



Brussels, 12.3.2024
C(2024) 1610 final

COMMISSION OPINION

of 12.3.2024

**pursuant to Article 3a of Regulation (EC) No 715/2009 - Republic of Slovakia -
Certification of NAFTA a.s. as gas storage system operator for UGS PZZP Láb**

(ONLY THE SLOVAK TEXT IS AUTHENTIC)

COMMISSION OPINION

of 12.3.2024

**pursuant to Article 3a of Regulation (EC) No 715/2009 - Republic of Slovakia -
Certification of NAFTA a.s. as gas storage system operator for UGS PZZP Láb**

(ONLY THE SLOVAK TEXT IS AUTHENTIC)

I. PROCEDURE

On 31 October 2023, the Commission received from the Office for the Regulation of Network Industries of the Republic of Slovakia (hereinafter: “the Authority), a notification of the draft decision concerning the certification of NAFTA a.s. (hereinafter: “NAFTA”) as gas storage system operator for the underground storage facility complex PZZP Láb (hereinafter: “PZZP Láb”).

Pursuant to Article 3a of Regulation (EC) 715/2009¹ (hereinafter "Gas Regulation"), as amended by Regulation (EU) 2022/1032², the Commission is required to examine the notified draft decision and to deliver an opinion within 25 working days to the certifying authority as to its compatibility with Article 3a of Gas Regulation.

II. DESCRIPTION OF THE NOTIFIED DRAFT DECISION

NAFTA is the operator of the underground gas storage facility PZZP Láb. NAFTA is an international company with extensive experience in natural gas storage and underground facility development in Slovakia and abroad.³

PZZP Láb is a complex linking several gas and oil deposits and it is located in the municipalities of Plavecký Štvrtok, Láb, Jakubov and Gajary. Its maximum capacity (between 26 300 000 and 35 600 000 MWh) may vary, depending in particular on the geological and technical possibilities and on the commercial structure of the storage products, and on how the clients are using the capacity. On 30 October 2023, the filling rate was 99,10%.⁴

The rights and obligations of the system operator and the conditions for gas storage are regulated.⁵ NAFTA provides services as short-term or long-term, fixed or interruptible. The

¹ Regulation (EC) No 715/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2005. OJ L 211, 14.8.2009, p. 36.

² Regulation (EU) 2022/1032 of the European Parliament and of the Council of 29 June 2022 amending Regulations (EU) 2017/1938 and (EC) No 715/2009 with regard to gas storage. OJ L 173, 30.6.2022, p. 17.

³ <https://www.nafta.sk/en/gas-storage>

⁴ According to the transparency platform <https://agsi.gie.eu/>

⁵ Decision No 0003/2015/P-PP of 27.03.2015 which approve the operating rules of the storage system operator (“Rules of Operation”) and in the Technical Conditions of Access and connection to NAFTA a.s.’s storage facility in force since 01.04.2015

prices for the services are published on NAFTA's website.⁶ For the 2022 reporting period, the Authority did not detect any non-compliance with the quality standard requirements.

The Authority assessed the documents and data submitted by NAFTA (following letters of request for information) and analysed the profile of the storage users.

The Authority is the state administrative body designated with the regulation of network industries in Slovakia. No other entity was designated as certifying authority with regard to storage operators. Therefore, the Authority is the competent authority in the meaning of Article 3 (1) of the Gas Regulation.

Ownership, supply, or other commercial relationships

The Authority analysed in detail the ownership structure.

NAFTA is a joint stock company and has two main shareholders: SPP Infrastructure, a.s. (56.15%) and Czech Gas Holding Investment B.V. (40.45 %), and minority shareholders (more than 4200 natural and legal persons, having 3,40%). The share of the capital is identical to the share of voting rights in the General Meeting.

The first shareholder, SPP Infrastructure, a.s. is a public limited company with two shareholders: Slovenský Plynárenský Priemysel (51%) and Slovak Gas Holding B.V. (49%).

Slovenský Plynárenský Priemysel has a sole shareholder, namely the Ministry of the Economy, on behalf of the Slovak Republic.

Slovak Gas Holding B.V. has a sole shareholder, Seattle Holding B.V. which is a limited liability company having EPH Gas Holding B.V as sole shareholder. The sole shareholder of EPH Gas Holding B.V is EP Infrastructure, a joint stock company with two shareholders: EPIF Investments, a.s. (69 %) and CEI Investments S.à r.l., (31 %). EPIF Investments, a.s. is a public limited company having as sole shareholder Energetický a průmyslová holding, a.s. which is a public limited company having two shareholders: EP Corporate Group (56%) and J&T ENERGY HOLDING, a.s. (44%). EP Corporate Group, a.s. is a joint stock company with two shareholders: EP Investment S.à r.l., (89.29 %) and TILIACORDATA LIMITED (10.71 %). EP Investment S.à. r.l has a sole shareholder, a natural person. TILIACORDATA LIMITED is a joint-stock company whose ownership is composed of several legal or natural persons. The beneficiary in the ownership structure of TILIACORDATA LIMITED is the same natural person identified as the sole shareholder of EP Investment S.à. r.l.

J&T ENERGY HOLDING, a.s. is a joint stock company having as sole shareholder J&T CAPITAL PARTNERS, a.s., whose ownership is composed of several legal or natural persons.

CEI Investments S.à r.l. is a public limited company with four shareholders: Beijing Hanguang Investment Corporation (19, 31%), CEI Ventures S.à r.l (52,76%), State Street Australia Limited (13,79%), ärztliche Beteiligungsgesellschaft (AEBG) S.A. (14.14 %). The Authority noted that no person in CEI Investments S.à r.l. (or its ownership structure) has the power to elect or remove a member of the statutory or supervisory body of NAFTA.

The second shareholder, Czech Gas Holding Investment B.V. is a limited liability company having as a sole shareholder, EP Infrastructure, a.s., with its shareholding structure explained in the previous paragraph.

⁶ www.nafta.sk

The Authority identifies as “ultimate beneficial owner” for NAFTA one natural person, who is also the sole shareholder of EP Investment S.à. r.l. and the beneficiary in the ownership structure of TILIACORDATA LIMITED. The Authority examined this natural person and did not identify any risks to the security of gas supply at national, regional or Union level that could derive from the links between the commercial companies that directly or indirectly own and control the storage system operator NAFTA and the ultimate beneficial owner.

According to the Authority’s findings, the legal and natural persons directly or indirectly controlling or exercising any right over NAFTA are not in position to jeopardise the security of energy supply in the Union.

NAFTA is a shareholder of POZAGAS a.s. (65%).⁷ The Commission issued an Opinion on the certification of POZAGAS as storage system operator for the storage Låb 4.⁸

Based on its in-depth assessment, and in conformity with Article 3a of the Gas Regulation, the Authority concluded that there is no risk to the security of gas supply at national, regional or Union level that could arise from the ownership, supply or other commercial relationships of NAFTA.

The Authority also reviewed the governance structure and the competence of the Board of Directors of NAFTA. According to the Authority’s findings, the legal persons and natural persons directly or indirectly controlling or exercising any right over NAFTA storage system operator cannot endanger the security of energy supply or the essential security interests of the Union or of any Member State.

Rights and obligations of the Union or of the Republic of Slovakia with respect to a third country

Referring to correspondence with NAFTA, the Authority noted that the storage system operator stated that it was not aware of the existence of contracts concluded between NAFTA and third country entities related to the security of gas supply. Authority found that, in relation to the storage operator, there are no obligations or commitments which the Republic of Slovakia would have towards third countries and therefore that there is no risk of security of supply due to potential rights and obligations of the Union with respect to a third country.

Other specific facts and circumstances

The Authority reported no specific facts or circumstances that need to be mentioned in addition to the information already provided above and that could jeopardise the security of gas supply.

Draft decision from the certifying authority

From the above, the Authority proposed to certify the storage system operator NAFTA, a.s. for the purpose of operating the underground natural gas storage facility PZZP Låb, because the conditions for the certification have been met.

⁷ The other shareholder is SPP Infrastructure (35%)

⁸ Opinion C (2023) 7414 of 31 October 2023 available at: https://energy.ec.europa.eu/system/files/2023-11/C_2023_7414_1_EN_ACT_part1_v3.pdf

III. COMMENTS

Pursuant to Article 3a of the Gas Regulation, Member States shall ensure that each storage system operator, including any storage system operator controlled by a transmission system operator, is certified in accordance with the procedure laid down in the Gas Regulation, either by the national regulatory authority or by another competent authority designated by the Member State concerned.

In considering the potential implications to the security of supply in the Union, the certifying authority needs to take into consideration a series of risks, as set out in Article 3a paragraph 3 (a) – (d) of the Gas Regulation. In particular, any ownership, supply or other commercial relationships with respect to third countries that could negatively affect the incentives and ability to fill underground storage facilities should be exhaustively analysed by the certifying authority.

The draft decision on certification for NAFTA as gas storage operators was granted by the Authority which is the certifying authority in the meaning of Article 3a (1) of the Gas Regulation. The Authority assessed the risks as set out in Article 3a paragraph 3 (a) – (d) of the Gas Regulation and, as mentioned above, concluded that there is no risk to the security of gas supply that could arise from the ownership, supply or other commercial relationships of NAFTA.

The Commission takes note of the statements of the Authority that, to its knowledge, NAFTA is not subject to any obligation or commitment towards third countries. The Commission has no knowledge of any rights or obligations of the Union or of the Republic of Slovakia with respect to a third country that would affect the above-mentioned storage facilities' activities and present a concern in terms of risk to the security of energy supply.

IV. CONCLUSION

Against the information provided in the preliminary decision notified by the Authority as regards the certification of NAFTA as storage operator for PZZP Láb, and after having taken into account the following:

- The ownership and control of NAFTA and its commercial relationships do not affect negatively the incentives and the ability of NAFTA to fill PZZP Láb. The Authority has verified the ownership and control over NAFTA and found no evidence of risks to the security of gas supply at national, regional or Union level;
- There is no identified risk to the security of supply stemming from obligations or commitments which the Union would have towards third countries;
- There is no identified risk to the security of supply stemming from obligations or commitments which Republic of Slovakia would have towards third countries; and
- There are no specific facts and circumstances which would indicate further risks could negatively affect the incentives and the ability of NAFTA to fill the gas storage facility PZZP Láb.

the Commission considers that there is no risk as regards security of gas supply stemming from the ownership of NAFTA, the relevant obligations towards third countries or other specific facts and circumstances.

Pursuant to Article 3a (7) of the Gas Regulation, the Authority shall communicate the final certification decision to the Commission.

Pursuant to Article 3a (10) of the Gas Regulation, the Authority shall continuously monitor NAFTA as regards compliance with the certification requirements set out in paragraphs 1 to 4 of Article 3a. In case the Authority acquires any knowledge about a planned change in rights or in influence over NAFTA that could lead to non-compliance with the requirements of Article 3a (1) – (3), it shall open a certification procedure to reassess compliance.

The Commission's position on this particular notification is without prejudice to any position it may take *vis-à-vis* Member State regulatory authorities on any other notified draft measures concerning certification, or *vis-à-vis* Member State authorities responsible for the transposition of EU legislation, on the compatibility of any national implementing measure with EU law.

The Commission will publish this document on its website. The Commission does not consider the information contained therein to be confidential. The Authority is invited to inform the Commission within five working days following receipt whether and why they consider that, in accordance with EU and national rules on business confidentiality, this document contains confidential information which they wish to have deleted prior to such publication.

Done at Brussels, 12.3.2024

For the Commission
Kadri SIMSON
Member of the Commission