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Transit via Ukraine after 2019

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ENERGY COMMUNITY 14TH GAS FORUM

WEDNESDAY 25 SEPTEMBER 2019

Gas transit post-2019

- Once the diversification projects are completed, it is likely that only one of Ukraine's three major east-west routes will be needed

- Ukraine's southern route (to Moldova and Romania, to join the Trans Balkan pipeline) is likely to be reversed

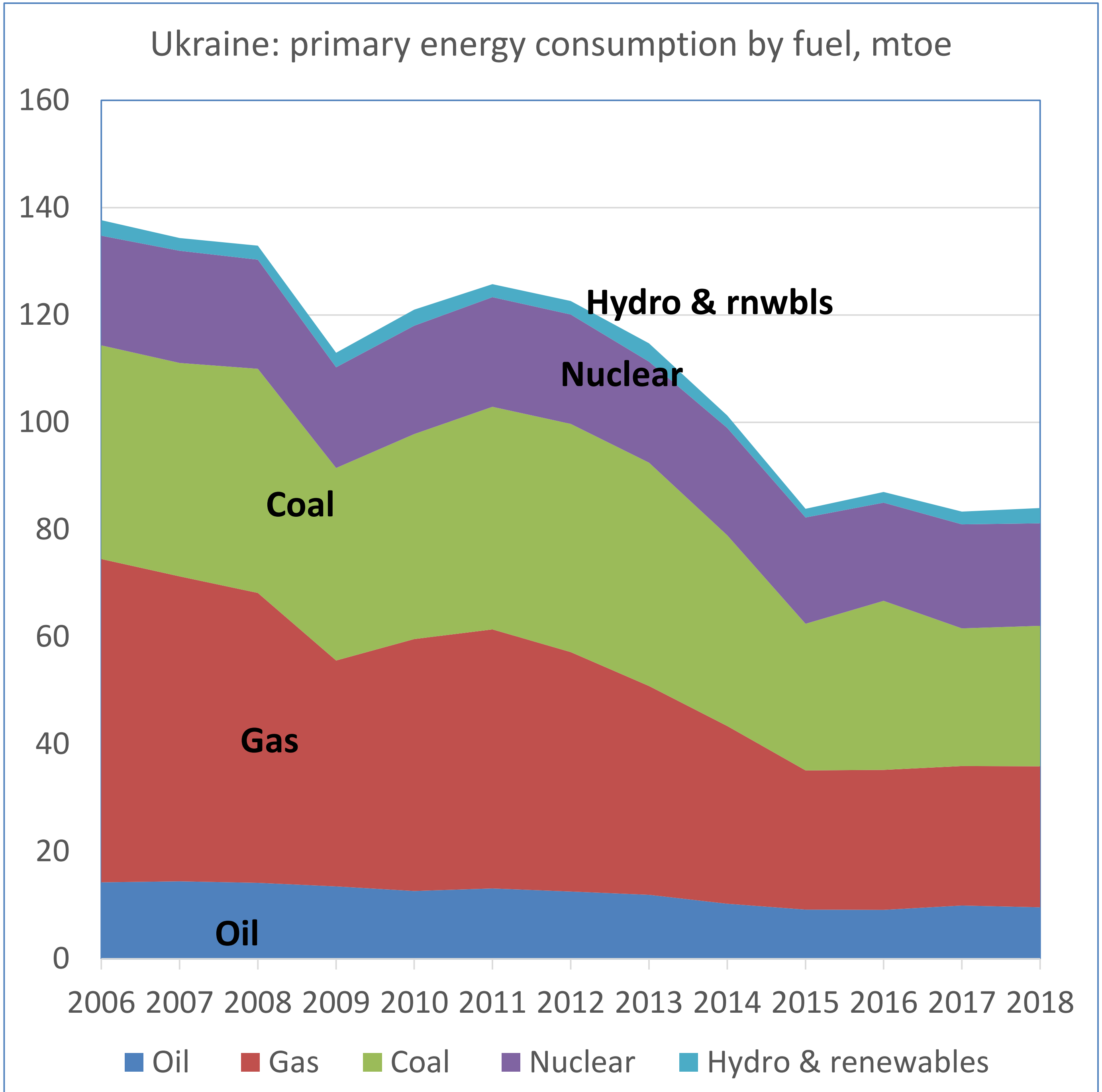
- An option on approx. 30 bcm of capacity is needed

- Ukraine may be able to market storage services, but there are constraints

The effect of transit diversification pipelines

Transit capacity available for Russian gas, bcm/year	Scenario 1. OPAL cap lifted, one string of Turkstream added. Possible for 2020	Scenario 2. Two strings Turkstream + two strings NS2 added. Possible for 2025
To Finland	5	5
Via Belarus	43.4	43.4
Blue Stream	16	16
Nord Stream	55	110
Turkish Stream	15.75	31.5
Total without Ukraine	135.15	205.9
Residual transit at TOP 70% (126 bcm)	2.45	0
Residual transit at 170 bcm total exports	34.85	0
Residual transit at 210 bcm total exports	74.85	4.1

Source: OIES / author's estimates



The energy balance: gas has fallen faster than other fuels. Nuclear output almost unchanged.

Cessation of trade with Donetsk and Lugansk means there is no anthracite available. Power stations are being converted to take steam coal and gas.

Source: BP Statistical Review