Presentation on expected long-term equilibrium between electricity and gas offer and demand

On Monday, 22 February 2016 at the Ministry of Industry and Trade main outcomes of the report on the future expected electricity consumption and gas and how to maintain balance between electricity and gas offer and demand were presented to the representatives of the Ministry, the Energy Regulatory Office and representatives of the joint-stock companies CEPS and NET4GAS. The study was in line with the Energy Act handed over to these institutions already in December 2015. After the presentation a moderated discussion of the conclusions of this report followed.

Similarly, as in previous years, the aim of the presentation was mainly to analyze possible ways of development of the Czech electricity and gas sectors and evaluate their feasibility, benefits, costs and risks in the medium and long term horizon until 2050.

The basic version, which is called Conceptual, corresponds with an optimized scenario in the update of the State Energy Concept. Were analyzed in detail the possibilities of Czech decarbonisation of the energy sector in the context of low carbon option.

The joint-stock company OTE issues the material annually based on the requirements of the Energy Act. Detailed processing of the document serves as a supporting material for decision-making sphere and provides detailed answers to conceptual questions regarding the electricity and gas sectors. The joint-stock company OTE cooperates with the joint-stock company EGU Brno on the preparation of the study.

The Ministry of Industry and Trade of the Czech Republic in this regard appreciates the long-term complexity and the quality of the processed analysis in the context of long-term balance which significantly contribute to strategic decisions making in the energy sector and establishing of energy policy the Czech Republic.

Further information on this issue is available on the website at: http://www.ote-cr.cz/statistika/dlouhodoba-rovnovaha/dlouhodoba-rovnovaha/

Attachment: Presentation

OTE, Inc.

Joint-Stock company OTE, a. s., (OTE) operates on the electricity market in the Czech Republic since 2001 and on the gas market since 2010. OTE provides comprehensive services to individual electricity and gas market participants. Since 2002 OTE organizes trading on day-ahead and later on an intra-day and block markets and since 2010 also on the day-ahead and intraday gas market. Among others OTE also provides continuous processing and exchange of data, information for clearing and financial settlement of differences between the actual values and the supply and consumption of electricity *and gas and provides administrative supplier change in both commodities to the all market participants in the Czech Republic and abroad. At the same time manages the national registry of greenhouse gas emissions. As of 1 January 2013 OTE is responsible for the administration and payment system of OTE for supported energy sources.*

OTE is according to §20a of Act no. 458/2000 Coll., on business conditions and the performance of state administration in the energy sectors and amending certain laws (Energy Act), as amended, the licensee of the Market Operator, which includes the electricity and gas market in the country.

As of 7 October 2015 the joint-stock company OTE was established by the Energy Regulatory Office a nominated organizer of the electricity market (NEMO) which will provide a uniform interconnection of day-ahead or intraday markets. As of 7 October 2015 Market Operator also launched reporting on business data from OTE short-term markets into the database of the Agency for the Cooperation of Energy Offices (ACER) for market participants.

More information can be found at www.ote-cr.cz.