

Croatia: Power utility HEP is interested in gas storage project on Krk island

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Croatian Electric Power Industry (HEP) is seriously interested in supplying liquefied natural gas over the future LNG terminal that would be built on Krk.. Specifically, as it is has been confirmed from that company, HEP Ltd. responded to the public call that announced the company LNG Croatia for expressions of interest for the capacity lease (Open Season) on the future LNG terminal.

When asked in what gas quantity they are interested in, we did not get an answer from HEP, and it was explained to us that a confidentiality agreement was signed between HEP and LNG Croatian under the terms of the tender dossier. "In the event of unauthorized access / or use of the data, the side that made such a violation of the Agreement' provisions is responsible for damages made to other side and so we are not able to supply gas volumes that are delivered in a non-binding offer", said in HEP. Unofficially, we learned that HEP reported interest in symbolic amounts of gas.

Otherwise, until April 1, 2017th, HEP will buy about 600 million m³ of gas per year of INA at a pre-fixed price to supply the needs of tariff customers, and lesser amounts of annual purchases buys through tenders for the purposes of its own power plant, for which it has concluded several contracts with INA and PPD, depending on the flexibility of supply.

LNG Croatia announced a call in January for non-binding expressions of interest for the gas supply through the terminal, and the director of LNG Croatian Mladen Antunovic said last week that 12 companies expressed an interest, who were interested in supply of between 4 and 6 billion m³ of gas annually for a period of 15 to 20 years, which corresponds to the anticipated capacity of the terminal. Participation in the non-binding open season is a prerequisite for further contracting and is there another Croatian company, like Petrohemija, which expressed interest in supplying LNG, we could not find out. Antunovic said that the final financial decision on the construction of the terminal could be made in mid-next year and the terminal should be operational in 2020th. , transmits [Serbia-energy.eu](http://serbia-energy.eu)