

**Joint Decision of the Energy Regulators regarding
the capacity auctions, held by ICGB AD, in
accordance with the auction calendar published by
ENTSOG for the GY 2025/2026 and onwards**

I. Taking into consideration:

- 1.** The Interconnector Greece-Bulgaria (IGB pipeline) is located on the territory of more than one Member State of the European Union, namely: the Republic of Bulgaria and the Hellenic Republic.
- 2.** On 17th July 2017, ICGB AD submitted to the Energy and Water Regulatory Commission of Bulgaria (EWRC) and to the Regulatory Authority for Energy of the Hellenic Republic (RAE), renamed as Regulatory Authority for Energy, Waste and Water as of April 2023, referred to also as RAAEY, an “Application in accordance with Art.36 of the Directive 2009/73/EC for the Interconnector Greece-Bulgaria”. The application contained an exemption request for the Interconnector Greece-Bulgaria (IGB pipeline) from the requirements regarding third party access, regulated prices and ownership unbundling.
- 3.** EWRC and RAE by Decision № P-BO-1 of 29 May 2018, respectively Decision № 483 of 29 May 2018, have adopted “Joint opinion of the National Regulatory Authorities – Energy and Water Regulatory Commission of Bulgaria (EWRC) and Regulatory Authority for Energy of the Hellenic Republic (RAE) – regarding the exemption application for the Greece-Bulgaria Interconnection (IGB)”, where exemption was granted from the requirements regarding third party access, regulated prices and ownership unbundling for a period of 25 years starting from the Commercial Operation Date (COD) of the IGB gas pipeline. Both decisions were notified to the European Commission.
- 4.** On 25th July 2018 The European Commission has adopted Decision C (2018) 5058 final on the exemption of the Greece-Bulgaria interconnection from requirements regarding third party access, regulated prices and ownership unbundling.
- 5.** EWRC by Decision № P-BO-2 of 8 Aug 2018 and RAE by Decision № 768 of 8 Aug 2018, adopted “A final joint decision of the National Regulatory Authorities (NRAs) on an application for exemption sent by ICGB AD” (hereinafter referred to as the “Final Joint Decision”) in accordance to the European Commission’s Decision.
- 6.** The Final Joint Decision has been amended as follows:
 - 6.1.** By Decision № P-BO-1 of 20.03.2020 and Decision № 568 of 12.03.2020 EWRC and RAE amended the “Final Joint Decision” regarding the commercial operation date (COD) and decided that the IGB pipeline shall be in commercial operation no later than 31 December 2020 (target COD) and no later than 1 July 2021.
 - 6.2.** By Decision № P-BO-1 of 20.05.2021 and Decision № 424 of 13.05.2021 EWRC and RAE amended the “Final Joint Decision” regarding COD and decided that the IGB pipeline shall be in commercial operation no later than 1 July 2022.
 - 6.3.** By Decision № P-BO-3 of 30.09.2022 and Decision № 742 of 29.09.2022 EWRC and RAE amended the “Final Joint Decision” regarding COD and decided that the IGB pipeline shall be in commercial operation no later than 1 October 2022.
 - 6.4.** By Decision № P-BO-4 of 21.03.2024 and Decision № E-66 of 21.03.2024 EWRC and RAAEY amended the “Final Joint Decision” regarding the application of multipliers in the calculation of the tariff for short-term capacity products and conducting a market test to study the market interest about increasing the IGB gas pipeline capacity.

7. By the Final Joint Decision ICGB AD has been granted an exemption for a period of 25 years, as from COD and at the terms and conditions set out in Section 4 of the Final Joint Decision from the provisions of: (i) Article 9 (ownership unbundling); (ii) Article 32 (third party access) for the part of the capacity reserved through the Market Test and stated in the signed Advanced Reservation of Capacity Agreements; and (iii) Articles 41(6), 41(8), 41(10) (regulated tariff) of Directive 2009/73/EC.

8. By Decision № CH-1 of 1.07.2022 and Decision № 593 of 30.06.2022, EWRC and RAE certified ICGB AD as an independent transmission operator.

9. By Decision № TK-1 of 19 June 2023 and Decision № E-36 of 1 June 2023, EWRC and RAAEY approved ICGB AD proposal regarding the offering of the non-exempted transmission capacity at the interconnection points of the IGB gas pipeline with the National System Gas Transmission Operator of the Republic of Greece (DESFA) and the Trans-Adriatic Gas Pipeline (TAP) at the yearly auctions according to the auction calendar, published by the European Network of Transmission System Operators for Gas (ENTSOG) for the Gas Year 2023/2024 and have adopted a Joint Decision of the Regulatory Authorities on yearly capacity auctions, which will be conducted by ICGB AD in accordance with Regulation (EU) 2017/459.

10. By Decision № TK-2 of 24 Aug 2023 and Decision № E-127 of 3 Aug 2023, EWRC and RAAEY approved ICGB AD proposal regarding the offering of short-term capacity products at the interconnection points of the IGB gas pipeline with DESFA and TAP at the auctions according to the auction calendar published by ENTSOG, for the Gas Year 2023/2024, in accordance with Regulation (EU) 2017/459.

11. By Decision № TK-1 of 6 Feb 2025 and Decision № E-15 of 6 Feb 2025, EWRC and RAAEY have adopted a Joint Decision of the Regulatory Authorities regarding the capacity auctions conducted by ICGB AD according to the auction calendar published by the ENTSOG for the Gas Year 2024/2025, hereinafter referred as “Joint Decision on the capacity auctions in GY 2024/2025”. By that Decision EWRC and RAAEY approved ICGB AD proposal to offer the non-exempted capacity as “competing capacity” among the IP with TAP (21Z0000000000472E Komotini KOMOTINI-TAP-IGB) and IP DESFA (21Z00000000005398 KOMOTINI-DESFA/IGB) at all yearly standard capacity products and all quarterly, monthly, daily and intraday standard capacity products.

12. By letter reg. № IV-09 of 22.04.2025 (EWRC reg. № E-15-59-8 of 22.04.2025 and RAAEY reg. № I-393575/22.04.2025), ICGB AD has requested from the NRAs to approve that ICGB AD can offer the non-exempted firm forward capacity at IP TAP/IGB (21Z0000000000472E Komotini KOMOTINI-TAP-IGB) as unbundled at all future yearly capacity auctions, starting from the auction in July 2025, as well as in all intraday capacity product auctions once ICGB AD starts offering intraday capacity product at the TAP interconnection point, unless the regulatory authorities decide otherwise or circumstances arise that require a reassessment. In this regard, ICGB AD has indicated that the application of such an approach for all future quarterly, monthly and daily auctions for capacity products has been considered in the Joint Decision for the auctions in GY 2024/2025 and the regulatory authorities have not objected.

Regarding the remaining elements that have been already approved by EWRC and RAAEY for the auctions of the GY 2024/2025, i.e., the approach regarding “competing capacities”, “annual interruptible capacity in the opposite direction” and “the set aside of 10 % of the existing technical capacity for short-term products”, ICGB states that they will continue the application of the said, already approved approach, on all future capacity auctions under the ENTSOG calendar without submitting a specific application in that respect.

II. EWRC and RAAEY assessed the ICGB AD proposals regarding the capacity auctions for the GY 2025/2026 and onwards and have concluded that:

In the reasoning of the Joint Decision for the auctions in GY 2024/2025, EWRC and RAAEY did not object to ICGB AD offering non-exempted firm forward capacity to the TAP interconnection point as unbundled capacity in the yearly auctions in July 2024, as well as to continue to offer unbundled capacity in all short-term capacity auctions (quarterly, monthly, daily) at the TAP interconnection point, unless the NRAs decide otherwise or circumstances change, requiring a reassessment. The regulators have accepted that this is justified, as according to the TAP Network Code, a user who will transport natural gas through TAP from west to east (reverse flow) should book capacity products at TAP IPs Nea Messimvria and Komotini - capacity product "Route 3". A network user who has booked a Route 3 product in TAP cannot book bundled exit capacity in TAP and entry capacity in IGB. This makes it impossible to transport natural gas from DESFA to ICGB AD via TAP, except for exempted IGB users who have already booked long-term entry capacity and can use it in combination with Route 3 in TAP. Therefore, exempted IGB users have priority over non-exempted users. In order to use the ICGB AD system, network users who have booked the Route 3 capacity product in the TAP shall book capacity only at an IGB gas pipeline entrance - unbundled capacity.

In addition, according to Art.8, par. 4 of Regulation (EU) 2017/459, the rules on standard capacity products as set out in Article 9 and auctions as set out in Articles 11 to 15 - shall apply to bundled capacity and unbundled capacity at an interconnection point.

In view of the above, it should be noted that the application of this provision by the transmission system operator does not require an explicit ruling by the NRAs, but to the extent that the regulatory authorities in the Joint Decision on the capacity auctions for the GY 2024/2025 have not objected to ICGB AD offering unbundled capacity at the TAP interconnection point in the annual yearly and quarterly capacity auctions, the periodic monthly capacity auctions and the periodic daily capacity auctions, ICGB AD may apply the same approach at all future capacity auctions, starting from the auction in July 2025, as well as in all within-day capacity product auctions once ICGB AD starts offering within-day capacity product at the TAP interconnection point, unless the NRAs decide otherwise or circumstances change, requiring a reassessment of the situation.

III. Based on the afore-mentioned arguments, the regulatory authorities of the Republic of Bulgaria and the Hellenic Republic, within their powers, jointly decide:

ICGB AD shall be allowed to apply the approach for participation at all future capacity auctions, starting from the auction in July 2025, as well as in all intraday capacity product auctions as set out in the letter with reg No. IV-09 dated 22 April 2025.

Approve ICGB AD proposal presented in the letter with reg No. IV-09 dated 22 April 2025, ICGB AD to offer non-exempted capacity as "competing capacities" among the IP TAP/IGB (21Z00000000000472E Komotini KOMOTINI-TAP-IGB) and IP DESFA/IGB (21Z000000000005398 KOMOTINI-DESFA/IGB) in all auctions for yearly standard capacity products and all auctions for short-term standard capacity products, starting from the annual capacity auctions in July 2025.