

Hellenic-Bulgarian Cooperation in the Energy Sector

Sofia, April 29th 2010

***“Meeting the gas supply challenges
in the Balkans and SE Europe”***

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An event organized
by IENE, in association with the Hellenic Business Council in Bulgaria

The natural gas industry in Greece

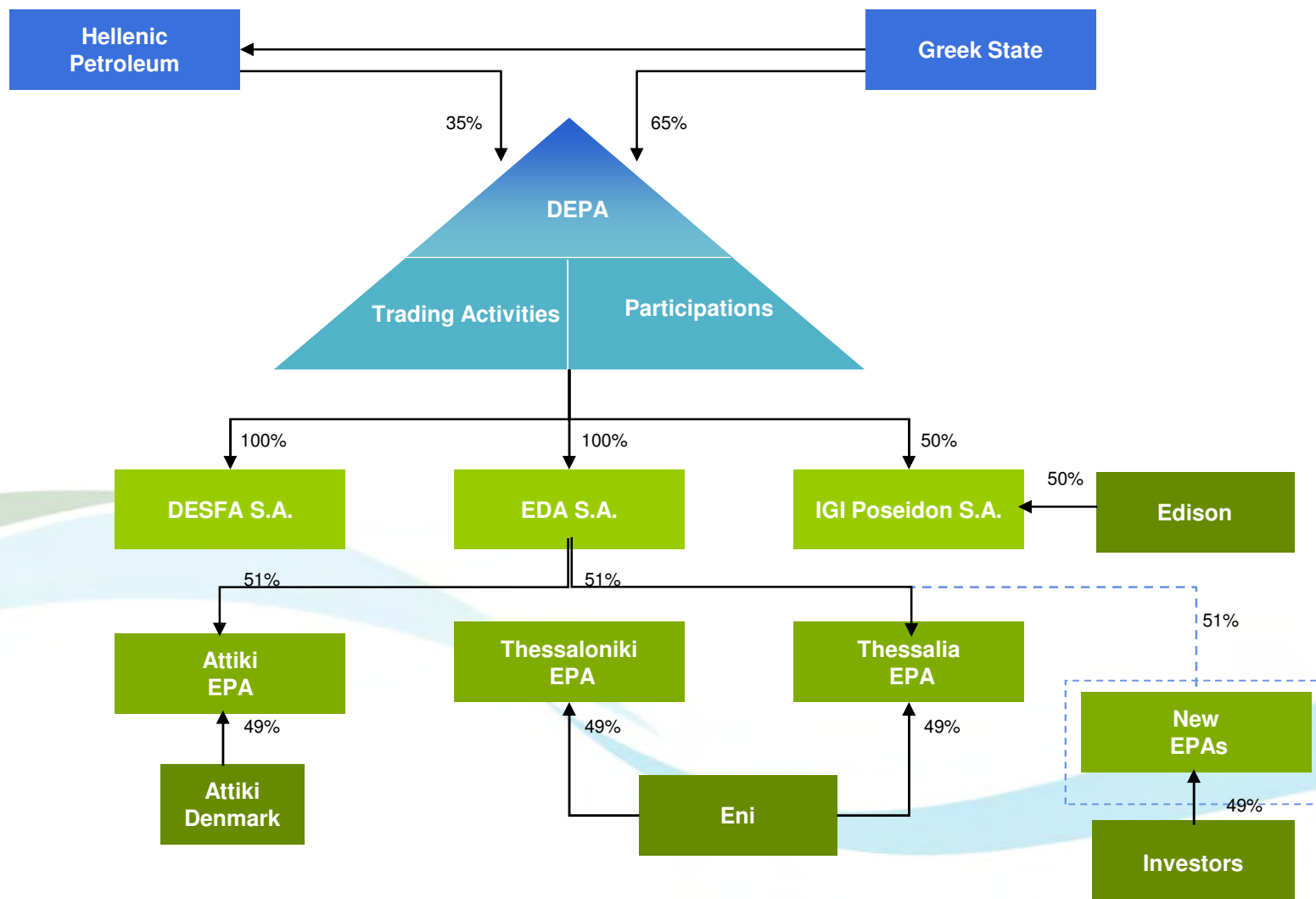
Gas industry structure

Infrastructure

Domestic gas market



The DEPA Group



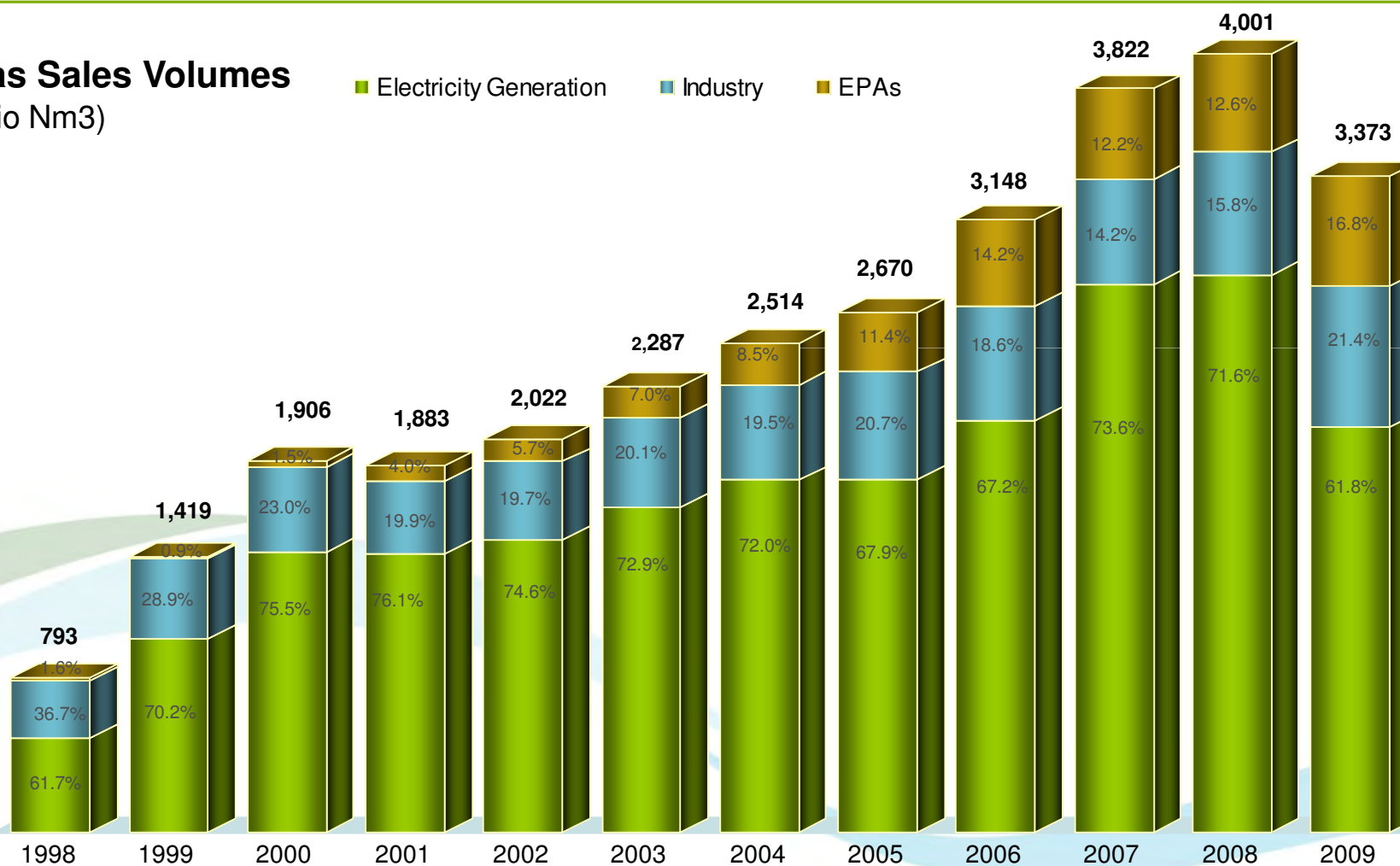
The Greek Gas System



The Greek natural gas market (Historic operating statistics)

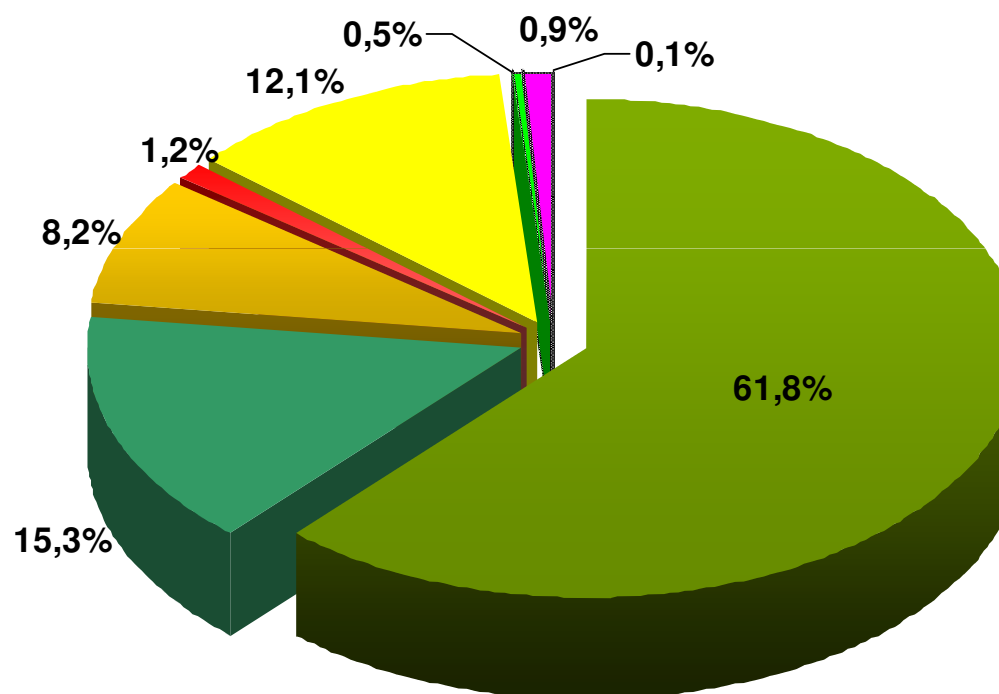
Gas Sales Volumes (mio Nm³)

■ Electricity Generation ■ Industry ■ EPAs



Gas consumption by sector in 2009

2009 gas consumption: 3.4 bcm



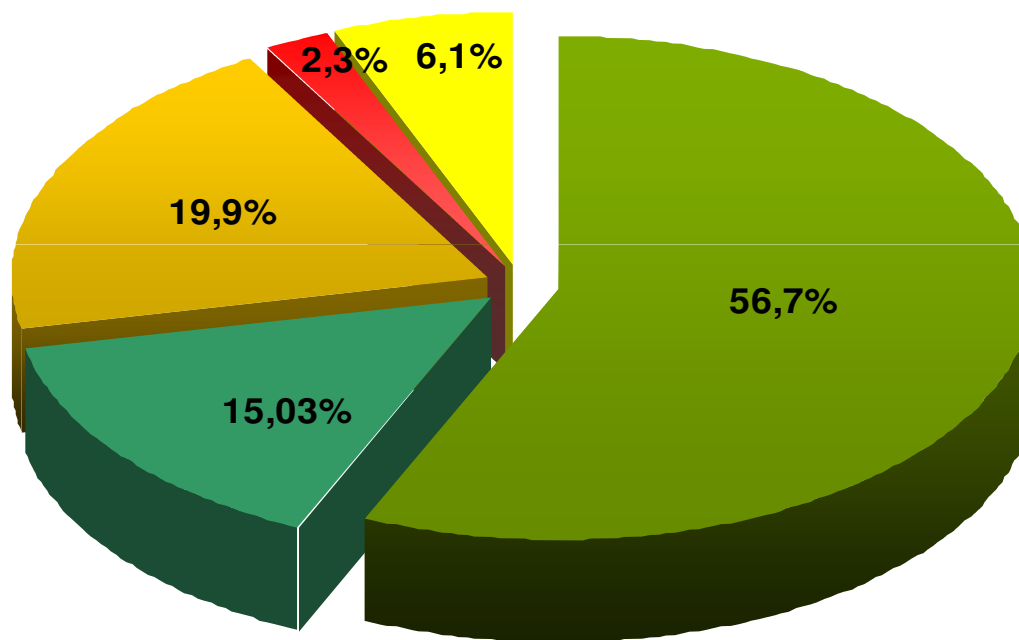
■ Power generation	■ Industry-thermal use	■ Industry-chemical use	■ Cogeneration
■ Residential	■ CNG	■ DESFA	■ Transit Gas

Gas supply contracts

Supplier	Duration till	ACQ 2010 (mil.Nm ³)
<u>Pipeline gas</u>		
GazpromExport	2016	2,800
Botaş	2021	710
<u>LNG</u>		
Sonatrach	2021	680
Master Agreements for spot LNG supplies		

Gas supply by source in 2009

Total gas imports 2009: 3.4 bcm



■ Gazexport ■ Sonatrach ■ Botas ■ GdF ■ BG

Future Developments in the Greek and the Regional Gas Market

Gas Market Liberalization

- The Greek natural gas market is liberalized, based on EU and national (Law 3428/2005) legislation
- The Network Code of the Greek National Gas Transmission System was issued recently (Official Gazette 379/1.4.2010)
- Other gas suppliers may enter the market creating a competitive environment
- DEPA must and will response/adjust to this new competitive environment
- A similar process for gas market opening is also taking place in other countries in the region, although with a different pattern and pace in each country

Additional Gas Supply Requirements in the Greek Market

- Power generation will continue to drive gas demand in Greece, following by the residential sector
- There is a need to secure additional gas quantities for covering Greek market requirements, which, in a time horizon of 2020 and beyond, are estimated in the order of 7-8 bcm/yr
- Additional needs will be met by further diversification of natural gas supplies
- DEPA's goal is to ensure the security of natural gas supply for the Greek market at the best market prices under both short-term and long-term supply contracts

Additional Gas Supply Requirements in the broader region

- Europe is expected to require additional volumes of 150 bcm/annum of natural gas by 2020
- Similarly, gas demand in Southeastern European countries is expected to double in the same period
- But simultaneously there are strong concerns about security of gas supply
- Especially countries with high dependence on Russian gas are consistently seeking for access to new gas supply sources
- With the proper strategy, DEPA and other gas companies in the area will be able to take advantage of opportunities in the SE Europe energy market

Investment Projects of Regional Interest

The Turkey – Greece Interconnector (ITG)

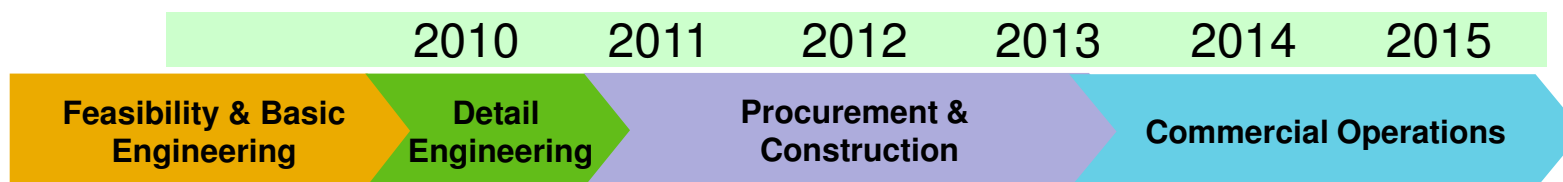


The Greece – Bulgaria gas pipeline (IGB)



IGB Project plan

Timetable



IGB – Next Steps

- Establishment of the Commercial Company
- Finalization of the engineering and procurement activities
- Construction and commissioning of the pipeline by the end of 2013

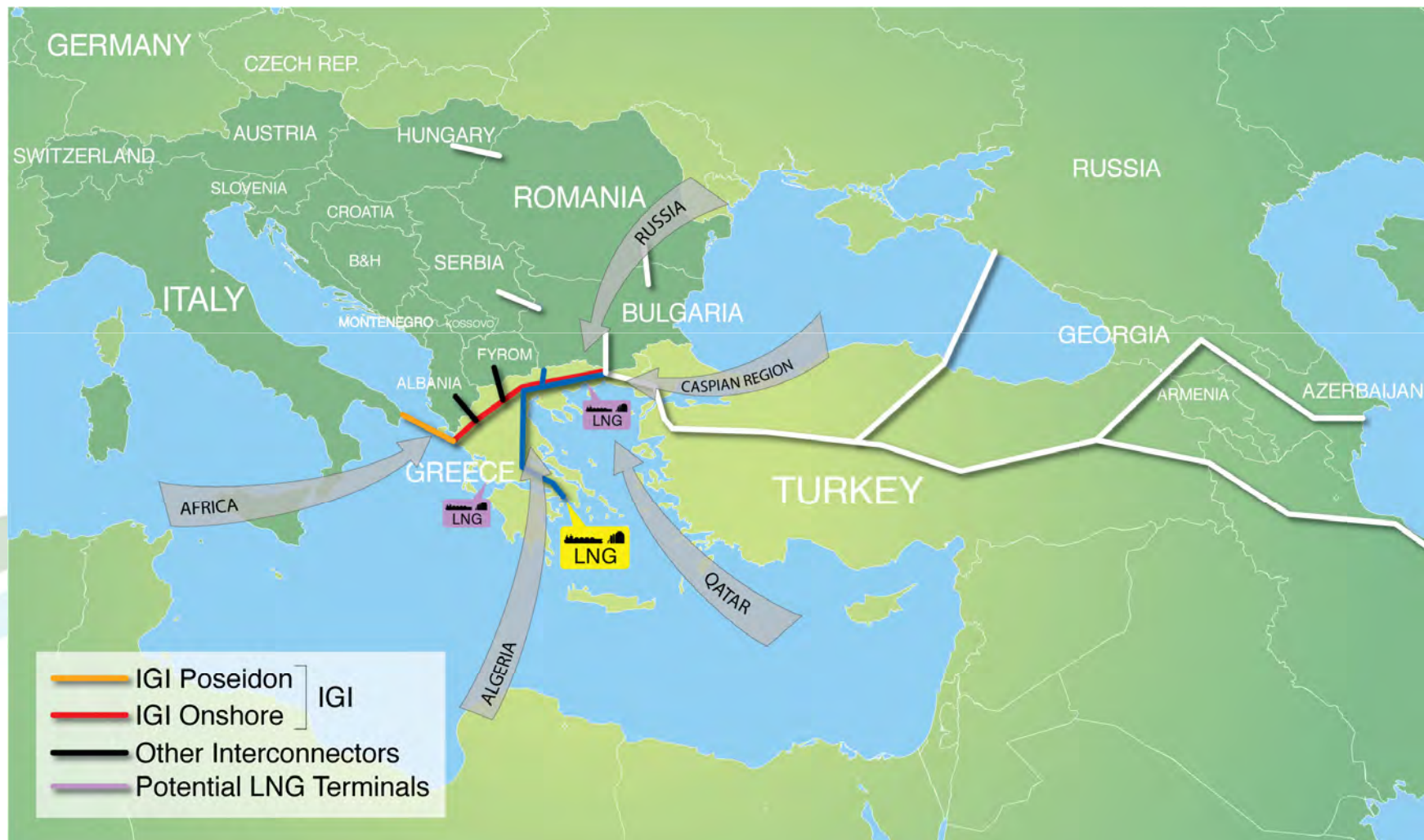
The Greece-Italy gas pipeline (IGI)



Project potential



Greece as a Natural Gas Hub



Thank you for your attention

