



**Demand assessment report
for incremental capacity between
Plinovodi d.o.o. and *Plinacro Ltd.***

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

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A. Non-binding Demand indications

Slovenian and Croatian entry-exit systems are connected at IP Rogatec.

Technical capacity SI>HR:

Technical capacity on the Slovenian side is 68.307 MWh/d (2.846.126 kWh/h)

Technical capacity on the Croatian side is 53.700 MWh/d (2.237.514 kWh/h)

Technical capacity HR>SI:

Technical capacity on the Slovenian side is 7.733 MWh/d (322.203 kWh/h)

Technical capacity on the Croatian side is 7.731 MWh/d (322.119 kWh/h)

Involved TSOs 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 5th July and 30th August 2022. Within this period, one non-binding demand indication regarding the respective border was received.

The following tables show the non-binding demand indications for firm unbundled capacity per Rogatec entry / exit IP in direction from Croatia to Slovenia and from Slovenia to Croatia, which received Slovenian TSO Plinovodi:

<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>[Please indicate unit: (kWh/h)/y or (kWh/d)/y]</i>	<i>Request is submitted to both TSOs</i> <i>[yes] or [no] (detailed information shall be provided below)</i>	<i>Period when Demand Indication was received*</i> <i>[please include the period according to the numbers 1) - 3)]</i>	<i>Additional Information</i> <i>(e.g. type of capacity, if different from bundled firm freely allocable)</i>
<i>Plinacro</i>	<i>Plinovodi</i>	<i>2023/24</i> <i>-</i> <i>2026/27</i>	<i>200,000 kWh/h</i>	<i>No</i>	<i>2</i>	<i>Unbundled demand</i>
<i>Plinovodi</i>	<i>Plinacro</i>	<i>2022/23</i>	<i>50,000 kWh/h</i>	<i>No</i>	<i>2</i>	<i>Unbundled demand</i>
<i>Plinovodi</i>	<i>Plinacro</i>	<i>2023/24</i> <i>-</i> <i>2026/27</i>	<i>300,000 kWh/h</i>	<i>No</i>	<i>2</i>	<i>Unbundled demand</i>

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

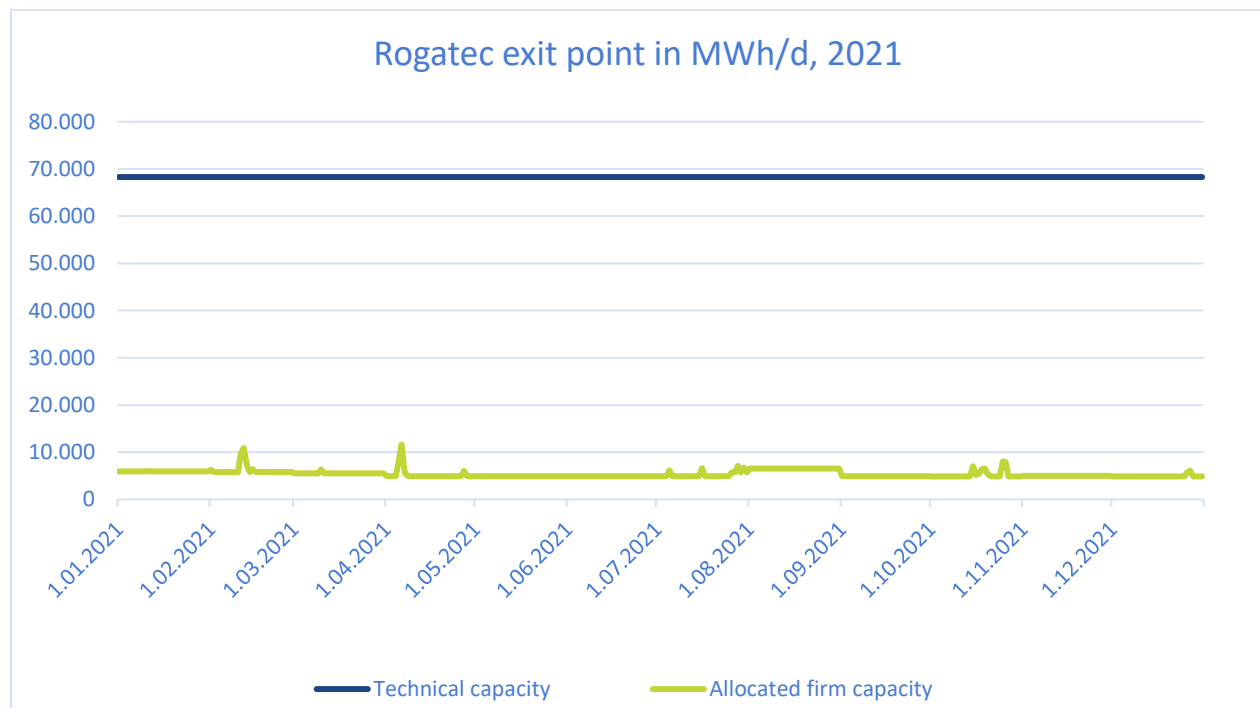
- 1) later than eight weeks after the annual yearly capacity auction in the previous incremental capacity cycle, that have not been considered previously;
- 2) within eight weeks after this year's yearly capacity auction (0 – 8 weeks after yearly auction in year);
- 3) later than eight weeks after this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

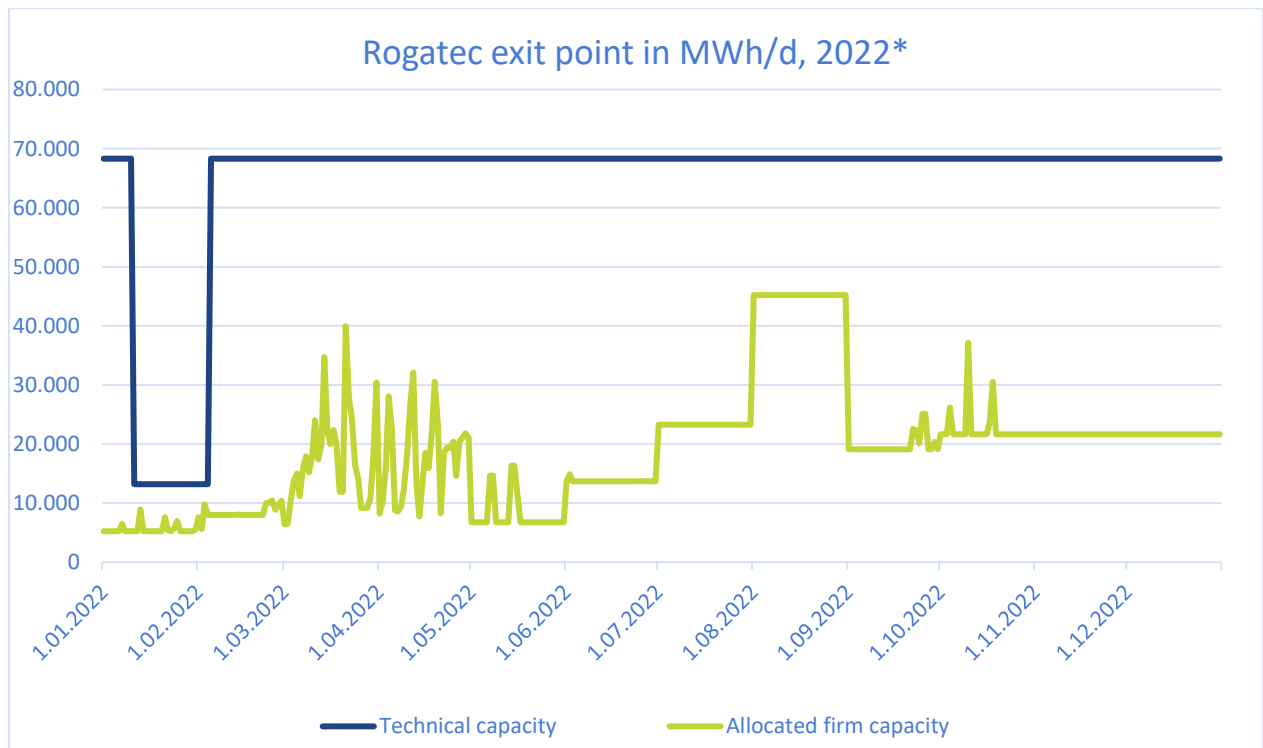
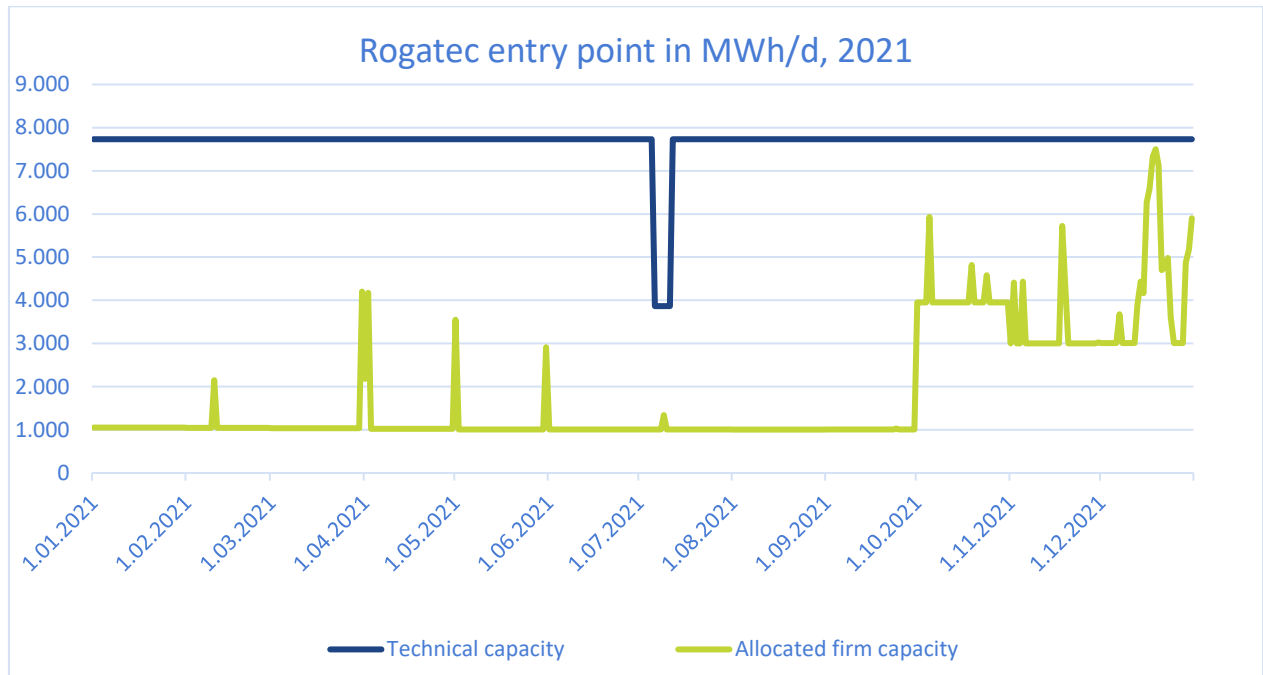
B. Demand assessment

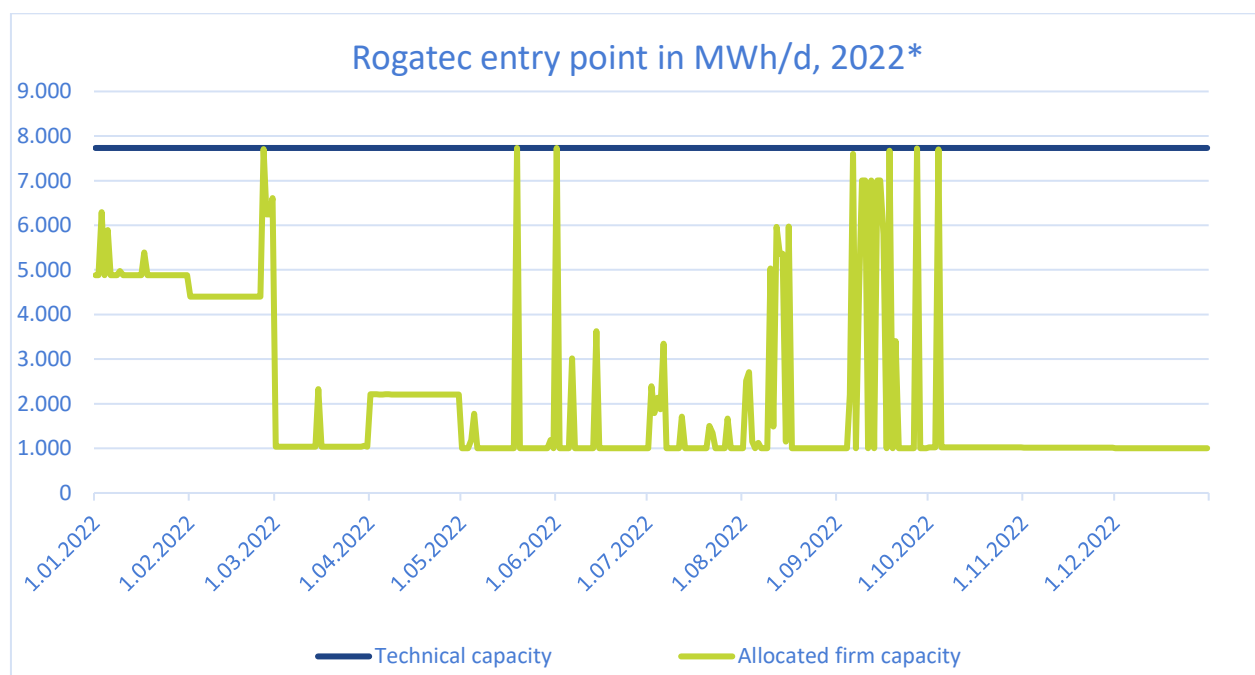
The received demand indications within the current incremental process between the Slovenian entry-exit system and the Croatian entry-exit system (Market Area East) are zero. The available capacity (i.e. technical capacity which is not yet booked in the long term) for the requested period is currently sufficient to cover potential future need for capacity. Capacity information in general can be found on ENTSOG's Transparency Platform.

i. Historical usage pattern

The utilisation of the technical firm capacity by comparing the technical capacity with the booked capacity from the year 2021 to 2022 at the Rogatec interconnection point is presented in the charts below.







*Allocated firm capacity for 2022 in chart Rogatec exit and entry point in MWh/d, is included based on currently available data of booked capacity until 31st December 2022.

ii. Results of current annual yearly auction

In the recent annual yearly auctions, taking place on 4th July 2022 for the joint interconnection points, the following results have been achieved:

Interconnection point name	Flow direction	Gas year	<i>Offered capacity Amount</i>	<i>Booked Capacity Amount</i>
			<i>kWh/d/y</i>	<i>kWh/d/y</i>
<i>Rogatec</i>	<i>SI -> HR</i>	<i>2022/2023</i>	61,476,312	21,648,000
<i>Rogatec</i>	<i>SI -> HR</i>	<i>From 2023/2024 to 2026/2027</i>	61,476,312	0
<i>Rogatec</i>	<i>HR -> SI</i>	<i>From 2022/2023 to 2026/2027</i>	5,956,488	0

iii. Relations to GRIPS, TYNDP, NDPs

Both TSOs have developed some projects regarding interconnection point Rogatec (listed below):

6.26.1 Cluster Croatia — Slovenia at Rogatec, including the following PCIs:

- Interconnection Croatia — Slovenia (Lučko — Zabok — Rogatec)
- Compressor station Kidričevo, 2nd phase of upgrade (SI)
- Upgrade of Rogatec interconnection

Both companies added their projects to the National TYNDP, ENTSOG TYNDP (Plinovodi TRA-N-390 and TRA-N-94), GRIPs and PCI. This project is listed on the latest fifth list of energy Projects of Common Interest (PCIs) of Regulation (EU) No 348/2013 of the European Parliament and of the Council as regards the Union list of projects of common interest from 19th November 2021.

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

Future demands for the direction HR – SI or SI – HR at IP Rogatec are relatable with the new sources of natural gas ie. LNG Terminal Krk, IAP or potential new gas flow in direction HU – HR – SI etc.

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

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 demand levels for incremental capacity need to be developed, currently no incremental capacity project will be initiated.

Based on the aforementioned decision, no technical studies for incremental capacity projects will be conducted.

After the Russian invasion of Ukraine, the European Union, which meets more than 40% of its gas needs, 27% of its oil needs, and 46% of its coal needs from the imports from Russia, has become increasingly aware of the need to reduce its dependence on Russia. It plans to achieve this with the REPowerEU plan, which was published on May 18, 2022.

Along with emphasising the accelerated decarbonization of the energy sector, special attention is paid to the accelerated diversification of natural gas supply, for which, in addition to investments in existing PCI projects, investments in additional projects that can provide enhanced security of gas supply, especially in Central and Eastern Europe and in the northern Germany are planned.

At the Commission's request, the European Network Transmission System Operators for Gas (ENTSO-G) adopted an assessment of additional requirements for gas infrastructure per region. Thus, the LNG terminal on the island of Krk was singled out among the key priority gas infrastructure projects in Central and Southeastern Europe that were put into operation in 2020 and 2021. Furthermore, it was concluded that among other projects in the region, in the medium term, an expansion of the capacity of the LNG terminal in Krk will further help mitigating Russian supply dependence, but to reap these benefits, it would be necessary to enhance the Croatian transmission grid towards Slovenia and Hungary.

Both operators will consider and encourage the increase of capacity at the Croatia-Slovenia interconnection as a part of the processes and initiatives in the implementation of the REPowerEU plan.

D. Provisional timeline

Market Demand Assessment will be, according to the Article 26, Regulation 2017/459 performed on regular basis.

Both operators will consider and encourage the increase of capacity at the Croatia-Slovenia interconnection as a part of the processes and initiatives in the implementation of the REPowerEU plan.

E. Interim arrangements for the auction of existing capacity on the concerned IP(s)

Not applicable.

F. 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.

G. Contact information

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