

# SEE market's quest for security and competitiveness

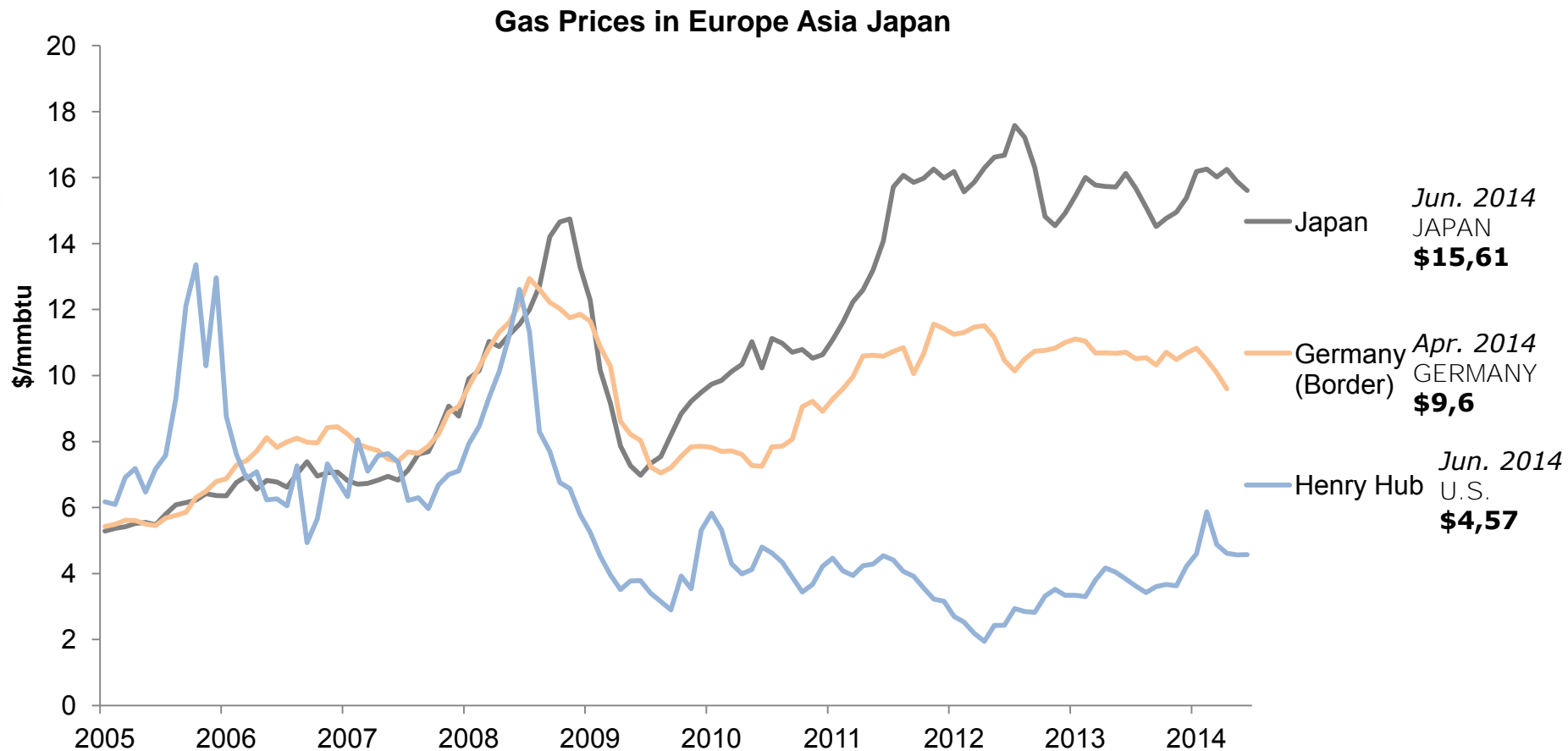
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**Athens, 12 November 2014**

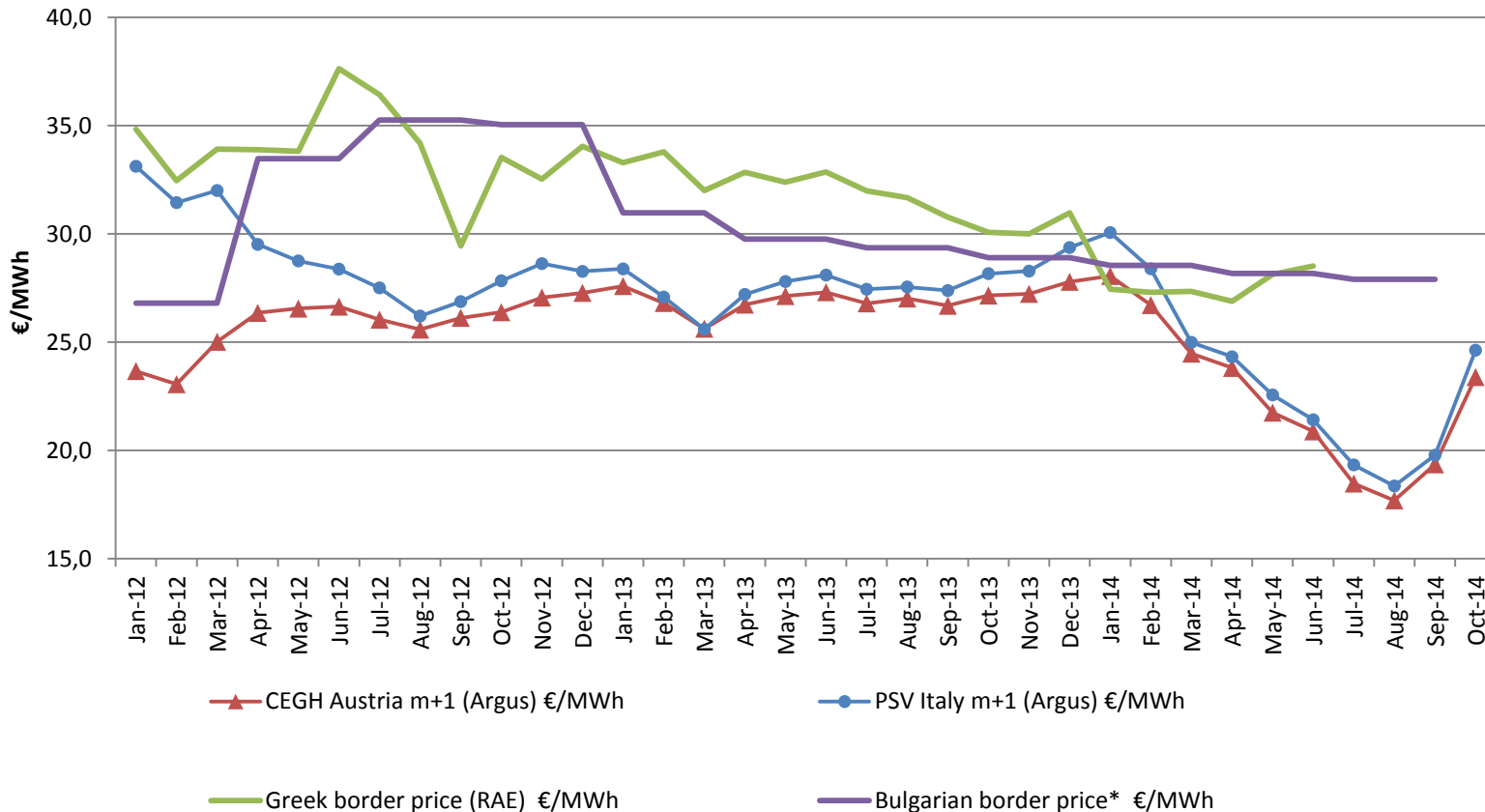
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# Gas prices in EU, USA and Asia



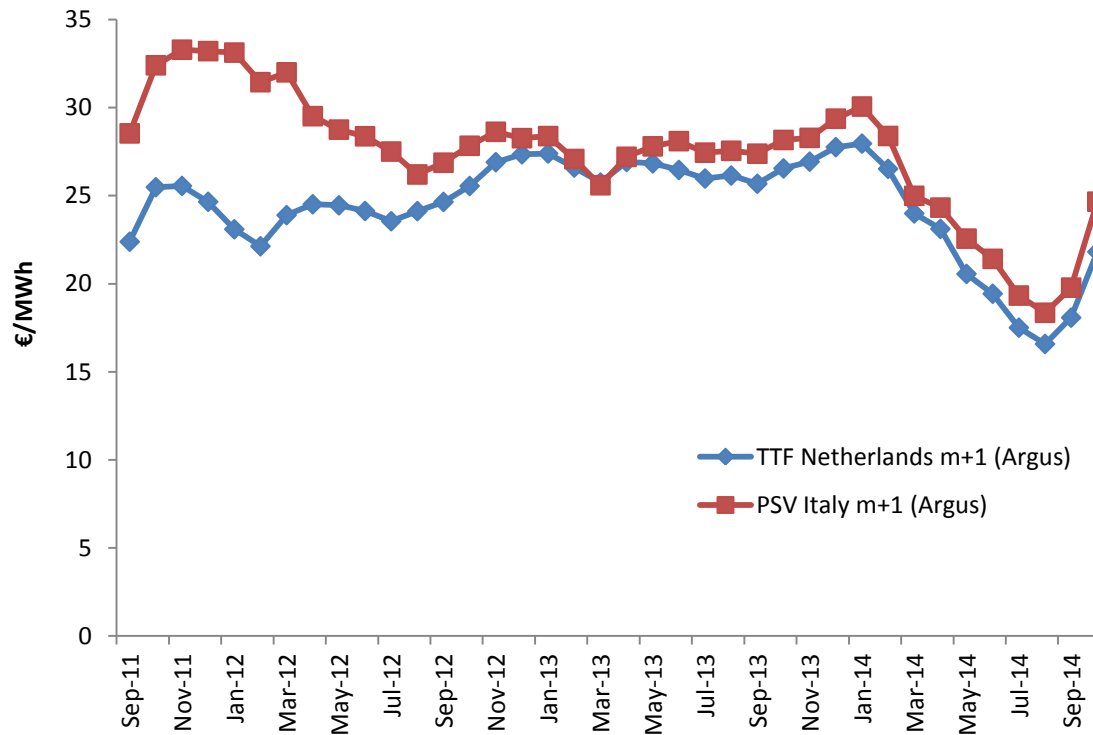
# European Gas Hubs vs. Regional Prices



\* Bulgarian border price includes indigenous production

# Infrastructure leads to the convergence of EU hub gas prices

## PSV vs.TTF



# Export Window to Asia via LNG is Closing thus easing supply to Europe

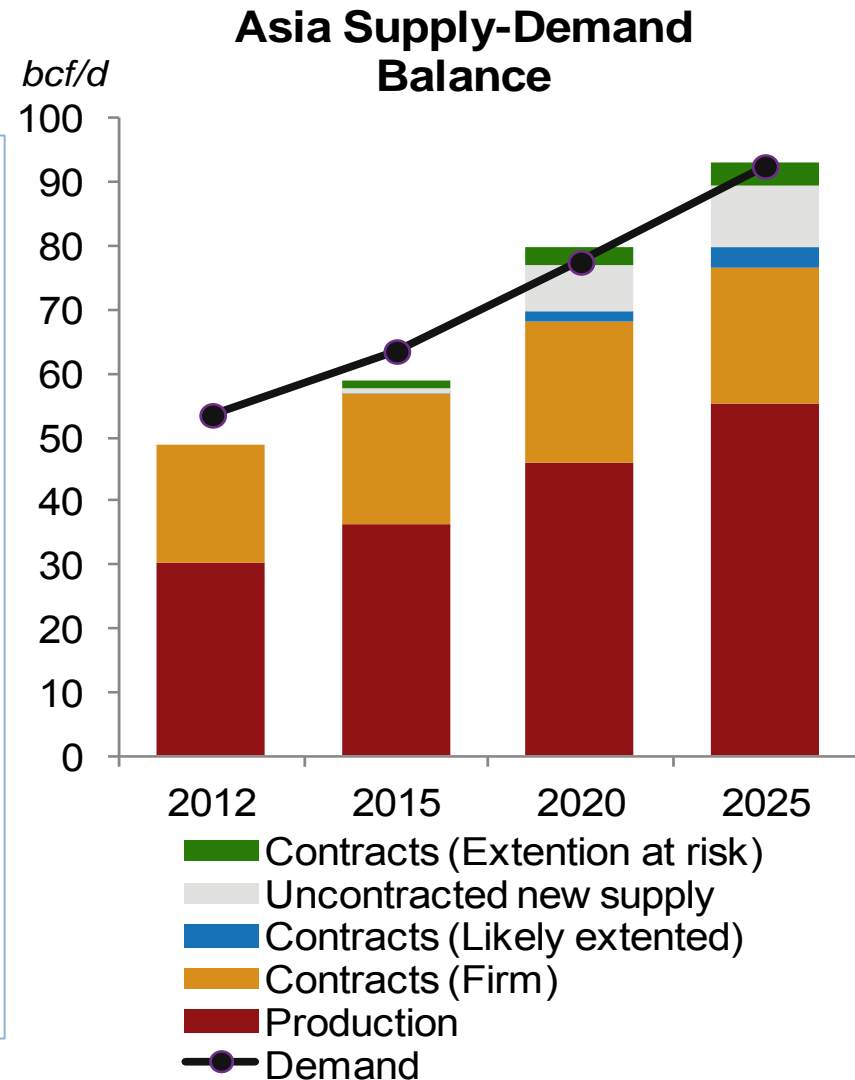
LNG Capacity Growth is focused mainly to Asian Market. More than 75% of the growth in LNG between now and 2025 is geared to meeting demand in Asia.

There are only a few projects in the Atlantic Basin geared to European demand.

Depending on what happens to expiring contracts in SE Asia, Asia may be balanced or moderately over-supplied.

Currently Asia shows a supply gap which however can be met easily once the new projects hit the market as demand declines due to restarting of nuclears in Japan.

New developments point to a possible LNG supply surplus in Europe even from the coming winter



Source: PFC Energy

# SEE market overview

## SEE's market is:

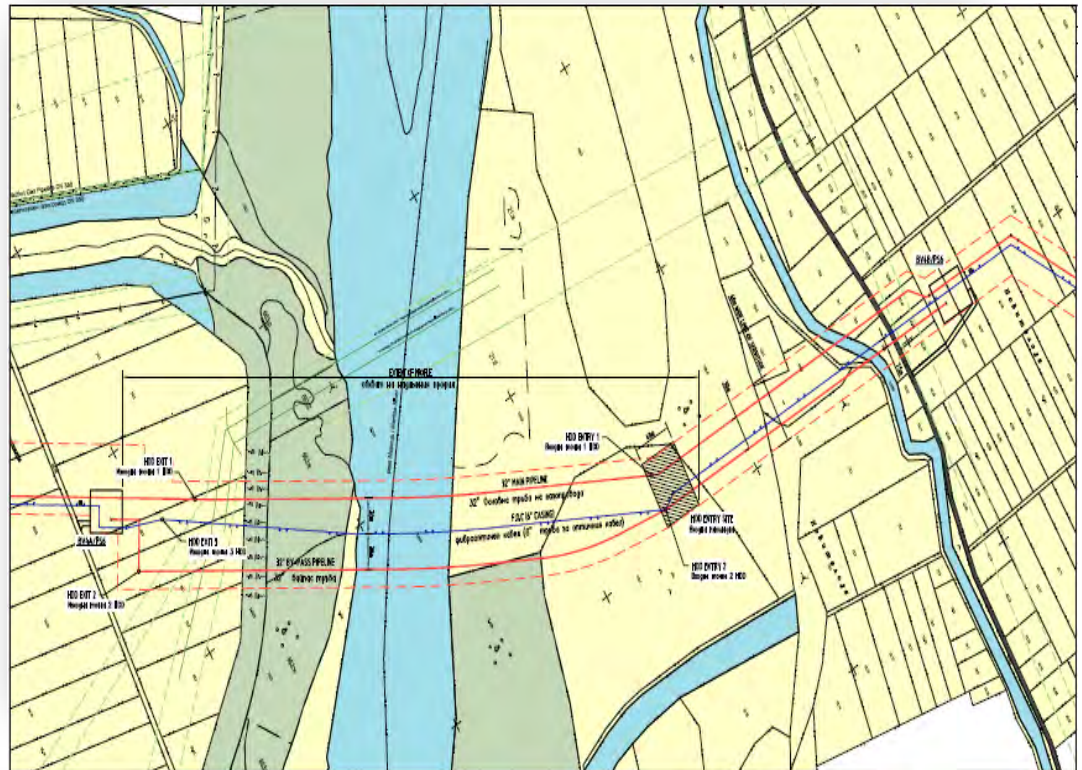
- the closest market to new sources, including LNG through Greece;
- a growing market;
- in urgent need to diversify its supply sources and increase its energy security.
- in urgent need for gas to gas competition to align prices to European average



# The Greece – Bulgaria Interconnector (IGB)



- FEED/Technical Design are in the final stage.
- Linepipe & LLI procurement procedure is in progress.
- FID to be taken in 2014 and construction to start in 2015
- First gas is expected to flow in 2017



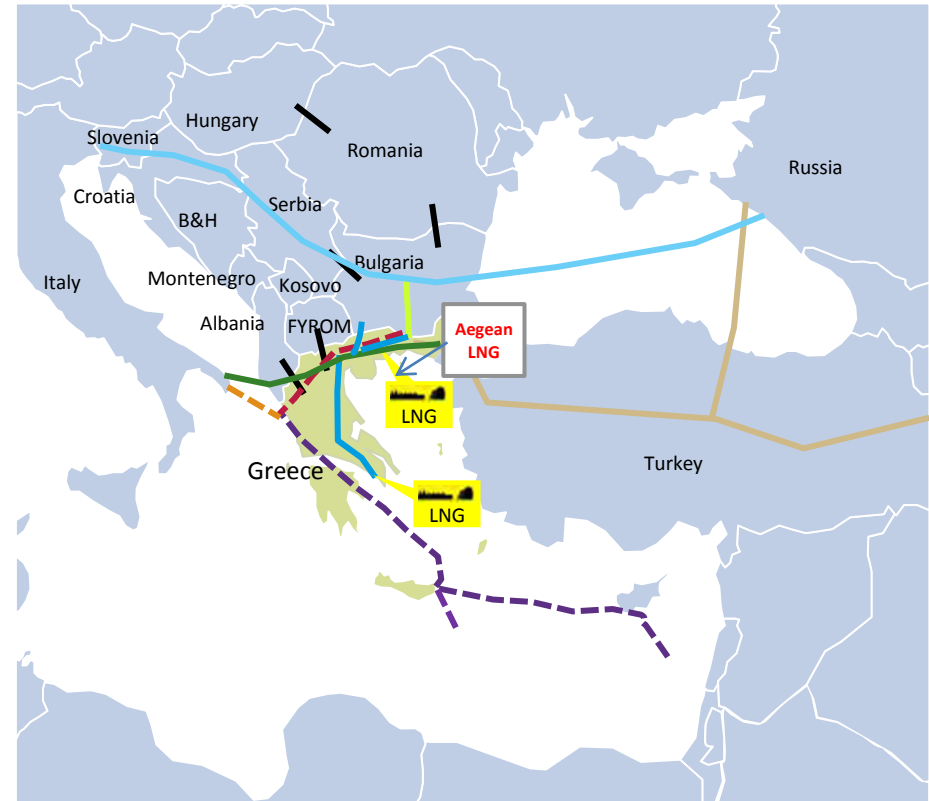
# The Aegean LNG terminal

The planned FSRU in Northern Greece will allow SEE region to have easier access to more LNG capacities (in addition to the LNG terminal in Revythousa).

The Aegean LNG will be able to send out 5 bcma into Greece and from there, in conjunction with IGB and ITG, to SEE and Turkey

The Aegean LNG:

- Comprises the floating facility
- It is located at Kavala where DEPA possesses property rights
- Will have a storage capacity of 150,000m<sup>3</sup>





# Impact of these projects to SEE

## Development of Interconnecting Infrastructure in SEE

- Projects will play a significant role and will have a great impact in the region since they will address the region's needs for Security of supply and promote gas to gas competition.
- DEPA is endeavoring to secure gas quantities for the regional market at competitive prices.
- DEPA is committed to integrating the SEE market to the benefit of business and households.

