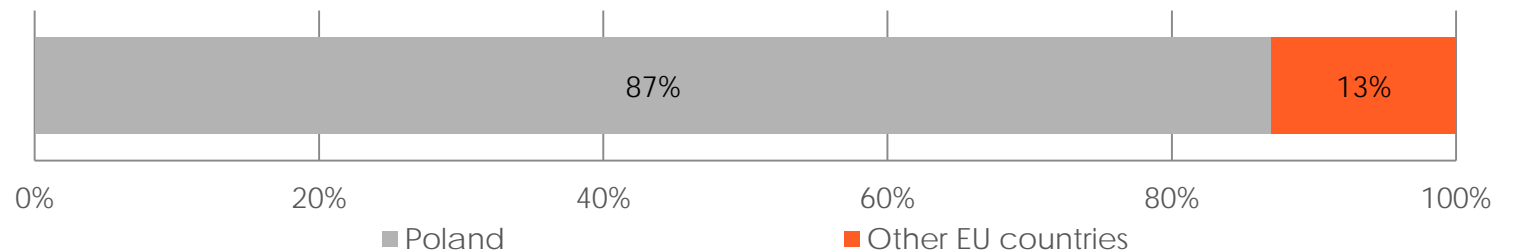
LNG RELOADING AND TRANSPORT – HIGH PERSPECTIVITY

- ▶ Above 1500 truck loading operations since the commissioning of LNG terminal operational activity
- ▶ Growing number of foreign customers
- ▶ Planned extension of LNG terminal infrastructure as a response to increasing demand on the market
- ▶ More than 49 000 LNG truck loading operations in Europe that consists a growth of 12% Y/Y

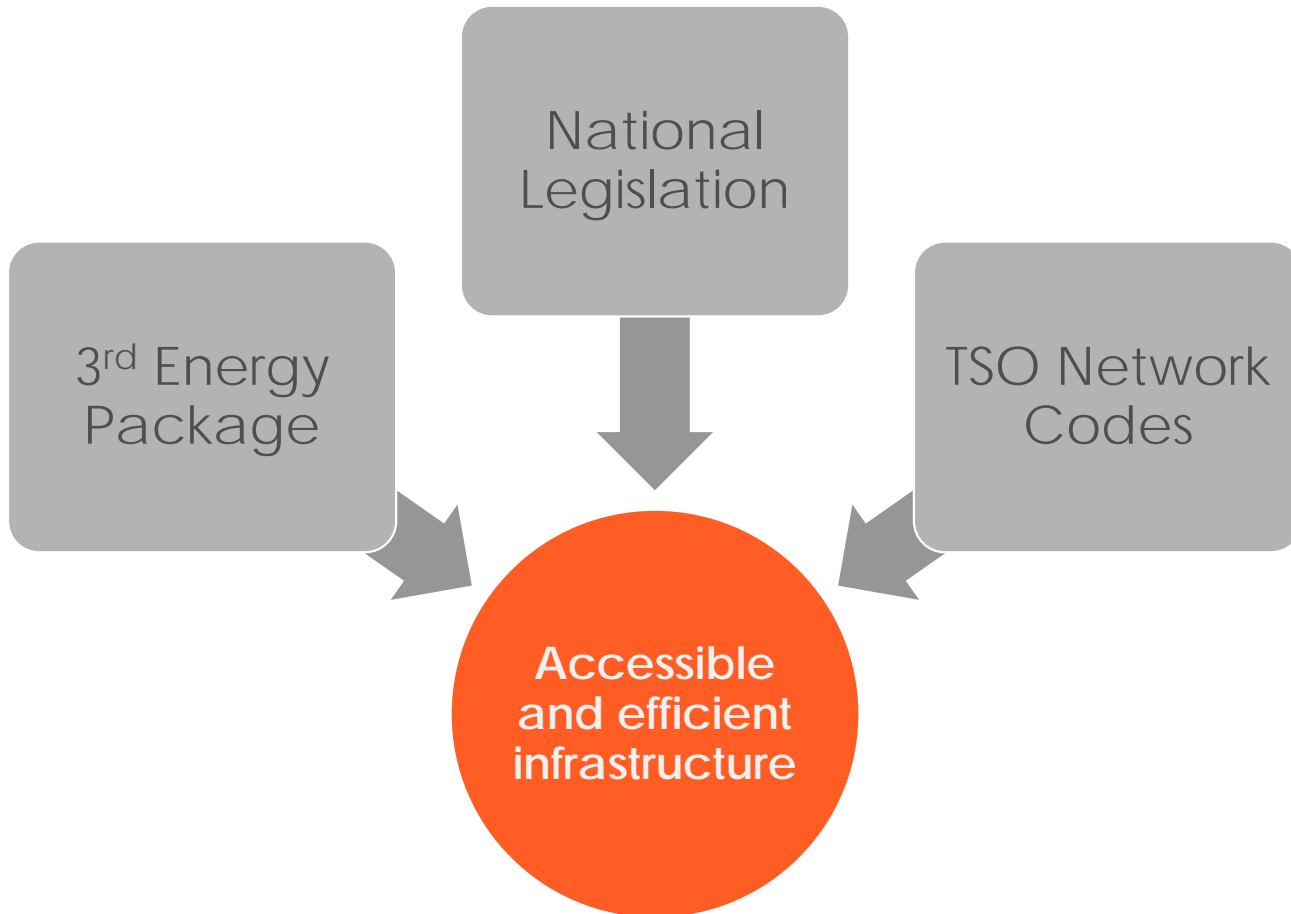
Number of LNG-to-truck reloading operations at LNG terminal in Świnoujście



Geographical coverage of trucks loaded



ACCESS TO INFRASTRUCTURE



Equal access to infrastructure is ensured through the same rules applying to each network user:

- ▶ Full implementation of EU law, in particular **EU network codes**
- ▶ Balancing and capacity in **energy units**
- ▶ Data exchange using **open protocols**
- ▶ **Auctions** as a tool to run a capacity booking process
 - ▶ Uniform **auction calendar**
 - ▶ Uniform **capacity types**
- ▶ Effective **rules preventing capacity hoarding** (CMP)

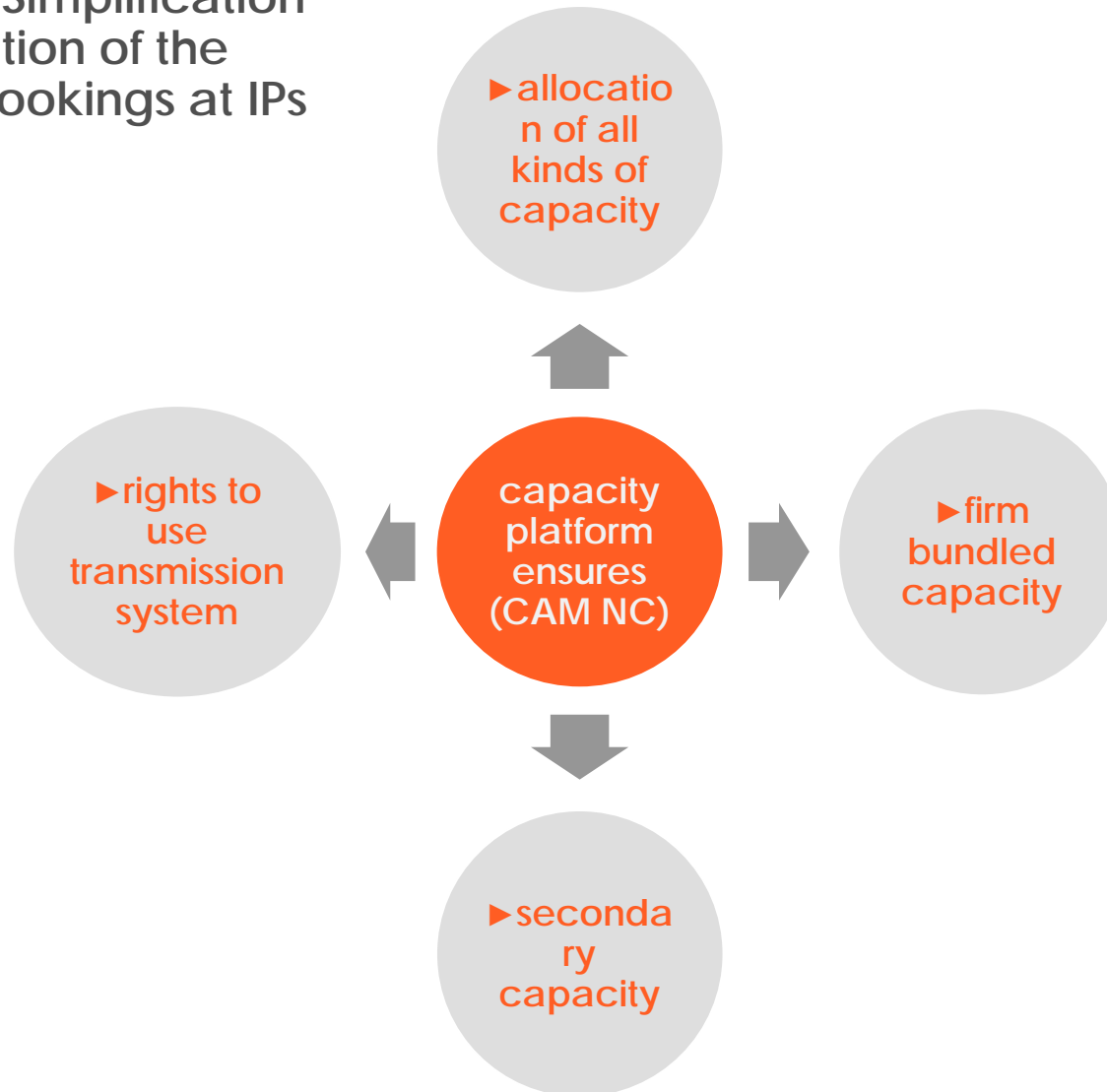
TSO measures to enhance **cost and operational efficiency**:

- ▶ Virtual Interconnection Points
- ▶ Interconnection Agreements

ROLE OF CAPACITY PLATFORMS ON THE MODERN GAS MARKET



Main goal: Simplification and facilitation of the capacity bookings at IPs



Way forward:

- ▶ Implementation of the **Incremental process**;
- ▶ **Additional functionalities** (not required by CAM NC)
- ▶ Establishment of the **co-operation rules** among platforms;

GSA PLATFORM



- ▶ GSA Platform is fully **compliant with CAM NC**
- ▶ **OMP** status
- ▶ **Secondary Market** trade available
- ▶ Approx. 185,148 auctions carried out (as of 14 Sept. 2017)

GAZ-SYSTEM goals:

- ▶ **effective and efficient solution** that allows to implement CAM NC
- ▶ **address the market expectations**
- ▶ **high-quality services** that will satisfy the TSOs and their Shippers.

GSA FUNCTIONALITIES

Formal requirements compliant

Sub-category	Item	Y/N
Legal Cam	Allocation of firm capacity	Y
	Allocation of interruptible capacity	Y
	Bundling of capacity products	Y
	Ascending clock auctions (yearly, quarterly, monthly)	Y
	Uniform price auctions (day-ahead, within-day)	Y
	Day-ahead bid roll over	Y
	Support of kWh/h and kWh/d as capacity unit	Y, (also m3)
	Secondary capacity trading	Y
	Shipper automated communication (bidding)	Y
	Reporting of platform transactions	Y
Enabling IT	Authorisation level management	Y
	Network point display and administration	Y
	Secure platform access for network users	Y
	Peak service load	Y
	(Financial) insurances taken up to cover disruptions	Y
Data backup and security	Y	

User friendly function

Sub-category	Item	Y/N
Non-formal	Bundling of capacity in 1-n situations (move as sub-point to bundling ?)	Y, currently max. 3
	Multi-currency booking	Y
	Surrender of capacity	Y
	Buyback of capacity	Y
	REMIT obligations (OMP)	Y
	Offer of competing capacity products (move as sub-point to bundling ?)	Y
	Capacity conversion (interruptible to firm)	Y
	Credit limit check	Y, also online
	Cost reflective fees	Y
	Cost transparency for TSOs	Y
Enabling IT	Continuing development, guaranteed according to EU and national regulations (added)	Y
	Shipper and user registration on the platform	Y
	Graphical user interface of the platform	Y
	Options for connection to the platform	Y
	TSO and shipper automated communication (edig@s)	Y

GSA PLATFORM – WAY FORWARD

Incremental process on GSA Platform



AUCTIONS - [TEST]



Auctions Secondary market Incremental capacity Operators Shippers Network points News Documents

Sign in

Market Demand Assessment

TEST TEST TEST TEST TEST TEST

Search

Id	Entry-Exit System From	Entry-Exit System To	Type of Entry Capacity	Type of Exit Capacity	Gas Years	Capacity	Unit	Conditions	Request is submitted to other TSOs	Operator	Respondent	Create date	Operations
No data available in table													

Showing 0 to 0 of 0 entries

Show 10 entries

- ▶ Based on new NC CAM requirements and ENTSOG's template
- ▶ Implementation of test version on the GSA Platform
- ▶ Testing phase planned for Q4 2017



GSA PLATFORM – WAY FORWARD

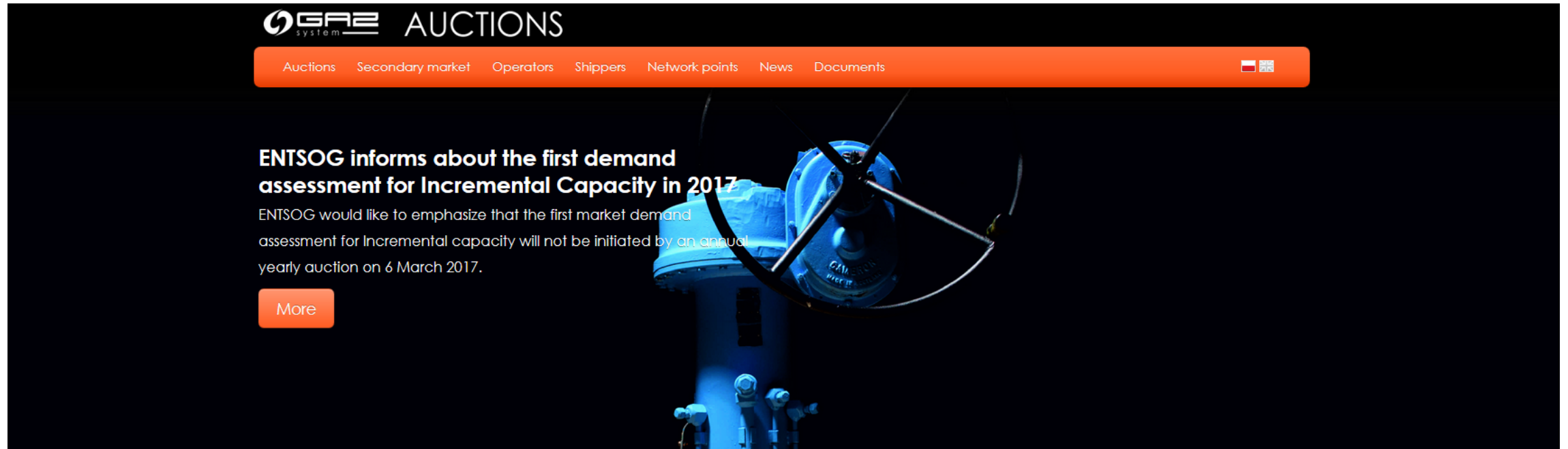
AUCTIONING THE CAPACITY ON IPs with non EU countries



GAZ-SYSTEM seeks to **establish a VIP on the PL-UA border**

- ▶ Capacities of already existing IPs (Hermanowice & Drozdowicze) as well as capacity of the planned IP would be **auctioned as the capacity of one Virtual Interconnection Point**;
- ▶ Auctions would be held as **on the intra-EU IPs** (in line with EU regulations)

GSA PLATFORM – TEST ENVIRONMENT



The screenshot shows the top part of the GAZ AUCTIONS website. At the top left is the GAZ system logo. To its right is the word 'AUCTIONS'. Below this is a navigation bar with links: Auctions, Secondary market, Operators, Shippers, Network points, News, and Documents. On the right side of the navigation bar is a small icon. The main content area features a large blue-tinted image of a robotic arm. Overlaid on the left side of this image is a news article snippet with the headline 'ENTSOG informs about the first demand assessment for Incremental Capacity in 2017'. Below the headline is a short paragraph of text and a 'More' button.

GAZ system AUCTIONS

Auctions Secondary market Operators Shippers Network points News Documents

ENTSOG informs about the first demand assessment for Incremental Capacity in 2017

ENTSOG would like to emphasize that the first market demand assessment for Incremental capacity will not be initiated by an annual yearly auction on 6 March 2017.

More

Operators

We invite all of the new Transmission System Operators interested in cooperating with the GSA Platform to register.

Register »

Shippers

We invite all of the new Network Users interested in cooperating with the GSA Platform to register.

Register »

Sign in

[Forgot your password?](#)

Login

THANK YOU

