

# KEY INFRASTRUCTURE PROJECTS OF GAZ-SYSTEM

GAZ-SYSTEM FORUM

6 May 2020



# AGENDA

- **4<sup>th</sup> PCI list**
- **Status of Baltic Pipe project**
- **Status of Gas Interconnection Poland – Slovakia**
- **Status of Gas Interconnection Poland – Lithuania**
- **The LNG Terminal in Świnoujście Expansion Program**



# 4<sup>TH</sup> PCI LIST



# THE FORTH LIST OF PROJECTS OF COMMON INTEREST (PCI LIST)



- February, 12 2020 – the European Parliament approved the 4<sup>th</sup> list of projects of common interest (PCI list)
- GAZ-SYSTEM maintained on the PCI list its key investments in Central-Eastern Europe
- In March 2020 4<sup>th</sup> PCI list was published in Official Journal of the European Union\*

The 4<sup>th</sup> PCI list contains GAZ-SYSTEM investments in two priority corridors defined in Regulation No. 347/2013 on guidelines for trans-European energy infrastructure (TEN-E Regulation):

## 1. under the "Baltic Energy Market Interconnection Plan" (BEMIP):

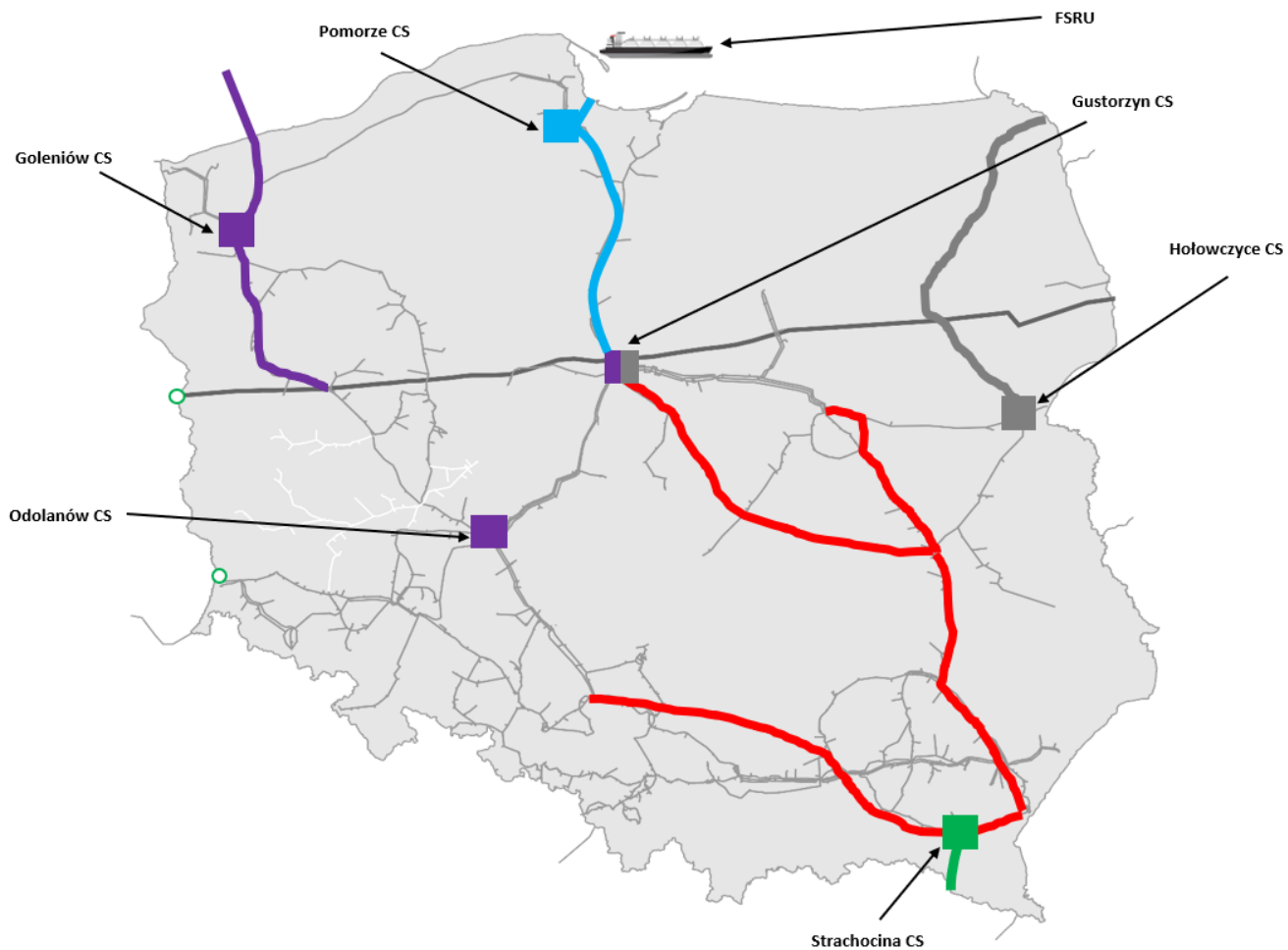
- Baltic Pipe,
- Gas Interconnection Poland - Lithuania (GIPL).

## 2. under the "North-South Gas Interconnections in Central and South-Eastern Europe" corridor:

- Poland - Slovakia interconnection with the North-South gas corridor in Eastern Poland,
- FSRU in Gdansk.



# GAZ-SYSTEM PROJECTS ON THE FORTH PCI LIST



## 8.3.2 Baltic Pipe

- Offshore gas pipeline connecting Poland and Denmark
- Gas pipeline connecting the offshore pipeline with the National Transmission System
- Goleniów – Lwówek gas pipeline
- CS Goleniów (expansion)
- CS Gustorzyn (expansion)\*
- CS Odolanów

## 8.5 GIPL

- Hołowczyce pipeline – PL/LT border
- CS Gustorzyn\*
- CS Hołowczyce (expansion)

## 6.2.1 Poland – Slovakia

- Poland – Slovakia gas pipeline
- Gas node Strachocina
- CS Strachocina

## 6.2. North-South Gas Corridor in Eastern Poland

- Rembelszczyzna – Wronów gas pipeline
- Rozwadów – Końskowola – Wronów gas pipeline
- Jarosław – Rozwadów gas pipeline
- Hermanowice – Jarosław gas pipeline
- Hermanowice – Strachocina gas pipeline
- Strachocina – Pogórska Wola gas pipeline
- Pogórska Wola – Tworzeń gas pipeline
- Tworóg – Tworzeń gas pipeline
- Gustorzyn – Wronów gas pipeline

## 6.27 LNG Gdańsk

- FSRU unit
- Offshore gas pipeline connecting FSRU unit with onshore infrastructure
- Kolnik – Gustorzyn gas pipeline
- Kolnik – Reszki gas pipeline
- Kolnik – Gdańsk gas pipeline
- CS Pomorze

# STATUS OF BALTIC PIPE PROJECT



# THE BALTIC PIPE PROJECT

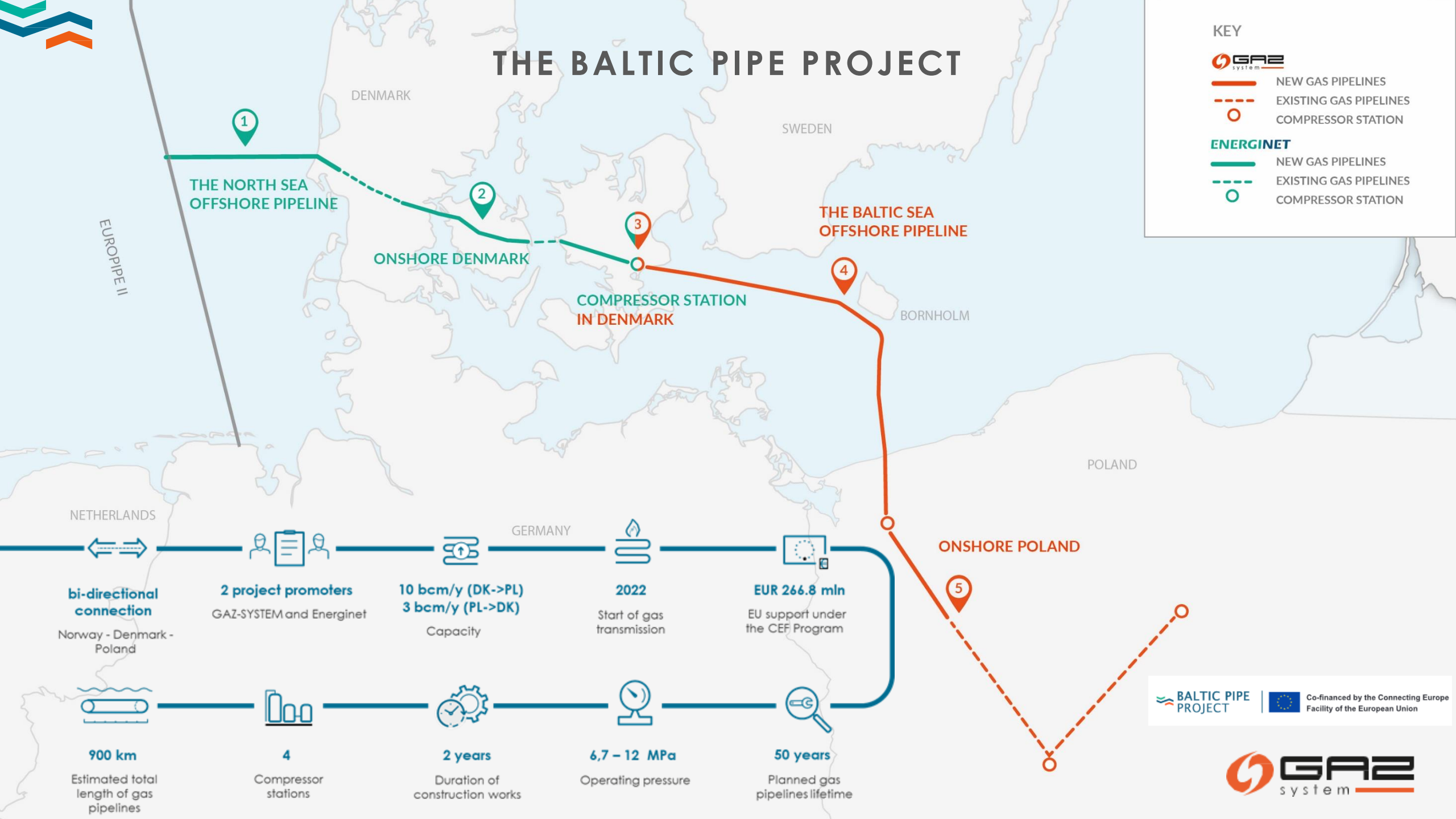
## KEY



- NEW GAS PIPELINES
- - - EXISTING GAS PIPELINES
- COMPRESSOR STATION

## ENERGINET

- NEW GAS PIPELINES
- - - EXISTING GAS PIPELINES
- COMPRESSOR STATION



NETHERLANDS



**bi-directional connection**

Norway - Denmark - Poland

**2 project promoters**  
GAZ-SYSTEM and Energinet

**10 bcm/y (DK->PL)**  
**3 bcm/y (PL->DK)**  
Capacity

GERMANY



**2022**  
Start of gas transmission

**EUR 266.8 mln**  
EU support under the CEF Program



**900 km**

Estimated total length of gas pipelines



**4**

Compressor stations



**2 years**

Duration of construction works



**6,7 - 12 MPa**

Operating pressure



**50 years**

Planned gas pipelines lifetime

**ONSHORE POLAND**

5

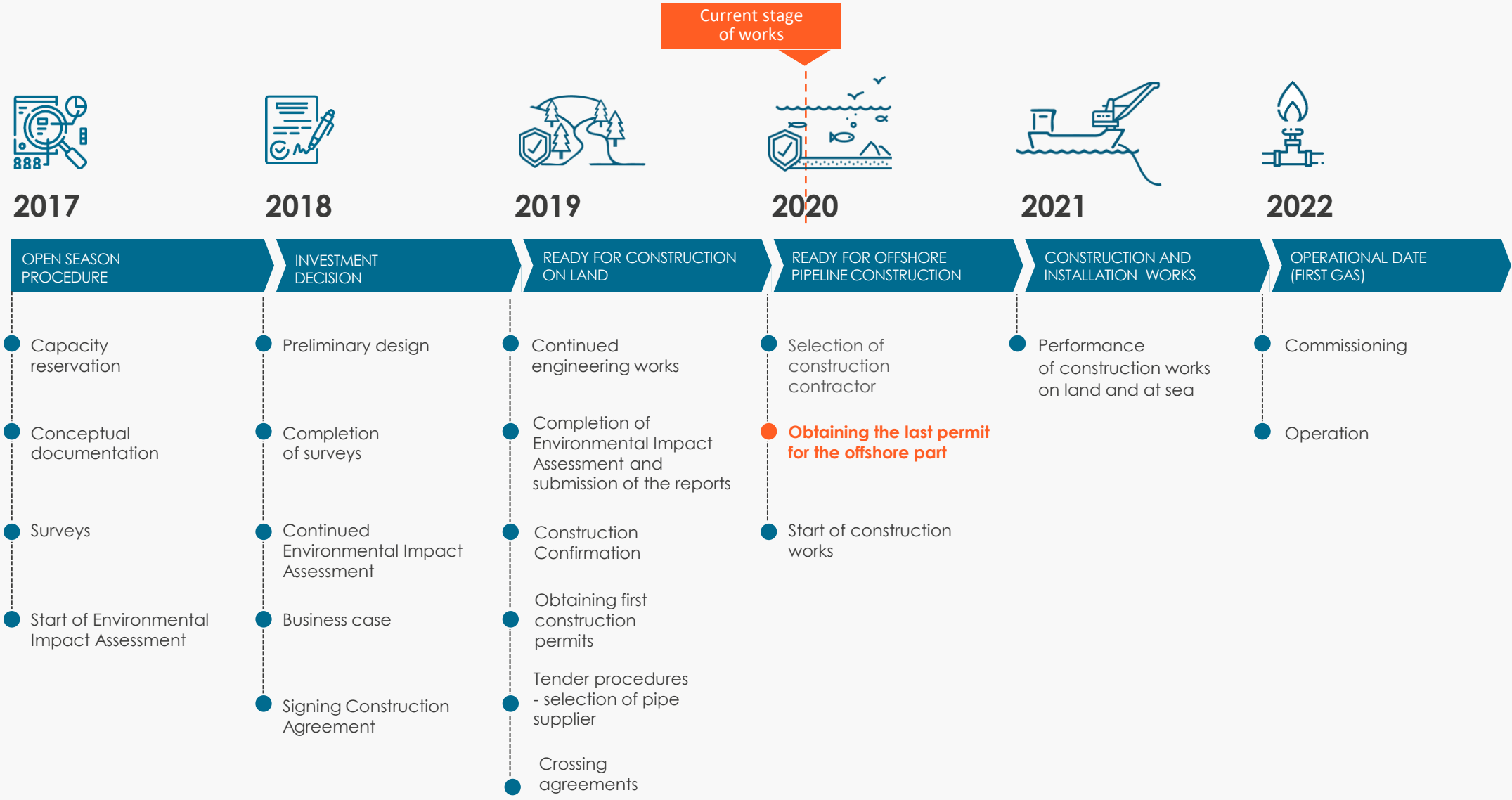
BALTIC PIPE PROJECT

Co-financed by the Connecting Europe Facility of the European Union





# FRAMEWORK SCHEDULE FOR THE BALTIC PIPE PROJECT







# OFFSHORE PIPELINE – PERMITS AND DECISIONS

## Poland:

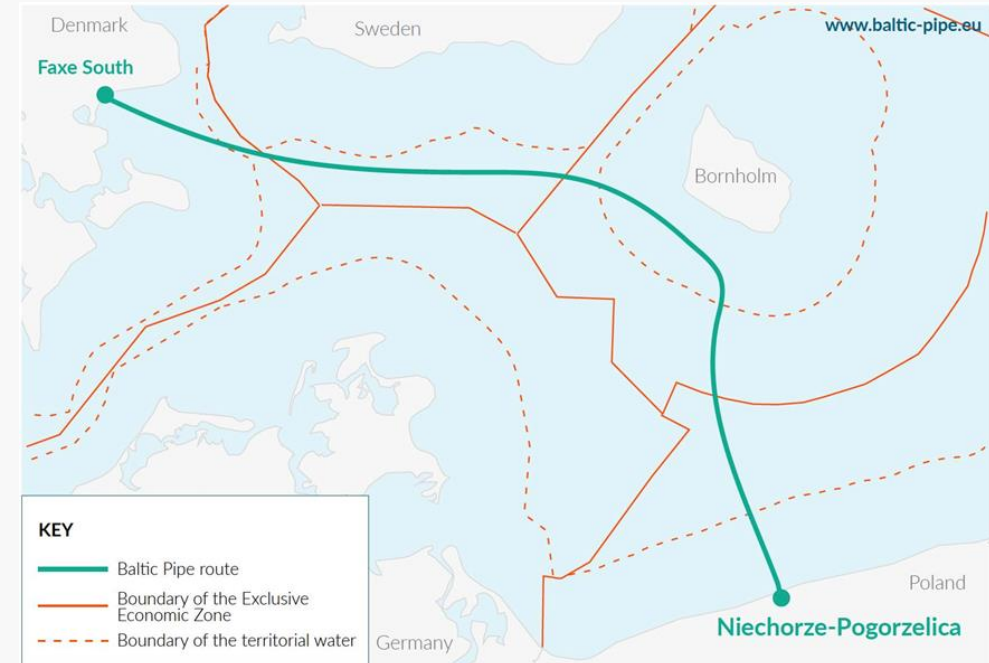
- environmental and transboundary EIA: **submission of reports** – 03.2019
- environmental decision: **obtained** – 11.2019
- location decision: **obtained** – 01.2020
- construction permit:
  - onshore part (landfall connection): **obtained** – 04.2020
  - offshore part: **obtained** – 04.2020

## Denmark:

- environmental decision and transboundary EIA: **submission of reports** – 01.2019
- Onshore:
  - environmental decision: **obtained** – 07.2019
  - construction permit: **obtained** – 12.2019
- Offshore:
  - environmental decision (covering the construction permit): **obtained** – 10.2019

## Sweden:

- environmental decision (covering the construction permit) and transboundary EIA: **submission of reports** – 03.2019
  - environmental decision: **obtention** – Q2 2020





# OFFSHORE PIPELINE



## first contract for pipes delivery

On 9 January 2020 GAZ-SYSTEM and EUROPIPE GmbH signed the contract for the pipe supply for the Baltic Pipe offshore pipeline to be laid on the Baltic Sea bed.

In March 2020 the production of steel and plates has started.

The works are ongoing in facilities in France and Germany.

Start of the pipes production for the pipeline that will be laid

on the Baltic Sea bed will commence soon.

### OFFSHORE GAS PIPELINE PIPE PROPERTIES

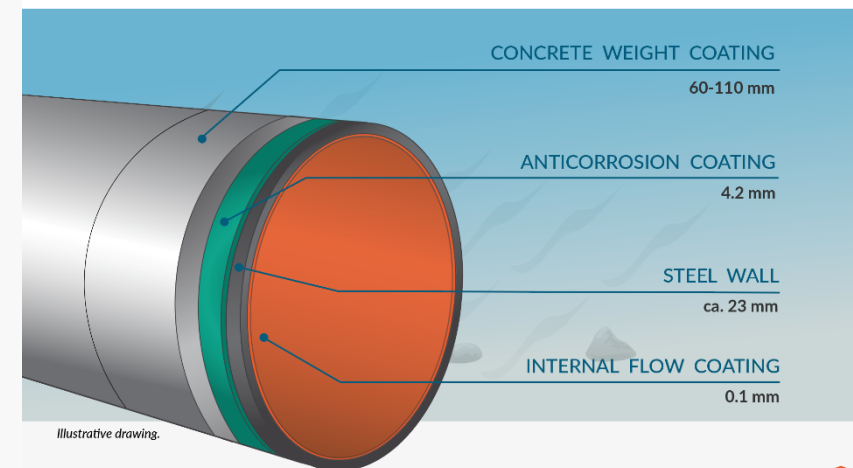


**275 km**  
estimated length  
of the gas pipeline

**ca. 23 200**  
pipes needed for  
construction

**900 mm**  
pipe diameter

**12.2 m**  
pipe length



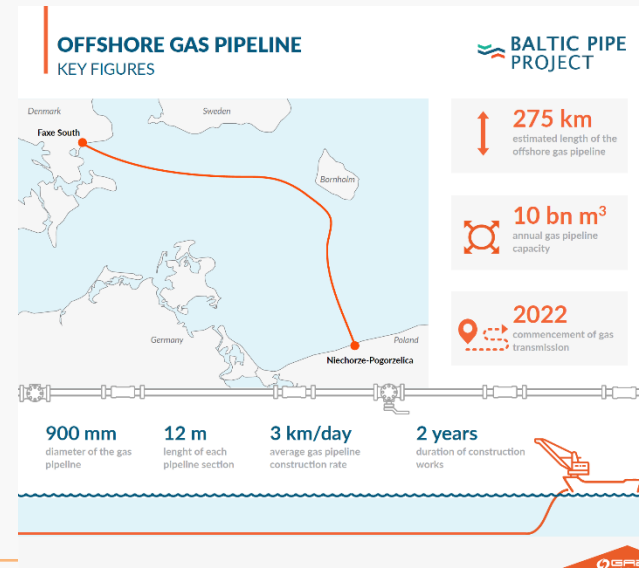


# GAZ- SYSTEM SELECTED PIPELAY CONTRACTOR FOR THE BALTIC PIPE OFFSHORE

On 30th April 2020 GAZ-SYSTEM signed contract with Saipem Limited for the performance of construction and installation works related to laying the gas pipeline in the Baltic Sea.

The scope of this contract covers also the landfalls where the offshore part will be connected with the onshore components in Poland and Denmark.

The contract value is approximately EUR 280 million.





# ONSHORE COMPONENTS IN POLAND – PERMITS AND DECISIONS

## Pipeline connecting the offshore part with the National Transmission System:

- environmental decision: **obtained**
- location decision: **obtained**
- construction permit: **obtained**

## Goleniów-Lwówek pipeline:

- environmental decision: **obtained**
- location decision: **obtained**
- construction permit: **obtained**

## Gustorzyn, Odolanów, Goleniów compressor stations:

- location decisions: **obtained**
- construction permit: **obtained**



**GAZ-SYSTEM holds complete set of environmental and location decisions and construction permits for all onshore components in Poland**



# STATUS OF GAS INTERCONNECTION POLAND AND SLOVAKIA



# GAS INTERCONNECTION BETWEEN POLAND AND SLOVAKIA

Construction of a gas interconnection between transmission systems of the Republic of Poland and the Slovak Republic together with the infrastructure necessary for its operation.

**Project partner:** eustream a.s. – Slovak gas TSO

## Elements of the project:

- gas pipeline Strachocina-Velke Kapusany (PL-SK),
- Gas Node Strachocina (PL),
- CS Velke Kapusany modification (SK),
- metering station (SK)

**Expected commissioning date:** February 2020.



# GAS INTERCONNECTION BETWEEN POLAND AND SLOVAKIA

## CONSTRUCTION SCHEDULE

2018

- Construction works on Slovak side have been started in September.

2019

- Pipeline construction works on Polish side have been started in September, the constructor is consortium Budimex S.A. + Mostostal Kraków S.A.
- Gas Node construction works on Polish side have been started in October, the constructor is Control Process S.A.

2022

- Expected commissioning date is February 2022.

# PROJECT OF COMMON INTEREST

## Projects of Common Interest (PCI)

The project has been recognised by the European Commission as a “Project of Common Interest” (PCI) four times already – in 2013, 2015, 2017 and 2019.

The interconnection of the Polish and Slovak transmission systems has been included in the list of projects of common interest (PCI) as part of the priority corridor *North-South Gas Interconnections in Central-Eastern and South-Eastern Europe (NSI East Gas)*.

**The project has been granted with CEF funding for preparatory studies and engineering works and also for construction works**, it confirms the importance of the project for the improvement of security and access to natural gas in Central and Eastern Europe.





# STATUS OF GAS INTERCONNECTION POLAND - LITHUANIA



# GAS INTERCONNECTION POLAND – LITHUANIA (GIPL)

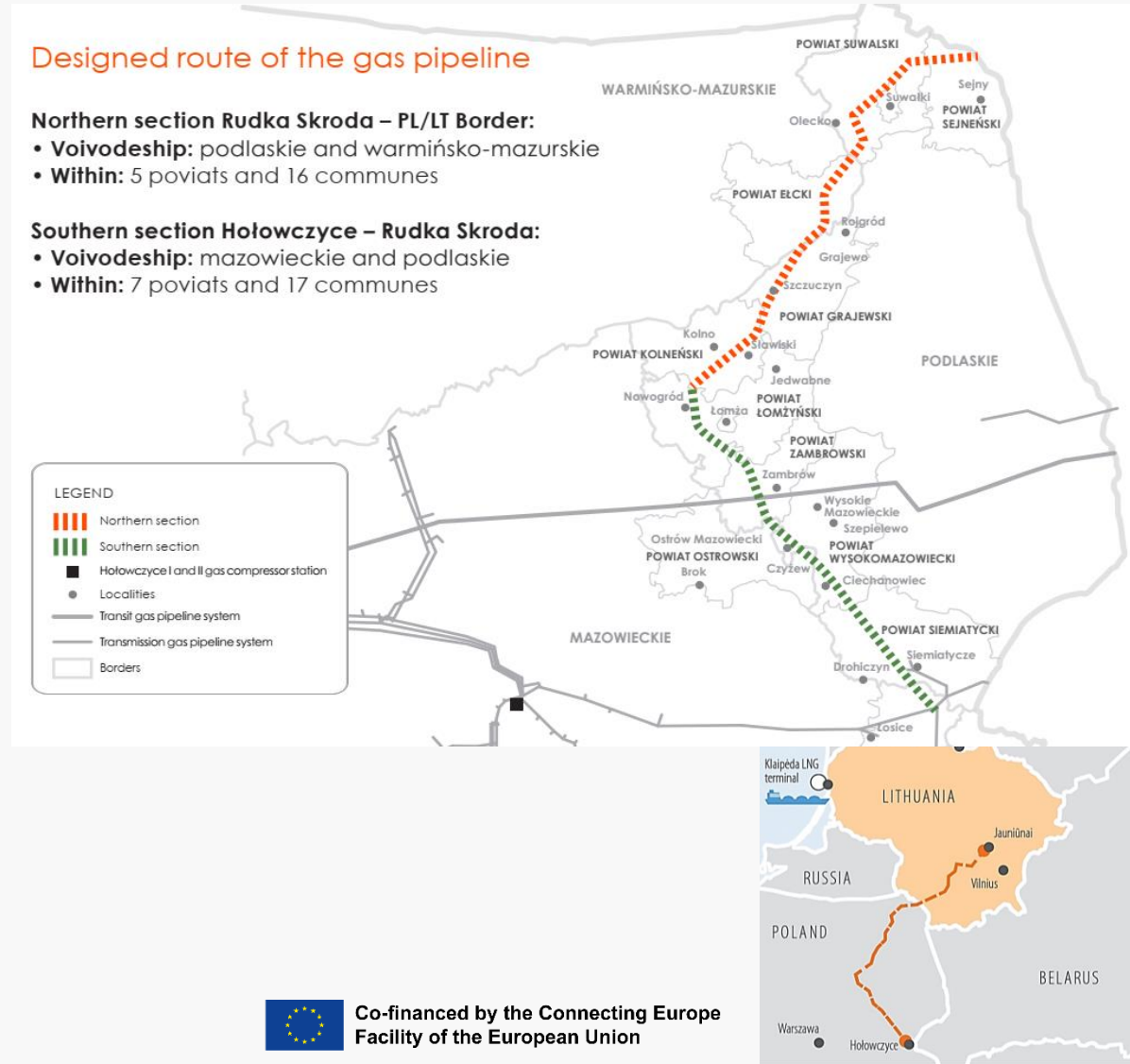
Construction of a new cross-border gas pipeline and a compressor station, which will connect the natural gas transmission systems of Poland and Lithuania and integrate the isolated gas markets in the East Baltic region with the European gas market increasing competitiveness, security and diversification of supply.

**Project partner:** AB Amber Grid – the Lithuanian gas TSO

## Elements of the Project:

- Gas pipeline (DN 700) Hołowczyce (PL) – Jauniunai (LT)
- Modernisation of the compressor station in Hołowczyce (PL)
- Compressor station in Gustorzyn (PL)
- Border Metering Station (LT)

**Expected commissioning date:** : December 2021



 Co-financed by the Connecting Europe Facility of the European Union

# GAS INTERCONNECTION POLAND – LITHUANIA (GIPL) CONSTRUCTION SCHEDULE

2019

- The permitting phase on the Polish side was successfully completed.
- The contract with Contractor of construction works signed on the Lithuanian side.

2020

- The first contracts with Contractors of construction works signed on the Polish side.

2021

- Expected commissioning date is December 2021.

# PROJECT OF COMMON INTEREST

## Projects of Common Interest (PCI)

The project has been recognised by the European Commission as a “Project of Common Interest” (PCI) four times already – in 2013, 2015, 2017 and 2019.

The interconnection between the Polish and Lithuanian transmission systems has been included into the list of projects of common interest (PCI) as part of the priority corridor *Baltic Energy Market Interconnection Plan (BEMIP Gas)*.

The project has been granted with CEF funding for preparatory studies and engineering works and also for construction works. It confirms the importance of the project for the improvement of security and access to natural gas in the Baltic region and Central and Eastern Europe.





# THE LNG TERMINAL IN ŚWINOUJŚCIE EXPANSION PROGRAM



# THE ŚWINOUJŚCIE LNG TERMINAL EXPANSION PROJECTS

## LNG tank Project:

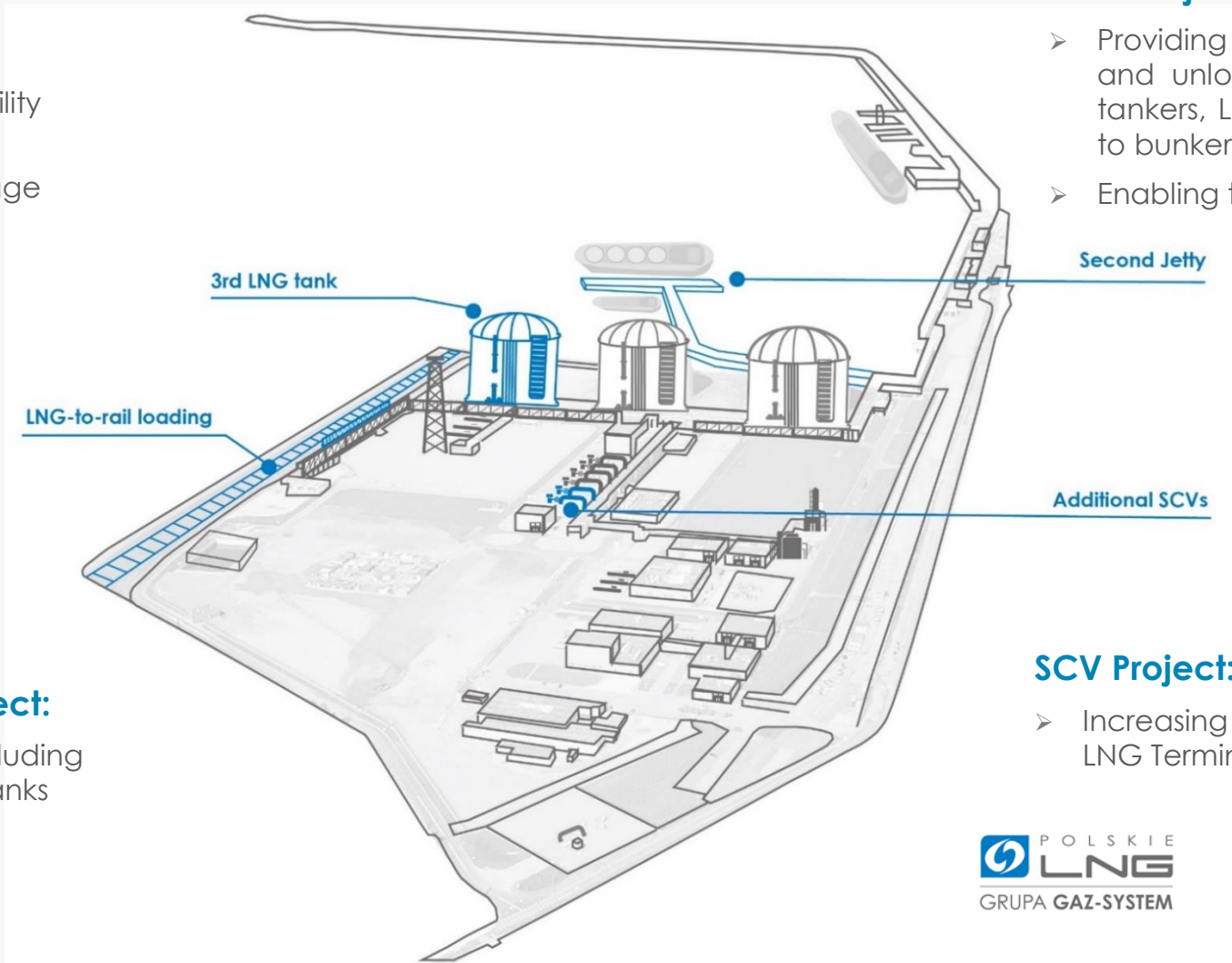
- Increasing the technical flexibility of LNG terminal
- Obtaining the optimal storage capacity for LNG reloading

## LNG-to-rail loading facility Project:

- Providing new services including loading ISO containers and rail tanks
- Virtual pipeline application

## Second jetty Project

- Providing new services including loading and unloading small and medium LNG tankers, LNG transshipment, LNG loading to bunkering vessels
- Enabling the STS bunkering



## SCV Project:

- Increasing the send-out capacity of LNG Terminal

# OPEN SEASON 2020 PROCEDURE FOR THE LNG TERMINAL IN ŚWINOUJŚCIE

At the turn of February and March 2020 Polskie LNG S.A., the owner and operator of the President Lech Kaczyński LNG Terminal in Świnoujście, conducted market consultations of the Open Season 2020 Procedure for the LNG Terminal. The purpose of the consultation was to collect market comments and to correct or clarify the documentation necessary to carry out the Procedure on the market, equal and transparent principles for all interested market participants.

**On the 24th March 2020 the Open Season 2020 Procedure for the LNG Terminal was launched, allowing market participants to submit binding offers for regasification and additional services.**

The purpose of the Open Season 2020 Procedure for LNG Terminal is to conclude **Regasification Agreements in connection with the LNG Terminal Expansion Program. As a result of the Open Season 2020 Procedure**, services will be allocated in order to ensure:

- an appropriate level of revenues that promotes efficient investment in LNG infrastructure;
- creation of a mechanism for the largest and safe use of available LNG infrastructure;
- increasing the liquidity of the gaseous fuels market and developing competition.

# OPEN SEASON 2020 PROCEDURE FOR THE LNG TERMINAL IN ŚWINOUJŚCIE

- As part of the Open Season 2020 Procedure for LNG Terminal, Polskie LNG S.A. made available 100% of the capacity (contractual capacity) resulting from the expansion of the LNG Terminal.
- As a part of the Procedure two Packages were made available: the Basic Services Package and the Additional Services Package. Only those participants who have ordered the Basic Services Package will be able to order one or more Additional Services.
- The Open Season 2020 Procedure for LNG Terminal is also intended to assess participants' needs for the planned Additional Services.
- As a result of the Procedure, it is planned to conclude long-term contracts - for a maximum of 15 years - for regasification services and additional services available after completion of the investment process related to the LNG Terminal Expansion Program.

The principles for participation in the Procedure have been described in the „Rules of the Open Season 2020 Procedure for LNG Terminal in Świnoujście". All interested market participants are invited to read the documents published at the following link <https://www.polskieng.pl/strefa-klienta/procedura-open-season-dla-programu-rozbudowy/>

THANK YOU

