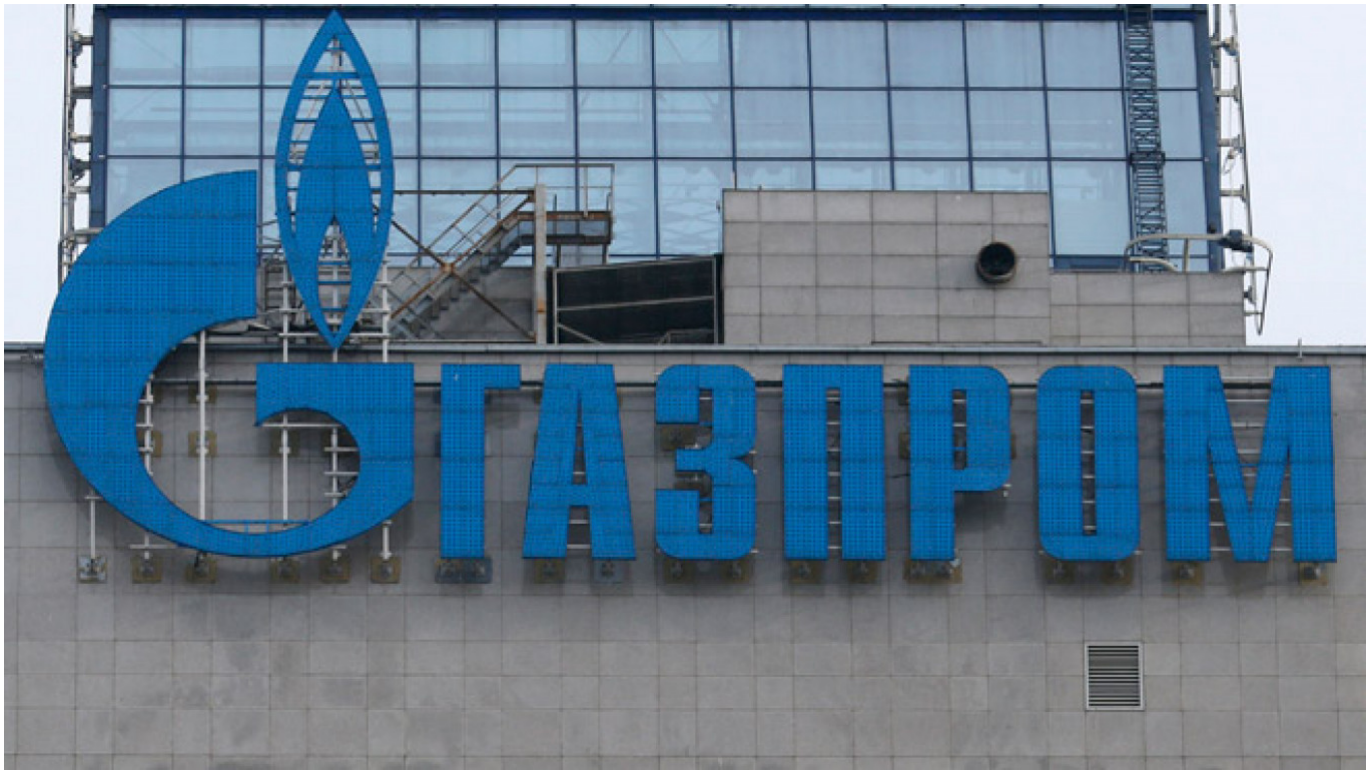
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30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Russia's Gazprom to Reimburse Poland $1.5Bln

By AFP

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Poland in November said it would not extend beyond 2022 a contract with Gazprom signed in 1996.
TASS

Russian gas giant Gazprom will reimburse Poland's PGNiG to the tune of $1.5 billion by July 1 for overcharging it for its supplies for years, the Polish company said on Monday following a court battle.

On March 30, state-owned PGNiG won a case against Gazprom over its long-term contract for gas imports at an international arbitration tribunal in Stockholm.

The Polish company had since proposed a new formula for the cost of deliveries from 2014, estimating the figure at $1.5 billion (1.3 billion euros).

On Monday, PGNiG said Gazprom had signed an agreement confirming the new formula and reimbursement.

Poland in November said it would not extend beyond 2022 a contract with Gazprom signed in 1996.

Two-thirds of the gas consumed in Poland, about 10 billion cubic meters, is currently delivered by Russia under the Yamal contract.

An EU and NATO member, Poland has long wanted to wean itself off Russian gas, notably by having opened an LNG terminal on its Baltic coast capable of receiving LNG shipments from the US and the Middle East.

Polish companies have also acquired several gas fields in the North Sea and Warsaw has signed an agreement with Denmark on the construction of a pipeline under the Baltic Sea to ensure deliveries.

A former Soviet satellite state, Poland maintains that reliance on Russian energy supplies makes it vulnerable to political pressure from Moscow. Warsaw has also accused Gazprom of price gouging.

Along with the U.S., Ukraine and the Baltic states, Poland has lashed out against the Nord Stream 2 pipeline that runs under the Baltic Sea and is set to double shipments of Russian natural gas to Germany, the EU's biggest economy.

They warn that Moscow could seize on Europe's increased reliance on Russian gas to exert political pressure.

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