

Ukraine Suing Russia's Gazprom for Over \$16 Billion in Gas Price Spat

By The Moscow Times

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KIEV — Ukraine is seeking more than \$16 billion from Russia's Gazprom in its appeal to an arbitration court in Stockholm over a long-running gas pricing dispute between Kiev and Moscow, Prime Minister Arseniy Yatsenyuk said Friday.

Ukraine's state gas business Naftogaz and Russia's Gazprom are bound by a 10-year gas agreement signed in 2009. Kiev is challenging the price of Russian gas, and billions of dollars in debts which Russia says have accrued, and appealing to international arbitrators for a definitive ruling.

"The transit contract is not fair for Ukraine and more than \$10 billion should be paid to Naftogaz from Gazprom to compensate for losses. In this way, the overall sum we are seeking from Gazprom in terms of the gas supply contract and the transit contract is already

over \$16 million," Yatsenyuk said in a post on Facebook.

Previous gas disputes between Ukraine and Russia have affected the European Union, where Gazprom meets a third of gas demand. Around 40 percent of that gas travels via Ukraine, which until recently bought most of its own gas from Russia.

In April, Ukraine signed an interim deal for cheaper supplies of gas from Russia for the next three months, providing a breathing space for both sides in the protracted wrangle over pricing.

The dispute has been soured politically by Russian support for separatists in Ukraine's east. Gazprom has said Kiev owes it over \$170 million for gas supplied to eastern Ukraine since the beginning of the year. Kiev has refused to pay for Russian gas supplied directly to the regions as it is powerless to control the flows.

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