

To buy gas from Hungary, and electricity from Belarus

25 grudnia 2021

The Ukrainian leadership seems to have found a way, if not to overcome, then to ease the energy crisis and reduce dependence on Russia in this area.

Hungary should help solve the gas sulfur problem. Ukrainian GTS Operator signed an agreement with Hungarian partner FGSZ for reverse gas supplies from January 01, 2022.

The agreement will make it possible to supply up to 240 million cubic meters of gas per month and increase the capacity for gas reversal from Europe by almost a third. Currently, there is the possibility of pumping up to 810 million cubic meters through the territory of Slovakia. Together with the Hungarian direction, the total daily volume of gas supplies may reach 35 million cubic meters, which will amount to more than 1 billion cubic meters per month.

The agreement concluded between the operators of gas transmission systems in Hungary and Ukraine is a logical continuation of bilateral cooperation in the energy sector. This year, almost 90% of reverse gas supplies from Europe went to the Hungarian direction.

The General Director of the Ukrainian GTS operator Serhiy Makogon said that the concluded agreement is beneficial to both countries and demonstrates the market demand for the Hungarian-Ukrainian gas transportation route. It allows Hungary to earn its own margin over the price of the Russian Gazprom. Ukraine, on the other hand, will receive gas much cheaper than European gas, since Hungary has a long-term contract with Gazprom.

During the first quarter of 2022, it is planned to carry out

deliveries in test mode. During this period, all approvals and adjustments of all technical processes should be carried out.

With regard to electricity, Ukraine has high hopes for Belarus. In November, the ban on the purchase of electricity from Minsk was lifted. The total volume of Belarusian electricity supplies for the current year will be estimated at 1.1-1.2 billion kW. The last monthly volume of 900 MW, offered by the Belarusian side, was bought by Kyiv almost in full.

Next year, the Ukrainian side expects similar volumes of electricity supplies. On this, it seems, the energy crisis can be considered, if not resolved, then at least mitigated.

But both situations have their own nuances. In total, Hungary can purchase up to 4.5 billion cubic meters of gas from Gazprom. At the same time, Ukraine expects to acquire a fourth of these volumes.

Another point is the reverse organization scheme. Russia supplies gas to Hungary through Turkish Stream, bypassing Ukraine. Hungarians can order gas with pumping through Ukraine, where the necessary part will remain. Otherwise, when organizing a physical reverse, gas will pass through Turkey, then from Bulgaria to Serbia, then to Hungary and only then to Ukraine. At the same time, the cost of pumping it will increase significantly. So this is most likely a virtual reverse. In the event that Gazprom does not oppose supplies through Ukraine.

Both the gas issue and the electricity issue are politically motivated.

When Hungary signed a contract with Gazprom, the Ukrainian Foreign Ministry said that it was "surprised and disappointed" by the decision of the Hungarian authorities. Gas supplies bypassing Ukraine were called "accepted to please the Kremlin and to the detriment of Ukraine's national interests and Ukrainian-Hungarian relations."

With regard to Belarus, the Ukrainian leadership also made harsh statements. Thus, official Kyiv did not recognize Alexander Lukashenko as a legitimate president.

We should hope that our partners will not show political adherence to principles and recall the previously inflicted grievances. Otherwise, a severe crisis in the cold winter is definitely inevitable.

Author: Timoschuk

Source: WolneMedia.net