

ICGB, a project company for gas interconnection between Bulgaria and Greece (so-called IGB pipeline), has been granted a license for independent natural gas system for the territory of Greece.

With a decision of the Greek Regulatory Authority for Energy (RAE) , ICGB will be able to perform the activity of natural gas transmission for a period of 50 years.

A similar license for a 35-year period is already received by the Bulgarian energy regulator KEVR, which is expected to issue the final permit for start of the licensing activity.

Licensing is a key step towards the preparation of the interconnector for the operational phase. It is a confirmation that ICGB is resource-wise and technically prepared for the gas transmission.

The successful licensing of the project company in Greece marks an extremely important stage in the overall regulatory preparation for launch and is one of the last regulatory processes following the successful certification of ICGB as an independent transmission operator. A joint decision by the national regulators of Greece and Bulgaria has been issued at the beginning of July, after an approval of the European Commission. A new two-tier management model of ICGB is about to be introduced, which is a mandatory requirement in line with the restructuring of the company as an independent transmission operator.

The IGB gas pipeline is designed to connect with the Greek national gas transmission system and Trans-Adriatic (TAP) gas pipeline near Komotini in Greece, and with the Bulgarian gas transmission system near Stara Zagora. The total length of the interconnector is 182 kilometers, with a pipe diameter of 32 inches and a design capacity of up to 3 billion cubic meters per year in the direction of Greece-Bulgaria. Depending on the market interest in using a larger capacity and the possibilities of the neighboring gas transmission systems, the capacity of the gas pipeline is designed to increase to 5 billion cubic meters per year with additional construction of a compressor station. In a longer-term, the IGB pipeline will be able to transport natural gas from Israel and Cyprus, as well as additional volumes from Azerbaijan and other countries.

The IGB project is implemented by the joint venture company ICGB, registered in Bulgaria in 2011 with Bulgarian Energy Holding EAD (50 %) and IGI Poseidon (50 %) as shareholders. The co-shareholder IGI Poseidon is a company registered in Greece, with Greek company DEPA International Projects (50 %) and Italian energy group Edison (50 %) as shareholders.