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Drying of Lake Baikal Pushes Siberia's Energy Prices to Record High

By The Moscow Times

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A gasoline tank truck is seen at a fuel station on the territory of the Krasnoyarsknefteproduct oil product company in Krasnoyarsk, Siberia, Oct. 10, 2014.

Energy prices in Siberia have hit an all-time high because a uniquely dry season decreased the amount of water for hydropower plants, business newspaper Kommersant reported Tuesday.

Energy in Siberia, usually 30 percent cheaper than in European Russia and the Urals, was 3.6 percent more expensive on Monday. The price per megawatt east of the Urals cost 1,144 rubles ($26.87) last Friday, the newspaper said.

The culprits are Russia's famous Lake Baikal and the Angara River that feeds it, whose water levels have reached a low not seen since 1981. The dams on the Angara provide the region with its electricity, and lower water levels mean that less energy can be generated.

Lake Baikal's lower water level has decreased the output of hydropower plants on the Angara

by a third, privately owned power generating company Irkutskenergo was cited as saying.

Power generation can be boosted if the government slashes the minimum-permissible water level for the lake, letting out more water to power the hydro plants.

But the Natural Resources and Environment Ministry refused to adjust the rules for the power companies, whose net profit margin in Siberia was estimated by Kommersant at 50 percent.

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