

Hungary, FGSZ is planning to start the construction of gas interconnection with neighboring Slovenia in 2023

CEO of Hungarian natural gas transmission system operator FGSZ Szabolcs Ferencz said that the company is planning to start the construction of gas interconnection with neighboring Slovenia in 2023.

Ferencz said that the next step in the interconnection project is the launch of a market test, which should be done in 2022. In case that the reserved capacity is sufficient, the construction could start in 2023.

He said that the two countries plan to apply for EU funding to cover half of the investment in the interconnector, which will have an annual capacity of about 1.5 billion cubic meters of gas, adding that Hungary would prefer even larger capacity, but there are some technical issues on the Slovenian side.

In late September, Hungary signed a new gas supply deal with Russian Gazprom. Under the new agreement, taking effect on 1 October, Gazprom will supply 4.5 billion cubic meters of gas to Hungary annually, via two routes: 3.5 billion via Serbia and 1 billion via Austria, completely abandoning previously used route via Ukraine.

The agreement is valid for 10+5 years, which means that after 10 years there is an option to modify purchased quantities.