

EUSTREAM TECHNICAL STUDY HUSKAT ALTERNATIVE ALLOCATION CAPACITY PROJECT

PURPOSE OF THE PROJECT

The involved TSO's Eustream, Magyar Gáz Tranzit and Gas Connect Austria have received non-binding demand indication(s) for firm technical capacities increase over the existing level at the interconnection points Balassagyarmat / Veľké Zlievce and Baumgarten.

The main aim of the project on Eustream's side is to extend existing gas infrastructure and all relevant equipment in the requested direction. It's necessary to build following technical facilities for a proper transmission service:

BASIC DETAILS

Entry point	IP Veľké Zlievce (HU-SK Border)
Exit point	IP Baumgarten (SK-AT Border)
Maximum working pressure	7.35 MPa
<u>New incremental capacity:</u>	
HU -> SK capacity increase	152.64 GWh/d
SK -> AT capacity increase	187.20 GWh/d

OFFER LEVEL

IP Veľké Zlievce (Direction HU->SK): 5 724 000.00 KWh/h/y (137.38 GWh/d)

IP Baumgarten (Direction SK->AT): 4 648 063.00 KWh/h/y (111.55 GWh/d)

10% of technical capacity has been set aside for short-term bookings at IP Veľké Zlievce and 40% of the technical capacity has been set aside for short-term bookings at IP Baumgarten.

Execution of the project depends on the technical conditions on the IP Veľké Zlievce as follows:

Compressor unit rated output	3 x 3.5 MW at Compressor Station Veľké Zlievce and 12 MW in the Western part of the EUS Grid
System enhancement	Technological upgrade of 23.2 MW Compressor unit and control system to Best Available Technology – Compliance with EU legislation on industrial emissions
Pipelines	Modification of interconnector from DN700 to DN1000 at distribution point Vysoká pri Morave

SCHEDULE AND MAJOR MILESTONES

Public consultation	12/2017
Commercial operation	10/2022

Total estimated CAPEX **58.07 mEUR**

Cost assumptions:

Costs calculations of the mentioned incremental project are based on the benchmark of similar Eustram's projects executed in the period 2010 – 2014.

ALTERNATIVE ALLOCATION METHODOLOGY JUSTIFICATION

Since 3 involved TSO's have received demand indication for 15 years and with conditionalities, fulfilling conditions set in Article 30 of the Commission Regulation No. 759/2017, draft of Alternative Allocation Mechanism was designed by the TSO's.