



AGGM Austrian Gas Grid Management AG

Auxiliary Gas Transport via Interconnection Point Hevlín - Laa/Thaya

August 28th until September 1st 2018

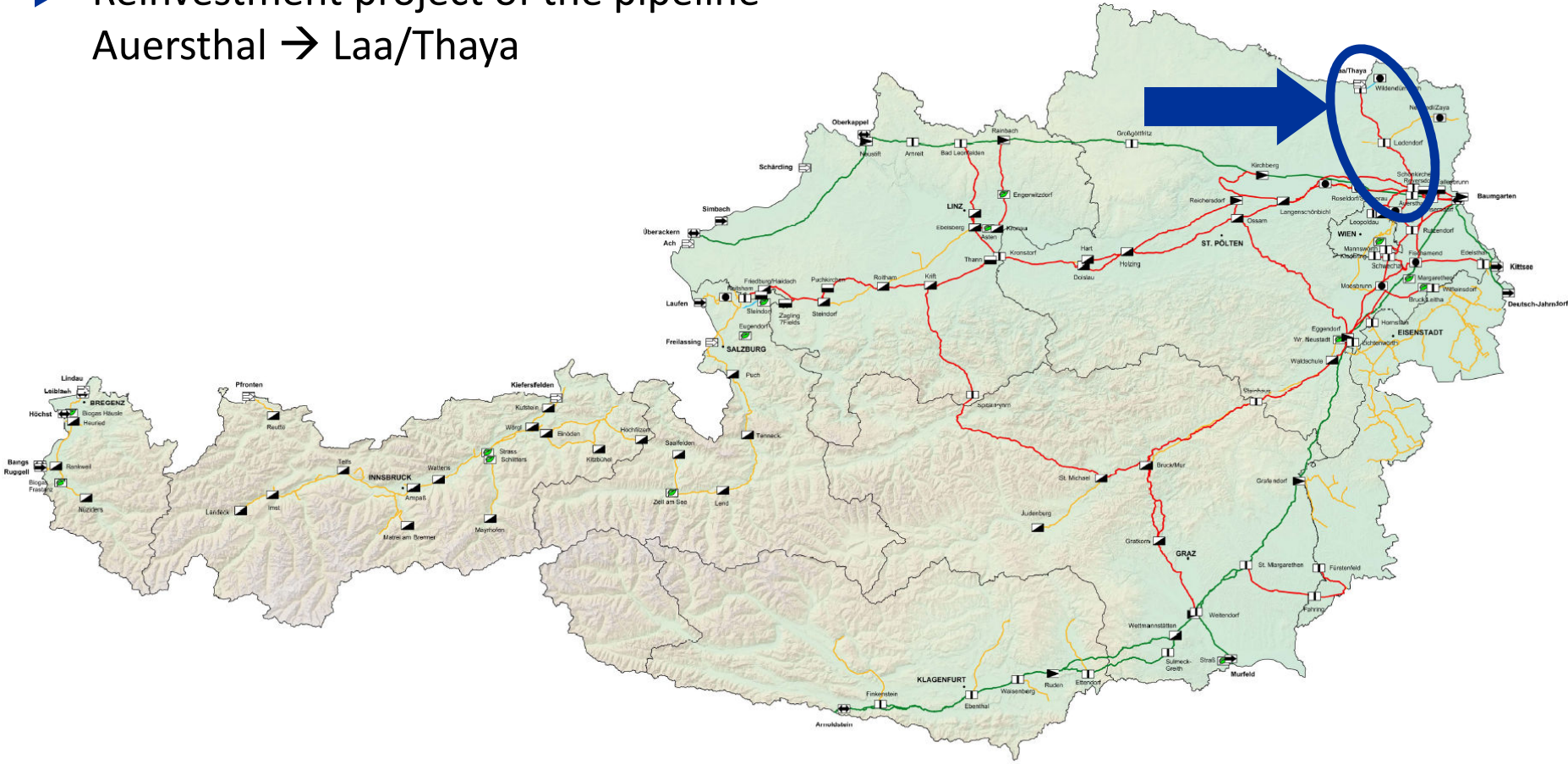
Agenda

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- ▶ Initial Situation
- ▶ Specification of the Auxiliary Gas Supply
- ▶ Call for Free of Charge Supply Swap
- ▶ Call for Tender for a Supply Swap Service
- ▶ Execution of the Supply Swap Service
- ▶ Benchmarking Approaches
- ▶ Next Steps

Initial Situation (1)

- ▶ Reinvestment project of the pipeline Auersthal → Laa/Thaya



Initial Situation (2)

- ▶ Interruption of the pipeline Auersthal → Laa/Thaya on 4 gas days in August 2018
- ▶ Supply of the north-eastern parts of Lower Austria via WAG BOP Groß Göttritz as well as from Wildendürnbach production is not sufficient
- ▶ Necessary auxiliary gas transport via Laa/Thaya



Specification of Auxiliary Supply

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- ▶ Period of delivery: August 28th 2018 , 6:00
until
September 1st 2018, 6:00
- ▶ Gas supply volumes: 110 MWh/h (linear)
- ▶ Point of delivery: Interconnection point Hevlín – Laa/Thaya
(into distribution area of Austrian market area east)

- ▶ Public call for free of charge gas supply swap from a supplier defined entry point into the market area east to the entry point Laa/Thaya into the market area east.
- ▶ The Public call will take place
 - ▶ via AGGM Platform
 - ▶ according to the given specification (slide 5 above)
 - ▶ within the probable timeframe of 16 March 2018 as starting date of the public call until 5 April 2018 as deadline for potential responses

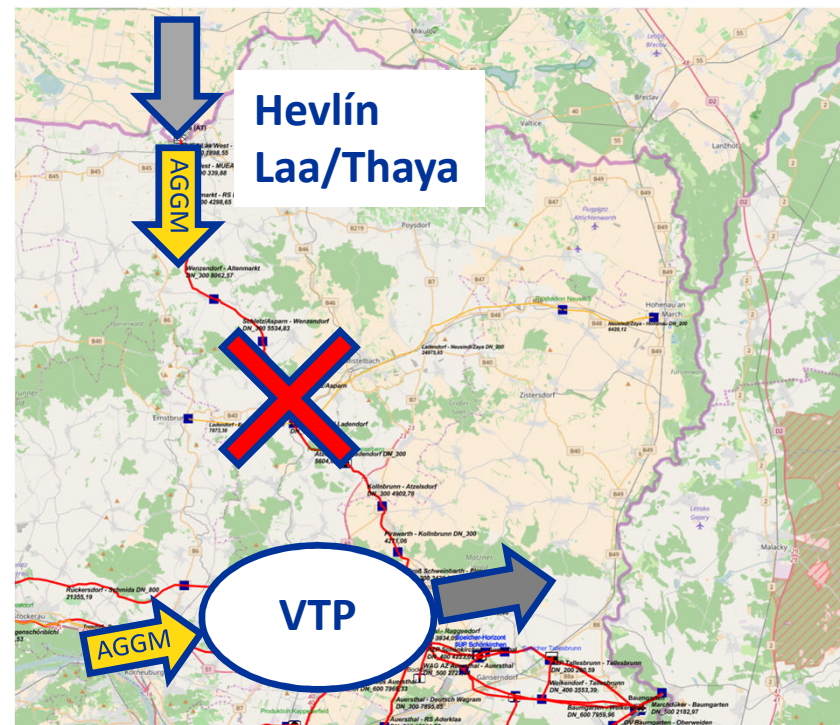
Call for Tender for a Supply Swap Service

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- ▶ Provided that no supplier for a free of charge supply swap can be found until the above deadline, AGGM intends to hold a direct procurement procedure after prior call for competition pursuant to section 201a Austrian Federal Procurement Act 2006
- ▶ Publication via
 - ▶ AGGM Platform,
 - ▶ Official Gazette (*Amtsblatt*) of *Wiener Zeitung*, and
 - ▶ Direct mail of tender documents to those market participants which according to the respectively responsible licensing authorities or system operators are validly registered in the Austrian market area east as well as in the market area of Czech Republic at the time of publication
- ▶ Administrative preconditions are inter alia:
 - ▶ BGR holding contracts for gas transport in transmission and distribution system within market area east
 - ▶ Gas „Trading Licence“ for Czech Republic
 - ▶ Further details will be provided in the tender documents
- ▶ The tenderer awarded will be determined based on the best price principle

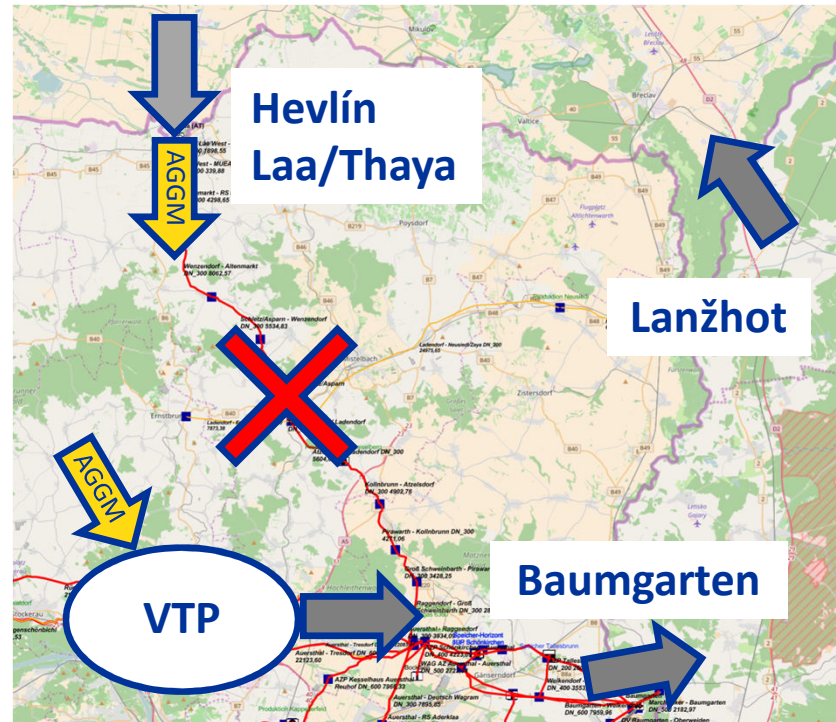
Execution of the Supply Swap Service

- ▶ AGGM hands over gas volumes to the service contractor according to specification on slide 5 on the Virtual Trading Point in the Market Area East
- ▶ Simultaneously the service contractor hands over respective gas volumes at the interconnection point Hevlín (CZ) – Laa/Thaya (AT)
- ▶ No specifications on the execution of the Swap-Service as e.g.
 - ▶ Physical transport
 - ▶ Swap within Contractor-Portfolio
 - ▶ Etc.
- ▶ No tariffs at Exit Hevlín (CZ) or at Entry Laa/Thaya (AT)



Benchmarking Approaches

- ▶ Costs of swap service in 2017
- ▶ Registration costs (if so)
- ▶ Transport tariffs (if so)
 - ▶ See example →
- ▶ Price spreads at wholesale market places in AT & CZ (if so)
- ▶ Nomination management
- ▶ Costs or revenues in terms of balancing energy at interconnection point Hevlín - Laa/Thaya



Next steps (estimated)

- ▶ Call for free of charge supply swap from March 16th until April 5th 2018
- ▶ Call for Tender for swap service April 6th 2018
- ▶ Tender submission deadline May 4th 2018
- ▶ Opening of the Tenders May 7th 2018
- ▶ Sending of award notification May 21st 2018
- ▶ Matching nomination procedures until 31. July 2017
- ▶ Period of delivery August 28th 2018, 6:00
until
September 1st 2018, 6:00

- ▶ Rerun of the entire interruption and auxiliary gas transport procedure foreseen for the year 2019

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