

The volumes of gas injection into the storage facilities of all EU countries for the first 4 months of 2019 are increased by 4.6 bcm compared to the same period in 2018 and 5 bcm, respectively, if compared with 2017.

From the beginning of the year as of 05.05.	Total accumulated volumes of gas in Europe *
2016	8 066,45
2017	11 238,50
2018	12 595,53
2019	17 232,36

Data from gasi.gie.eu

Gazprom accumulates gas at UGS of Europe at a record pace

In Europe the UGSs owned by Gazprom (or Gazprom is one of the owners) are located in the following countries: Austria (Haidach – 2.64 bcm), Germany (Yemgum – 0.95 bcm, Rehden – 4.7 bcm, Katarina – 0.32 bcm, Etzel – 1 bcm), Serbia (Banatski Dvor – 0.45 bcm), Netherlands (Bergermeer – 1.9 bcm) and Czech Republic (Damborice – 0.12 bcm). Since 2012 the volume of activity has increased significantly, during the 2017/18 season the volumes of injection and withdrawal have set record values.

The high pace is confirmed by the open data of the GIE and ENTSOG platforms

Information about all the UGSs owned by Gazprom is not disclosed. But due to open data from public sources on gas transportation and injection into gas storage facilities may confirm that **since the beginning of the year, Gazprom continues to actively accumulate significant volumes of gas in gas storage facilities in the EU countries**, including (more likely – first of all) **due the transit of Ukrainian GTS**.

As of May 01.05.2019, Gazprom filled up its UGSs in Austria by 75%, despite the fact that in previous years the filling was at the level of 25-50%. The intensive injection is continuing. Moreover, in the Netherlands, Gazprom's UGSs is filled up almost completely - by 95%, despite the fact that in previous years the filling was at the level of 25-65%.



In Germany, the period of gas injection into the UGS began later, but as of 01.05.2019, Gazprom accumulates gas there at the pace most intense in recent years. Taking into account all Gazprom's storage assets in Western Europe, the German UGSs are the largest in terms of volume, and currently, they are filled by almost 40%.

The **total gas storage capacities in Western Europe, operated by Gazprom in 2018**, amounted to almost 11 billion cubic meters. About 5 billion cubic meters of it – own UGSs, 5.8 billion cubic meters – additional contracts for the storage of natural gas during the autumn-winter season of 2018/2019.

According to the annual report of Gazprom for 2018, one of the main strategic priorities of the Russian monopolist in the coming years is **to increase the capacity of the UGSs abroad**. Therefore, one should expect that Gazprom will attract even more resources for gas injection in Europe before the autumn-winter season of 2019/2020, which will begin only in a couple of months before the end of the 10-year transit contract through Ukraine.

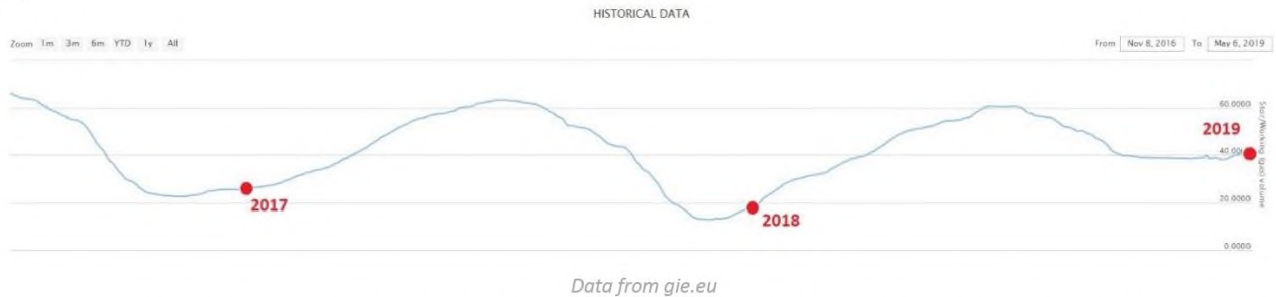
Gazprom's partner companies under the Nord Stream 2 project also intensively fill up their UGSs in Western Europe from the beginning of the year.

One of them is the **OMV** company, which has business units on gas storage in Austria and Germany. It repeats the strategy of its partner Gazprom on the active accumulation of natural gas in both countries, not typical of previous years. Filling - 52% and 65% respectively.



The group of companies **ENGIE** owns a share of stocks in the first Nord Stream and is one of the five major financial partners of Gazprom on the Nord Stream project. This group also includes the UGS operator **Storengy**, which manages the UGS complexes in France and Germany. As of 01.05.2019, the gas reserve in German storages of **Storengy** is 50%. For comparison, on the same date in 2018 and 2017, the gas was injected at the level of 3% and 12% of the total storage capacity.

Another partner of Gazprom on NS2 is **UNIPER**. In addition to other business areas, this company owns the largest in terms of volume and the best in terms of maneuverability UGS complex in Germany. Currently, **UNIPER's** UGSs have accumulated natural gas at the level of 64%, which is also significantly higher than in previous years as of May 1 - 27% in 2018 and 40% in 2017.



An interesting fact is that since the beginning of February gas volumes in **UNIPER's** UGSs have not increased, but are practically kept at the same level. This means that these storages will not be filled or will be filled in the last turn. Due to its "reactive" injection/withdrawal possibility per day, these UGSs (at the availability of the resource) can be filled up in a relatively short time (less than a month).

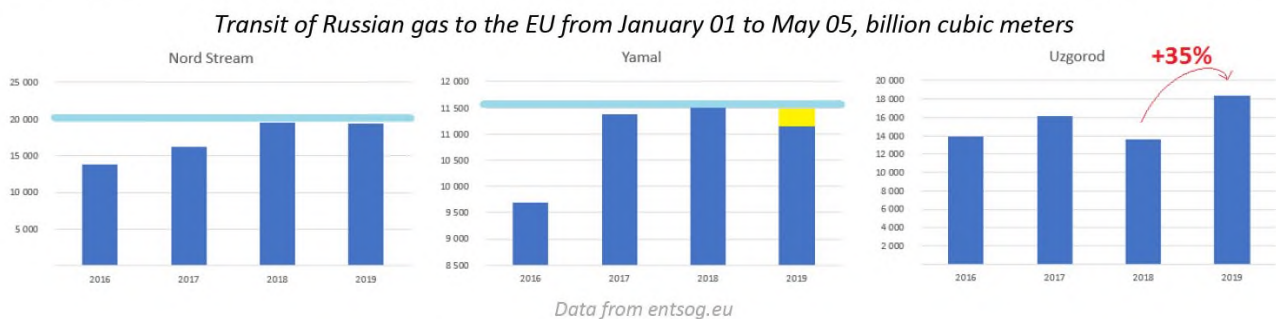
Since the beginning of 2019, the significant increase in transit by 35% through Ukraine's GTS was recorded

If we analyze the volumes of Russian gas transportation for 2018 and 2019, when the bypass routes of Nord Stream and Yamal were loaded, the volume of transportation through Ukraine in western direction from the beginning of 2019 has increased by **35% or 5 billion** compared to the same period in 2018.

From the beginning of 2019, on the main transit point of the exit from the GTS of Ukraine GMS "Uzhgorod" the average daily volume of gas transportation to EU increased from 140 million cubic meters to 190-200 million cubic meters (+ 40%), especially after the end of the autumn-winter period of 2018/2019. On some days, transit volumes reach the maximum technical capacity of this corridor, which is limited by the capacity of the Slovak GTS at the level of 200-215 mcm/day.

After the end of the autumn-winter period of 2018/2019 on the Hungarian and Polish routes, there is also a significant increase in transit volumes of Russian gas, since the beginning of the year, it grew 2.4 times and 25% respectively.

Since the beginning of 2019, the EU has accumulated almost 5 billion cubic meters of gas more than last year, in fact, the transit of Russian gas to Ukraine in the western direction (Uzhgorod) has increased by as much (+35%).



Yamal is stopped for repairs (indicated by yellow), the rest of the time it was loaded at maximum. From 2018, Gazprom received the right to use **Nord Stream's** capacity by 100%.

Between January 1 and May 5, 2018 and 2019, **Nord Stream** and **Yamal** bypass gas pipelines were actually loaded at full capacity. And in January-April period, the load of one of the lines of the Ukrainian GTS (via GMS "Uzhgorod") is increased from 57% in 2018 to 77% in 2019.