

Gazprom Faces \$15Bln Antitrust Charges From EU

By [The Moscow Times](#)

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The Nordstream pipeline, which Gazprom helped build, bypasses Eastern Europe to bring gas to Germany. **Ekaterina Kuzmina**

VILNIUS — EU regulators are preparing to charge Russian gas export monopoly Gazprom with abusing its dominant position in Central and Eastern Europe, the EU's antitrust chief said Thursday, in a move that could lead to a fine of up to \$15 billion.

The European Commission's action against Gazprom is likely to ratchet up the tension between Europe and Russia, which has criticized European Union attempts to boost energy market competition and end its over-reliance on Russian supplies.

The comments by EU Competition Commissioner Joaquin Almunia come after a year-long investigation and raids of several Gazprom units and its clients in Central and Eastern Europe. Gazprom supplies a quarter of Europe's gas consumption needs.

The EU antitrust regulator said at the time that Gazprom may have hindered the free flow of gas across the EU and imposed unfair prices on its customers by linking the price of its gas to oil prices.

The EU's executive was preparing a charge sheet against Gazprom, known as a statement of objections, Almunia said at a conference in Vilnius.

"It would be premature to anticipate when the next steps will be taken in this investigation, but we have now moved to the phase of preparing a statement of objections," he told an event organized by the Lithuanian Competition Authority.

He said the investigation covered Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia, Hungary and Bulgaria.

Asked when he would charge Gazprom, Almunia said: "We never pre-commit to deadlines."

A source familiar with the matter said the commission planned to take action by the end of the year.

Gazprom, which generated 4.76 trillion rubles (\$148 billion) in revenues last year, could stave off a potential fine by offering concessions to settle the case.

Following previous EU investigations, the company agreed to scrap a clause preventing Austrian energy group OMV and Italy's Eni from reselling gas bought from Gazprom in other markets.

Companies can be penalized up to 10 percent of their annual revenues for breaching EU antitrust rules.

Lithuania, which has complained to the commission about Gazprom, is claiming almost \$2 billion compensation from the company at an international arbitration in Stockholm for allegedly "unfair" gas prices. It pays more for gas than any other EU state, according to the commission.

Gazprom was not immediately available for comment.

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