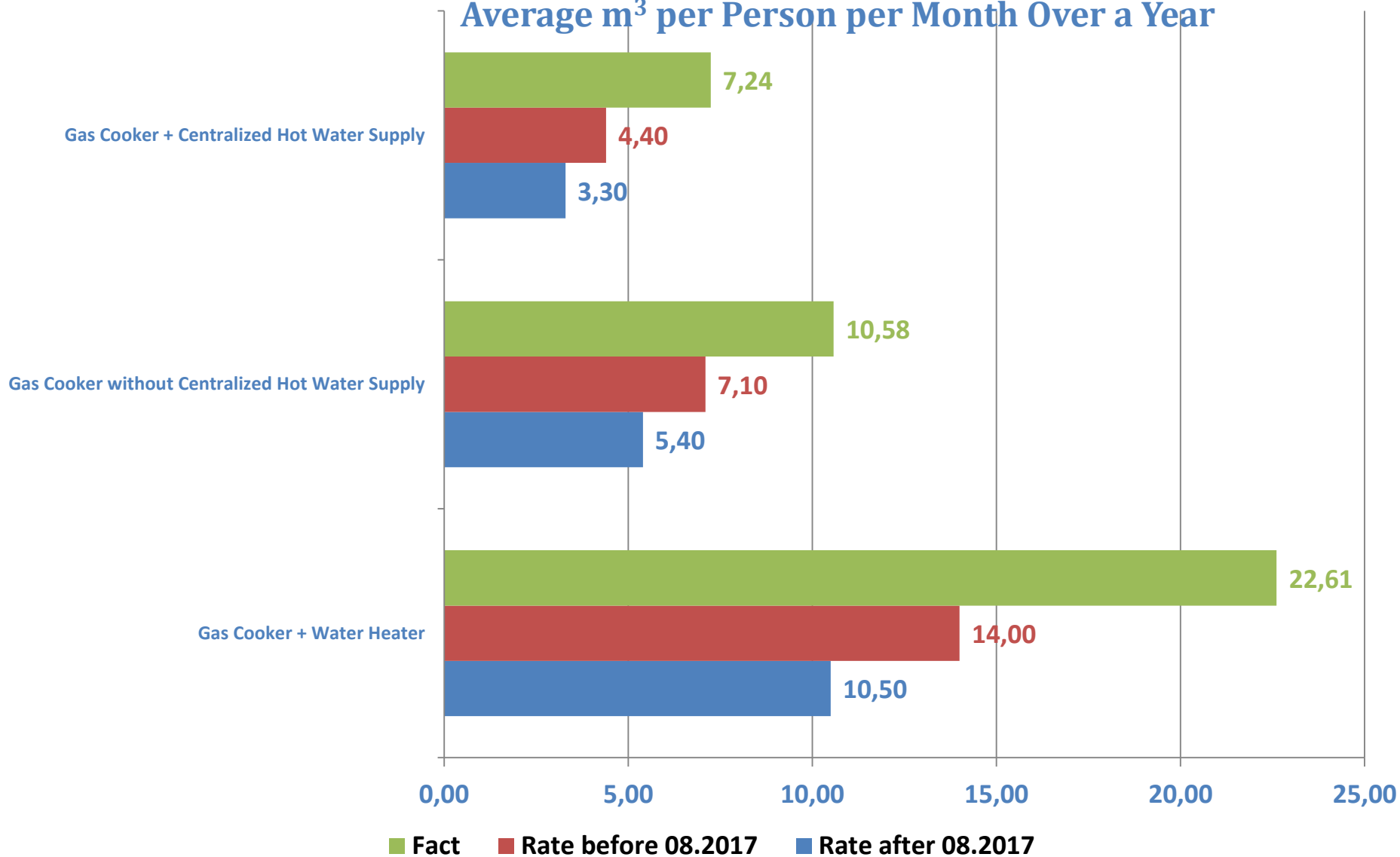


**Understated Gas Consumption Rates for Consumers  
without Gas Meters Damage Gas Field in Amount of  
2,6 billion UAH per year**

# Consumption Rates do not Meet Annual Fact

## Average m<sup>3</sup> per Person per Month Over a Year

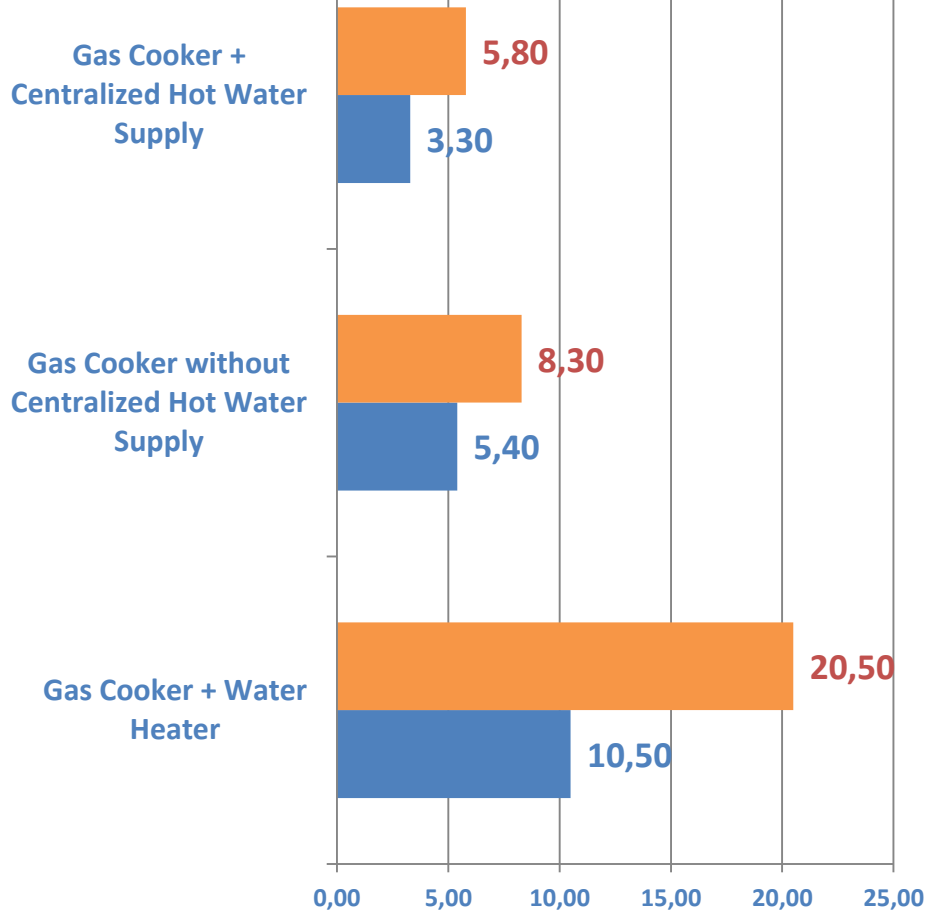
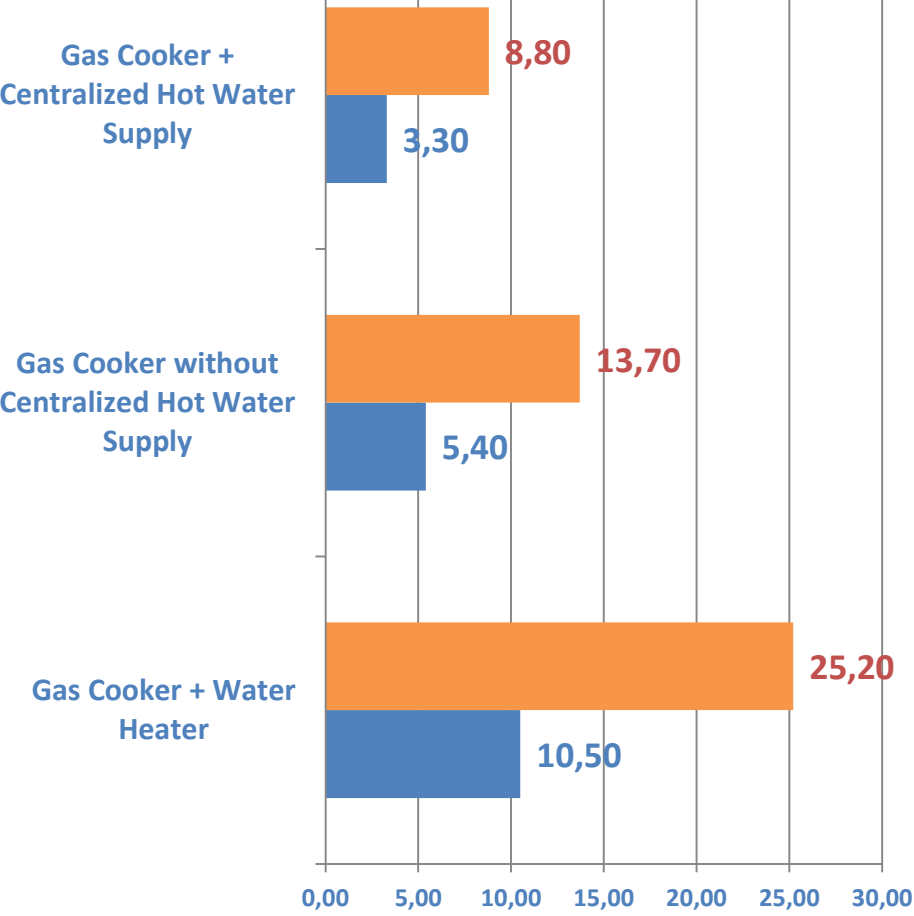


# Consumption Rates do not Meet Season Fact

Average m3 per Month per Person

**Autumn-Winter**

**Spring-Summer**



	Gas Cooker + Water Heater	Gas Cooker without Centralized Hot Water Supply	Gas Cooker + Centralized Hot Water Supply
Fact	25,20	13,70	8,80
Rate after 08.2017	10,50	5,40	3,30

	Gas Cooker + Water Heater	Gas Cooker without Centralized Hot Water Supply	Gas Cooker + Centralized Hot Water Supply
Fact	20,50	8,30	5,80
Rate after 08.2017	10,50	5,40	3,30

# Consumption Rates don't Meet Day-to-Day Realities

- **Queues of those wishing to install meters at own expense disappeared**
- **Statistics of meters' breakdown by the fault of consumer increased (the purpose is to switch to rates)**
- **Consumption rates for cooking per person per month in neighboring countries:**

**Moldova - 10 m<sup>3</sup>**

**Russia - 8 m<sup>3</sup>**

**Belorus - 8 m<sup>3</sup>**



**Calculation of consumed but not paid gas:**

**3.94m<sup>3</sup> \* 2.7persons/consumer \* 3 mln consumers\*12months=**

**383 mln.m<sup>3</sup> per year**

**or**

**2,681 bln UAH per year**

# Solution Path

**1. To establish natural gas consumption rates for population in a case of gas meters 'absence on a level which corresponds with statistically average over the last years depending on season by amending Annex of the Decree of CMU №203 dated 23 March 2016:**

Consumption Type	Consumption Month	Unit of Measurement	Consumption Rate
Gas cooker with centralized hot-water supply	October, November, December, January, February, March	m <sup>3</sup> person-month	<b>8,8</b>
Gas cooker with centralized hot-water supply	April, May, June, July, August, September	m <sup>3</sup> person-month	<b>5,8</b>
Gas cooker without centralized hot-water supply	October, November, December, January, February, March	m <sup>3</sup> person-month	<b>13,7</b>
Gas cooker without centralized hot-water supply	April, May, June, July, August, September	m <sup>3</sup> person-month	<b>8,3</b>
Gas cooker and water heater	October, November, December, January, February, March	m <sup>3</sup> person-month	<b>25,0</b>
Gas cooker and water heater	April, May, June, July, August, September	m <sup>3</sup> person-month	<b>20,0</b>

**2. To establish that a consumer whose gas consumption object is equipped with gas metering instrument (meter) has a right to benefit and subsidies by amending item 5 of paragraph 3 of the Decree of CMU №409 dated 6 August 2014 , adding a new paragraph of the following content**

*«After 01 October 2018 a consumer whose gas consumption object is equipped by gas metering instrument (meter) has exceptionally right to obtain benefits and subsidies in amount of established social rates »*

# Consequence Assessment of Adopt Changes

- 1. Liquidation of free gas use by household consumers in amount of 2,681 bln UAH per year.**
- 2. Encouragement of household gas consumers to switch to natural gas consumption with gas metering instruments (gas meters).**
- 3. Stimulation of consumers to rational natural gas consumption (up to 300 mln m<sup>3</sup> per year), by means of possibility to meter own consumption.**
- 4. Liquidation of off-the-meter consumption up to 2021 by means of gas meters installation at the expense of:**
  - tariff for natural gas distribution;**
  - state energy efficiency programs;**
  - budget provisions;**
  - consumer's own funds with further consideration.**
- 5. Absence of additional burden on state budget.**