

**Dear Mr. Prime Minister,
Dear Mr. Deputy Prime Minister,
Dear Ministers,
Dear Mr. Leroy,
Dear Members and GIE guests,
Dear Delegates,
Ladies and Gentlemen,**

On behalf of the Bulgarian gas transmission operator Bulgartransgaz EAD I would like to welcome you at the 14-th Gas Infrastructure Europe Annual Conference in Sofia.

For the first time in its 40 years history Bulgartransgaz is the host of one of the key events for the European gas sector. I am confident that in partnership with the organizer GIE we have succeeded to secure a welcoming and productive working environment for the forthcoming discussions on the topical issues for the gas industry in Europe.

This year the international forum takes place at a time when it is more than ever important to pre-empt events in the constantly and dynamically changing sector of the gas infrastructure; in this respect the strategic identification and successful realization of key infrastructure projects that will contribute to the complete integration of the European gas market is essential.

In that context the hosting of Bulgartransgaz comes perhaps at the right time, since this is a period when, by undertaking a number of key infrastructure projects, our country has at its disposal all the advantages necessary to contribute to achieving priorities that are important to the European energy policy and relate to enhancing the security of supply and the diversification of the sources of natural gas and completing the single European market.

The major strive of our company over its 40 years' history has been to strengthen its position of key factor for the development of the Bulgarian economy who caters for the maintenance and the development of a secure infrastructure in Bulgaria and a reliable partner in the transmission of natural gas to neighbouring countries.

Today in line with our common objective to achieve a liberalized and integrated gas market we work to realise investments which through the

regional cooperation in the area of the development and integration of the energy networks would lead to the boost of the security of supply and stimulation of the cross-border gas trade.

In the context of the European objectives to realise an interconnected and single pan-European gas market the development of the infrastructure in Bulgaria is directly linked to the positioning of the country as a gas distribution hub in Southeastern Europe.

We believe that the interconnections with the neighbouring countries - Turkey, Greece, Serbia and Romania are key to market integration. They will contribute to guaranteeing the supply of natural gas to the country and the region and create the real conditions for the diversification of the sources and routes and the possibility to transport additional natural gas quantities to and across Bulgaria.

For less than half a year we succeeded to commission four modernized compressor stations – the total amount of the investment is more than 200 million Bulgarian levas, thus improving the gas transmission infrastructure in order to continue to work as a reliable natural gas transiting company. Our plans to expand the storage capacity of the currently unique gas storage facility in Bulgaria – Chiren UGS are also directly linked to the development of the gas infrastructure in the region to allow the service of the national and regional market, and the important project for the modernization and rehabilitation of the existing infrastructure for transmission of natural gas intended to increase its efficiency and reliability.

The main projects which our company develops are confirmed by the EC to be projects of common interest and this is in recognition of their importance. The European Commission officially acknowledges six projects of Bulgartransgaz EAD to be an investment of particular significance to the security and the diversification of natural gas supply in Europe and the realization of an integrated and competitive market. These projects are:

- Chiren UGS expansion
- Necessary rehabilitation, modernization and expansion of the Bulgarian transmission system
- Infrastructure to allow the development of the Bulgarian gas hub
- Interconnector between Turkey and Bulgaria

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- Gas pipeline aiming at expanding the capacity on the interconnection of the Northern ring of the Bulgarian and Romanian gas transmission networks
- Eastring - Bulgaria project

The world of gas infrastructure and business is complex, dynamic and sensitive. The realities, the priorities and the industry's concept reorganise and change swiftly, the market develops and builds up in a way that we no longer speak about commodity market only but about a complex, interrelated and forward looking capacity market.

The uniting role of institutions and organizations such as GIE which provide a discussion platform, support the taking of joint decisions and talk with the united voice of its members, and contribute to protecting the interests of the European gas operators on their way of building an integral, sustainable and competitive European gas market reinforced by a stable regulatory framework and favourable investment climate.

In conclusion I would like to emphasize that Bulgartransgaz will actively work on the territory of the country for the development of its gas transmission system, and on European level participating actively in the process of strengthening the connections and the cooperation between the operators and making joint efforts for the formation of a common and sustainable energy, economy and environment in Europe with natural gas taking part in it.

I would like to wish to all participants a fruitful work and present to your attention a short video clip on the activity of our company.

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