



PRESS RELEASE

The Czech Republic will become independent of Russian oil at the end of 2024. MERO ČR is continuing the TAL-PLUS project, the first technical modifications of the TAL crude oil pipeline will begin next spring.

- At the end of next year, after almost sixty years, the Czech Republic will become independent of Russian oil supplies from the Druzhba crude oil pipeline.
- MERO ČR continues to successfully implement the TAL-PLUS project together with the TAL consortium.
- This is expected to increase the existing capacity of the European TAL crude oil pipeline.
- As a result, the Czech Republic will receive an additional 4 million tons of crude oil per year from the Italian port of Trieste, i.e., via the western route through the TAL and IKL crude oil pipelines.
- All the work is proceeding according to the established work schedule.
- The first technical modifications and modernization work will begin on the European TAL crude oil pipeline next spring.
- The crude oil pipeline must be completely prepared for a totally new transport capacity.
- The entire pumping system will undergo a massive transformation, 20 new pumps, 12 motors, and two frequency converters will be installed, complete replacement of flow meters is expected, impellers will be replaced at two pumping stations, and all safety systems will be strengthened.
- Thanks to this modernization, which is provided by MERO ČR together with the TAL consortium, the European TAL crude oil pipeline will become one of the most efficient crude oil pipelines in Europe.

Kralupy nad Vltavou, 21 December 2023

Jaroslav Pantůček, Chairman of the Board, MERO ČR, a.s.

This year we managed to launch the TAL-PLUS project, which will fundamentally strengthen the oil independence and energy security of the Czech Republic.

I am very pleased that we are managing to meet the work schedule and the TAL-PLUS project is running according to plan. The first modernization work and technical modifications will begin on the European TAL crude oil pipeline as early as next spring.

The crude oil pipeline is awaiting extensive changes. The entire pumping system will undergo a massive transformation, 20 new pumps, 12 motors, and two frequency converters will be installed, a complete replacement of flow meters is expected, the impellers at two pumping stations will be replaced, and all safety systems will be strengthened.

We expect that by the end of next year, the European TAL crude oil pipeline will reach its maximum working and transport capacity, which will ensure the independence of the Czech Republic from the Russian oil of the Druzhba crude oil pipeline. I would like to thank all my coworkers for their outstanding commitment and work on this project.



TAL-PLUS PROJECT: FIRST TECHNICAL MODIFICATIONS IN SPRING 2024

The list of modernization works, replacement of components, and technological modifications is very extensive. The crude oil pipeline must be completely prepared for a totally new transport capacity.

Technological modifications to the TAL crude oil pipeline as well as the connecting IKL crude oil pipeline will take place in four European countries, i.e., Italy, Austria, Germany, and the Czech Republic.

The entire pumping system and its regulation at the locations of the pumping stations will undergo a massive transformation. In total, 20 new pumps, 12 motors, and two frequency converters will be installed. These are required to pump the oil flowing from Trieste, Italy, across the Alps at the alpine heights of around 1500 meters above sea level, to the refineries in Germany.

The impellers will also be replaced at another two pumping stations, and the existing flowmeters will be completely changed. They will be replaced by more powerful models, which will balance the crude oil pumped at a higher flow rate at all five transfer points where TAL transfers crude oil to its customers (the refineries as well as at MERO in Vohburg, Germany, where the IKL crude oil pipeline begins).

The project will also ensure future safety conditions for the operation of the crude oil pipeline when the maximum flow rates will be increased from the current 6400 m³/hour to 7500 m³/hour.

Consequently, in addition to modifications to the control and escape systems, supplemented by protection at the end points, a completely new safety release device will be installed to protect the crude oil pipeline against overpressure.

Thanks to this modernization, which is provided by MERO ČR together with the TAL consortium, the European TAL crude oil pipeline will become one of the most efficient crude oil pipelines in Europe.

All the key technologies of the project have already been contracted, and the work continues according to the approved work schedule.

MERO ČR expects that by the end of next year, the European TAL crude oil pipeline will reach its maximum working and transport capacity, which will ensure the independence of the Czech Republic from Russian oil from the Druzhba crude oil pipeline.

However, work on the TAL-PLUS project will not end there. Further important steps are planned for 2025, such as the modification of the central crude oil tank farm in Nelahozeves or the installation of backup pumps.

MERO ČR, a.s. (international crude oil pipelines), the owner and operator of the Czech part of the Druzhba pipeline and the IKL pipeline, is the only transporter of crude oil to the Czech Republic and the most important company ensuring the storage of emergency strategic reserves of crude oil. Both crude oil pipelines enter the Nelahozeves central crude oil tank farm, where MERO ČR, a.s. has built a total of 17 crude oil tanks with a total storage capacity of 1,675,000 m³. MERO ČR, a.s. also owns a subsidiary in the Bavarian city of Vohburg a.d. Donau, from where the German part of the IKL pipeline and the local crude oil tank farm with a capacity of 200,000 m³ are operated. As of December 2012, MERO ČR, a.s. owns a 5% share of the companies that own and operate the TAL crude oil pipeline.