



Co-financed by the European Union
Connecting Europe Facility



BULGARTRANGAZ

INFORMATION LEAFLET

PROJECT OF COMMON INTEREST (PCI)

6.8.2 REHABILITATION, MODERNIZATION AND EXPANSION OF THE EXISTING GAS TRANSMISSION SYSTEM



PROJECT PROMOTER:



BULGARTRANGAZ

1336 Sofia, 66 Pancho Vladigerov blvd.
Switch board: (02) 939 63 00, Fax: (02) 925 00 63,
e-mail: info@bulgartransgaz.bg
<https://www.bulgartransgaz.bg>



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 Bulgartransgaz EAD.

The project has been implemented in 3 phases 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.

PCI 6.8.2 IS

A PROJECT OF COMMON INTEREST (PCI) in line with Regulation EU 347/2013.

A PRIORITY PROJECT of the **CESEC** (Central and South Eastern Europe Gas Connectivity) Initiative

Part of the TEN-YEAR NETWORK DEVELOPMENT PLAN OF BULGARTRANGAZ EAD for the period 2018 – 2027

Part of the GAS REGIONAL INVESTMENT PLAN (GRIP) 2017 for Central and East Europe (CEE) region

Part of the GAS REGIONAL INVESTMENT PLAN (GRIP) 2017 for the Southern Corridor region

The sites, intended to be built within PCI 6.8.2 Phase 2 BY VIRTUE OF Decision No.312 of 10 May 2018 of the Council of Ministers of the Republic of Bulgaria have been declared to be national sites and sites of national importance.

PROJECT OBJECTIVES

THE MAIN PROJECT OBJECTIVE is the existing gas infrastructure on the territory of Bulgaria, which has been in operation for forty years now and has been constructed to transport natural gas in direction from North to South, to be adapted to the new market requirements and new realities in the context of the plans for infrastructure development in the region.



IN ADDITION THE PROJECT IS EXPECTED

- TO ensure secure and reliable natural gas transmission, to enhance the gas transmission system’s efficiency, reliability and flexibility and to ensure the required capacities.
- TO ensure technical possibilities for transmission of additional natural gas quantities through the territory of the country entering dorm existing and new entry/exit points and possibilities to diversify the transmission directions depending on the market interest.
- TO contribute to increasing the market integration, establishing a competitive gas market, stimulating the trade development, ensuring greater systems flexibility, optimizing risk management.

PROJECT PHASES

PHASE 1

<p>Includes the initial activities under the project which were initiated in the period 2013-2015, carried out by Bulgartransgaz EAD with its own funds and funds from the National Investment Plan (CS Petrich and CS Ihtiman).</p>	<ul style="list-style-type: none"> ○ 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 (~20 km), as part of the envisaged activities under the project for expansion on the gas transmission network. ○ In-line inspections. ○ Implementation of systems for optimization of the management process of the network technical condition.
---	--

PHASE 2

<p>Includes activities undertaken in 2016 which are a natural and logical continuation of the overall project realization following the implementation of PHASE 1.</p> <p><i>The activities under PHASE 2 of PCI 6.8.2 are realized with the financial support of the EU via the Connecting Europe Facility (CEF) Programme.</i></p>	<ul style="list-style-type: none"> ○ 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.
---	---



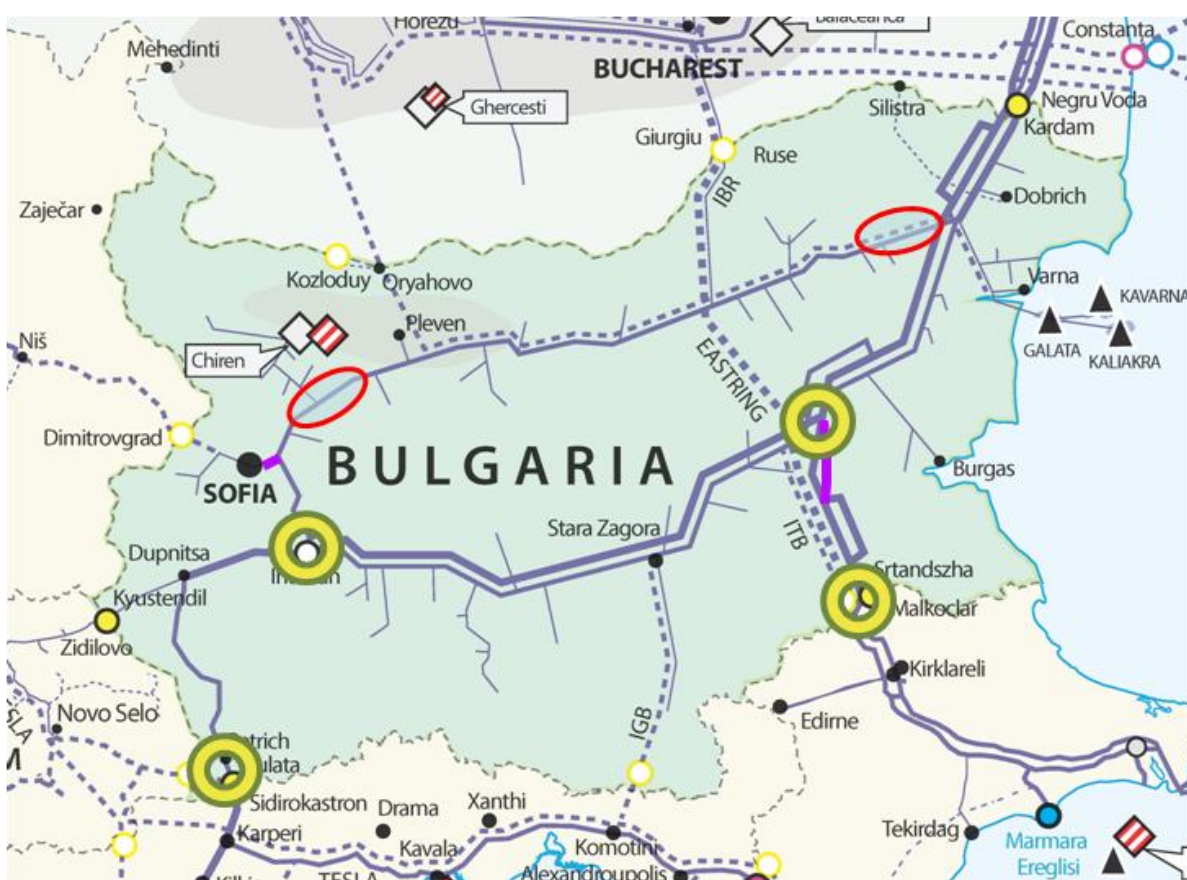
PHASE 3

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:

- A new gas pipeline Gorni Bogrov – Novi Iskar with an approximate length 19 km, DN 700;
- A new CS Bogrov – 20 MW.

ACTIVITIES MAP



- Rehabilitation and modernization of compressor stations (Stage 1 and Stage 2)
- Expansion of the existing network (part of Phase 1)
- Rehabilitation and replacement of sections of the gas transmission network – 81 km (part of Phase 2)



ALTERNATIVE ROUTES CONSIDERED (PHASE 2):

In order to estimate the optimal options for modernization (regarding the compressor stations) and to define a route for the rehabilitation and replacement (regarding gas transmission system sections) a technical and economic pre-investment activities are carried out, part of which is the preparation of:

- Proposal of options for modernization of 3 compressor stations by integrating 4 low emission compressor units:
 - CS Lozenets – 2 units;
 - CS Petrich – 1 unit;
 - CS Ihtiman – 1 unit.
- Proposals for a route of the new gas transmission sections and the objects within it (mainly within the boundaries of the easement of the existing sections of the rehabilitated gas pipeline), a total of 81 km, namely:
 - PF Beglezh – VA Dermantsi – VA Batultsi – VA Kalugerovo – 58 km;
 - PF Valchi Dol – VA Preselka – 23 km.

The proposals (options) for modernization and rehabilitation are reviewed by Bulgartransgaz EAD Expert Technical and Economic Committee (ETEC), which approves the optimal option pursuant to which the project activities shall be implemented.

PRELIMINARY PROJECT TIME SCHEDULE:

		ACTIVITIES COMPLETION, YEAR
PHASE 1:	Stage 1 of the compressor stations modernization	2016
	Construction of a gas pipeline CS Lozenets - PF Nedyalsko	2018
	Implementation of software for optimization of the management process of the network technical condition	2017
PHASE 2:	Stage 2 of the compressor stations modernization	2021
	Rehabilitation and replacement of a gas pipeline section – 58 km PF Beglezh – VA Dermantsi – VA Batultsi – VA Kalugerovo	2021
	Rehabilitation and replacement of a gas pipeline section – 23km PF Valchi Dol – VA Preselka	2021
	In-line inspections	2016
PHASE 3 **:	New gas pipeline Gorni Bogrov – Novi Iskar, 19 km, DN 700 and a CS, 20MW	Under Condition

**Phase 1 – all activities have been completed*

*** Conditional infrastructure – following the adoption of a Final Investment Decision (FID) on the realization of Stage 2 of the IBS Project.*



EXPECTED PROJECT IMPACT:

PCI 6.8.2 Rehabilitation, modernization and expansion of the existing gas transmission system includes activities related to the modernization of compressor stations and the rehabilitation, modernization and extension of the linear part of the gas transmission system.

Preparatory (pre-investment) studies are carried out for each of these activities which represent an initial stage of the overall implementation of the respective activity. The route options (in cases of activities related to the linear part) and options for modernization (in cases of activities related to the modernization of the compressor stations) are determined as a result of the studies, as well as the parameters (technical, economic, legal, etc.) for subsequent design and construction.

In the framework of the preparatory activities, approval of DSP-PP for the respective investment site, archaeological studies and an Environmental and Social Impact Assessment are also carried out and environmental solutions for the implementation of the individual investment proposals are defined. Based on the information prepared for the respective investment proposal, the competent authority (the Ministry of Environment and Water) issues a decision on the need for Environmental Impact Assessment (EIA), Compliance Assessment (CA), and specifies the need for Social Impact Assessment (SIA) and its scope and content.

POSSIBLE ASPECTS OF ENVIRONMENTAL IMPACT

During the execution of the construction, all necessary measures will be taken to protect the environment as well as to prevent damage and negative impact on people and property due to pollution of elements of the environment as a result of the formation of emissions, including:

AMBIENT AIR: Impacts, measures, requirements and conservation solutions

During the preparation stage of the construction, excavation works will be carried out in the areas intended for the specified activities.

The area where the above-mentioned activities will be carried out will be a diffuse source mainly of dust and, to a very limited extent, of pollutant emissions in the exhaust gases from internal combustion engines (ICE) of the diesel equipment - carbon and nitrogen oxides, easily volatile organic compounds, fine particulate matter and negligible quantities of cadmium and persistent organic pollutants.

The intensity of dusting will depend to a large extent on the weather conditions during the construction works and the season during which the works will be carried out, climate and meteorological factors (wind, humidity, temperature, and atmospheric stability), the characteristics of the earth material particles and many other conditions. A measure of dust reduction can be achieved by using the so-called sprinkler system to maintain sufficient moisture during dry summer and autumn months in order to reduce the levels of dust emissions (controlled emissions). To avoid the risk of pollution, it is required to keep a precise schedule of construction works consistent with the weather conditions, i.e. to enable the natural abilities of the atmosphere to clean itself. For example, when there is windlessness and the air is much polluted, construction works should be suspended for a certain period so that pollution can dissipate.



The use of the sprinkler system to maintain sufficient moisture during dry summer and autumn months ensures emission control by reducing dust levels by 80%.

SURFACE AND GROUND WATER: Impacts, measures, requirements and conservation solutions

Expected amounts of wastewater are determined when choosing an option during the design stage. In order to avoid contamination of surface water and groundwater in the area of the site, it is necessary to observe the technological discipline when carrying out the construction activities.

To minimize these impacts, proper storage and subsequent treatment of waste generated on the site is recommended, as well as the use of construction and transport equipment in good technical condition, in order to prevent water pollution from petroleum products.

LANDSCAPE: Impacts, measures, requirements and conservation solutions

The mitigation measures that need to be taken to prevent damage to the landscape in the area shall be limited primarily to the timely clearance of the construction site immediately after the completion of the construction works in the area of the site as well as compliance with the solutions laid down in the technical design.

SOIL: Impacts, measures, requirements and conservation solutions

Protection of the soil in the area during the activities is directly related to the observation of the technological discipline, incl. proper storage of raw materials used for construction and operation. They should be in closed containers, on an insulated surface without direct access to soil and / or water; the presence of a suitable absorbent in the vicinity of the containers, when necessary to be used in case of spillage, proper storage of the waste generated during construction and operation, etc.

FLORA and FAUNA and PROTECTION AREAS from the Natura 2000 Ecological Network: Impacts, measures, requirements and conservation solutions

When selecting route options, the principles for avoiding the effect on protection areas from the Natura 2000 National Ecological Network are respected in order to ensure that there is no negative impact on Natura 2000 flora, fauna and areas during construction and operation. Where this is not possible, mitigation measures shall be applied to minimize and / or limit the expected impacts, part of which is to preserve the natural state of habitats and species, to restore, where necessary, the area and natural state of priority natural habitats and species, and their populations.

Cross-border nature of impacts

Implementation of PCI 6.8.2 Rehabilitation, modernization and expansion of the existing gas transmission system will not have any cross-border environmental impact.



FUNDING THE PROJECT ACTIVITIES:

PCI 6.8.2 Rehabilitation, modernization and expansion of the existing gas transmission system – PHASE 2 has been implemented with Bulgartransgaz EAD own funds and the financial support of the EU through the **Connecting Europe Facility (CEF)**.

Grant Agreement № INEA/CEF/ENER/M2015/1119568	Co-funding amount: Up to EUR 850 000
Grant Agreement № INEA/CEF/ENER/M2016/1290626	Co-funding amount: Up to EUR 182 000
TOTAL CO-FUNDING PROVIDED VIA THE CEF PROGRAMME UNTIL NOW: up to EUR 1,032 million	

** The implementation of the activities under Phase 1 of the project were initiated prior to the project being announced as a PCI and all activities under this Phase have been completed with the commissioning of the gas pipeline section Lozenets – Nedyalsko at the end of June. Stage 1 of the modernization of CS is included in the National Investment Plan and in this respect in the end of 2016 Bulgartransgaz EAD received national funding for CS Petrich and CS Ihtiman.*

Phase 3 of the project is a conditional infrastructure and it is related to decision which are to be taken regarding the IBS Project (Interconnection Bulgaria-Serbia).

In this respect Phase 2 represents the key phase on the project realization as a PCI and the abovementioned Grant Agreements for co-funding are related to the implementation of the activities under Phase 2.

PROJECT PUBLIC CONSULTATIONS:

Public consultations on the project are conducted during the project implementation through:

- Open Feedback Standard Form on Bulgartransgaz EAD website
- Regularly updated information on the progress of the PCI implementation, available at: <https://www.bulgartransgaz.bg/bg/pages/pcis-118.html>;
- Discussions and consultations with the affected public according to the regulatory acts in force in the Republic of Bulgaria regarding design and environment protection, such as the Spatial Planning Act, the Environmental Protection Act and other regulatory acts applicable to the respective stage of the project ;
- Public consultations on the projects of the Ten-Year Network Development Plans of the company, part of which is the detailed information about the development status of the implemented projects of "common interest".



CONTACT DETAILS:

Comments, questions and recommendations about the PCIs can be sent to the official email address of the company: info@bulgartransgaz.bg, by filling in a **Standard Form for comments and questions regarding the PCIs implemented by Bulgartransgaz EAD** available at:

<https://www.bulgartransgaz.bg/bg/pages/pcis-118.html>

EC INFORMATION PLATFORM:

More information on the PCIs is available on the official webpage of the European Commission (EC):

<https://ec.europa.eu/energy/en/topics/infrastructure/projects-common-interest>.

MANUAL OF PROCEDURES:

Manual of procedures for the permit granting process applicable to projects of common interest in the Republic of Bulgaria is published in line with Article 9 of Regulation 347/2013 by the Ministry of Energy as the competent national authority.

<https://www.me.government.bg/bg/themes/narachnik-za-procedurite-v-procesa-na-izdavane-na-razresheniya-za-proekti-ot-obsht-interes-v-republika-ba-1849-463.html>