



Demand assessment report for incremental capacity between *Hungary* and *Croatia*

– External document for publication –

20 October 2023

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

TSO 1

FGSZ Natural Gas Transmission
Private Company Limited by Shares

8600, Siófok, Hungary

Tanácsház u. 5

General contact information

telephone +36-84-312-311

email: info@fgsz.hu

fax: +36-84-505-592



TSO 2

Plinacro Ltd

Zagreb 10000, Croatia

Savska cesta 88a

General contact information

telephone +385 1 6301 720

email: market@plinacro.hr

fax: +385 1 6301 788



Table of contents

A. Non-binding Demand indications	4
B. Demand assessment	6
i. Historical usage pattern	6
ii. Results of current annual yearly auction	7
iii. Relations to GRIPS, TYNDP, NDPs	7
iv. Expected amount, direction and duration of demand for incremental capacity	7
C. Conclusion for the (non)-initiation of an incremental capacity project/process	8
D. Provisional timeline	8
E. Interim arrangements for the auction of existing capacity on the concerned IP(s)	8
F. Fees	8
G. Contact information	9

A. Non-binding Demand indications

Drávaszerdahely IP connects the Croatian and Hungarian entry-exit system.

Currently available capacities:

IP name	Drávaszerdahely (HU>HR)	Drávaszerdahely (HR>HU)
	kWh/h/y	kWh/h/y
FGSZ physical capacity	8,623,160	8,582,584
Plinacro physical capacity	3,215,499	2,120,340
Published technical capacity (FGSZ/Plinacro)	3,215,499	2,120,340

*on 01.10.2023, the kWh/h value depends on the previous year average GCV.

The involved TSOs, Plinacro and FGSZ have not received any non-binding demand indications for firm capacity at the interconnection points between Croatia and Hungary for future period.

No non-binding demand indications for firm capacity have been used as a basis for demand assessment:

From [entry-exit system name] “EXIT CAPACITY”	To [entry-exit system name] “ENTRY CAPACITY”	Gas year YYYY/YY	Amount (kWh/h)/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)

* 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).

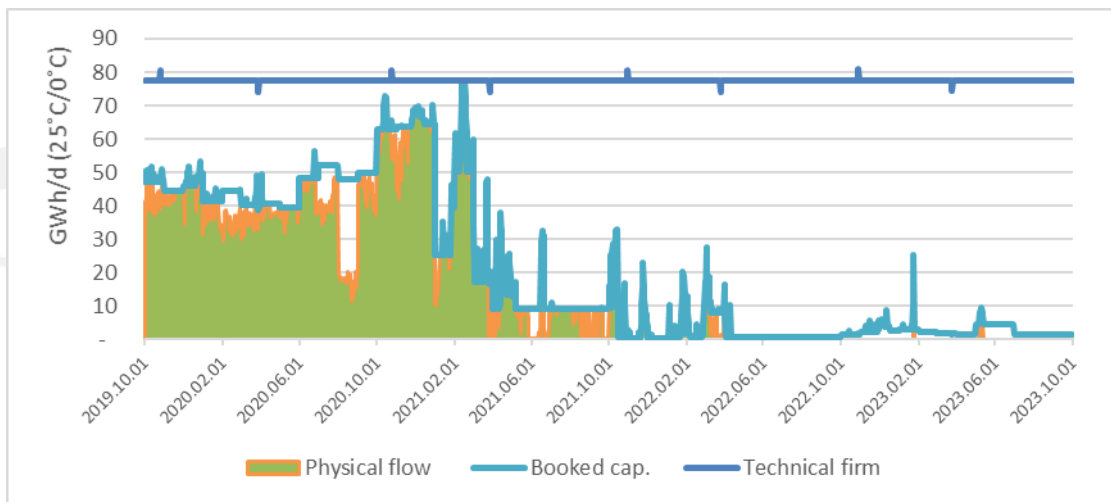
Shippers did not submit non-binding demand indicators, where condition was requested.

B. Demand assessment

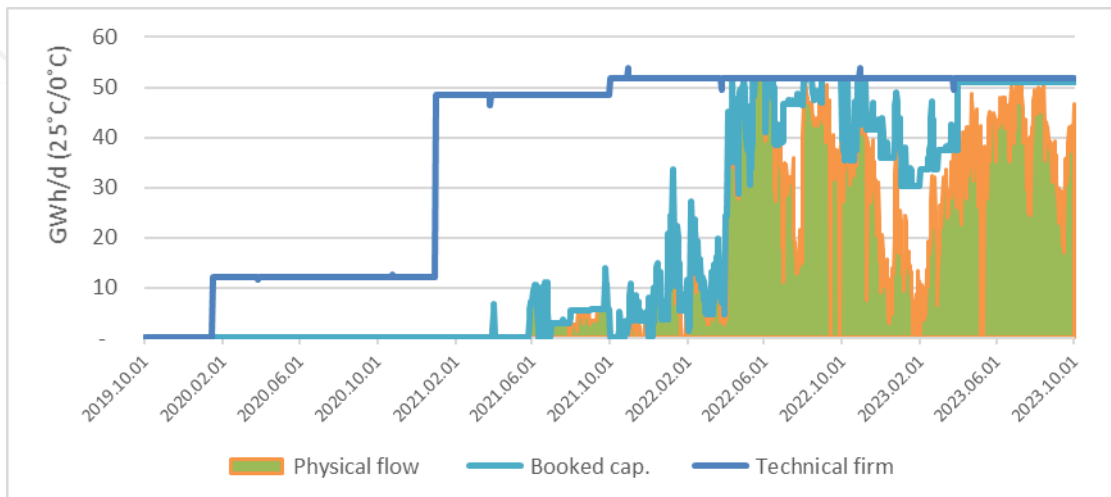
i. Historical usage pattern

The capacity in the direction HU-HR: The utilisation of the technical capacity and allocated firm capacity in GWh/d at Drávaszerdahely interconnection point is presented in the charts below, and the data also available on ENTSOG Transparency platform.

Historic usage in HU-HR direction can be found below:



Historic usage in HR-HU direction can be found below:



ii. Results of current annual auction

In the recent annual yearly auctions at the Regional Booking Platform (RBP), taking place on 03.07.2023 for the joint interconnection points, the following results have been achieved:

Interconnection point name	Flow direction	Gas year	Offered capacity Amount		Booked capacity Amount	
			Bundled – kWh/h	Unbundled - kWh/h	Bundled – kWh/h	Unbundled - kWh/h
<i>Drávaszerdahely</i>	<i>HU →HR</i>	<i>2023/2024</i>	<i>2 893 949</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Drávaszerdahely</i>	<i>HR →HU</i>	<i>2023/2024</i>	<i>1 788 306</i>	<i>0</i>	<i>750,000</i>	<i>0</i>

iii. Relations to GRIPS, TYNDP, NDPs

FGSZ system is able to provide 8,623,160 kWh/h/y in direction from Hungary to Croatia and 8,582,854 kWh/h/y in direction from Croatia to Hungary.

Plinacro is able to provide 2,120,340 kWh/h/y in direction from Croatia to Hungary and 3,215,499 kWh/h/y in direction from Hungary to Croatia.

All capacities are higher than currently booked capacities.

On the Croatian side some projects will be developed regarding Drávaszerdahely interconnection point (listed in table below).

No.	Project	NDP	TYNDP Code	PCI
1	<i>LNG evacuation pipeline Zlobin-Bosiljevo-Sisak-Kozarac</i>	1.2, 1.3, 1.4	TRA-N-075	-
2	<i>LNG Evacuation Pipeline Kozarac-Slobodnica</i>	1.5	TRA-N-1058	-

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

There is no incremental capacity demand neither on Hungarian nor Croatian side.

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. Both TSOs will even though not receiving non-binding demand indication, continue to develop the project if any in line with the TYNDP of both companies.

D. Provisional timeline

There is no incremental capacity project neither on Hungarian nor Croatian side.

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, FGSZ applied a registration fee for the evaluation and processing of non-binding demand indications based on the prevailing regulation (NRA's decision number H1617/ 2021). The details can be found [here](#).

Plinacro didn't introduced any fee related to the incremental capacity procedure.

G. Contact information

FGSZ Ltd.

Gábor Miklós Dudas

Head of Business Development

+36-84-505-202

+36-20-263-2931

gmdudas@fgsz.hu

Plinacro Ltd.

Robert Bošnjak

Head of Strategic Development Business Unit

+385-1-6301-752

+385-1-6301-788

robert.bosnjak@plinacro.hr