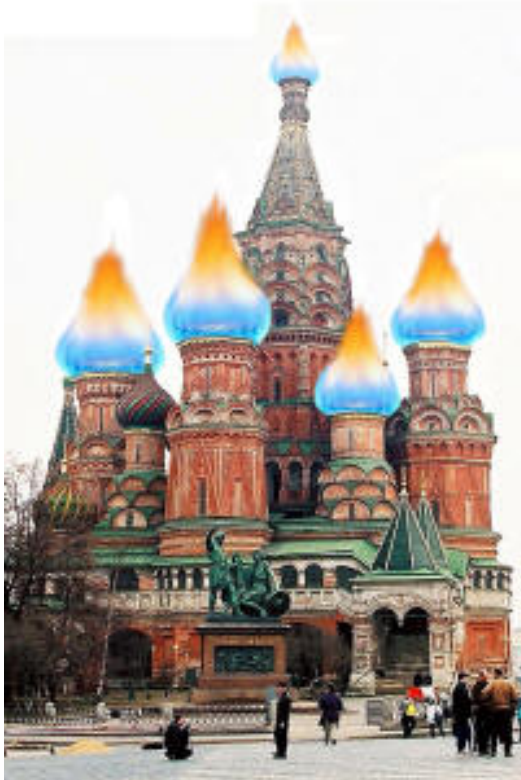


	mWELCOME
	mSTORY
	mTRAIN
	mFEATURE
	mPHASIS!
	mPATHY
	mOFFERS



There's Enough Gas for Everyone!

It almost seems like déjà vu as Gazprom (Russia) dominates the news yet again over the Christmas & New Year period. Last year it was with their dispute with Ukraine (see our article at http://www.mjenergy.com/MZINE/2006/February_06.htm) this year Belarus. Maybe it is a strange coincidence that these things happen at the coldest time of the

year which is an interesting time to be having an argument over how much you want to charge/pay for your gas.

If you have followed this story over the last couple of months, you will know that Gazprom have not been slow to announce that they will cut off gas supplies to Belarus if their terms were not agreed and a new gas supply contract signed by January 1st. You would also know that Belarus were not slow to respond by threatening to interrupt Russian gas supplies flowing through Belarus to Europe, which accounts for around 20% of Russia's export to Europe. But what are the real facts and what was the motivation behind this latest squabble between Russia and another former member state.

[Read the rest of this article](#)



Hello and welcome to the January issue of **MZINE**, our free monthly e-newsletter.

First and foremost, **MJMEnergy** would like to wish all of our **MZINE** readers a very happy and prosperous 2007.

This month we will be taking a look at the Russia / Belarus dispute see [MSTORY](#) for our main article. whilst at [MPHASIS](#) Derek reveals who seems to be calling the tunes! Don't forget to check out our thought of the month at [MPATHY](#).

Our latest list of training courses can be found at [MTRAIN](#) including an overview of our Gas Storage course.

[MFEATURE](#) has two articles, one from Upstream and one from Heren Energy.

Please feel free to contact me about this newsletter and let me have your thoughts, what you like and don't like, I am open to your suggestions.

And if you have enjoyed reading this newsletter and think you know someone who might also enjoy it then feel free to forward it on.

Any one may sign up for this monthly newsletter, it is free and your details are protected.

Email:

Kind regards.

A handwritten signature in black ink that reads 'Paul Cassar'.

Paul Cassar
Editor



All of our training courses can now earn, participating solicitors, CPD points from the law society. Attendance at any of our events may also contribute to meeting accountancy CPD requirements under the terms of the ICAEW's CPD policy. Please visit www.icaew.co.uk/cpd for the ICAEW's CPD policy details.

Over the [next few months](#) the following one-day events are being held in **London, UK**. For an at a glance view of our 2007 public training dates please visit: http://www.energytrainingnetwork.com/2007_pcg.htm

More information about these courses can be found by clicking on the course title or visiting energytrainingnetwork.com and clicking on public courses. Alternatively you can contact me by [email](#) or phone +44 (0) 1235 553917, fax +44 (0) 1235 553917.

If your company has a New Years resolution to train more staff then give us a call for discounted places or for creative ways to fulfill your requirements. All of our public courses can be held at your location, or they can be tailor made to suit your needs. If you want to find out more contact our Training Manager Nick White nick@mjmenergy.com +44(0) 1235 553917 and be the best.

February 7th	Global LNG Markets	London
February 21st	* Gas Storage *	London
February 27th	UK Electricity Market	London
February 28th	An INTRODUCTION to the UK GAS MARKET	London
March 1st	An INTRODUCTION to the NETWORK CODE	London

*** New for 2007 ***

Gas storage overview

As the UK and Europe as a whole become increasingly dependent on gas imports and as trading markets develop, gas storage is becoming an increasingly important tool for players in the liberalising markets of the UK and Europe. This one-day course provides an overview of the key issues in gas storage, including the rationale for storage, technologies used, storage services and regulation, storage projects and the crucial question of how to value storage in the competitive market.

Why store gas?

- Supply / demand match
- Load duration curves
- Balancing needs
- Security of supply/strategic security
- Pipeline optimisation
- Trading opportunities

Gas storage technologies and facilities

- Injection, withdrawal and space
- Salt cavity, depleted fields and aquifers, LNG, mines etc
- Overview of storage facilities and operators in Europe

How storage is sold

- Storage models
- Regulation and third party access
- Contract structure
- Storage on the market

Discussion and questions and answers

Building storage – storage projects

- Technical and engineering issues
- Consent and planning
- Project structure
- Overview of current projects

Case study – A storage project

Storage economics

- Valuing flexibility
- Alternatives to storage

The future of storage

Priced at £500 + VAT per delegate, this course will run in London on 21st February 2007. To book your place [click here](#).

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mPHASIS!

for the lighter side of life!



[top](#)

mPATHY

thought of the month

A cheerful look brings joy to the heart, and good news gives health to the bones.

Proverbs 15 v30 (NIV)

[top](#)



mOFFERS

this month's exciting offers!

As a special thank you to all our readers we would like to offer you this **free Conversion chart** which you can [print off](#) and carry with you wherever you go.

[Download pdf](#)



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mFEATURE

Belarus steps back from brink

By Upstream staff

Belarus officials today sought to defuse rising tension with neighbour and chief ally Russia, saying they want to negotiate an end to an acrimonious dispute over crude oil duties and transit fees.

On Wednesday Belarus President Alexander Lukashenko - branded by Washington as Europe's last dictator - slapped a \$45 per tonne fee on Russian crude oil pumped through a major Belarus pipeline to Europe.

Three days earlier Moscow had forced Minsk to sign a deal doubling the price of imported Russian gas.

Russia responded by calling Belarus' oil transit fees unprecedented and contradicting economic agreements between the two sides.

"The Belarus side is ready to continue negotiations with its Russian partner on oil supply conditions even tomorrow," Anton Kudasov, head of external economic relations at the Belarussian foreign ministry, told a news briefing, Reuters reported.

Russia has also said it will charge Belarus an export duty on imports of crude oil, which it says is being refined and unfairly sold at a profit on to European consumers, and has also banned imports of white sugar from Belarus.

Kudasov declined to answer a question on whether Belarus is prepared to stop the transit of Russian oil through the Druzhba pipeline - which pumps a third of Russia's oil exports - if Moscow refuses to pay the transit duty.

Later, on Radio Echo Moskva, Russian Deputy Economy Minister Andrei Sharonov said the Foreign Ministry had received a letter from Belarus stating that Prime Minister Sergei Sidorsky was preparing to fly to Moscow on 10 January.

"(Russia) views this as (Belarus's) readiness to talk," he said.

Russia is the world's second-largest oil exporter and the Druzhba pipeline supplies around a fifth of Germany's demand as well as feeding Poland and other central European countries.

Around 10 million people live in Belarus. Its economy is still largely run on a Soviet-style command system and its industry relies heavily on cheap energy imports to remain profitable.

"This article, which is protected by copyright, was originally published on 10th January 2007 by UpstreamOnline.com, the electronic news service of the global oil & gas newspaper Upstream." www.upstreamonline.com

Russia's Gazprom helps Turkish gas supply by increasing exports

Russian gas incumbent Gazprom has upped its daily gas exports to Turkey by 14 million cubic metres (Mm³) to help ease the supply problems in the country, due to a fall in imports from Iran, according to a report in Russian daily *Ria Novosti*. Gazprom is now exporting approximately 84 Mm³/day to Turkey instead of a usual figure in the region of 70 Mm³/ day according to Turkish gas company Botas on Thursday.

On Wednesday, Iran announced it had cut off gas supplies to Turkey because of high domestic demand caused by cold weather. However, unconfirmed reports suggest Iran had retracted from this position, promising to resume supplies to Turkey from Thursday onwards. *Heren Energy* was unable to confirm this information at the time of going to press on Thursday afternoon. Reports suggest Turkey has resorted to taking gas out of storage and increasing imports from alternative sources, such as Russia, to meet demand since supplies were cut back earlier in the week. According to the Turkish Energy and Natural Resources Ministry, Iran has been pumping gas below the agreed amount since the beginning of December, before

flows were completely stopped on Wednesday.

Supply interruptions have occurred intermittently since Iran first began supplying Turkey in 2001, with both sides failing to deliver/take contracted volumes for various reasons. Turkey's incumbent gas company, Botas, has said Turkey imports 20-22 million cubic meters per day from Iran. In October last year supplies were also halted from Iran, this time because of damage to the export pipeline caused by Kurdish separatists, though it was quickly repaired. At the time, the supply shortfall from Iran was made up by increased imports from Russia via the Bluestream pipeline which runs under the Black Sea.

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