

NON-BINDING MARKET SURVEY PROCEDURE FOR NEW TRANSMISSION CAPACITY RELATED TO THE CONSTRUCTION OF A NEW LNG TERMINAL (FSRU)

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NEW LNG TERMINAL (FSRU)

Technical parameters

- ▶ LNG tank approx. 170 000 m³
- ▶ Capacity: 4.5 billion m³ per year

Location

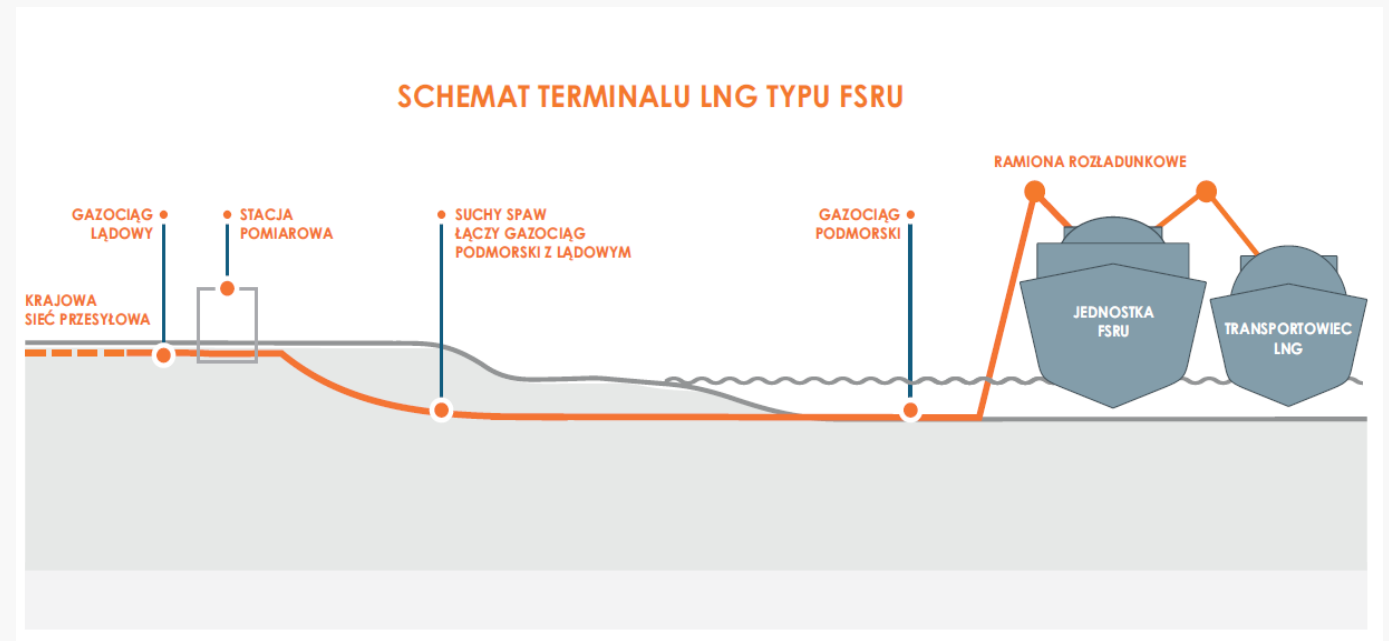
- ▶ Gulf of Gdansk

Planned completion of the project

- ▶ 2026/2027

Current status

- ▶ Pre-investment work
- ▶ Market survey procedure



SURVEY GROUNDS

As per the provisions of item 2.2.1.12 of the applicable Gas Transmission Operator GAZ-SYSTEM S.A. Transmission Network Code, TSO is required to ***“hold periodic market screening exercises to assess the demand for new transmission infrastructure, with a view to using the results of such surveys in the definition of development or capacity allocation plans”***.

Furthermore, based on item 4.1.3.2 of the same TNC, GAZ-SYSTEM **holds consultations with market participants concerning the needs for transmission network expansion.**

SURVEY GROUNDS

Based on the results of the market survey GAZ-SYSTEM **will estimate the level of market demand for transmission capacity in the National Transmission System**, considering in particular **new capacities at the physical entry point to the National Transmission System** created following the **construction of the new LNG Terminal**, as well as other additional services.

The results of the Procedure will be **taken into consideration by GAZ-SYSTEM in future work on expansion of the national transmission system** in terms of both off-take of Fuel from the new LNG Terminal and delivery of the fuel to the locations identified by the survey participants.

MARKET SURVEY PROCEDURE SCHEDULE



- ✓ **20.07.2020** - Launch of the market survey procedure
- ✓ **28.09.2020** - Deadline for submission of the questionnaire
- ⌚ **02.10.2020** - Evaluation of questionnaires submitted during the procedure
- ⌚ **07.10.2020** - Communication of procedure results

SURVEY SCOPE



Capacity at the physical entry point from the LNG Terminal
to the national transmission system, in kWh/h,



Average regasification capacity, in kWh/h,



Planned annual number of LNG deliveries/ship calls

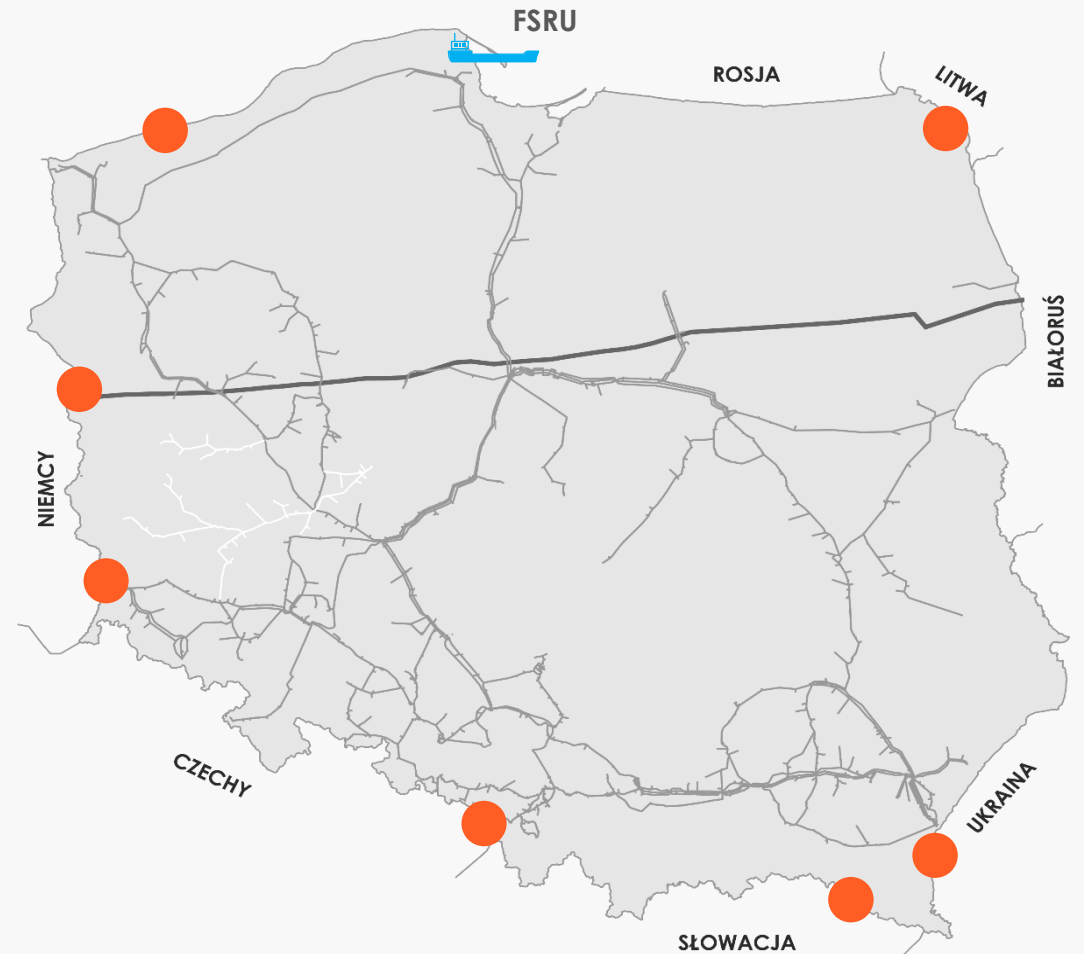


Capacity at physical exit points
(complementary information), in kWh/h

SURVEY SCOPE

During the survey **users may also indicate** whether the quantities entered at the entry point from the planned terminal (all or a specific part) will be **off-taken from the transmission system in one of the physical exit points (on the existing or planned connections with transmission systems of neighbouring countries)** by providing the expected capacities at these points.

Failure to provide the expected demand for capacity on interconnections will indicate that the quantities off-taken from the planned LNG Terminal will be designated for domestic end users or for sale at a virtual point.



SURVEY SCOPE

Additional services provided at the LNG Terminal:

- ▶ **Extended in-process storage** - storage of liquefied natural gas in a storage tank installed in the liquefied natural gas installation for a period longer than that planned in the schedule for re-gasification of that quantity of LNG with contractual capacity;
- ▶ **Transshipment to smaller vessels** - loading of liquefied natural gas into a smaller vessel mooring at the LNG Terminal;
- ▶ **Bunkering** - loading LNG directly onto a vessel using LNG as fuel.

FURTHER MEASURES GAS-SYSTEM

Currently underway is the process of assessing the demand by market participants for new capacity of the national transmission system to be created following the construction of the new LNG Terminal and its integration into the transmission system.

Following the evaluation of notified demand forecasts GAZ-SYSTEM will:

- ▶ define technical parameters of the LNG Terminal,
- ▶ define the target technical regasification capacity and the technical capacity of the Physical Entry Point from the LNG Terminal to the national transmission system,
- ▶ define a catalogue of available additional services.

Based on the procedure results, GAZ-SYSTEM will decide to initiate a binding procedure.

MARKET PARTICIPANTS' ENGAGEMENT IS IMPORTANT TO US

The survey carried out by GAZ-SYSTEM **received widespread interest of market participants.**



Your active participation is greatly appreciated!

THANK YOU FOR YOUR ATTENTION.

