

CROATIAN ENERGY REGULATORY AGENCY Ulica grada Vukovara 14, HR-10000 Zagreb CROATIA

Zagreb, January 18, 2019

AGENCY FOR COOPERATION OF ENERGY REGULATORS (ACER)

Att. PERSONAL DATA REMOVED

Trg Republike 1, SI-1000 Ljubljana Slovenia

By e-mail only: huat@acer.europa.eu PERSONAL DATA REMOVED

Subject: Incremental capacity project proposal for the Mosonmagyaróvár gas interconnection point (HUAT project)

Dear PERSONAL DATA REMOVED

Further to the Notice to third parties published by The Agency for Cooperation of Energy Regulators (Agency) concerning the HUAT project, we would like to hereby extend a few observations and the opinion of the Croatian Energy Regulatory Agency (HERA).

HERA welcomes any investments to the cross-border infrastructure that would lead to diversification of gas sourcing, enhance liquidity and facilitate transmission flows across the Union for the benefit of all network users.

In HERA's view, a positive results of market demand assessment for incremental capacities on Mosonmagyaróvár IP, from both the entry and the exit point, clearly points to the actual requirement for new capacities and therefore should by no means be ignored. Furthermore, one should take into account the fact that the project in question has been identified as an EU Project of Common Interest (PCI).

PCI projects, including the HUAT project, should provide benefits to local communities and facilitate cross-border trade contributing to security of supply for all gas consumers in the European Union.

Those project also bring significant endowment towards the creation of internal gas market. To that effect we also support all measures that could eliminate any possible discrimination against any party or competitor – this without prejudice to the subject project.

Furthermore, HERA fully agrees that all investments in transmission network should be done efficiently and - when it comes to IP points - in close cooperation between adjacent system operators and competent regulatory authorities.

Obviously, in cases when the competent national regulatory authorities could not reach the agreement on relevant approvals in a reasonable time-frame - as stipulated by CAM NC, Regulation (EC) No 713/2009 points to the Agency as being the objective authority for providing the final decision.

In view of that, HERA is convinced that the Agency will provide its decision in the best interest of the Union-wide energy customers, assuring thereby high standards of regulation and non-discriminatory network access to sources of gas supply for all EU member states.

With best regards,

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