

Abstract

The liberalization of the domestic gas market is a continual process which holds both potential benefits and challenges for the future. The trend has been to unbundle the former vertical companies and boost efficiency through the opening of the wholesale market to new suppliers. The objective of this thesis is to analyse the current situation on the Czech and Slovak gas markets and define the most important factors affecting the gas prices for the end-customers. For the purposes of this analysis we focus on the following three major areas. Firstly, the theoretical framework which aims to identify specific features of the natural gas market. Secondly, the commercial and technical perspective discovers the development of the natural gas markets in the Czech and in the Slovak Republic. Finally, the corporate perspective attempts to analyse business strategies of the incumbent company on the market and compare the two different pricing mechanisms: the traditional long-term contracts mechanism versus the spot markets.

This thesis provides evidence that natural gas plays an important role in the national energy policies and it is even expected to grow in the upcoming period. Equally, the character of the national markets has changed and as a reaction to this situation, all the market players need to adapt their business strategies.