



PCI STATUS PROJECTS

IMPLEMENTED BY GAZ-SYSTEM





PROJECT OF COMMON INTEREST (PCI)

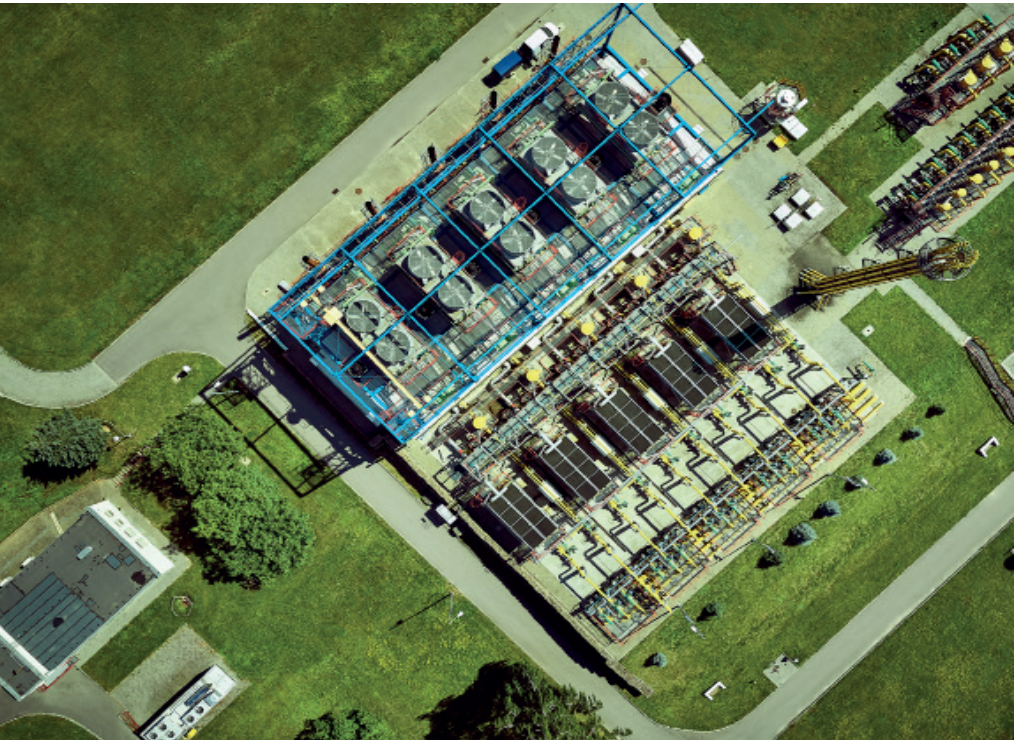
In line with Regulation (EU) No 347/2013 on guidelines for trans-European energy infrastructure (TEN-E regulation) Projects of Common Interest (PCIs) are key infrastructure projects aimed at completing the European energy market in order to help the EU achieve its energy policy and climate objectives: affordable, secure and sustainable energy for all citizens, as well as the long-term decarbonisation of the economy.

Every two years, the EU draws up a list of PCIs. The selected PCI projects must have a significant contribution to the implementation of the strategic energy infrastructure priority corridors and areas, as identified in the Trans-European Networks for Energy (TEN-E) strategy, i.e. impact on energy markets and market integration in at least two EU countries, boost competition on energy markets and help the EU's energy security by diversifying

sources as well as contribute to the EU's climate and energy goals by integrating in the use of renewables.

The selection process gives preference to projects in the following priority corridors, as identified in the Trans-European Networks for Energy (TEN-E) strategy:

- North-South gas interconnections in Central Eastern and South Eastern Europe ("NSI East Gas")
- Baltic Energy Market Interconnection Plan in gas
- Southern Gas Corridor
- North-South gas interconnections in Western Europe





PCIs SELECTION PROCESS

Gas project, to be eligible for inclusion in the Union list of projects of common interest (PCIs), shall be part of the latest available ENTSOG's (European Network of Transmission System Operators for Gas) Ten-Year Network Development Plan (TYNDP).

Once part of the TYNDP, projects promoters willing to obtain the status of Projects of Common Interest submit an application for selection as project of common interest during **the PCI candidate submission phase**.

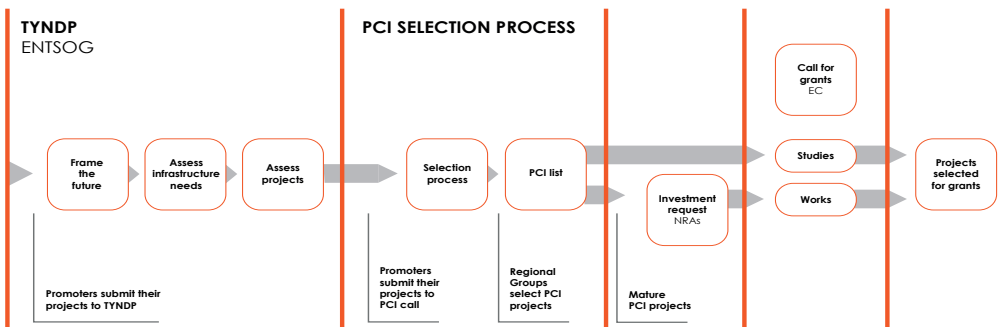
Candidate projects are then assessed by Regional Groups that include representatives from EU countries, the Commission, transmission system operators and their European

networks, project promoters, regulatory authorities, as well as the Agency for the Cooperation of Energy Regulators (ACER).

After these assessments, **the Commission adopts the list of approved PCIs** via a delegated act procedure.

At the end of the selection process, **the list of approved projects is submitted by the Commission to the European Parliament and Council**. These institutions have two months to oppose the list, or they may ask for an extension of two months to finalise their position. If neither the Parliament nor the Council rejects the list, it enters into force. The Parliament and the Council cannot request amendments to the list.

THE PCI SELECTION PROCESS IS ILLUSTRATED ON THE GRAPH BELOW.



PCIs BENEFITS

Projects selected as PCIs can benefit from many advantages stemming from the Trans-European Network – Energy (TEN-E) Regulation, including an accelerated permit granting process and as well as specific regulatory solutions provided for in EU Regulation 347/2013. Under specific conditions, a PCI status gives a possibility of receiving financial assistance under the Connecting Europe Facility (CEF) in the form of grants and innovative financial instruments.



PROJECTS IMPLEMENTED BY GAZ-SYSTEM WHICH HAD BEEN GRANTED THE PCI STATUS

The most recent third list of PCI projects was released by the European Commission on 24 November 2017. The projects conducted by GAZ-SYSTEM received the priority status in two of them. This proves their importance in achieving the objectives set forth in TEN-E Regulation, most importantly by improving security and diversification of supply, enhancing competition and improving the access to natural gas as a low emission source of energy in Central Europe and the Baltic region:

1. Baltic Energy Market Interconnection Plan in gas ("BEMIP Gas")

The aim of the initiative is to create a gas infrastructure to end energy isolation of three Baltic countries (Lithuania, Latvia, Estonia) and Finland, to increase diversification of supplies in the Baltic Sea region. The initiative's members are: Denmark, Germany, Estonia, Latvia, Lithuania, Poland, Finland, and Sweden.

- Baltic Pipe Project
- Capacity extension of Świnoujście LNG terminal in Poland
- Gas Interconnection Poland-Lithuania

2. North-South gas interconnections in Central Eastern and South Eastern Europe ("NSI East Gas")

The aim of the initiative is to create a gas infrastructure for regional connections between the areas of Baltic Sea, Adriatic and Aegean Sea region, the eastern part of the Mediterranean and the Black Sea, as well as within these regions, also to increase diversification and security of gas supply.

The initiative's members are: Austria, Bulgaria, Croatia, Cyprus, Czechia, Germany, Greece, Hungary, Italy, Poland, Romania, Slovakia, Slovenia.

- Poland-Slovakia interconnection with North-South Gas Corridor in Eastern Poland
- Poland-Czech Republic Interconnector with North-South Gas corridor in Western Poland

Detailed scope of projects implemented by GAZ-SYSTEM had been granted the PCI status

Cluster 8.3 consists of two PCIs:

1. the 8.3.1 Reinforcement of Nybro-Poland/Denmark Interconnection (Promoter Enginet):

- a new onshore pipeline
- offshore crossing
- one compressor station in DK, i.e. Zealand CS

2. the 8.3.2 Poland-Denmark interconnection [currently known as "Baltic Pipe"]:

- a new, bi-directional offshore gas pipeline connecting Poland and Denmark through the Baltic Sea
- the receiving terminal
- the onshore pipelines connecting the offshore pipeline with the national grids in Poland and Denmark
- Goleniów – Lwówek pipeline
- three compressor stations in Poland i.e. Goleniów CS, Odolanów CS, Gustorzyn CS

The 8.5 Poland-Lithuania interconnection [currently known as „GIPL”] project includes:

- a new bidirectional pipeline
- compressor station in Gustorzyn (approx. 16 MW, according to the project fiche 20 MW as CS Gustorzyn is also included in Baltic Pipe project)

The 8.7 Capacity extension of Świnoujście LNG terminal in Poland project includes:

- the extension of the regasification capacity from 5 bcm/year to 7.5bcm/year
- the construction of the third LNG storage tank

The 6.2.1 Poland-Slovakia interconnection project includes:

- a new, bi-directional, cross-border pipeline
- construction of new compressor station in Strachocina (Poland)
- modification of the compressor station at Veľké Kapušany (Slovakia)

- construction of border gas metering station on the Slovak territory

The 6.2.2 North-South Gas Corridor in Eastern Poland project includes:

- Rembelszczyzna - Wronów pipeline
- Rozwadów – Końskowola - Wronów pipeline
- Jarosław - Rozwadów pipeline
- Hermanowice - Jarosław pipeline
- Hermanowice - Strachocina pipeline
- Tworóg – Tworzeń pipeline
- Pogórska Wola - Tworzeń pipeline
- Strachocina - Pogórska Wola pipeline
- Gustorzyn - Wronów pipeline

The 6.2.10 Poland-Czech Republic Interconnector [currently known as „Stork II”] project includes:

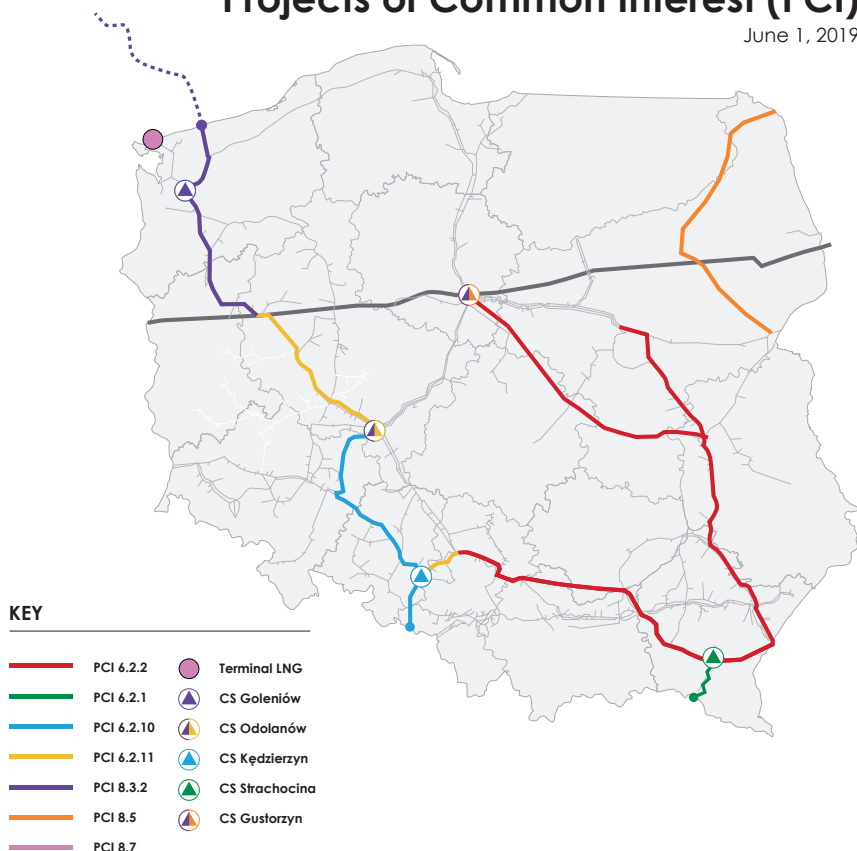
- a new, bi-directional, cross-border pipeline (PL->CZ, CZ->PL)
- Zdzeszowice - Kędzierzyn pipeline
- Zdzeszowice - Wrocław pipeline
- Czeszów - Kiełczów pipeline
- Czeszów - Wierzchowice pipeline
- compressor station in Kędzierzyn
- PL-CZ interconnection polish (Czech Section)

The 6.2.11 North-South Gas corridor in Western Poland project includes:

- Lwówek - Odolanów pipeline
- compressor station in Odolanów (20 MW, according to the project fiche 30 MW as CS Odolanów is also included in Baltic Pipe project)
- Tworóg - Kędzierzyn pipeline

Projects of Common Interest (PCI)

June 1, 2019





BENEFITS FROM PROJECTS WERE SELECTED AS PCIS



Due to the strategic location of the Polish transmission system between the Baltic region and Central-Eastern Europe, the implementation of GAZ-SYSTEM projects will help to create a synergy effect by linking the NSI EAST gas and BEMIP gas priority corridors.

The direct gas connection with deposits on Norwegian Continental Shelf and significant LNG supply options (via terminal in Świnoujście, FSRU in Poland) and the implementation of currently developed cross-border pipeline projects connecting the Polish gas grid with Slovakia, Lithuania, Czech Republic, and Ukraine, will lay the foundations for the Polish market to become a regional gas distribution centre in the medium term providing the access to reliable sources of gas (NCS, LNG, Western Europe).

The creation of a regional gas hub with a high level of liquidity and security will allow to materialize the EU concept of creating a single European gas market, ensuring maximum security of supply and fostering price convergence between domestic markets, as well as will contribute to the implementation of the ACER-backed vision of the European

gas market, composed of strong and liquid regional hubs.

Moreover, the PCIs will help to meet the European Union climate objectives as the projects promoted by GAZ-SYSTEM are foreseen to provide incremental volumes of natural gas as a low emission fuel to the power, heating sectors and other industries in the CEE and Baltic regions. Furthermore, the PCIs will help accommodate the increasing uptake of renewable energy sources. As a result, this will foster the energy transition in an efficient, affordable and sustainable manner.

Natural gas is an efficient source of energy that may well be used not only to meet policy objectives but also to mitigate specific and tangible environmental problems faced by citizens. Air pollution resulting from burning high emission and low-quality fuels, especially in the winter period, constitutes a serious problem in many communities. In this context natural gas may help achieve this in a timely and cost-efficient manner with the connection of new customers like households, heat and power plants to the gas grid and the promotion of alternative fuels in the transport sector.



PUBLIC PARTICIPATION



According to TEN-E Regulation the project promoter, before the permit granting process, informs stakeholders about the project at an early stage and the public consultation that will enable to identify the most suitable location and the relevant issues to be addressed in the application file.



QUESTION FORM TO THE PCI STATUS PRPJECTS

GAZ-SYSTEM delivers its investment projects with due respect for the rights of all the stakeholders. Please use the form below to submit any feedback or comments you may have, or to ask questions about the projects which have been granted the status of a Project of Common Interest:

Name and surname

Address

E-mail

Phone number

Please enter your question egarding the implementation of the PCI ststus projects:

.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....

Consent Clause for the Processing of Personal Data

I acknowledge and agree that my personal data provided in this contact form will be processed for the purpose of responding to my enquiry by Transmission System Operator Gaz-System S.A. with the registered office in Warsaw, in accordance with the terms set out below:

Why do we need personal data?

We collect your personal information because it is necessary to answer the questions you submitted. Whom do we share the data with? Personal data will be processed by:

- our subcontractors to the extent their assistance is necessary to answer your question (e.g. regarding the information whether the gas pipeline will cross your property). We do not forward your personal data to the countries which cannot ensure their adequate protection.

What are your rights?

You have the right to:

- access your personal data, i.e. to obtain information about the type of data collected and the manner and purpose of processing;
- correct your personal data, i.e. update your information should it prove that the data collected is incorrect or no longer valid;
- delete your personal data, i.e. request that all or part of your personal data be deleted. If the request is justified, any such data will be immediately deleted;
- restrict the processing, i.e. request that processing of your data be limited to storage only. Processing of any such data may be resumed once the reasons justifying such processing restriction have ceased to exist;
- revoke your consent to the processing of your personal data;
- receive from us your personal data subject to processing in a structured, commonly used machine-readable format;
- file a complaint against us to the President of the Personal Data

Protection Office if you believe that the manner of processing your personal data is in breach of the existing law.

What is the legal basis for processing?

The provision of personal data by the website user is voluntary. The legal basis for processing your personal data is Article 6(1) (a) of the General Data Protection Regulation (GDPR) of 2016 stipulating that your personal data will be processed based on your consent to such processing granted by submitting the contact form.

How long will we process the data?

Your personal data will be processed for the period that is necessary to maintain contact in order to provide you with response to your query.

Do we make automated decisions including profiling in the meaning of the GDPR?

We do not create any profile of yours based on your personal data. We do not process the data for the purpose of automated decision-making.

Contact details – where to exercise the rights or request more information?

The Data Controller in charge of processing of your personal data is **Gas Transmission System Operator GAZ-SYSTEM S.A. with the registered office in Warsaw**, ul. Mszczonowska 4, 02-337 Warsaw.

You can exercise your rights (or get more information) by contacting us at: rodo@gaz-system.pl



Please send the completed form to the following address:

GAZ-SYSTEM

ul. Mszczonowska 4,
02-337 Warszawa
tel.: +48 22 220 18 00,
fax: +48 22 220 16 06
e-mail: kontakt@gaz-system.pl

More information on the PCIs:
www.gaz-system.pl



The sole responsibility of this publication lies with the author.
The European Union is not responsible for any use that may be made of the information contained herein.