

Bulgarian Commission for Energy and Water Regulation (KEVR) has granted a natural gas transmission license for a period of 35 years to ICGB, a project company for gas interconnection between Bulgaria and Greece.

The statement from ICGB said that a similar, 50- year license is expected to be awarded by Greek energy regulator RAE soon, adding that the license is a key step towards the preparation of the interconnector for the operational phase and is a confirmation that ICGB is resource-wise, technically and financially prepared for the gas transmission activities.

The company also said that construction activities are progressing as planned, with welding activities being 96 % completed and 145 out of 182 kilometers already trenched.

Obtaining the licenses from both regulators is a necessary step in ICGB's certification as an independent natural gas transmission operator.

In June, ICGB said that gas interconnection project between Greece and Bulgaria, aimed at helping Bulgaria reduce its dependence on Russian gas imports, has hit another delay and will not become operational until the end of June 2022. Namely, the coronavirus pandemic and need for an additional environmental assessment for a crossing under a dam in the Bulgarian section have delayed the construction of the pipeline.

The so-called IGB pipeline was planned to be commissioned by the end of 2020, when Bulgaria's 25-year deal with the State Oil Company of Azerbaijan (SOCAR) to import 1 billion cubic meters of natural gas per year starts.

182 kilometers long Bulgaria-Greece gas interconnection is designed with the capacity between 3 and 5 billion cubic meters of gas per year, but it could be extended up to 10 billion cubic meters in case of commercial interest and economical justification. The construction of the pipeline officially started on 22 May 2019.