

Baltic Pipe: the final phase of the Open Season 2017 ends up with a positive result

The second and final phase of the Open Season 2017 procedure has proved the demand from the market for capacity to be delivered by the Baltic Pipe Project. In this phase of the Open Season 2017 market players have confirmed the interest shown in the first phase, by submitting binding bids committing themselves finally to 15-year contracts for capacity transmission from the North Sea through Denmark to Poland.

The Open Season 2017 procedure for the Baltic Pipe Project, conducted by the Polish and Danish gas transmission system operators, GAZ-SYSTEM and Energinet, has enabled network users to declare their demand for the establishment of upstream and transmission infrastructure that allows for transportation of gas from Norway through Denmark to Poland, and from Poland to Denmark.

After the completion of the Phase 2, both gas transmission system operators have made an evaluation of the bids and determined the results of the capacity allocation procedure, which proved a market interest in the capacity proposed in the Baltic Pipe Project.

Pursuant to requirements of the national energy regulatory authorities in Poland and Denmark, ERO and DERA respectively, Energinet and GAZ-SYSTEM will run the so-called Economic Test. The economic tests are to be conducted by November 30, 2017 at the latest. The result of the economic tests shall be announced by GAZ-SYSTEM and Energinet in a form of a public announcement.

The conclusion of the Open Season 2017 Capacity Agreements depends on the positive results of the Economic Tests and other conditions set forth in the Open Season 2017 Rules. The Capacity Agreements are expected to be signed by end of January 2018.

Based on the positive result of the Open Season 2017, both Energinet and GAZ-SYSTEM will continue their project activities in order to be able to deliver first gas in 2022 if a positive investment decision is taken in 2018. The project activities in 2017 include launching of the Environmental Impact Assessment processes and dialogue with local stakeholders, as well as finalization of conceptual design studies, socio-economic analyses and business case calculations based on the final result of the Open Season 2017.

A final investment decision in 2018 depends i.a. on the conditions set forth in the Capacity Agreements. In Denmark the investment requires the approval of the Minister for Energy, Utilities and Climate

Read more about the Open Season 2017 on [Energinet](#) and on [GAZ-SYSTEM](#).

Read [the news](#) about the result of Open Season Phase 1 from July 25, 2017

GAZ-SYSTEM is a strategic company for the Polish economy. It is responsible for the transmission of natural gas, manages the most important gas pipelines in Poland and owns the President Lech Kaczyński LNG Terminal in winouj cie.

As part of the 2015-2025 investment programme, GAZ-SYSTEM is constructing over 2000 km of new gas pipelines in the western, southern and eastern parts of Poland. Over a dozen new gas pipelines are under construction within the North-South Gas Corridor and the compressor station in K dzierzyn Ko le, as well as interconnections with Lithuania and Slovakia. Onshore gas pipelines are planned to connect the planned FSRU floating terminal in the Gulf of Gdansk with the national transmission system. The LNG Terminal in winouj cie is also being extended, as a result of which the regasification capacity of this facility will be increased by more than a half.

The company is also implementing one of the most important infrastructural projects in the country - the Baltic Pipe project which consists in the construction of a two-way offshore gas pipeline connecting Poland and Denmark, expansion of the local transmission network and three gas compressor stations.