

Demand Assessment Report for incremental capacity

September 2022

Market test 2022 - Demand Assessment Report GASTRANS d.o.o. Novi Sad
IP border Republic of Serbia-Bosnia and Hercegovina Republic of Srpska

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

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A. Non-binding Demand Indications

In line with Article 9 of GASTRANS d.o.o. Novi Sad Natural Gas Transmission System Network Code (hereinafter NC) and Article 26 of Regulation (EU) 2017/459, GASTRANS d.o.o. Novi Sad conducted, from 4 June to 30 July 2022, "Market Test Invitation" in which natural gas market participants were invited to submit their non-binding demand indications in order to determine existence of market interest for incremental capacities.

In accordance with the submitted non-binding demand indications, GASTRANS d.o.o. Novi Sad publishes this Demand Assessment Report (DAR) on market interest for incremental capacities.

During the implementation of the "Market Test Invitation", GASTRANS received non-binding demand indications and determined that there is market interest for firm capacity at the border between Republic of Serbia and Bosnia Hercegovina Republic of Srpska. The received non-binding demand indications for incremental capacity refer to the non-existing interconnection point.

The non-binding demand indications are presented in the following table:

Table 1

Non-Binding Incremental Capacity Demand Survey 2022	
Interconnection Point	Non-existing IP at border Republic of Serbia-Bosnia and Hercegovina Republic of Srpska
EIC Code	N/A
Flow Direction	GASTRANS d.o.o. Novi Sad Republic of Serbia → Bosnia and Hercegovina Republic of Srpska
Request is submitted to other TSOs? [yes, TSO name] or [no]	No.
Additional Information (if any)	Incremental capacity is needed to meet additional natural gas demand in Bosnia and Hercegovina Republic of Srpska due to the planned construction of several CCGT power plants, increase in household consumption and further development of industry.
Conditions	-
Current technical capacity, kWh/d	N/A
Non-binding demand request [(kWh/d)/y]	
2025/2026	10.479.864
2026/2027	67.315.272
2027/2028	97.177.368
2028/2029	106.277.368
2029/2030	118.277.368
2030/2031	118.277.368
2031/2032	118.277.368
2032/2033	118.277.368
2033/2034	118.277.368
2034/2035	118.277.368
2035/2036	118.277.368
2036/2037	118.277.368

2037/2038	118.277.368
2038/2039	118.277.368
2039/2040	39.100.000

B. Demand Assessment

1. Historical Usage Pattern

The received non-binding demand indications for incremental capacity refer to the non-existing interconnection point.

2. Results of Current Annual Yearly Auction

The received non-binding demand indications for incremental capacity refer to the non-existing interconnection point.

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

The received non-binding demand indications for incremental capacity refer to the non-existing interconnection point. During "Market Test Invitation" Gastrans d.o.o. Novi Sad has received multiple non-binding demand indications. While preparing this DAR Gastrans d.o.o. Novi Sad conducted additional consultations with the market participants which submitted their non-binding demand indications. During the process of consultations it became clear that the actual demand for incremental capacity at the border of Bosnia and Hercegovina Republic of Srpska is less than the total demand expressed in the Table 1 in article A.

The amount and the direction of the demand for incremental capacity, at new IP, considered during the present procedure is the one presented in Table 2 below. Requested capacities will be studied in regard with the offer levels that will be described in the draft Project Proposal to be issued for public consultation on 17th December 2022, after the performance of the respective technical studies.

Table 2

Non-Binding Incremental Capacity Demand Assessment	
Interconnection Point	Non-existing IP at border Republic of Serbia-Bosnia and Hercegovina Republic of Srpska It is expected that the new IP will be located at the Novo Selo/Ljeskovac
EIC Code	N/A
Flow Direction	GASTRANS d.o.o. Novi Sad Republic of Serbia → Bosnia and Hercegovina Republic of Srpska
Request is submitted to other TSOs? [yes, TSO name] or [no]	No.
Additional Information (if any)	Incremental capacity is needed to meet additional natural gas demand in Bosnia and Hercegovina Republic of Srpska due to the planned construction of several CCGT power plants, increase in household consumption and further development of industry.
Conditions	-
Current technical capacity, kWh/d	N/A
Non-binding demand request [(kWh/d)/y]	
2026/2027	42.000.000
2027/2028	42.000.000
2028/2029	42.000.000
2029/2030	42.000.000
2030/2031	42.000.000
2031/2032	42.000.000
2032/2033	42.000.000
2033/2034	42.000.000
2034/2035	42.000.000
2035/2036	42.000.000
2036/2037	42.000.000
2037/2038	42.000.000
2038/2039	42.000.000

Currently there is no transmission system operator (TSO) from the side of Bosnia and Hercegovina Republic of Srpska with whom Gastrans d.o.o. Novi Sad would coordinate the work on development of the Project Proposal. Gastrans d.o.o. Novi Sad officially addressed this issue to the regulatory authority of Bosnia and Hercegovina Republic of Srpska – Regulatory Commission for Energy of Republic of Srpska (hereinafter RERS). In its response RERS pointed out that the company GAS-RES d.o.o. Banja Luka is appointed responsible by the Government of Republic of Srpska for realization of the “Project of Construction of High Pressure Gas Pipeline on the Route: Border of Republic of Serbia via Bijeljina-Banja Luka-Prijedor-Novigrad” (Official Gazette of Republic of Srpska No 46/2019).

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

GASTRANS d.o.o. Novi Sad and GAS-RES d.o.o. Banja Luka will proceed to the next phase of the Incremental Capacity process and open the Coordinated Design Phase, the day after the publication of this Demand Assessment Report, in order to precisely determine location of the new interconnection point and to offer incremental capacity products at new IP.

D. Expected Timeline

GASTRANS d.o.o. Novi Sad and GAS-RES d.o.o. Banja Luka plan to conduct the technical studies and the consultation of the draft Project Proposal according to the following timeline:

Activity	Expected start	Expected end	Expected duration
Drafting of project of incremental capacities	From the publication of this Demand Assessment Report	17.12.2022	12 weeks
Public Consultation on draft Project Proposal	17.12.2022	17.02.2023	2 months

After the conclusion of public consultation, draft of incremental capacities project shall be submitted to the Energy Agency of Republic of Serbia, which project includes parameters of economic test.

If the justification for the realisation of incremental capacities is determined, Gastrans d.o.o. Novi Sad shall publish on its website incremental capacities project as well as model of the agreement on access to the system and transportation of natural gas for incremental capacities approved by AERS, no later than two (2) months before the publication of auction for yearly Capacity Product on which the incremental capacities shall be offered for contracting.

E. Fees

GASTRANS d.o.o. Novi Sad did not introduce a fee for the evaluation and processing of nonbinding demand indications.