



Chart of the Week #2023-09

Europe – Daily Natural Gas Receipts

On the Anniversary of Russia's Escalation

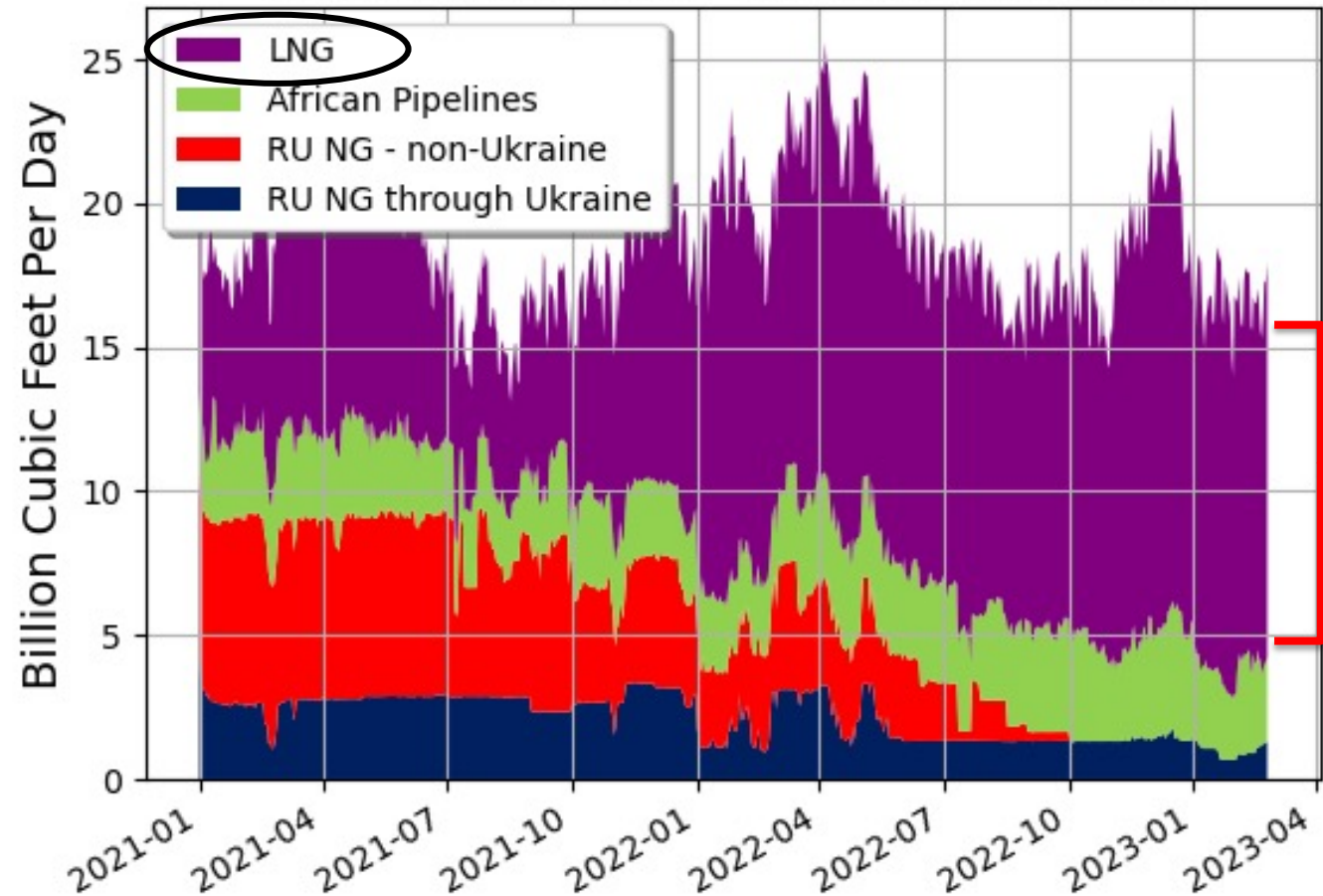
Max Pyziur
March 1, 2023

Europe – Daily Natural Gas Receipts: Jan 2021 to Feb 2023

On the Anniversary of Russia's Escalation



Daily European Natural Gas Imports By Sourced Region: 12/31/2020 through 02/24/2023



Analysis based on ENTSO-G Data

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As policymakers continue to seek ways to cut imports of Russian natural gas, LNG became the primary source of natural gas for Europe over the course of 2022.

During 2022, Poland's PGNiG, U.K.'s Ineos, France's Engie, among others, signed an additional 2 BCF/d in long-term contracts of U.S. LNG to begin deliveries between 2023 and 2026.

Italy has been the most active in its move away from Russian natural gas signing or strengthening natural gas procurement agreements with ten countries including Qatar, Azerbaijan, Egypt, and the U.A.E.

Germany's reliance on Russian natural gas has gone from 35% in January 2022 to 0% in December 2022.

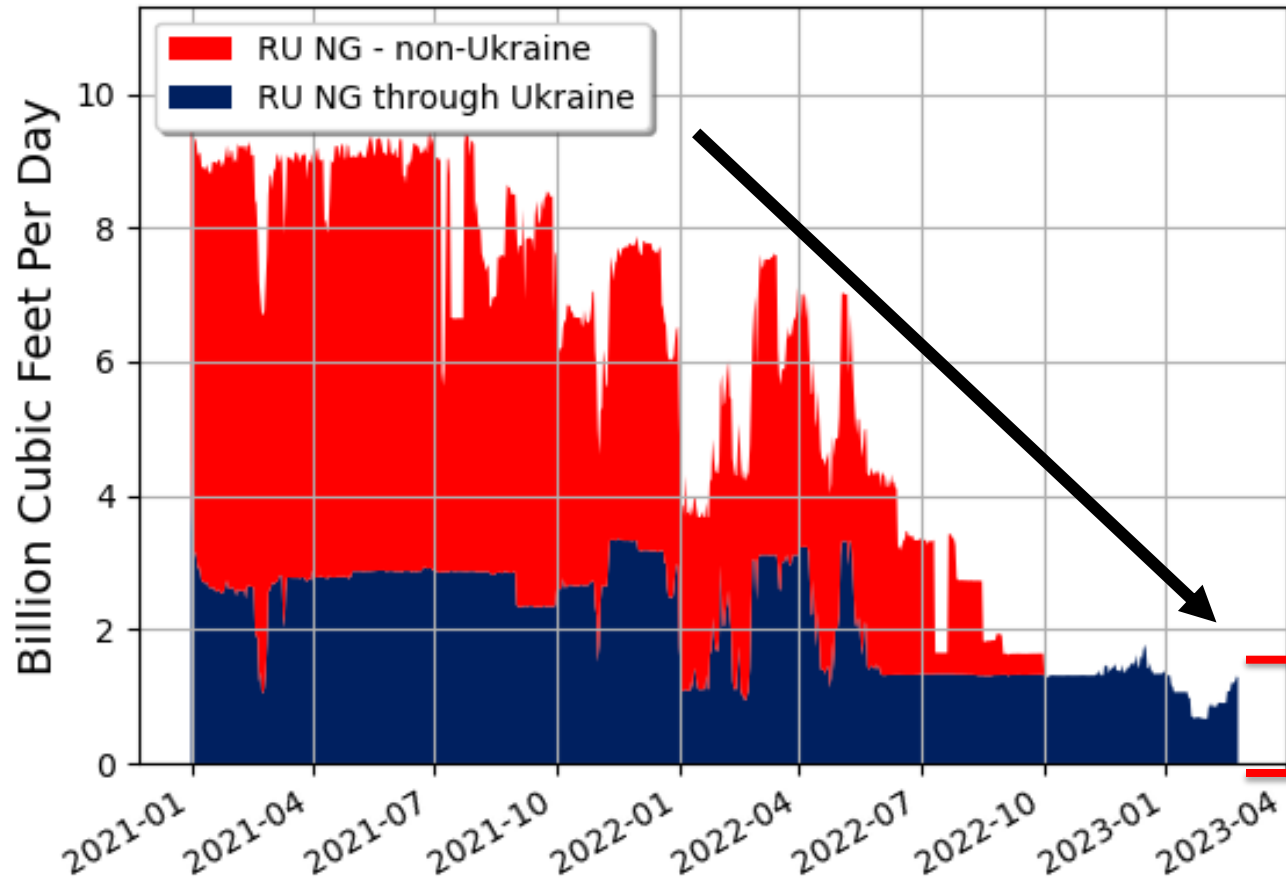
Despite early fears at the time that Russia's escalation began, there have been no sustained sizeable physical disruptions. Aggressive replenishment of inventories coupled with a mild winter have helped. Combined, this has mitigated whatever potential severity and costs that could have been incurred.

Europe – Daily Natural Gas Receipts: Jan 2021 to Feb 2023

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Daily European Natural Gas Imports Sourced From Russia: 12/31/2020 through 02/24/2023



Even before Russia's February 2022 escalation of military aggression against Ukraine, Russia's Europe-bound pipeline natural gas exports had been on the decline from their highs of 15 BCF/d during 2019.

Failure on April 27th to receive payment for deliveries in rubles, Russia halted both transit through and deliveries to Poland and Bulgaria.

On July 27th, GazProm shut a key Nord Stream 1 compressor pending maintenance, further curtailing Europe-bound flows.

On September 26th, apparent sabotage caused a complete shutdown of the Germany-bound Nord Stream 1 system.

Despite non-Ukraine transit and the War, Ukraine has maintained throughput of 1 BCF/d of Russia's gas, utilizing about 1/18th of NaftoGaz's transit capacity.

Analysis based on Eurostat, JODI, ENTSO-G, and IEA Data

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