



Gazprom CEO Warns EU: “Whole Towns Could Freeze” This Winter

Description

RUSSIA/EU: Even though Europe’s natural gas storage for this winter is nearly full, the head of Russian energy Gazprom PJSC still warned European households could freeze in the event of a cold snap, according to Bloomberg.

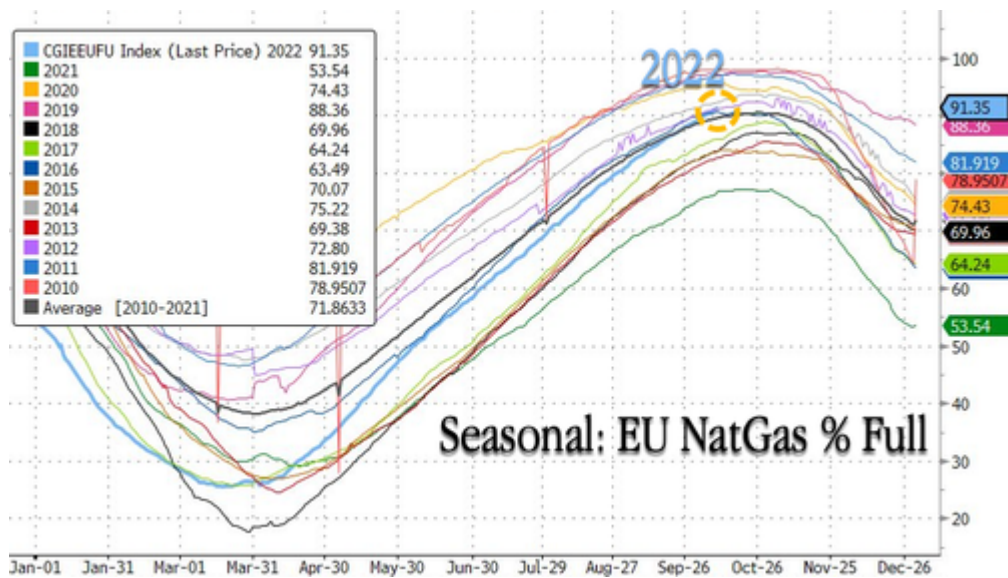
“Winter can be relatively warm, but one week or even five days will be abnormally cold, and it’s possible that whole towns and lands, god forbid, will freeze,” Gazprom CEO Alexey Miller said at Russian Energy Week in Moscow.

Miller said during peak winter demand days, Europe could experience a gap of 800 million cubic meters of NatGas per day, or about one-third of its total consumption. The figures were from a report by unidentified analysts.

Natgas to Europe is stable so far this week, albeit at reduced levels over the past year. Shipments via Ukraine are one of the last remaining Russian supply lines to western Europe after the bombing of Nord Stream pipelines. Even though NatGas shipments have dwindled and pushed many European economies to the brink of recession, inventories across the continent are nearly full at 91%.



The good news is EU storage is above a 10-year average of 71% for this time of year.



Dutch front-month gas futures, a European benchmark, has been nearly halved since late August on relief from inventories and hopes of a warmer winter.



But new data from the European Centre for Medium-Range Weather Forecasts (ECMWF) outlines that a high-pressure system over western Europe could bring colder weather, less wind, and less rainfall. Less wind would reduce the generation of renewable power.

Gazprom's CEO said EU NatGas inventories could be drained to 5% full in March...

"Sure, Europe will survive, but what will happen by the time of gas injection" into storage before winter of 2023 and 2024.

"It will be clear then that energy crisis has come not for a short period of time."

It appears Europe's energy crisis is far from over... The UK is already warning about its inability to import enough NatGas this winter, threatening to unleash power blackouts across its grid.

Category

1. Economy-Business-Fin/Invest
2. Main
3. Politics-Geopolitics-Gov.-Events

Date Created

October 2022