



**Demand assessment report  
for incremental capacity between  
Hungary – MAGYAR GÁZ TRANZIT  
and  
Slovakia - *Eustream***

**2017-11-06**



Demand assessment report for the incremental capacity process starting 2017 between Hungary - MAGYAR GÁZ TRANZIT and Slovakia - eustream



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



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## A. Non-binding Demand indications

The involved TSO's Magyar Gáz Tranzit (hereinafter referred to as "**MGT**") and Eustream (hereinafter referred to as "**EUS**") have received non-binding demand indication(s) for firm technical capacities increase over the existing level at the interconnection point (hereinafter referred to as "**IP**") Balassagyarmat / Veľké Zlievce of the entry-exit system of MGT and the entry-exit system of EUS.

Since received demand indications differ the following separate tables represent **non-binding demand indications** for **firm** capacity delivered to MGT and delivered to EUS. Lower level of aggregated non-binding demand indications have been used as a basis for this demand assessment.

A/1 Indicative demand submitted to MGT:

The following non-binding demand indications for firm capacity being used for the demand assessment:

Balassagyarmat HU->SK direction:

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 information shall be provided below)	Conditions*** [please include the letter(s) a) to c) and describe the conditions in more detail below]	Period when Demand Indication was received** [please include the period according to the numbers 1) - 3)]	Additional Information
<b>MGT</b>	<b>EUS</b>	2022/23	2,473,364	No, only MGT	a) b) c)	3	<i>EUS didn't receive this demand indication</i>
<b>MGT</b>	<b>EUS</b>	2022/23	4,648,063	Yes, EUS, MGT, GasConnect Austria	a) b) c)	3	<i>Link over IPs</i>

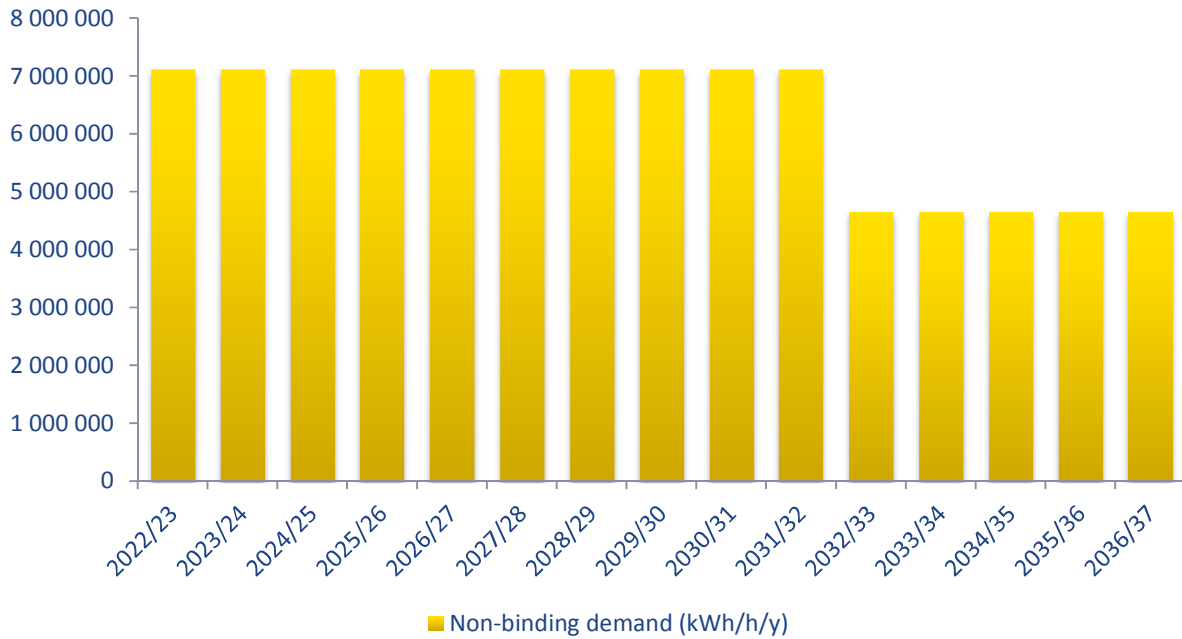


<b>MGT</b>	<i>EUS</i>	2023/24	2,473,364	No, only MGT	a) b) c)	3	<i>EUS didn't receive this demand indication</i>
<b>MGT</b>	<i>EUS</i>	2023/24	4,648,063	Yes, EUS, MGT, GasConnect Austria	a) b) c)	3	<i>Link over IPs</i>
<b>MGT</b>	<i>EUS</i>	2024/25	2,473,364	No, only MGT	a) b) c)	3	<i>EUS didn't receive this demand indication</i>
<b>MGT</b>	<i>EUS</i>	2024/25	4,648,063	Yes, EUS, MGT, GasConnect Austria	a) b) c)	3	<i>Link over IPs</i>
<b>MGT</b>	<i>EUS</i>	2025/26	2,473,364	No, only MGT	a) b) c)	3	<i>EUS didn't receive this demand indication</i>
<b>MGT</b>	<i>EUS</i>	2025/26	4,648,063	Yes, EUS, MGT, GasConnect Austria	a) b) c)	3	<i>Link over IPs</i>
<b>MGT</b>	<i>EUS</i>	2026/27	2,473,364	No, only MGT	a) b) c)	3	<i>EUS didn't receive this demand indication</i>
<b>MGT</b>	<i>EUS</i>	2026/27	4,648,063	Yes, EUS, MGT, GasConnect Austria	a) b) c)	3	<i>Link over IPs</i>
<b>MGT</b>	<i>EUS</i>	2027/28	2,473,364	No, only MGT	a) b) c)	3	<i>EUS didn't receive this demand indication</i>
<b>MGT</b>	<i>EUS</i>	2027/28	4,648,063	Yes, EUS, MGT, GasConnect Austria	a) b) c)	3	<i>Link over IPs</i>
<b>MGT</b>	<i>EUS</i>	2028/29	2,473,364	No, only MGT	a) b) c)	3	<i>EUS didn't receive this demand indication</i>
<b>MGT</b>	<i>EUS</i>	2028/29	4,648,063	Yes, EUS, MGT, GasConnect Austria	a) b) c)	3	<i>Link over IPs</i>



<b>MGT</b>	<i>EUS</i>	2029/30	2,473,364	No, only MGT	a) b) c)	3	<i>EUS didn't receive this demand indication</i>
<b>MGT</b>	<i>EUS</i>	2029/30	4,648,063	Yes, EUS, MGT, GasConnect Austria	a) b) c)	3	<i>Link over IPs</i>
<b>MGT</b>	<i>EUS</i>	2030/31	2,473,364	No, only MGT	a) b) c)	3	<i>EUS didn't receive this demand indication</i>
<b>MGT</b>	<i>EUS</i>	2030/31	4,648,063	Yes, EUS, MGT, GasConnect Austria	a) b) c)	3	<i>Link over IPs</i>
<b>MGT</b>	<i>EUS</i>	2031/32	2,473,364	No, only MGT	a) b) c)	3	<i>EUS didn't receive this demand indication</i>
<b>MGT</b>	<i>EUS</i>	2031/32	4,648,063	Yes, EUS, MGT, GasConnect Austria	a) b) c)	3	<i>Link over IPs</i>
<b>MGT</b>	<i>EUS</i>	2032/33	4,648,063	Yes, EUS, MGT, GasConnect Austria	a) b) c)	3	<i>Link over IPs</i>
<b>MGT</b>	<i>EUS</i>	2033/34	4,648,063	Yes, EUS, MGT, GasConnect Austria	a) b) c)	3	<i>Link over IPs</i>
<b>MGT</b>	<i>EUS</i>	2034/35	4,648,063	Yes, EUS, MGT, GasConnect Austria	a) b) c)	3	<i>Link over IPs</i>
<b>MGT</b>	<i>EUS</i>	2035/36	4,648,063	Yes, EUS, MGT, GasConnect Austria	a) b) c)	3	<i>Link over IPs</i>
<b>MGT</b>	<i>EUS</i>	2036/37	4,648,063	Yes, EUS, MGT, GasConnect Austria	a) b) c)	3	<i>Link over IPs</i>

**BALASSAGYARMAT FIRM CAPACITY DEMAND  
HU -> SK Direction**

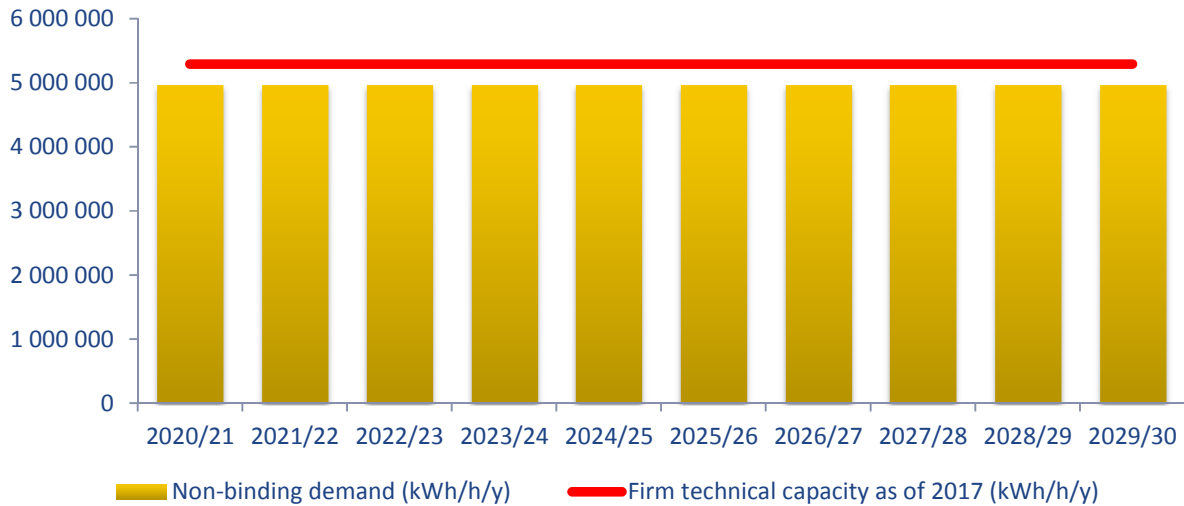


Note: No firm technical capacity available as of 2017

Balassagyarmat SK->HU direction:

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 information shall be provided below)	Conditions*** [please include the letter(s) a) to c) and describe the conditions in more detail below]	Period when Demand Indication was received** [please include the period according to the numbers 1) - 3)]	Additional Information
EUS	MGT	2020/21	4,965,278	No, only MGT	a) b) c)	3	
EUS	MGT	2021/22	4,965,278	No, only MGT	a) b) c)	3	
EUS	MGT	2022/23	4,965,278	No, only MGT	a) b) c)	3	
EUS	MGT	2023/24	4,965,278	No, only MGT	a) b) c)	3	
EUS	MGT	2024/25	4,965,278	No, only MGT	a) b) c)	3	
EUS	MGT	2025/26	4,965,278	No, only MGT	a) b) c)	3	
EUS	MGT	2026/27	4,965,278	No, only MGT	a) b) c)	3	
EUS	MGT	2027/28	4,965,278	No, only MGT	a) b) c)	3	
EUS	MGT	2028/29	4,965,278	No, only MGT	a) b) c)	3	
EUS	MGT	2029/30	4,965,278	No, only MGT	a) b) c)	3	

**BALASSAGYARMAT CAPACITY DEMAND  
SK -> HU Direction**



A/2 Indicative demand submitted to EUS at HU->SK direction:

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 information shall be provided below)	Conditions*** [please include the letter(s) a) to c) and describe the conditions in more detail below]	Period when Demand Indication was received** [please include the period according to the numbers 1) - 3)]	Additional Information
Hungary	Slovakia	2022/23	4,648,063	Yes, EUS, MGT, GasConnect Austria *	a) b) c)	3	Link over IPs
Hungary	Slovakia	2023/24	4,648,063	Yes, EUS, MGT, GasConnect Austria *	a) b) c)	3	Link over IPs
Hungary	Slovakia	2024/25	4,648,063	Yes, EUS, MGT, GasConnect Austria *	a) b) c)	3	Link over IPs



<i>Hungary</i>	<i>Slovakia</i>	<i>2025/26</i>	<i>4,648,063</i>	<i>Yes, EUS, MGT, GasConnect Austria *</i>	<i>a) b) c)</i>	<i>3</i>	<i>Link over IPs</i>
<i>Hungary</i>	<i>Slovakia</i>	<i>2026/27</i>	<i>4,648,063</i>	<i>Yes, EUS, MGT, GasConnect Austria *</i>	<i>a) b) c)</i>	<i>3</i>	<i>Link over IPs</i>
<i>Hungary</i>	<i>Slovakia</i>	<i>2027/28</i>	<i>4,648,063</i>	<i>Yes, EUS, MGT, GasConnect Austria *</i>	<i>a) b) c)</i>	<i>3</i>	<i>Link over IPs</i>
<i>Hungary</i>	<i>Slovakia</i>	<i>2028/29</i>	<i>4,648,063</i>	<i>Yes, EUS, MGT, GasConnect Austria *</i>	<i>a) b) c)</i>	<i>3</i>	<i>Link over IPs</i>
<i>Hungary</i>	<i>Slovakia</i>	<i>2029/30</i>	<i>4,648,063</i>	<i>Yes, EUS, MGT, GasConnect Austria *</i>	<i>a) b) c)</i>	<i>3</i>	<i>Link over IPs</i>
<i>Hungary</i>	<i>Slovakia</i>	<i>2030/31</i>	<i>4,648,063</i>	<i>Yes, EUS, MGT, GasConnect Austria *</i>	<i>a) b) c)</i>	<i>3</i>	<i>Link over IPs</i>
<i>Hungary</i>	<i>Slovakia</i>	<i>2031/32</i>	<i>4,648,063</i>	<i>Yes, EUS, MGT, GasConnect Austria *</i>	<i>a) b) c)</i>	<i>3</i>	<i>Link over IPs</i>
<i>Hungary</i>	<i>Slovakia</i>	<i>2032/33</i>	<i>4,648,063</i>	<i>Yes, EUS, MGT, GasConnect Austria *</i>	<i>a) b) c)</i>	<i>3</i>	<i>Link over IPs</i>
<i>Hungary</i>	<i>Slovakia</i>	<i>2033/34</i>	<i>4,648,063</i>	<i>Yes, EUS, MGT, GasConnect Austria *</i>	<i>a) b) c)</i>	<i>3</i>	<i>Link over IPs</i>
<i>Hungary</i>	<i>Slovakia</i>	<i>2034/35</i>	<i>4,648,063</i>	<i>Yes, EUS, MGT, GasConnect Austria *</i>	<i>a) b) c)</i>	<i>3</i>	<i>Link over IPs</i>
<i>Hungary</i>	<i>Slovakia</i>	<i>2035/36</i>	<i>4,648,063</i>	<i>Yes, EUS, MGT, GasConnect Austria *</i>	<i>a) b) c)</i>	<i>3</i>	<i>Link over IPs</i>
<i>Hungary</i>	<i>Slovakia</i>	<i>2036/37</i>	<i>4,648,063</i>	<i>Yes, EUS, MGT, GasConnect Austria *</i>	<i>a) b) c)</i>	<i>3</i>	<i>Link over IPs</i>

\* Since demand indication was received by three TSOs for two IPs for 15 years alternative allocation mechanism is taken into consideration

\*\* The following standardized 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).

\*\*\* The following standardized terminology shall be used for describing the conditions:

- a) commitments linking or excluding commitments at other interconnection points;
- b) commitments across a number of different yearly standard capacity products at an interconnection point;
- c) commitments conditional on the allocation of a specific or minimum amount of capacity;
- d) other.



## **B. Demand assessment**

### **i. Historical usage pattern**

Historic usage on the IP Balassagyarmat / Veľké Zlievce is available on EUS and MGT web sites and published in the Entso-g Transparency Platform as well. Technical capacity of IP Balassagyarmat / Veľké Zlievce in direction HU->SK is 50.786 GWh/d currently on interruptible basis only.

### **ii. Relations to GRIPS, TYNDP, NDPs**

Projects to fulfil above listed incremental capacity demand are part of the Gas Regional Investment Plan for Central and Eastern Europe (CEE GRIP), the network development plan for EU (in Entso-g). Current Ten Year Network development plans (TYNDP) of EUS and MGT as part of the North-South Gas Interconnections in Central and South Eastern Europe estimate improvement of interruptible capacity to firm capacity at IP Balassagyarmat / Veľké Zlievce in direction HU->SK up to level of 152.64 GWh/d and firm capacity increase from current level of 126.97 to 152.64 GWh/d in direction SK->HU in 2022.

### **iii. Expected amount, direction and duration of demand for incremental capacity**

Based on received non-binding inquiries for IP Balassagyarmat/Veľké Zlievce the expected demand level for HU->SK direction exceeds the current 2,116,083 kWh/h interruptible capacities.

For HU->SK direction both MGT and EUS received 4,648,063 kWh/h for 15 years 2022/23-2036/37 and only MGT received additional indicative capacity demand of 2,473,364 kWh/h indicative capacity demand for 10 years, as aggregated 7,121,427 kWh/h/y for a period from GY 2022/23 to 2036/37 on MGT side.

For direction of SK->HU MGT received 4,965,278 kWh/h indicative demand for 10 years which does not require further investment as it can be handled by existing technical conditions.



### C. Conclusion for the initiation of an incremental capacity project/process

Demand indication submitted to MGT and EUS in the direction HU->SK on the level of 111.55 GWh/d retrospectively is above the available technical capacity as currently there is only interruptible capacity available on the level of 50.79 GWh/d as of 2017.

According to the Market Demand Assessment result of the non-binding demand indications under point B (technical capacities increase over the existing level at the IP between Magyar Gáz Transzít and Eustream), one demand level of 152.64 GWh/d (respectively 6,360,000 kWh/h) for incremental capacity need to be developed at HU->SK direction on firm basis at the first stage.

Involved TSOs are going to initiate the incremental capacity projects listed above for IP Balassagyarmat/Veľké Zlievce HU->SK to offer the incremental capacity in 2018. Technical studies for incremental capacity projects of this IP will be conducted under the aforementioned regulation.

Demand indication submitted to MGT in the direction SK->HU on the level of 119.17 GWh/d (respectively 4,965,278 kWh/h) is on the level of currently available technical firm capacity and there is no need for incremental project to be started.

### D. Provisional timeline

Involved TSOs intend to conduct the technical studies and the consultation project proposal according to the following provisional timeline:

Start Date	End Date	Description
7.11.2017		Start of design phase
8.11.2017	15.11.2017	Technical studies
16.11.2017	16.12.2017	Public consultation

TSO's decision about the binding offer: NRAs approval of conditions will be needed before the TSO's decision and publication of the final conditions of the incremental capacity project.

Possible start-up of commercial operations for incremental capacity at IP Balassagyarmat / Veľké Zlievce (HU->SK) is 01.10.2022.



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

In case of interim arrangements or other limitation respective provisions of REGULATION (EU) 2017/459 shall apply.

## **F. Fees**

Involved TSOs did not introduce a fee for the evaluation and processing of non-binding demand indications.



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## G. Contact information



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