

SUMMARY OF THE LAST QUARTER OF THE GAS YEAR 2018/2019

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GAS TRANSMISSION NETWORK DEVELOPMENT PLAN FOR 2020-2029

- ▶ Pursuant to Article 16(2) of the Energy Law and Chapter 4 of the TNC, GAZ-SYSTEM S.A. commenced the development of the National Ten-Year Network Development Plan for 2020-2029 in the scope of satisfying the current and future demand for gaseous fuels
- ▶ Preparation of an extract for consultations in accordance with Article 16(15) of the Energy Law
- ▶ Evaluation of the implementation of the Development Plan 2018-2027
- ▶ Public consultation on the extract of the TYNDP 2020-2029 part A; information about the consultation process has been broadly published via popular industry websites and a message in the Information Exchange System
- ▶ End of consultations on February 7, 2019 (8 – number of participants in consultations)
- ▶ Collection and analysis of comments submitted under the consultations



UPDATE OF THE GENERAL TERMS AND CONDITIONS AND MODEL AGREEMENT

- ▶ Change in the rules for determining the amount of financial security, including the mechanism of cost neutrality of balancing (Decision of the President of URE of December 15, 2018) and dates of their validity
- ▶ Modification of the procedure for changing the GTC
- ▶ Introduction of bank account numbers of the parties and provisions on the protection of personal data and entrusting the processing of personal data (GDPR)

AGREEMENT ON COOPERATION BETWEEN GAZ-SYSTEM AND PSE

PSE and GAZ-SYSTEM signed a cooperation agreement in October 2018

Changing economic and regulatory environment in the European Union

Necessity for Poland to meet its climate and environmental commitments

Changes in the power system

Obligation to implement the Power Market on the Polish electricity market

The role of the TSO in the development of electricity and gas markets

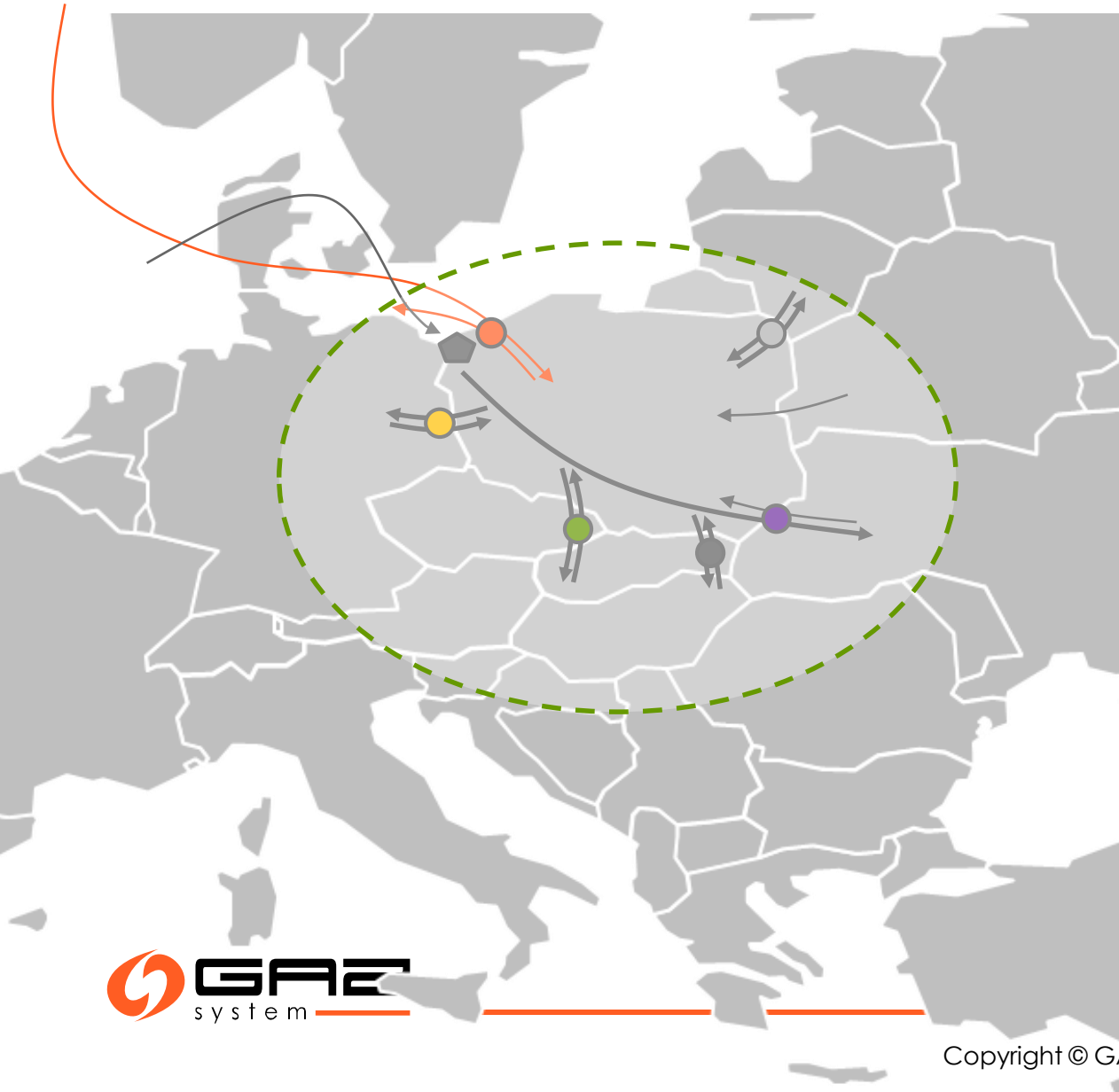


Need to create a platform to coordinate the work of PSE and GAZ-SYSTEM and to take joint measures

Areas of cooperation:

- ▶ Coordination of the development of power and gas systems
- ▶ Coordination of the development of the electricity market and gas market rules
- ▶ Coordination of operation of power and gas systems

THE EUROPEAN DIMENSION OF GAS-SYSTEM INVESTMENT PROJECTS



- ▶ **PCI status** awarded by the European Commission to infrastructure investment projects of particular importance from the point of view of building a safe, competitive and integrated gas market and implementation of EU environmental objectives
- ▶ Currently, work is underway on the selection of priority projects that will be placed on the **4th PCI list**
- ▶ GAZ-SYSTEM applies for PCI status in two regional gas initiatives:
 - ▶ Baltic Energy Market Interconnection Plan (**BEMIP**)
 - ▶ North-South gas interconnections in Central Eastern and South-Eastern Europe (**NSI EAST GAS**)
- ▶ Publication of the 4th PCI list by the European Commission planned at the end of 2019
- ▶ At the same time, work is underway to prepare the **Ten Year Network Development Plan (TYNDP)**.
- ▶ The TYNDP draft consultations with market participants will continue until March 29, 2019

GSA PLATFORM IN NUMBERS

- ▶ **3** – number of TSOs: (GAZ-SYSTEM, GAZ-SYSTEM ISO, NET4GAS)
- ▶ **73** – number of Shippers (System Users)
- ▶ **266** – number of users (Platform Users)
- ▶ **114,489** – number of auctions conducted in 2018
- ▶ **162,287 GWh/h** – capacity offered in 2018 (total firm and interruptible capacity)
- ▶ **740 GWh/h** – capacity allocated in 2018 (in total as part of long-term and short-term products)
- ▶ **60** – number of capacity resale offers on the secondary market in 2018 (53 offers ended with a resale transaction)

ACER'S PROCEDURE FOR THE PL-DE INTERCONNECTION POINT

- ▶ **October 16, 2018** – ACER Decision 11/2018 on the selection of the GSA Platform for capacity allocation on the Polish-German border
- ▶ **February 14, 2019** – Decision of the ACER Board of Appeal (BoA) on the cancellation of the Decision 11/2018 of October 16, 2018 on the selection of the GSA Platform for capacity allocation on the Polish-German border
- ▶ **February 22, 2019** – publication of the decision of the ACER Board of Appeal with grounds and a communication on the procedure for issuing another decision in this case



THANK YOU FOR YOUR ATTENTION

