

New Polish Gas Deal Agreed, Details Being Hammered Out

By The Moscow Times

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Russia and Poland have agreed on a new gas supply deal conforming to EU rules, easing worries that Europe, which takes gas through the Polish pipeline, might face shortages during the coming winter.

An agreement on increasing Russian gas delivery to Poland and its transit to Germany through the Yamal pipeline was negotiated last year but was not signed because of worries that it was incompatible with European Union laws.

"The EU delegation participated in the talks and did not raise any objections to the governmental agreement," Joanna Strzelec-Lobodzinska, Poland's deputy economy minister, told reporters Sunday in Moscow.

Poland's current supply contract runs out next week, and the delay in signing the deal raised fears of supply disruptions similar to those experienced in 2009, when Russia left European

consumers shivering during a price row with Ukraine.

Gazprom and Poland's gas monopoly PGNiG will now work on details, with Gazprom deputy CEO Alexander Medvedev saying the contract will be finalized within two weeks.

"What is left is to finalize corporate agreements regarding the functions of the operator of the Yamal-Europe project," Medvedev said.

Philip Lowe, the European Commission's director-general for energy, said the talks were "very constructive."

The deal covers 10 billion cubic meters of Russian gas a year for Poland until 2037, as well as gas flowing onward to the rest of Europe through the pipeline.

The European Commission has said the deal must respect EU rules, which say the pipeline must not be monopolized by PGNiG and Gazprom.

Gazprom warned last week that the bloc's gas industry reforms would mean the end of stable supplies to Europe.

Poland imports 65 percent to 70 percent of its 14 billion cubic meters annual gas consumption from Russia.

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