



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

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

TSO 1

TSO 2

FGSZ Natural Gas Transmission Private Company Limited by Shares

SNTGN TRANSGAZ SA

Address

Address

Tanácsház u. 5

Piata C. I. Motas, Nr. 1

8600, Siófok,

551130, Medias Jud.

Hungary

Sibiu, Romania

General contact information

General contact information

telephone +36-84-312-311

Phone: +4 0269 80 33 33

email: info@fgsz.hu

email: cabinet@transgaz.ro

fax: +36-84-505-592

Fax. +4 0269 83 90 29

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A. Non-binding demand indications

Csanádpalota IP connects the high-pressure Romanian and Hungarian entry-exit natural gas systems.

Currently available capacities (as of 1st July 2021):

IP name	Csanádpalota (HU>RO)	Csanádpalota (RO>HU)
	kWh/h/y	kWh/h/y
FGSZ physical capacity	3 227 415	2 094 430
Transgaz physical capacity	3 227 415	2 094 430
Published technical capacity (FGSZ/Transgaz)	3 227 415	2 094 430

The following **aggregated non-binding demand indications** for firm capacity have been used as a basis for this demand assessment:

Indicative demands submitted to FGSZ

Csanádpalota (HU>RO)

There was no demand indication in HU>RO direction during the 2021 procedure.

Csanádpalota (RO>HU)

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 in- formation shall be pro- vided below)	Period when demand In- dication was received* [please in- clude the period ac- cording to the numbers 1) - 3]]	Additional Information (e.g. type of capacity, if different from bundled firm freely allocable)
Transgaz	FGSZ Ltd.	2021/22	0	No	2	This request is on top of the already booked capacity at this IP
Transgaz	FGSZ Ltd.	2022/23	0	No	2	This request is on top of the already booked capacity at this IP
Transgaz	FGSZ Ltd.	2023/24	1,065,000	No	2	This request is on top of the already booked capacity at this IP
Transgaz	FGSZ Ltd.	2024/25	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
Transgaz	FGSZ Ltd.	2025/26	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
Transgaz	FGSZ Ltd.	2026/27	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
Transgaz	FGSZ Ltd.	2027/28	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
Transgaz	FGSZ Ltd.	2028/29	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
Transgaz	FGSZ Ltd.	2029/30	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
Transgaz	FGSZ Ltd.	2030/31	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
Transgaz	FGSZ Ltd.	2031/32	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
Transgaz	FGSZ Ltd.	2032/33	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP

<i>Transgaz</i>	<i>FGSZ Ltd.</i>	2033/34	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
<i>Transgaz</i>	<i>FGSZ Ltd.</i>	2034/35	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
<i>Transgaz</i>	<i>FGSZ Ltd.</i>	2035/36	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
<i>Transgaz</i>	<i>FGSZ Ltd.</i>	2036/37	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
<i>Transgaz</i>	<i>FGSZ Ltd.</i>	2037/38	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP

* 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).

Indicative demands submitted to TRANSGAZ

Csanádpalota (HU>RO)

There was no demand indication in HU>RO direction in 2021.

Csanádpalota (RO>HU)

From [entry-exit system name] “EXIT CAPAC- ITY”	To [entry-exit system name] “ENTRY CA- PACITY”	Gas year yyyy/ yy	Amount (kWh/h)/ y	Request is submitted to other TSOs [yes, TSO] or [no] (detailed in- formation shall be pro- vided below)	Period when demand Indi- cation was received* [please in- clude the pe- riod accord- ing to the numbers 1) - 3)]	Additional Information (e.g. type of capacity, if different from bundled firm freely allocable)
<i>Transgaz</i>	<i>FGSZ Ltd.</i>	<i>2021/22</i>	0	No	2	This request is on top of the already booked capacity at this IP
<i>Transgaz</i>	<i>FGSZ Ltd.</i>	<i>2022/23</i>	0	No	2	This request is on top of the already booked capacity at this IP
<i>Transgaz</i>	<i>FGSZ Ltd.</i>	<i>2023/24</i>	1,065,000	No	2	This request is on top of the already booked capacity at this IP
<i>Transgaz</i>	<i>FGSZ Ltd.</i>	<i>2024/25</i>	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
<i>Transgaz</i>	<i>FGSZ Ltd.</i>	<i>2025/26</i>	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
<i>Transgaz</i>	<i>FGSZ Ltd.</i>	<i>2026/27</i>	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
<i>Transgaz</i>	<i>FGSZ Ltd.</i>	<i>2027/28</i>	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
<i>Transgaz</i>	<i>FGSZ Ltd.</i>	<i>2028/29</i>	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
<i>Transgaz</i>	<i>FGSZ Ltd.</i>	<i>2029/30</i>	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
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<i>Transgaz</i>	<i>FGSZ Ltd.</i>	<i>2034/35</i>	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
<i>Transgaz</i>	<i>FGSZ Ltd.</i>	<i>2035/36</i>	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
<i>Transgaz</i>	<i>FGSZ Ltd.</i>	<i>2036/37</i>	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP
<i>Transgaz</i>	<i>FGSZ Ltd.</i>	<i>2037/38</i>	1,065,000	Yes	2	This request is on top of the already booked capacity at this IP

* 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).

None of the demand indication contain any additional condition.

B. Demand assessment

i. Historical usage pattern

Historical usage on IP Csanádpalota (HU) / Csanadpalota (RO) is available on both TSOs web sites and published on the ENTSO-G Transparency Platform as well, relevant EIC code: 21Z000000000236Q.

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

In HU>RO direction

Regarding the HU>RO direction there was no demand indicated in this procedure, therefore there is no market indication to initiate an incremental capacity project in this direction.

In RO>HU direction

The indicated demand (1,065,000 kWh/h/year firm capacity) in this procedure does not exceed the unbooked/free capacity during the majority of the 15 year-long timeframe. However, the booked capacity from the previous capacity allocations plus the indicated demand from this procedure from gas year (GY) 2027/28 till gas year 2029/30 would exceed the already available technical capacity, which triggered further analysis based on the current technical characteristics of both TSOs' network. The exceeding demand from GY 2027/28 till GY 2029/30 is 170,571 kWh/h/year (about 8% of existing technical capacity) referred as net additional demand.

The net additional demand was analysed via hydraulic simulations by both TSOs. Based on the results of these simulations the following conclusions occurs:

- 1) For the given 3 gas years the net additional demand can be fulfilled without significant additional system development.
- 2) The possible necessary developments do not reach the scope of launching an incremental procedure (8% increase in technical capacity for only 3 years).
- 3) The TSOs continue their investigation in order to offer the additional capacity equal to the net additional demand before gas year 2027/28.

Regarding the RO>HU direction the fulfilment of the indicated demand in this procedure does not require an incremental capacity project in this direction.

iii. Elaboration of conditions of capacity demand indication

None of the non-binding indications was submitted to third TSO, therefore no demand indication for capacities linked to each other at least at two interconnection points. Only Csanádpalota (HU) / Csanadpalota (RO) IC is subject to this demand assessment process.

C. Conclusion for the (non)-initiation of an incremental capacity project/process

The demand assessment concluded that the expected amount requested at the Csanádpalota IP is of maximum 1,065,000 kWh/h/y firm capacity in the (RO>HU) flow direction (from 2023/24 to 2037/38).

In HU>RO direction there was no demand indication.

At Csanádpalota IP (RO>HU) flow direction the highest demand on both sides is 1 065 000kWh/h/y. Based on the booked capacity and the demand indication submitted in 2021 exceeds the technical capacity with 170,571 kWh/h (about 8% of existing technical capacity) from GY 2027/28 to GY 2029/30.

Considering the non-binding demands sent to the two TSOs, they take the following decision regarding the Demand Assessment Report: **the booked capacity and the new indicative non binding demand from gas year 2023/24 to 2037/38 meets the existing technical conditions, therefore there is not necessary to begin an incremental procedure.**

D. Provisional timeline

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

E. Interim arrangements for the auction of existing capacity on the concerned IP(s)

There is no interim arrangement.

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](#).

For the incremental capacity cycle addressed by this report, Transgaz did not introduce a fee for the evaluation and processing of non-binding demand indications.

G. Contact information

FGSZ Ltd.

Gergely Éliás

Business Development Adviser

Telephone: +36-84-505-202

Fax: +36-84-505-218

E-mail: geli@fgsz.hu

Tanácsház u. 5

8600 Siófok

Hungary

SNTGN TRANSGAZ SA

Teodora Barbu

Head of Transmission Capacity Management

Telephone: +4/0269/803125

Fax: +4/0269/841181

Email: cabinet@transgaz.ro

Piața C.I Motaș nr. 1,

551130, jud. Sibiu,

Romania