Medvedev Decries Electricity Prices

By [The Moscow Times](#)

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President Dmitry Medvedev on Friday railed against increasing electricity prices in several regions, just weeks after Prime Minister Vladimir Putin voiced similar criticism.

Small businesses are paying rates that are higher than what those in Europe and the United States pay, Medvedev said.

In the Kursk region, small firms paid 6.5 rubles, or 15 euro cents, per 1 kilowatt hour, he said. The rate in Italy, the highest in Europe, is 11.5 euro cents, he said.

"Someone apparently has a sustained feeling that we are much richer than our European partners and will pay on and on for this," he said in a meeting with power industry leaders and government officials near Abakan, in Siberia.

Electricity prices are growing in Russia mostly because regional authorities &mdash through their energy commissions — have made transmission charges too high, said Deputy Prime Minister Igor Sechin. He proposed that the Federal Anti-Monopoly Service have its

representatives join the commissions.

At the same time, large enterprises and households pay prices that are significantly lower than elsewhere around the world, Medvedev said. The government sets caps on electricity prices for individual consumers, and big companies get volume discounts.

He also urged for a quicker decision on whether to privatize transmission companies controlled by Interregional Distribution Grid Companies Holding. Privatization would give investors further access to the power sector.

In addition, Medvedev ordered the Cabinet to draft a program by Aug. 15 to equip the industry with cutting-edge technical solutions.

"I agree, we need to figure out where we are now," Medvedev said, "so we don't wind up where we do from time to time in that well-known place," alluding to a part of the human anatomy — a reference commonly used in Russian vernacular when one winds up with a big problem.