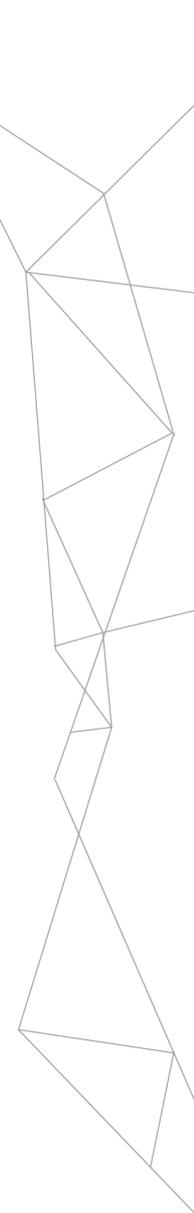


elearning
GENERATING OPPORTUNITIES



Balticconnector status update

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Balticconnector and Estonia-Latvia enhancement connect the Baltic and Finnish transmission networks



- Market development
- Increases security of supply
- Creates opportunities for market growth and makes way for alternative sources (LNG)
- Connects the Finnish gas system with the Baltics and through the GIPL to the whole Europe
- More competition

Promoters in Brief

- Elering AS is managing Estonian electricity and gas transmission systems with purpose to ensure high-quality energy supply to Estonian consumers at every moment.
- Baltic Connector OY is a state owned special purpose company created for the purpose of implementation of the Balticconnector pipeline.

Financing

- Total investment:
 - Balticconnector 250 MEUR
 - EST-LAT enhancement 37,2 MEUR
- The investment to the projects is foreseen to be financed by promoters and EU funds.
- The promoter financed share of the investment will be included in the TSO tariffs
- Finnish part of the investment, not covered by EU funding, will be invested by the state as equity.

CBCA decision 22.04.2016

- The Estonian regulator Konkurentsiamet and Finnish regulator Energiavirasto have made a CBCA decision for the Balticconnector and EST-LAT enhancement projects.
- CBCA compensation 5,7 MEUR from Finland to Estonia for the net negative impact to Estonia.
- No compensation from Latvia

Maturity

- Planning procedures have been completed
- EIA procedures have been completed
- Offshore FEED design completed
- On EST onshore already 2 building permits available.

Schedule

Permits

EST Offshore will be available by the end of 2016

FIN Offshore will be available by the end of 2017

EST Onshore pipeline will be available in 2016

FIN Onshore pipeline will be available in 2017

Procurements

EST onshore 2016

Long Lead Items - CS units 2016

FID

FID readiness 3rd Quarter of 2016. Construction to start after FID.
Dependent on EU financing.

Pipeline ready in the end of 2019

Thank you!

Questions?