



## The 18th GAS DAY and the solemn working session of the Croatian Gas Association's General Meeting were held on 12 October 2021 in Zagreb

On 12 October 2021, the 18th GAS DAY was held in Zagreb, including the solemn working session of the Croatian Gas Association (CGA) General Meeting

The 18th GAS DAY organised by the Croatian Gas Association (CGA) was held on 12 October 2021 in the Almeria Center located on Ulica grada Vukovara 284 in Zagreb.

While adhering to stipulated epidemiological measures, the gathering was attended by a hundred or so professionals from the gas and energy industry, representatives of institutions, CEOs, directors, board members from energy companies, university professors and media representatives. On this occasion, the Elective General Meeting was held at which its new leadership and the governing bodies of the Croatian Gas Association were chosen for the next four-year mandate (2021-2025).

At the start of the session, the president of the Croatian Gas Association, Assist Prof **Dalibor Pudić**, PhD, let **Ivo Milatić**, state secretary at the Ministry of Economy and Sustainable Development, talk about the actual situation in the Republic of Croatia and European Union in relation to soaring energy



prices and the issue of secure supplies. He highlighted his satisfaction with the cooperation between the Ministry of Economy and Sustainable Development and Croatian Gas Association, which in recent times has been an active and constructive partner in preparing important energy documents. The state secretary also spoke about the guidelines, pushed forward by the European Union, towards a carbon neutral future, while emphasising that Croatia should be utilising its own potential in

producing green energy, and special attention should be given to the prospect of hydrogen, while natural gas will continue to assume a significant place in the transition period, which is due to the developed existing gas infrastructure.

The president of the Croatian Gas Association (CGA), Assist Prof **Dalibor Pudić**, PhD, addressed the important events for the gas industry during the last mandate, and delivered the 2017-2021 CGA Work Report and presented the 2021-2025 CGA Work Program.

Further on into the session, the General Meeting was familiarised with the list of candidates for the new convening of members belonging to the Management Board and Court of Honour, as well as for the positions of president and vice-president of the CGA. After following the procedural section in preparing the elections, the session was continued.



Subsequently, the 2020 CGA Financial Report was presented and accepted as well as the 2022 CGA Financial Plan.

After finishing the voting, eminent experts were given the opportunity to hold presentations on the readiness of the gas system for the 2021-2022 heating season.

The first presentation on the topic of INA Researching Production of Oil and Gas was given by **Nikola Novaković**, Head of Adriatic Region at INA-Industrija nafte d.d. He outlined the history of the company's investments in the Adriatic which have reached USD 2.25 billion, resulting in total production of 21.7 billion cubic meters of natural gas. He also announced new investment plans at INA Group for setting up new wells and 7 new platforms with the aim of increasing the extraction of natural gas. Current production amounts to 600 thousand cubic meters per day, and the aim until y2025 is to increase this to between 1.1 and 1.4 million cubic meters per day, depending on the output of the new wells, thereby increasing the proportion of natural gas consumption on the Croatian gas market.

**Ivana Marković**, director of the Sector for Managing the Transmission System and Capacity Sales at Plinacro d.o.o. presented the talk titled Managing the Transmission System in New Conditions, and explained the challenges in managing the transmission system faced by the company Plinacro d.o.o. after the commencement of operations at the LNG terminal and Compression Station 1 (CS-1), as well as the solution applied to the specific manner of managing gas transmission. Specifically, construction of the compressor station in Velika Ludina has created the conditions for two-way gas flow at the interconnection with Hungary. After extensive trial runs, gas deliveries were successfully sent from the LNG terminal on the island of Krk to Croatian gas transmission system. The LNG terminal has quickly gained a dominant position in terms of quantities of gas coming into our country.

The next talk was given by **Ivan Fugaš**, the commercial and technical director of the company LNG Croatia, on the topic of the LNG Terminal – Terminal Operations in the 2021/2021 Gas Year. Those present were able to get an overview of the technical and technological characteristics of the terminal as well as commercial and regulatory matters. He pointed out that the LNG terminal on the island of Krk has already proven itself as a new supply route in terms of security and reliability. A total of five users have leased almost all terminal capacities up to 2026. There have been a total of 13 ships moored to date, with 1.12 billion cubic metres of gas delivered to the gas transmission system. At the start of next year, the terminal will also be able to provide a commercial service involving the supply of gas to heavy trucks (so-called ship-to-truck technology), and the first successful commercial transfer of LNG in maritime transport has already taken place for the requirements of an Italian customer (so-called ship-to-ship connection).

The presentation by **Marko Blažević**, director of the Sector for Gas Business Development at HEP Trgovina, on the topic of Recent Events and Challenges on the Gas Market in the Coming Heating Season, drew the attention of attendees on the actual problems of significant increases in natural gas prices. He presented gas consumption trends over the last 10 years and the structure of production with respect to natural gas imports, with LNG over the first three quarters of 2021 accounting for 53% of total gas quantities available on the Croatian gas market. Furthermore, he also touched on recent events which have initiated and led to large increases in natural gas prices (demand for gas in Asia, reduced deliveries to Europe, the EU energy policy – Green Deal, less investments in fossil fuels production, production decreases in the Netherlands and Norway, price increases for greenhouse gas emissions, absence of significant oil production increases in OPEC+ countries due to the anticipated fourth wave of the pandemic). He also mentioned that the supply security and reliability should not be in doubt. Furthermore, given new pricing after 1 April 2022, based on current indicators, and due to increases in purchase prices for gas, the final price for public services may increase, but any prognosis is still too early.



The final presentation on the topic of Readiness of the Gas Storage System for the Coming 2021/2022 Heating Season was given by **Gracijan Krklec**, director of the Sector for Technological Management at the company Podzemno skladište plina d.o.o. He pointed out that Okoli Underground Gas Storage is ready and awaiting the heating season, and is able to meet all the demands of storage users. During the gas year, all necessary works for current and maintenance investments (servicing, repairs, overhauling) were carried out. On 11 October 2020, total gas in storage at the Okoli Underground Gas Storage was approx. 97% of capacity. The gas in storage at Okoli Underground Gas Storage was at 86% of operating volume, though less than for the same period last year but, nonetheless, more than the average gas in storage in Europe which is 77% on average.

Upon finishing the discussion on the topics presented to the group, the president of the Election Commission, Prof Dr **Eraldo Banovac**, PhD, published the election results for a new convening of the governing bodies in the Croatian Gas Association for the 2021-2025 mandate, and called upon the General Assembly to relieve the current board of the Croatian Gas Association.

Assist Prof **Dalibor Pudić** was again elected as president of the Croatian Gas Association. The elected vice-presidents are **Antonija Glavaš**, PPD d.o.o., Vukovar, **Nikola Mišetić**, INA d.d., Zagreb, **Marin Zovko**, Plinacro d.o.o., Zagreb, **Srećko Ezgeta**, City Gasworks Bjelovar Ltd., Bjelovar and **Fikret Nasić**, City Gasworks Zagreb Ltd., Zagreb.

The elected members to the Management Board are: **Darko Markovinović**, Podzemno skladište plina d.o.o., Zagreb, **Marko Blažević**, HEP-Trgovina d.o.o., Zagreb, **Dalibor Bukvić**, Brod Plin d.o.o., Slavonski Brod, **Nevenka Grbac**, Termoplin d.d., Varaždin, **Dean Kocijančić**, Plinara Pula d.o.o., Pula, **Vlado Mandić**, EVN Croatia Plin d.o.o., Zagreb, **Damir Škugor**, INA d.d., Zagreb, **Hrvoje Krhen**, LNG Croatia LLC., Zagreb, **Josip Dičak**, Drnišplast d.d., Drniš, **Mladen Novaković**, Tehnokom d.o.o., Zagreb, **Ivan Daidžić**, Monting d.o.o., Zagreb, **Jakov Bakić**, Inženjering za energetiku i plin d.o.o., Zadar and **Davor Matić**, Energetska akademija d.o.o., Zagreb.

