

PRESS RELEASE

GAZ-SYSTEM S.A. has launched a tender procedure for the preparation of design documentation for new gas interconnections with the Czech Republic, Slovakia and Lithuania.

GAZ-SYSTEM S.A. announced a public tender procedure in November of this year for the preparation of design documentation for three key investment projects related to the construction of interconnections with EU countries:

- 1. The construction of an interconnector connecting the transmission systems of the Republic of Poland and the Slovak Republic, together with the necessary infrastructure for supporting it – the Strachocina – Polish border pipeline – preparation of design documentation.**

The deadline for submitting applications for admission to participate in the procedure passed on 28 November 2014. 5 applications were received in this procedure, which are currently being reviewed in substantive and formal/legal terms for compliance with the tender conditions.

The objective of the project is to build a new cross-border gas pipeline, which will connect the Polish and Slovak natural gas transmission systems. The parties to the project are GAZ-SYSTEM S.A. and Eustream – operator of the Slovak transmission system. The construction of the gas interconnection between Poland and Slovakia will be an important element of the concept of building a regional North-South Gas Corridor.

- 2. Kędzierzyn-Koźle – Polish border (Poland – Czech Republic) gas pipeline, together with the pumping station and metering station – preparation of design documentation, together with designer supervision.**

The deadline for submitting applications for admission to participate in the procedure passed on 8 December 2014. 6 applications were received in this procedure, which are currently being reviewed in substantive and formal/legal terms for compliance with the tender conditions.

GAZ-SYSTEM S.A., together with the Czech transmission system operator, NET4GAS s.r.o., is implementing a project involving the increase in the transmission capacity of the Poland – Czech Republic interconnection. The measure is a part of the second phase of the implementation of the project, the objective of which is to increase transmission capacity between Poland and the Czech Republic through the modernization and construction of transmission systems on both sides of the border.

The bidirectional interconnector between Poland and the Czech Republic is a part of the North-South Gas Corridor.

3. The construction of an interconnector connecting the transmission systems of the Republic of Poland and the Republic of Lithuania, together with the necessary infrastructure for supporting it – the Rembelszczyzna – Polish border pipeline.

The deadline for submitting applications for admission to participate in the procedure is 23 December 2014.

The objective of the project is to build a new cross-border gas pipeline, which will connect the Polish and Lithuanian natural gas transmission systems. The parties to the project are GAZ-SYSTEM S.A. and Amber Grid AB – operator of the Lithuanian transmission system.

Detailed information on the tenders can be obtained at www.gaz-system.pl in the “Tenders” tab.

The interconnections with the Czech Republic, Slovakia and Lithuania have also received the status of the projects of common interest in a decision of the European Commission of October 2013. The award of PCI status means that best practices are applied to the projects within the framework of the process of issuing permits to the extent specified in Regulation (EU) 347/2013.

GAZ-SYSTEM S.A.'s interconnection projects received positive opinions for co-financing from the Connecting Europe Facility (CEF) at the end of October 2014. This means that Poland-Lithuania, Poland-Czech Republic, and Poland-Slovakia interconnections may receive co-financing at a total amount of PLN 1.3 billion (EUR 312 million) – to be split among GAZ-SYSTEM S.A. and its partners.

Investment Programme 2014–2023

The construction of new gas interconnections with countries of the European Union is a part of the next stage of development of the Polish transmission system. The construction of new gas pipelines within the framework of the North-South Gas Corridor, which is supported by the European Union, will enable the full integration of the transmission infrastructure in this part of Europe. To this end, GAZ-SYSTEM S.A. is planning to build a total of approximately 2000 km of new gas pipelines in the western, southern and eastern parts of Poland in 2014–2023.

Gas Transmission Operator GAZ-SYSTEM S.A. is a strategic company for the Polish economy, responsible for the transmission of natural gas and the management of the most important gas pipelines in Poland. GAZ-SYSTEM S.A. will build over 1,200 km of new transmission lines in 2009–2014. The most important of them will arise in north-western and central Poland. The expansion of the gas pipeline network may be an important element of the North-South Gas Corridor integrating the natural gas markets of the countries of Central Europe. The projects implemented by GAZ-SYSTEM S.A. and the virtual reversal on the Yamal pipeline have enabled Poland's energy security to improve significantly by increasing the technical import capabilities to 70% of imports on routes other than from the east (in 2011 it was 9%).

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