

Power Exports Resume After Belarus Pays Bill

By The Moscow Times

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Inter RAO resumed electricity supplies to Belarus on Saturday, the company's spokesman said, ending nearly four days of power cuts over unpaid bills.

The Kremlin said President Dmitry Medvedev gave the order to resume power supplies after Belarus paid about 1.2 billion rubles (\$42.48 million) in overdue bills for April and May.

"Deliveries to Belarus have been resumed and are being carried out in full," Inter RAO's Anton Nazarov said.

The suspension of supplies starting on June 29 showed the depth of the financial crisis in the former Soviet republic.

Minsk has devalued its currency by 36 percent, while price hikes and a shortage of imported goods have triggered protests in the tightly controlled state.

Deputy Prime Minister Igor Sechin, who oversees Russia's oil and natural gas sectors and who carried out the order, said this week that the dispute had nothing to do with politics.

But analysts say Moscow is trying to boost its leverage over Belarus' leader Alexander Lukashenko, pushing him to sell assets that are being eyed by some of Russia's most powerful business groups.

Lukashenko secured a \$3 billion loan from a Russian-led regional fund this month and is seeking to borrow up to \$8 billion from the International Monetary Fund.

Belarus is a major conduit for Russian oil and gas exports westward to European Union countries, and previous price disputes with Moscow have disrupted this trade.

Minsk has enough capacity at its own power plants to meet local demand but imports power that is in some cases cheaper than domestically produced electricity.

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