Cooperation on SEEGAS platform
Country Presentation

- Republic of Moldova is situated at the border with Ukraine and Romania.
- It has 5 interconnection points at Ukraine borders: Oleksiivca, Ananiiv, Grebenyky, Lymanske, Kaushany, and one interconnection point at Romanian border: Ungheni.
- The Gas Transmission network is operated by 3 (three) TSOs:
  - “Moldovatransgaz” LLC – total pipeline infrastructure 1560 km
  - “Vestmoldtransgaz” LLC - total pipeline infrastructure 120 km
  - “Tiraspoltransgaz” LLC - total pipeline infrastructure 360 km
- Moldova has no gas storage facilities and no direct LNG access
Interconnection Points (Firm Capacity)

• **OLEKSIIVKA**
  UA-MD – 7,9 mcm/day
  MD-UA – 12 mcm/day

• **ANANIIV**
  UA-MD – 7,9 mcm/day
  MD-UA – 0,014 mcm/day

• **UNGHENI**
  RO-MD – 4,89 mcm/day
  MD-RO – 1,98 mcm/day

• **GREBENYKY**
  UA-MD – 36 mcm/day
  MD-UA – 3,96 mcm/day

• **LIMANSKE**
  UA-MD – 0 mcm/day
  MD-UA – 0 mcm/day

• **KAUSHANY**
  UA-MD – 12 mcm/day
  MD-UA – 36 mcm/day
Natural gas consumption of Republic of Moldova

- **3 bcm/a** – total domestic consumption
- **1,1 bcm/a** - Republic of Moldova (right side of Dniester river)
- **1,9 bcm/a** - Transnistrian region (60% is used by Kuchurgan Power station for electricity generation)
- **Moldovagaz JSC** – the main gas supplier of Republic of Moldova, the natural gas being imported from Russia through Ukraine
Market liberalisation

Third party access to transmission system is ensured

New entry exit tariffs are going to be approved in the next 2 months by the national regulator

Interconnection agreements with neighboring TSOs have been signed

Interoperability and data exchange are implemented

Moldovatransgaz LLC has been designated as the Balancing Entity of the Republic of Moldova

Capacity is allocated on contractual base – as soon as the entry exit tariffs would be approved, Moldovatransgaz will use the RBP platform for the capacity auctioning
Competitiveness of Moldovatransgaz tariffs on the regional market

<table>
<thead>
<tr>
<th>Interconnection Points</th>
<th>Moldova</th>
<th></th>
<th>Ukraine</th>
<th></th>
<th>Romania</th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Entry</td>
<td>Exit</td>
<td>Entry</td>
<td>Exit</td>
<td>Entry</td>
<td>Exit</td>
</tr>
<tr>
<td>OLEKSIIVKA</td>
<td>4 $</td>
<td>2,9 $</td>
<td>-</td>
<td>9,71 $</td>
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<td></td>
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<tr>
<td>ANANIIIV</td>
<td>4 $</td>
<td>2,9 $</td>
<td>-</td>
<td>8,17 $</td>
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<tr>
<td>GREBENYKY</td>
<td>4 $</td>
<td>2,9 $</td>
<td>0,00</td>
<td>8,17 $</td>
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<tr>
<td>LIMANSKE</td>
<td>4 $</td>
<td>2,9 $</td>
<td>4,45</td>
<td>8,17 $</td>
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</tr>
<tr>
<td>KAUSHANY</td>
<td>4 $</td>
<td>2,9 $</td>
<td>0,00</td>
<td>1,13 $</td>
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<tr>
<td>ISACCEA (RO)</td>
<td>-</td>
<td>-</td>
<td>4,45</td>
<td>1,13 $</td>
<td>5,38</td>
<td>4,64</td>
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Steps towards creation of Moldovan Energy Exchange market

- Daily balancing
- Development of a local Moldovan energy exchange market (MEEX)
- Short-term products market
- Liquid wholesale market
Short term objectives

- Establishment of a trading platform
- Development of clearing and risk management mechanisms
- Implementation of cross border trading instruments (backhaul & shorthaul)

Long term challenges

Diversification of routes:

- Construction of the new gas transmission pipeline Ungheni-Drochia (length - 100 km; daily capacity - 4,5 mcm)

Purpose: Connection between Romanian gas transmission system and North Western part of Ukraine (Bogorodceany gas storage facilities)
Expected benefits from SEEGAS cooperation

<table>
<thead>
<tr>
<th>Integration with European and regional Markets</th>
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<tr>
<td>Positive impact on economic development of the country</td>
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<td>MEEX quotation will become a market price indicators, benchmark for government regulation</td>
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<tr>
<td>Increase of competition on the gas market</td>
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<tr>
<td>Creation of incentives for decreasing the natural gas price for final consumers</td>
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