

**PUBLIC PARTICIPATION CONCEPT FOR PROJECT OF
COMMON INTEREST (PCI) 6.8.2
REHABILITATION, MODERNIZATION AND EXPANSION OF
THE EXISTING GAS TRANSMISSION SYSTEM**



Pursuant to the provisions of article 9, paragraph 7 of Regulation (EU) 347/2013 of the European Parliament and of the Council of 17 April 2013 each PCI project promoter shall comply with the transparency and the public participation principles specified in Annex VI.3.

In this respect Bulgartransgaz EAD has developed and applies in the implementation of PCI 6.8.2. the following public inclusion concept which is based on the project's characteristics and scope and the following basic principles:

General Project Information:

PCI 6.8.2 represents a complex, multicomponent, staged project for modernization, rehabilitation and expansion of the existing gas transmission infrastructure on the territory of Bulgaria, owned and operated by the combined gas operator and includes the following activities:

- Modernization and rehabilitation of compressor stations;
- Repair and replacement of gas pipeline sections following inspections;
- Expansion and modernization of the existing gas transmission network;
- Inspections to determine and characterize the gas pipelines' condition;

- Implementation of systems for optimization of the management process of the network technical condition.

The long-term operation of the existing network has led to reduced technical parameters and depreciation of the technological equipment, as well as the infrastructure development plans in the region including the new interconnections, which will be its new entry and exit points, are a prerequisite for the additional physical load of the system and show the need for urgent measures to modernize and rehabilitate the existing infrastructure.

The number of the entry/exit points of the gas transmission system is expected to increase significantly in the coming years with the development of the interconnection projects with Greece, Turkey and Serbia, and in view of the planned implementation of projects such as Balkan Gas Hub, Eastring and other alternative gas corridors which are currently at a basic design stage, as well as the project on expanding the storage capacity of Chiren UGS.

In addition, with regard to the intense exploration of local natural gas fields and development concessions on the territory of the country (both onshore and in the Black Sea shelf) the share of local production is expected to increase in the next 10 - 15 years,

All of the abovementioned predetermines the need of urgent measures for modernization, rehabilitation, expansion and reinforcement of the existing infrastructure. In this respect, Bulgartransgaz EAD undertook steps on implementing PCI 6.8.2. by carrying out a number of inspections, different types of studies, analysis, assessments on the technical condition and established the necessary steps for rehabilitation, recovery and development of the existing infrastructure as well as few bottlenecks that are to be removed in stages.

The rehabilitation, modernization and expansion of the existing gas transmission infrastructure will ensure a more secure and reliable natural gas transmission, improving the transmission system's efficiency, reliability and flexibility and ensuring the necessary transmission capacities.

The implementation of the planned activities will ensure technical possibilities for transmission of additional natural gas quantities through the territory of the country entering from existing and new entry/exit points and possibilities to diversify the transmission directions depending on the market interest.

The project implementation will contribute to increasing the market integration, establishing a competitive gas market, stimulating the trade development, ensuring greater systems flexibility, increasing the market integration, optimizing risk management etc.

Given the nature of the activities and the timeframe associated with the project, three implementation phases¹ can be outlined covering the following activities:

Phase 1:

Includes the initial activities on the projects which were initiated in the period 2013-2015 and they are being implemented by Bulgartransgaz EAD. This phase includes the following activities:

¹ Updated status on the implementation of the separate phases of PCI 6.8.2 is available in the updated General Non-Technical Summary of the project.

- Stage 1 of the modernization of 4 compressor stations (CS Lozenets, CS Ihtiman, CS Petrich, CS Strandzha) by integrating 6 low emission gas turbine compressor units (GTCU);
- Construction of a new gas pipeline CS Lozenets – PF Nedyalsko, as part of the envisaged activities under the project for expansion of the gas transmission network.
- In-line inspections.
- Implementation of systems for optimization of the management process of the network technical condition.

Phase 2:

Includes activities representing a main part of the project, launched in 2016 they are a natural and logical continuation of the overall project realization following the implementation of Phase 1. Phase 2 includes the following activities:

- Stage 2 of the modernization of compressor stations by integrating 4 GTCUs in 3 compressor stations (CS Lozenets, CS Petrich, CS Ihtiman);
- Rehabilitation and replacement of sections part of the Northern semi-ring of the gas transmission network with a total length of 81 km.
- Inspections.

Phase 3:

Includes the construction of conditional infrastructure required following the adoption of a Final Investment Decision (FID) on the realization of IBS project Stage 2 – capacity increase of the interconnection from 1.8 to 2.4 bcm/y.

This phase includes the infrastructure whose realization and parameters are conditional, being connected to future decisions on the IBS project whose Bulgarian project promoter is the Ministry of Energy. The infrastructure to be built includes the construction of a new gas pipeline Gorni Bogorov – Novi Iskar with an approximate length of 19 km, DN 700 and a CS Bogorov – 20 MW.

The implementation of Phase 1 was initiated prior to the project being selected a project of European interest and was funded with own funds and funds from the National Investment Plan (CS Petrich and CS Ihtiman). Phase 3 is a conditional infrastructure related to the decisions to be made on the IBS project. In this respect, Phase 2 is the main phase of the project realization as a project of common interest.

The activities related to the project implementation are planned to be implemented in stages by 2021, and as a result of the project implementation additional entry/exit capacities will be realized.

The map below provides a visualization of the PCI scope:



Identified Stakeholders

When defining the stakeholders Bulgartransgaz EAD considers several main aspects, on the basis of which they are identified as groups of persons or communities, which:

- will or could be affected directly or indirectly by the project;
- would be interested in the project and/or
- parties that could influence the project implementation (in a positive/negative way).

The main stakeholders identified in relation to the project can be referred to the following groups:

- Persons, organizations and institutions directly influenced by the project implementation such as:
 - Public/private land owners/users;
 - Persons who use natural resources;
 - Local authorities;
 - Industrial users;
 - Workers and employees;
 - Communities in the region of the project / citizens living in the vicinity;
 - Vulnerable groups identified in the region;
 - Owners of affected power lines / communal services;
 - Local stakeholder groups, formal and informal associations and groups composed and represented by the affected parties;
 - Representatives of the community and public opinion leaders;
 - Transmission System Operators (TSOs).

- State institutions and regulatory agencies;
- European institutions;
- Local, regional and central public bodies and administrations / Local citizens initiatives
- Non-profit organizations and public organizations / NGOs for environmental protection;
- Local / national media;
- Scientific institutions / academic communities;
- Local authorities (municipalities) within the scope of the project;
- Local and / or regional associations;
- Associations of homeowners / agrarian cooperatives;
- Neighboring municipalities;
- Licensing authorities.

This concept for public participation is drafted in line with the characteristics of the identified stakeholders main groups taking into account different measures and channels for consultations described in details below.

The main objective is to cover as much as possible all influenced representatives of the public.

Measures envisaged for the public participation and public consultations

This concept envisages the preparation of various information/visualization materials (presentations, brochures, official documents, information graphics and maps, templates for the submission of comments, etc.) in line with the identified groups of stakeholders and the channels for the submission thereof. The following communication means are envisaged in line with the principles laid down in the Regulation for broad public participation:

- **Public consultations/public events**

Part of the public consultation process under PCI 6.8.2 is in line with the regulated procedures for discussing and approving documents that are key for the company and linked with the development of PCI 6.8.2, including:

- Public consultation as regards the approval of the TYNDP of Bulgartransgaz EAD. The TYNDP covers Bulgartransgaz EAD activities, envisaged to be completed in the next ten years that will guarantee the security of supply, the readiness of the gas transmission system to meet the expected future natural gas supply and demand levels in the region and achieving the diversification of the sources and routes of the supply of natural gas; PCI 6.8.2 is therefore a key element of the TYNDP;
- Consultations envisaged with a wide range of stakeholders in connection with the publication of the TYNDP of the EU, GRIPs and others;
- Procedures for discussing and approving physical plans at all levels;
- Envisaged public discussions in all affected regions within the procedures approving the initial and final DSP and EIA. In line with the Ordonnance on the terms and conditions for carrying out EIA according to which the Employer must inform in writing the competent authorities - MEW/RIEW as quickly as possible of

its investment proposal and inform at the same time in writing the mayor of the respective municipality/municipalities, region/regions and local authority/authorities, and the affected public – by the mass media and/or any other appropriate way, which represents yet another element of the measures for the public to take part in the public discussions.

The measures realized in the previous stages of project development, linked with the public participation, are detailed described in Appendix 1 hereof.

Specific and detailed information on the planning of forthcoming public consultations as regards the project will be supplied in the course of development of the project and will comply with the decisions made by the competent authorities and the needs arisen in the implementation of PCI 6.8.2.

- **Website**

In line with the requirements of article 9(7) of Regulation (EU) No.347/2013 of the European Parliament and of the Council of 17 April 2013 the project promoter shall establish and regularly update a website linked with the company's main website designed to accommodate exhaustive and updated information on the project of common interest. This is the website by which the project promoter uses to present in details and in a structured manner the project with its scope, objectives, contribution, deadlines, financing. The website is linked to the Commission website and complies with the requirements, laid down in Appendix VI, item 6 of Regulation 347/2013.

Such website is one of the first sources of information for the public, and creates the conditions for communication with the project promoters (the possibility to make comments, questions and answers and recommendations on the projects of common interest to a given company's e-mail address and by filling in an enclosed template.

Strictly following the instructions of Appendix VI, item 6 of Regulation (EU) No.347/2013, the website of the project includes in terms of main and mandatory information the following materials:

- Information brochure;
- Regularly updated non-technical summary, reflecting the current status of the project with a clear indication of any changes in the previous editions, in case of any update;
- The project planning and the public consultations with a clear indication of the dates and venues for the consultations and the hearings, as well as the envisaged thematic topics, linked with the hearings;
- Contact details with a view to receiving the complete set of documents;
- Contact details with a view to submitting the comments and objections from the public consultations.

- **Brochures/leaflets and other printed matters**

If needed and depending on project's development and the public interest, apart from the mandatory minimum of information as per Regulation (EU) No.347/2013 and described in more details above in Section *Internet site*, the project promoter can inform on the activity

by means of other suitable information print media such as: brochures, short print materials, presentations, developed in a way as to comply with the respective group of targeted stakeholders.

The concept envisages this to be mostly short printed materials, including text with pictorial matter, graphics and visualizations, meant to be distributed largely to the general public. Such materials will, if needed, be distributed to the public by letters or placed in public places.

Envisaged human resources tasked with the implementation of the actions involving the transparency and the public participation

Measures as regards transparency and public consultations with the stakeholders will be mostly carried out with in-house resources overseeing and mainly organizing the processes, however outside staff is also envisaged; on one hand they may be involved in the preparation/design/presentation of the respective information materials, and on the other may be the selected subcontractors under different phases of the project and carry put some of the measures for the public participation, since such measures represent a mandatory step of the activity, which they are contractually bound to perform.