

Gazprom Plan to Divert Supplies Weighs on Kiev

By [The Moscow Times](#)

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Gazprom's plans to redirect 20 percent of the gas it transports through Ukraine to the new Nord Stream pipeline threatens to deprive Ukraine of \$700 million in transit revenues and raise questions over future volume cuts.

Interfax reported that Gazprom CEO Alexei Miller said Wednesday during a gas meeting in Brussels that around 20 billion cubic meters of gas would be diverted from transit to Europe via Ukraine to Nord Stream, which will run under the Baltic Sea to Germany and is slated for launch later this year.

"You, my friends, understand everything," he told reporters, when asked whether Russia would divert gas from the Ukraine transit network to Nord Stream. He then clarified that the volume would be about 20 bcm, or just under one-fifth of what the country transported to Europe last year.

The statement of volume diversion comes just three months after Miller assured Ukraine and Belarus that Nord Stream would not threaten their gas transit volumes, for which they receive transport revenue.

Last year Ukraine transited 95.4 bcm of Russian gas to Europe, and at current rates, Mikhail Korchemkin of East European Gas Analysis estimates that Ukraine stands to lose \$700 million if Russia cuts 20 bcm.

By 2015 Nord Stream will transport up to 63 bcm to central and south Europe.

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