

EU energy**US adviser warns 'lives at stake' in European gas crunch**

Kyiv visit highlights American fears over Europe's reliance on Russia for energy flows



Critics say the Kremlin will use the Nord Stream 2 pipeline to undermine Ukraine and increase its leverage over EU energy supplies © REUTERS

Roman Olearchyk in Kyiv and **David Sheppard** in London 4 HOURS AGO

A senior US energy adviser has warned that “lives are at stake” in Europe this winter as the continent heads into the season with low gas stockpiles and the threat of reduced supply.

Amos Hochstein, senior adviser for energy security at President Joe Biden’s state department, said Russia had “under supplied the market compared to its traditional supplies” and contributed to the highest prices on record.

“If you get a real cold winter by January and February, you could run out of supplies. And that’s where I get concerned,” he told the Financial Times on Saturday during a visit to Kyiv, highlighting US fears over Europe’s reliance on Russia for energy flows. “This is not just about some geopolitical games. People’s lives are at stake.”

A veteran of the state department in President Barack Obama's administration and former adviser to then vice-president Biden, Hochstein was appointed last month with his immediate focus on mitigating risks posed by Russia's Nord Stream 2 gas pipeline. Critics say the Kremlin will use the pipeline to undermine Ukraine — by bypassing it and depriving it of transit fees — and increase its leverage over EU energy supplies.

The \$11bn pipeline, which will ship 55bn cubic metres of gas to Europe annually, is due to be launched before the end of the year. Ukrainian officials have accused Moscow of deliberately choking supply to speed up NS2's certification with European regulators. This process is still under way.

Russia's energy giant Gazprom has consistently said it has met all of its long-term contracts to European buyers, but has faced criticism for not making additional gas available at a time of tight supplies.

Russian president Vladimir Putin said last week that high gas prices in Europe were partly a consequence of "smart alecs" in the European Commission who had pushed for "market-based" pricing, an apparent dig at EU efforts to increase competition in gas markets where Russia dominates supplies.

Other factors have also tightened the market, including a steep drop in domestic European production this year because of the coronavirus pandemic, higher demand for gas over highly polluting coal and Asian demand for liquefied natural gas cargoes.

Energy executives have warned that prices could remain elevated over the winter, to the point where some energy-intensive industries may need to [restrict](#) output and household bills could rise.

The US has long opposed NS2, but the Biden administration reached a truce in July with Germany that obliges Berlin to impose sanctions on Russia should it "weaponise" the pipeline against Ukraine or other allies. Biden's administration had earlier lifted sanctions on Nord Stream 2 AG, the Gazprom-owned pipeline operator.

Officials in Kyiv and neighbouring Poland have staunchly criticised the US-German agreement on grounds that it provides no concrete guarantees on security or future Russian gas flow via Ukraine and other eastern European countries.

Hochstein spoke during a visit to Kyiv where he held talks with Ukrainian officials on implementing the US-German agreement in a way to address such concerns, in part by convincing Gazprom to prolong the gas transit agreement through Ukraine beyond 2024. “My expectation is that the Russians will agree” to prolong gas transit through Ukraine, Hochstein said. Kyiv claims Russia has dragged its feet in prolonging a transit agreement.

Hochstein said that while the US believed Russia had “been weaponising natural gas for many, many years” he stopped short of saying Moscow had deliberately curtailed gas supplies in recent months — an action that could trigger additional sanctions against Moscow under the US-German agreement.

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