

PRESS RELEASE

EPG postpones completion of storage cavern at the Katharina underground gas storage facility

Peissen, 13/02/2025. Erdgasspeicher Peissen GmbH (EPG) and its shareholder VNG Gasspeicher GmbH (VGS) today announced the decision to temporarily suspend further expansion of the Katharina underground gas storage facility near Peissen in federal state of Saxony-Anhalt. Accordingly, the last of the twelve storage caverns will now not be completed as previously scheduled in 2025. The initial filling of the cavern 153 with gas, originally set for April to October 2025, will therefore initially be postponed by one year.

“This decision was not an easy one for us, but due to the current market situation we have been forced to halt the expansion of the underground gas storage facility for the time being. However, the operation of the eleven other underground gas storage caverns that have already been completed will not be affected,” said Holger Rummel, Managing Director of EPG.

The decision has been taken because to date it has only been possible to sell 55% of EPG’s storage capacity for the year 2025/26. “Due to the present market situation, it is currently unclear whether these will be filled at all. If there is obviously no incentive to book and use additional storage capacity and if the filling of the currently available storage capacity is not even guaranteed, there is simply no gas available for the initial filling of cavern 153,” said Rummel.

Under normal market conditions, EPG would market the cavern’s capacity of 59 million m³ or 678 GWh as an initial gas filling product where customers can store the gas required for filling the caverns. This capacity would then be available for flexible use by storage customers in the winter of 2025/26. “Another reason for the suspension of expansion of capacity is the high price we would currently have to pay to procure the necessary “cushion gas” (to maintain minimum required pressure in the cavern). Under the current economic conditions, this would not be responsible from a commercial perspective,” Rummel concludes.

Erdgasspeicher Peissen GmbH

Erdgasspeicher Peissen GmbH (EPG) was founded in 2009 as a project management and operating company for the construction and operation of the Katharina underground gas storage (“UGS”) facility. Since November 2023, EPG has been a wholly owned subsidiary of VNG Gasspeicher GmbH. The new Katharina UGS, which is currently in the completion stage, is intended to increase the security of natural gas supply for European natural gas customers. In addition to compensating for seasonal fluctuations, the storage facility will be used to ensure flexible supply and sales optimisation. More at: www.ugs-katharina.de.