Joint notice of ICGB and BULGARTRANSGAZ for the Binding Phase of the Incremental Capacity Process 2023

2nd May 2024

This document is published at the websites of ICGB and Bulgartransgaz in accordance with Article 28 (3) of Regulation (EU) No 2017/459 of 16 March 2017.

This notice is jointly elaborated and published by:

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Disclaimer

Each TSO has acted in good faith to ensure that the information in this Joint Notice is correct as at the date of this Joint Notice, however no representation or warranty is made by any TSO as to the accuracy or completeness of such information and the TSOs will not accept any liability, of any kind, to each other or to any third party, for any inaccuracies or incompleteness in such information.

Furthermore, whilst each of the TSOs will endeavour to co-ordinate the processes and steps anticipated under the Project Proposal for the Incremental Capacity Process 2023, no TSO will have any liability to any third party for any acts, omissions, breaches or decisions of the other TSOs or any other third party.

Introduction

This is a Joint Notice drafted by ICGB and Bulgartransgaz, in accordance with Article 28 (3) of Regulation (EU) No 2017/459 of 16 March 2017.

This Joint Notice initiates the Binding Phase of the Incremental Capacity Process 2023 at the Interconnection Point "Stara Zagora" (EIC Code: 58Z-IP-00034-STZ) (IP Stara Zagora or the IP).



This Incremental Capacity Project is primarily driven by potential increases of the technical capacity at IP Stara Zagora and is conducted in close coordination by ICGB and Bulgartransgaz. Notwithstanding such co-ordination, each TSO will be responsible for its own infrastructure upgrades and the other TSO shall not have any liability to any party for the undertaking, or fail to undertake, such infrastructure upgrades.

The purpose of this Joint Notice is to provide high level information about the procedure for registration and participation in the Binding Phase of the Incremental Capacity Process 2023 and to inform on how to submit Binding Bids to ICGB and Bulgartransgaz, as applicable.

The Incremental Capacity Process 2023 is structured as follows: (i) a Non-Binding Phase (which started in July 2023 and lasting until the opening of the Binding Phase), and (ii) the Binding Phase initiated by the publication of this Joint Notice by the TSOs and publication of further details and supporting documentation on the websites of each of the TSOs.¹

¹ <u>ICGB</u> and <u>Bulgartransgaz</u>

During the Non-Binding Phase, interested parties submitted non-binding requests to ICGB and Bulgartransgaz. The non-binding capacity requests that were received have been published in an aggregated manner jointly by ICGB and Bulgartransgaz in their <u>Demand Assessment Report (DAR)</u>.

This Binding Phase process is subject to the terms and conditions of the Project Proposal for the Incremental Capacity Process 2023 developed jointly by ICGB and Bulgartransgaz and approved by the National Regulatory Authorities (Authorities) of Greece (RAEWW) and Bulgaria (EWRC) in April 2024 (*the Project Proposal)*². Capacity allocation during the Binding Phase shall take place according to the Alternative Allocation Mechanism of Article 30 of EU NC CAM, as approved in the Project Proposal.

The Binding Phase of the Incremental Capacity Process 2023 is open to all interested parties, irrespective of their participation in the Non-Binding Phase.

The parties wishing to submit Binding Bids, shall do so under and in accordance with the terms and conditions of the Project Proposal, as approved by the Authorities, and are also required to follow the procedural rules as laid out in respective documentation (e.g., notices of ICGB and Bulgartransgaz).

Milestones

The Binding Phase is commencing with the publication of the Project Proposal for the Incremental Capacity Process 2023 together with this Joint Notice and the individual Binding Phase Notice(s) of ICGB and Bulgartransgaz.

Parties interested in participating in the Binding Bidding Phase are requested to register with the TSOs in order to participate in the Binding Bidding Phase according to the rules and conditions set in the Project Proposal and the procedure specified in the individual Binding Phase Notices of each TSO:

- <u>ICGB</u>
- Bulgartransgaz

In the Bid Submission Window which will last from **2 to 12 July 2024**, the parties interested in participating in the Binding Bidding Phase will be required to submit Binding Bids. Following the end of the Bid Submission Window, ICGB and Bulgartransgaz will proceed with bid evaluation, Preliminary Capacity Allocation and the Economic Viability Test (*EVT*) of ICGB. If EVT of ICGB is positive, the TSOs will proceed with entering into Gas Transportation Agreements (*GTAs*) in case of ICGB and Capacity Booking Agreements (*CBAs*) in case of Bulgartransgaz with the successful parties.

Milestones Timeline

| | Milestones | Dates |
|---|---|--------------------------|
| | Launch of Binding Phase / Publication of the Joint Notice | 2 May 2024 |
| 1 | Information Phase | 2 May 2024 - 1 July 2024 |
| | ICGB and BULGARTRANSGAZ make available a list of doc- umentation to be submitted to each TSO | 2 May 2024 |

² Decision No. ПДК-2/26.04.2024 of the Energy and Water Regulatory Commission

| | Milestones | Dates |
|---|---|----------------------------|
| | Registration Period | 2 May - 24 June 2024 |
| | ICGB and BULGARTRANSGAZ evaluate the applicants' eli- gibility | 25 June – 1 July 2024 |
| 2 | Binding Bidding Phase | 2 July – 30 September 2024 |
| | Bid Submission Window | 2 July - 12 July 2024 |
| | Bid Evaluation Period | 12 July – 31 July 2024 |
| | Preliminary Capacity Allocation | 1 August - 30 August 2024 |
| | ICGB Economic Viability Test Results published | 31 August 2024 |
| 3 | Capacity Allocation | 31 August 2024 |
| 4 | Execution of GTAs/CBAs | 30 September 2024 |

Final remarks

Please refer to the Project Proposal, and each TSO's individual Binding Phase Notice, which shall be considered an integral part of this Joint notice for further details including:

- References to contractual information including the general rules and conditions that a network user must accept to participate and access capacity in the binding capacity allocation phase of the Incremental capacity process, including any guarantees to be provided by network users;
- Information on offer levels, reflecting the range of expected demand for incremental capacity at the relevant interconnection point;
- Further specifics on detailed timelines of the incremental capacity project per respective TSO;
- The relevant parameters defined in Article 22 (1) of CAM NC;
- Regulatory details including products, and the use of alternative allocation mechanism.