



WOC 2 Storage - Triennium 2012 – 2015
October 23 – 26, 2012 Bratislava

Gas business in Slovakia

COUNTRY PROFILE



Area (km²): 49,035

Population: 5,379,000

Capital: Bratislava

Member of OECD, WTO, NATO, EU
Shengen area, Eurozone (2009)



Strategic location with great export potential

European Gas Transmission Networks

1970

Plynárenské siete/LNG terminály

- plynárenské siete
- 🚢 LNG terminály



European Gas Transmission Networks

2012

Plynárenské siete/LNG terminály

- existujúce
- vo výstavbe
- plánované



Slovak Gas Sector - New History Milestones



1962

International oil pipeline Friendship started to transmit crude oil from Russia to Slovakia and to Czech Republic

50-th anniversary

1967

International gas pipeline Brotherhood started to transmit natural gas from Russia to Slovakia and to Czech Republic and Austria

45-th anniversary

1972

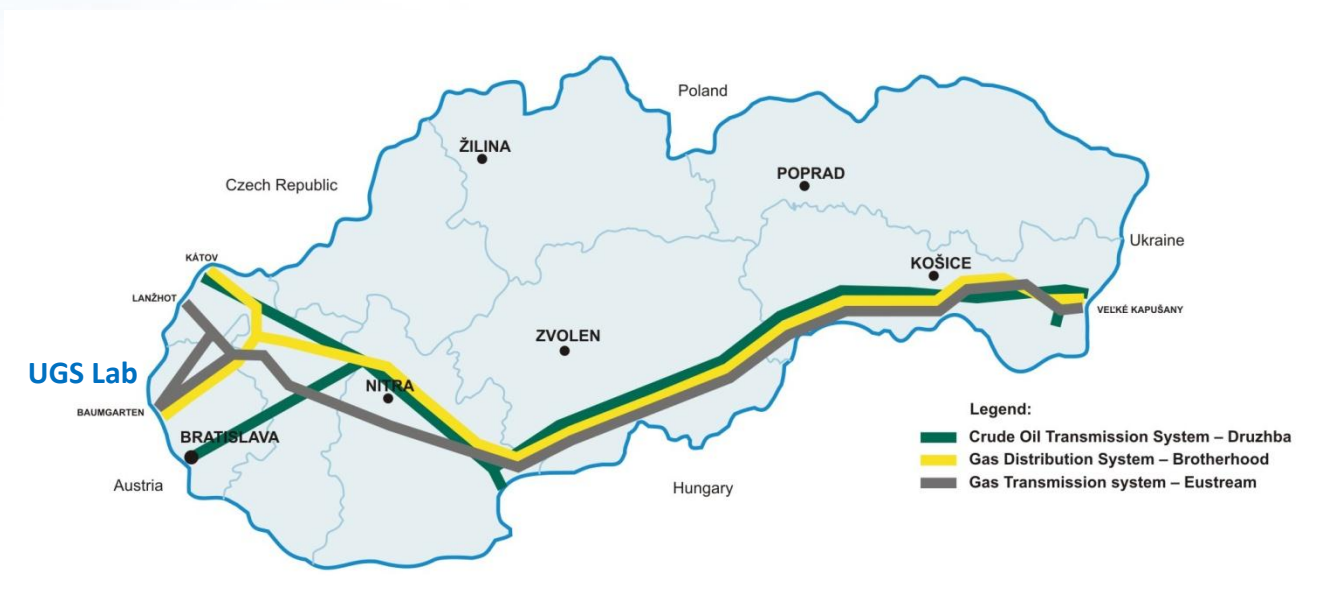
Start of gas transmission via EUSTREAM transit pipeline system /the biggest in the EU/

40-th anniversary

1973

First cubic meters of natural gas from Russia started to flow into first storage facility Lab 2

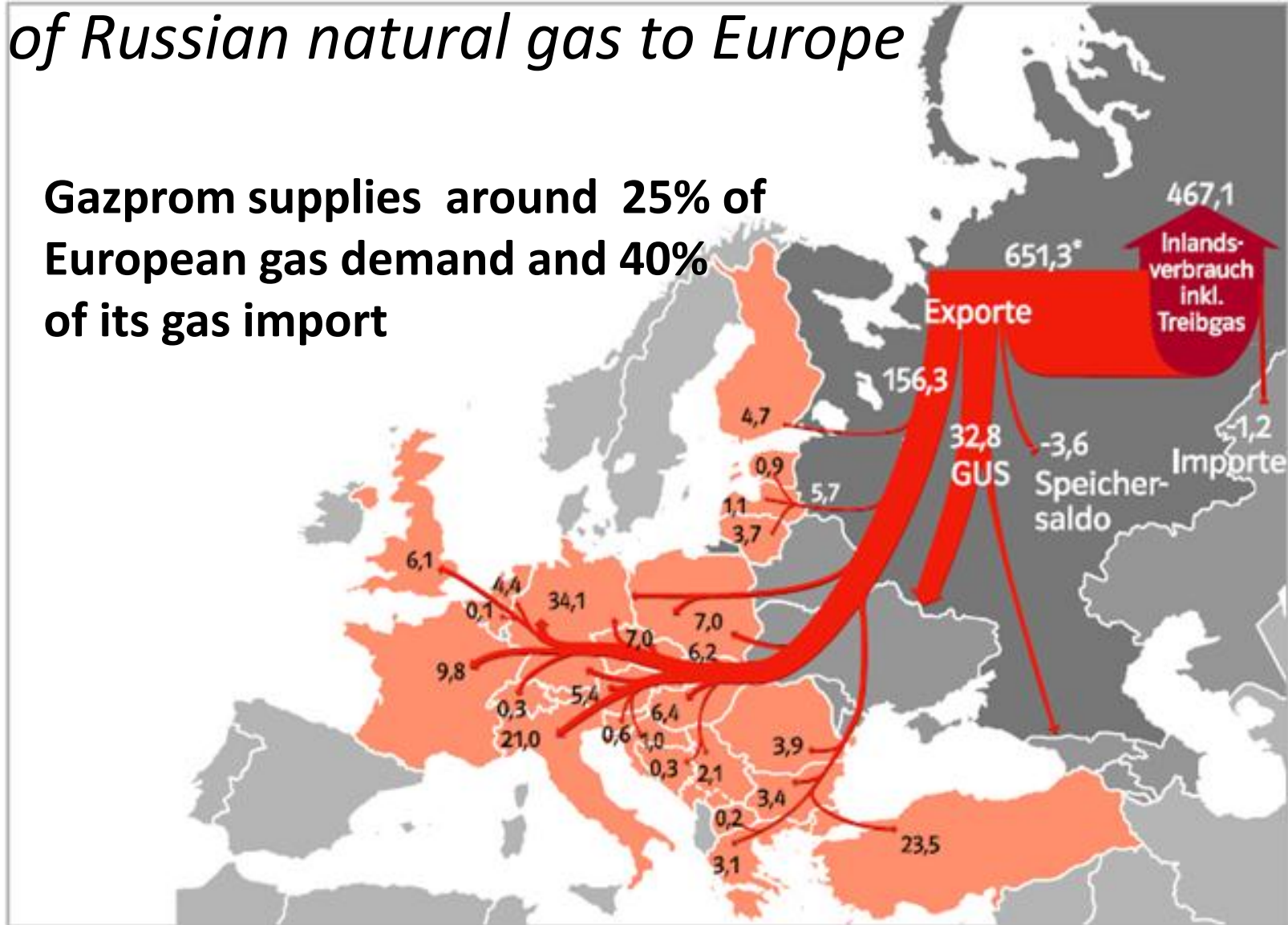
**40-th anniversary
next year**



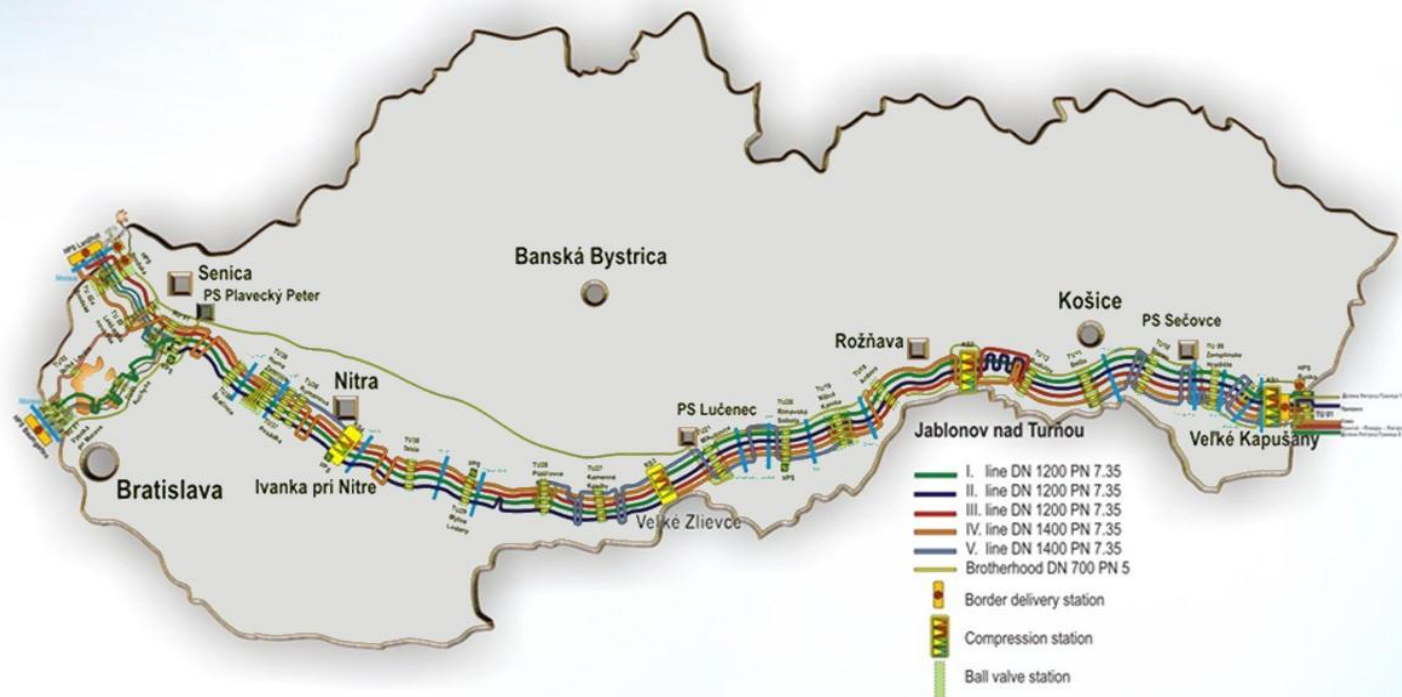
Central European Gas – Oil Transmission Corridor

Slovakia is the main transport corridor of Russian natural gas to Europe

Gazprom supplies around 25% of European gas demand and 40% of its gas import

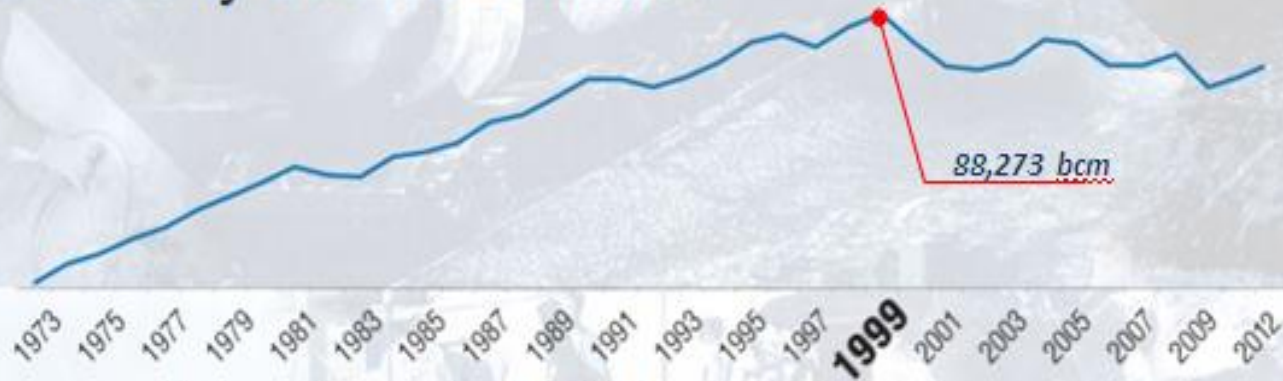


Slovak Gas Transmission System



- length of pipelines **> 2,200 km**
- diameter of pipelines **1,200 and 1,400 mm (> 90%)**
- transmission capacity **> 93 bcm/a**
- maximum daily capacity **> 290 mcm**
- installed power **> 1 GW**

40 Years of Gas Transmission



We transmitted more than **2 216,8 bcm** during the last 40 years.

Slovak Gas Distribution System the second wide-ranging in Europe



length of distribution pipelines **32,750 km**

access of inhabitants
to gas distribution system

94%

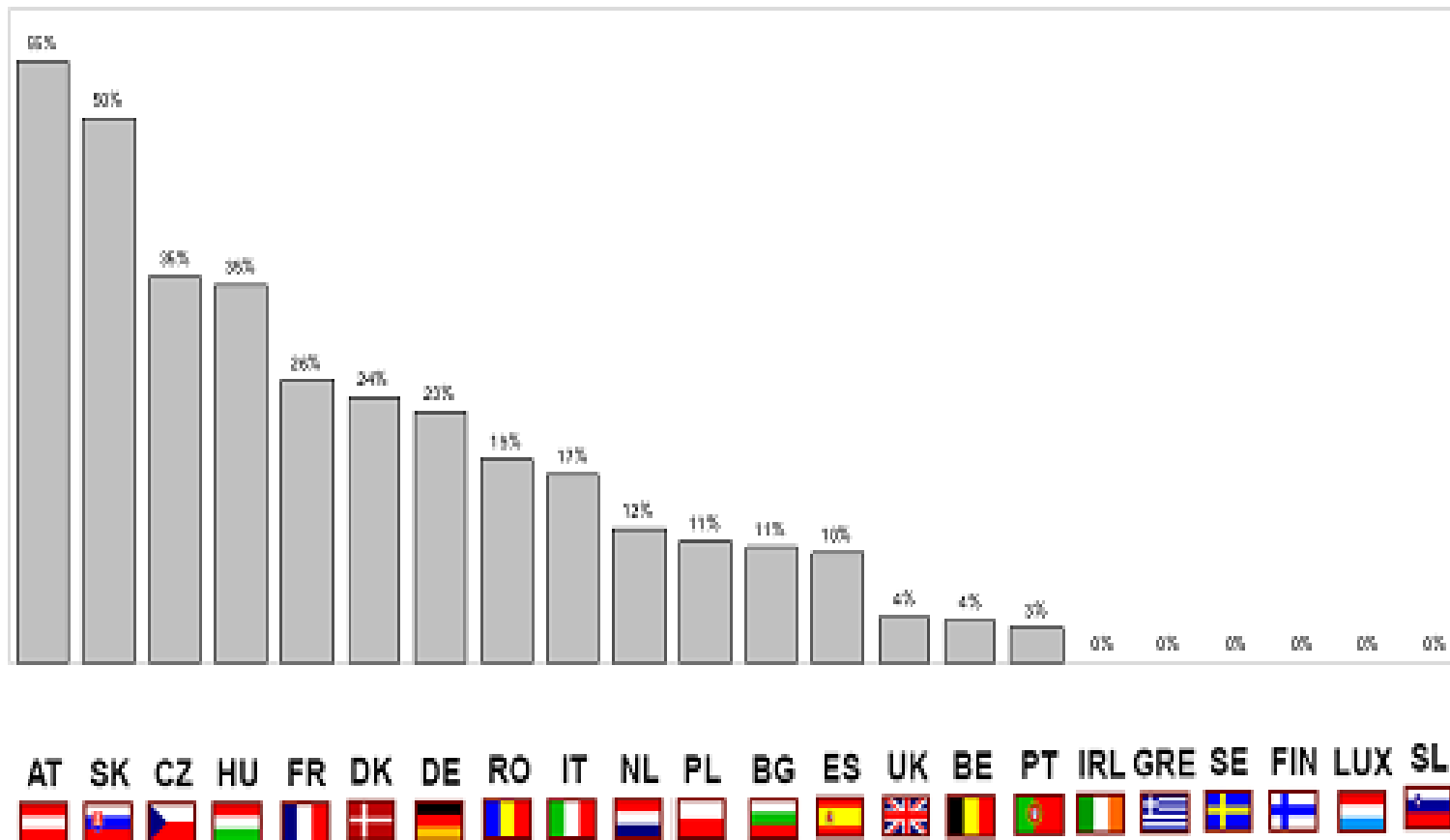
UNDERGROUND STORAGE FACILITIES – TOTAL CAPACITY ALMOST 3 BCM



NAFTA-LÁB 1,2,3 2,13 bcm; POZAGAS-LÁB 4 0,62 bcm
Developing Gajary – báden UGS with capacity 0,50 bcm

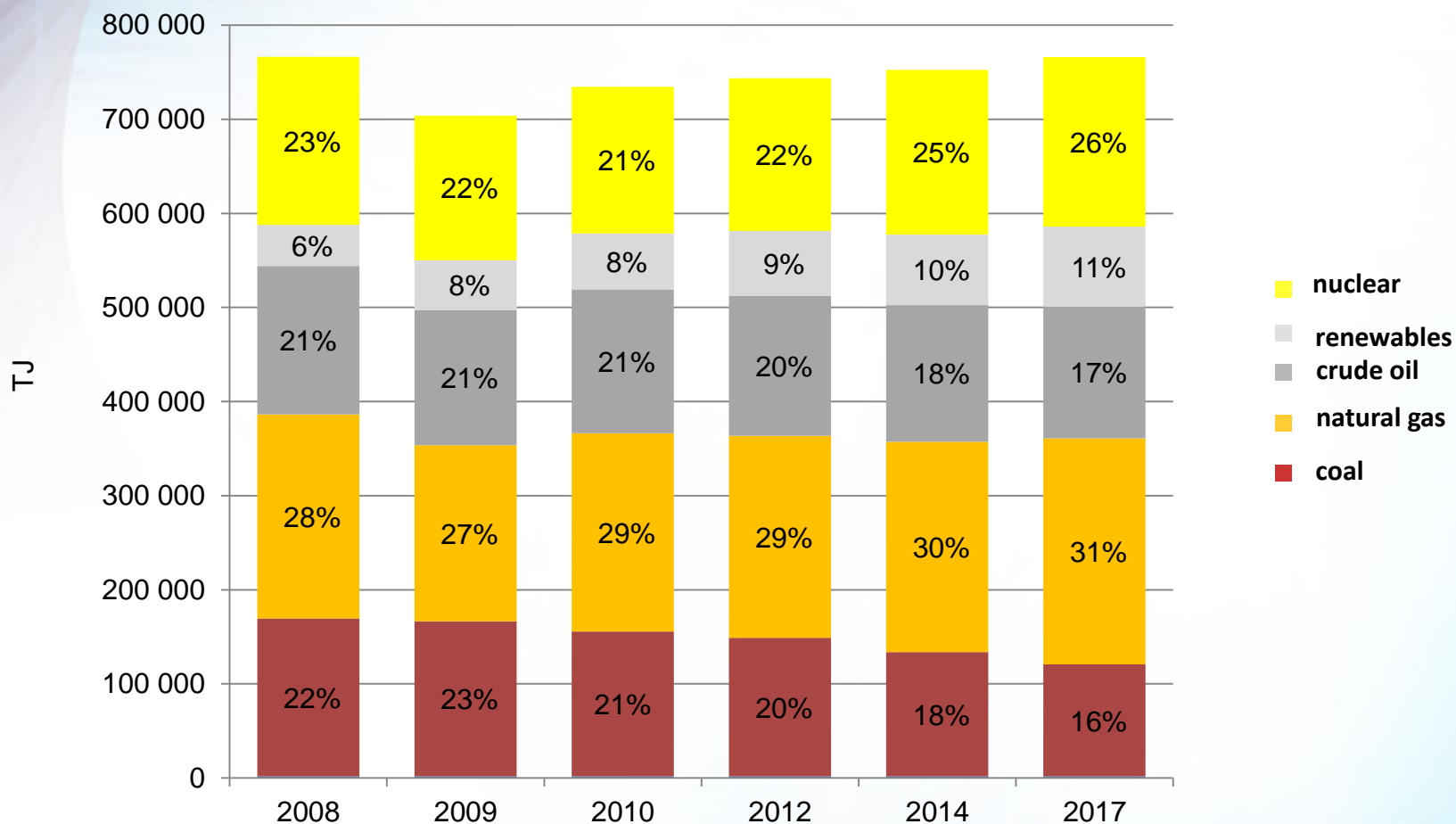


Storage to gas consumption ratio in EU countries

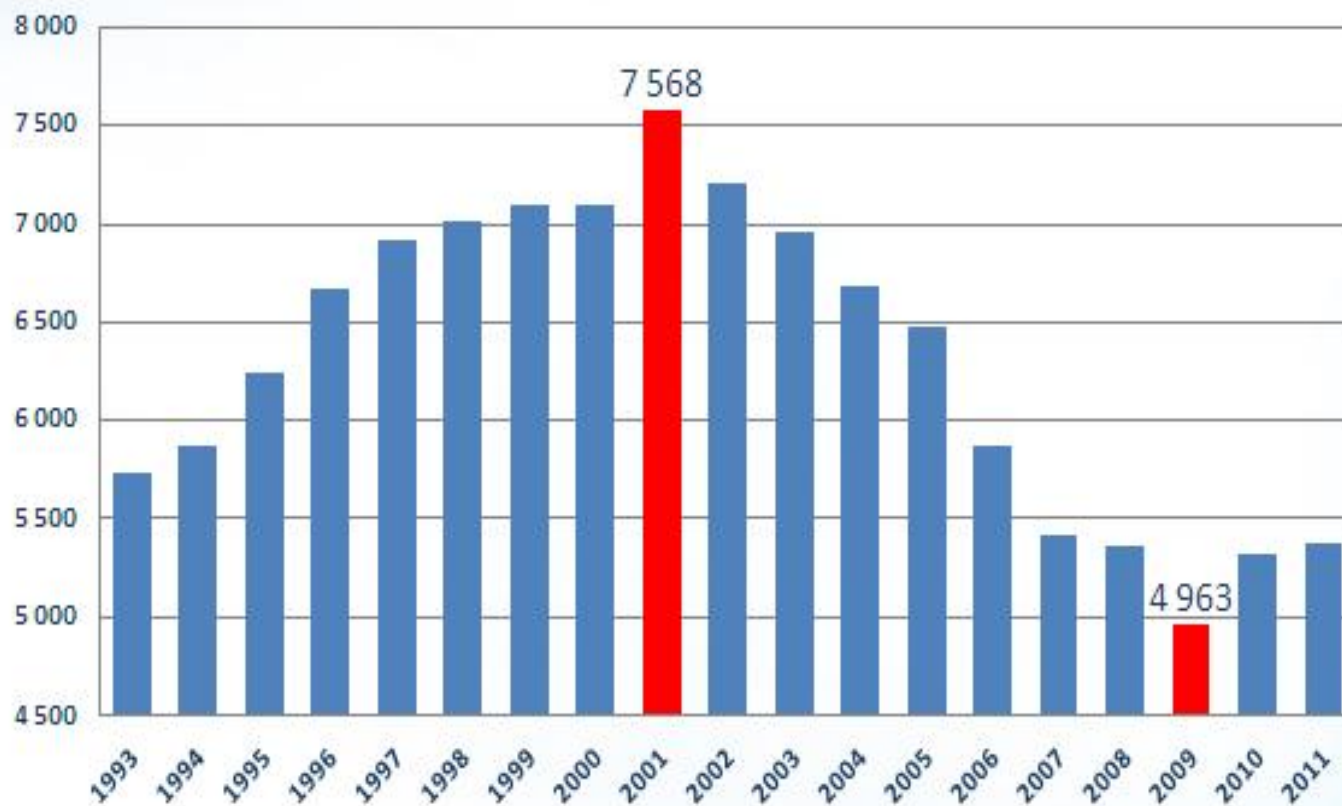


Source: Eurogas, Gas Storage Europe, OMV

Gross domestic consumption of Slovakia

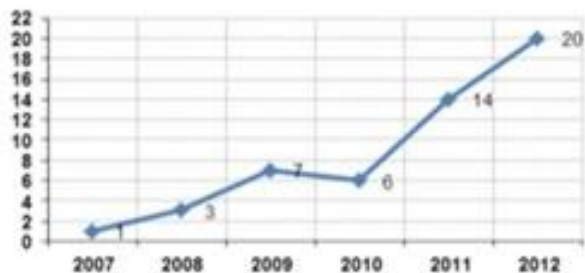


Consumption of Natural Gas (mcm)

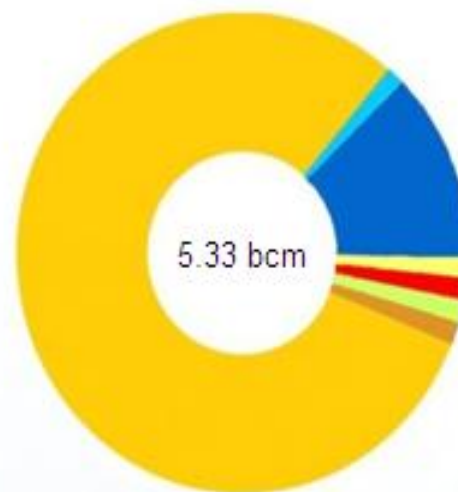


Liberalization of Gas Market

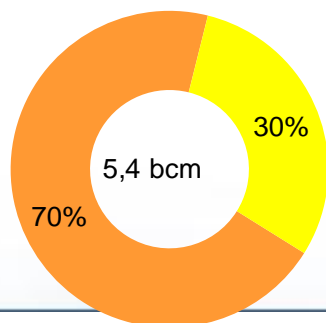
Users with Access to Gas Distribution System



Gas Market Segmentation 2011



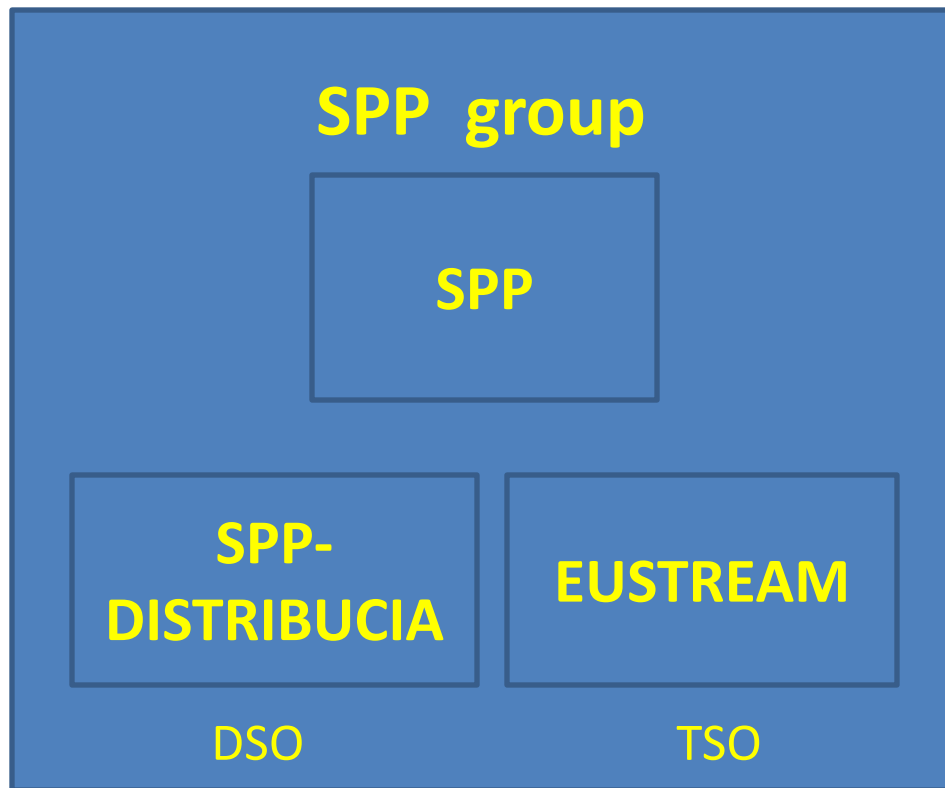
Estimation of Slovak market 2012*



■ SPP ■ competition

SPP
77%
(4.13 bcm)

The main players in Slovak Gas Industry



51% SR, 49% E.ON Ruhrgas&GdF SUEZ



NAFTA

SSO

56% SPP
40% E.ON Ruhrgas



POZAGAS

SSO

35% SPP
35% NAFTA
30% GdF SUEZ

Challenges



Pipe-to-Pipe Competition


eustream 93 bcm/a
SLOVAK GAS TSO


EuroPol GAZ s.a. 33 bcm/a

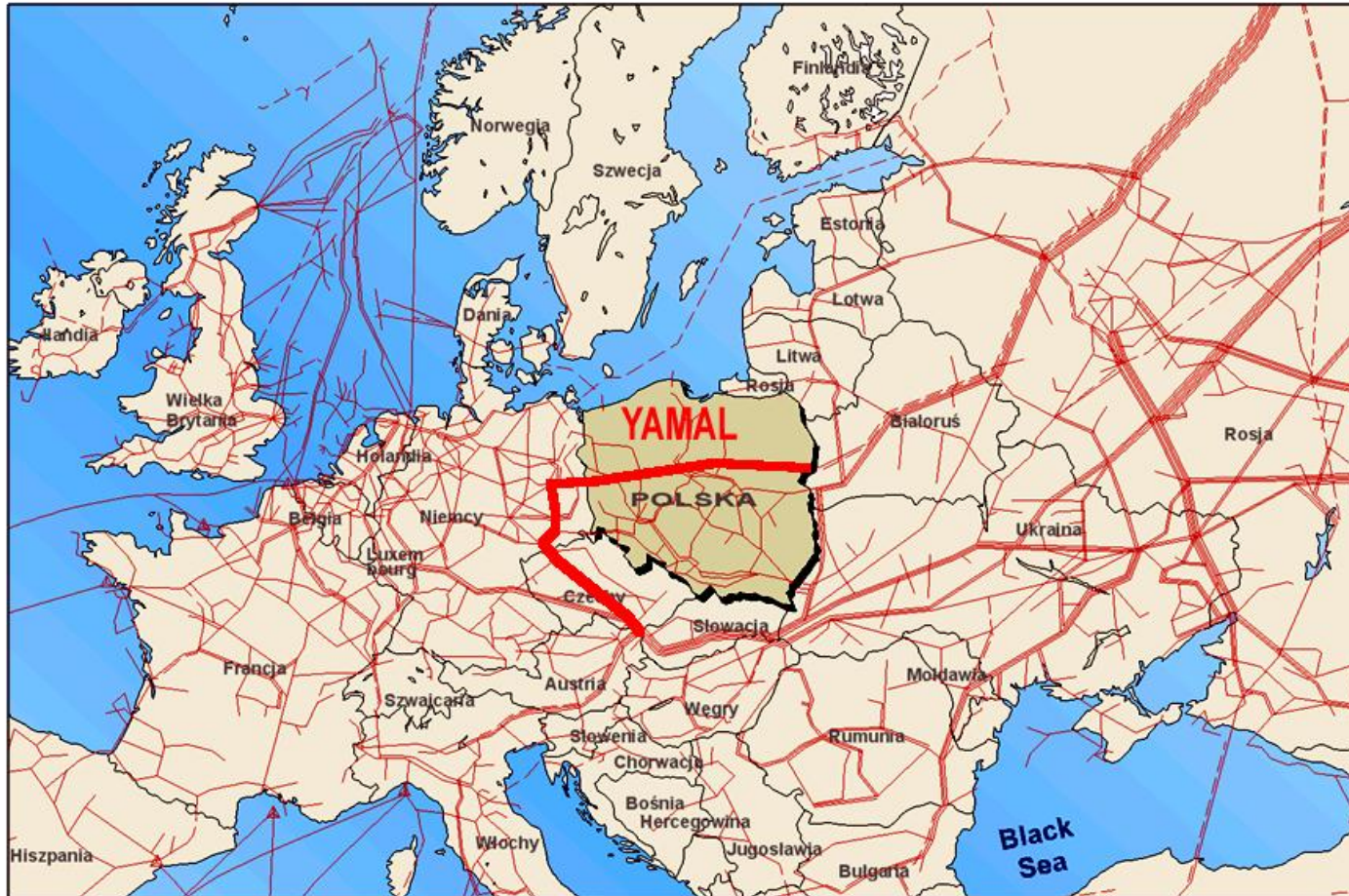

Nord Stream 2 x 27.5 bcm/a
The new gas supply route for Europe


South Stream 63 bcm/a
Europe's Energy Security

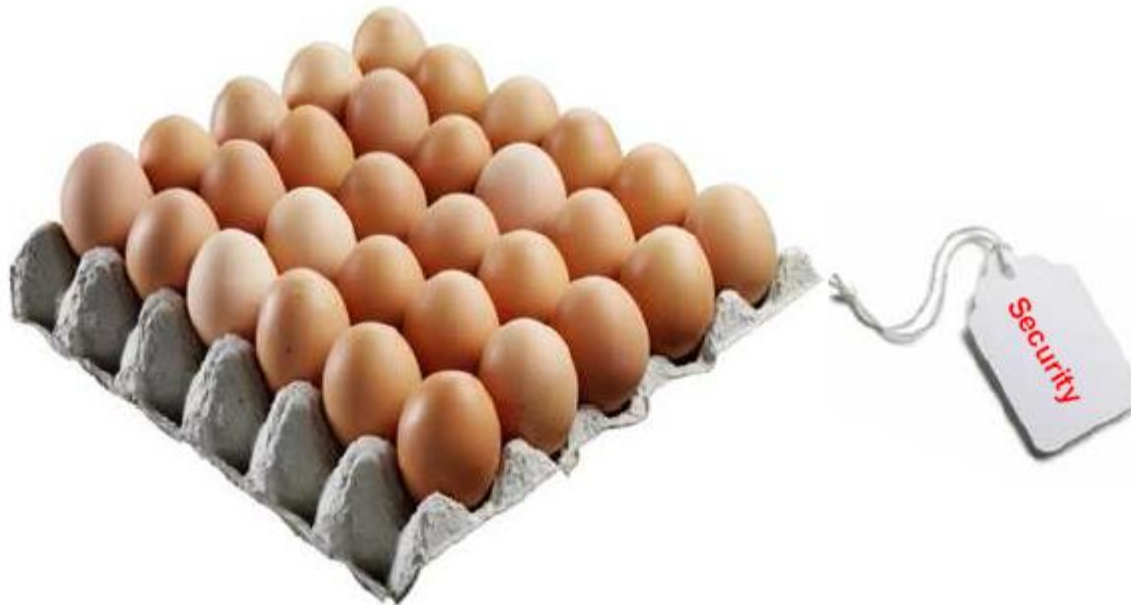

BUCCO 31 bcm/a
GAS PIPELINE



Gas Crisis in January 2009 – YAMAL pipeline



Placing all eggs in one basket is a risky business..



...if the basket is dropped, everything is lost.



Security of supply

The North-South Gas Corridor



— north-south gas corridor project
— existing gas pipelines
■ shale gas exploration concessions in Poland

Planned SK-HU and PL-SK interconnectors



The Slovak-Hungarian Gas Interconnector

- 115 km of pipeline length
- 5 bcm/a of (design) capacity
- reverse flow
- investments app. EUR 160 million
- financing under EERP (EUR 30 million)
- start of operations planned for 2015

**Slovak Gas Industry celebrates its
156 anniversary /19 March 1856/**

**SGOA builds on a tradition
originated from the foundation of
Union of Gas experts in Austro –
Hungarian Monarchy in 1881 and
of Czechoslovak Gas and Water
Association in 1919**

**An independent association of 63
companies and 208 individuals
active in gas, partly in crude oil
and related industries, registered
with the Administration Section of
the Slovak Ministry of Interior**



Slovak Gas and Oil Association



Main mission and objectives:

1. Promotion of corporate members` interests in the Slovak Republic
2. Representation of gas industry in terms of the development of legal and technical regulations in the context of the Slovak legislation process and especially with respect to the approximation of respective legislation to the legal environment in EU
3. Active support of technical and economic progress within Slovak Gas Industry
4. Representation of the Slovak Republic in the IGU and an active participation in its activities, cooperation with other European and global non-governmental organisations /MARCOGAZ, CEOCOR, etc./
5. Support of the transfer of information and advanced technologies from all over the world to the Slovak Republic, dissemination of collected knowledge in Slovakia
6. Support and strengthening the image of natural gas as an energy-efficient and environmentally friendly fuel

Thank you for your attention



Ján Klepáč Executive Director of the SGOA
klepac@sgoa.sk