



LITGAS

# BALTIC GAS MARKET: LITGAS VIEW

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# CONTENTS

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- I. Briefly about LITGAS
- II. Prices, consumption and trends
- III. Towards a single market

# Briefly about LITGAS



NATURAL GAS  
SUPPLY AND TRADING



LNG TERMINAL  
INFRASTRUCTURE

# Briefly about LITGAS

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## **LITGAS activities:**

- Designated supplier for Klaipeda LNG terminal
- Natural gas trading, small scale LNG supplies and bunkering

## **Market share and targets:**

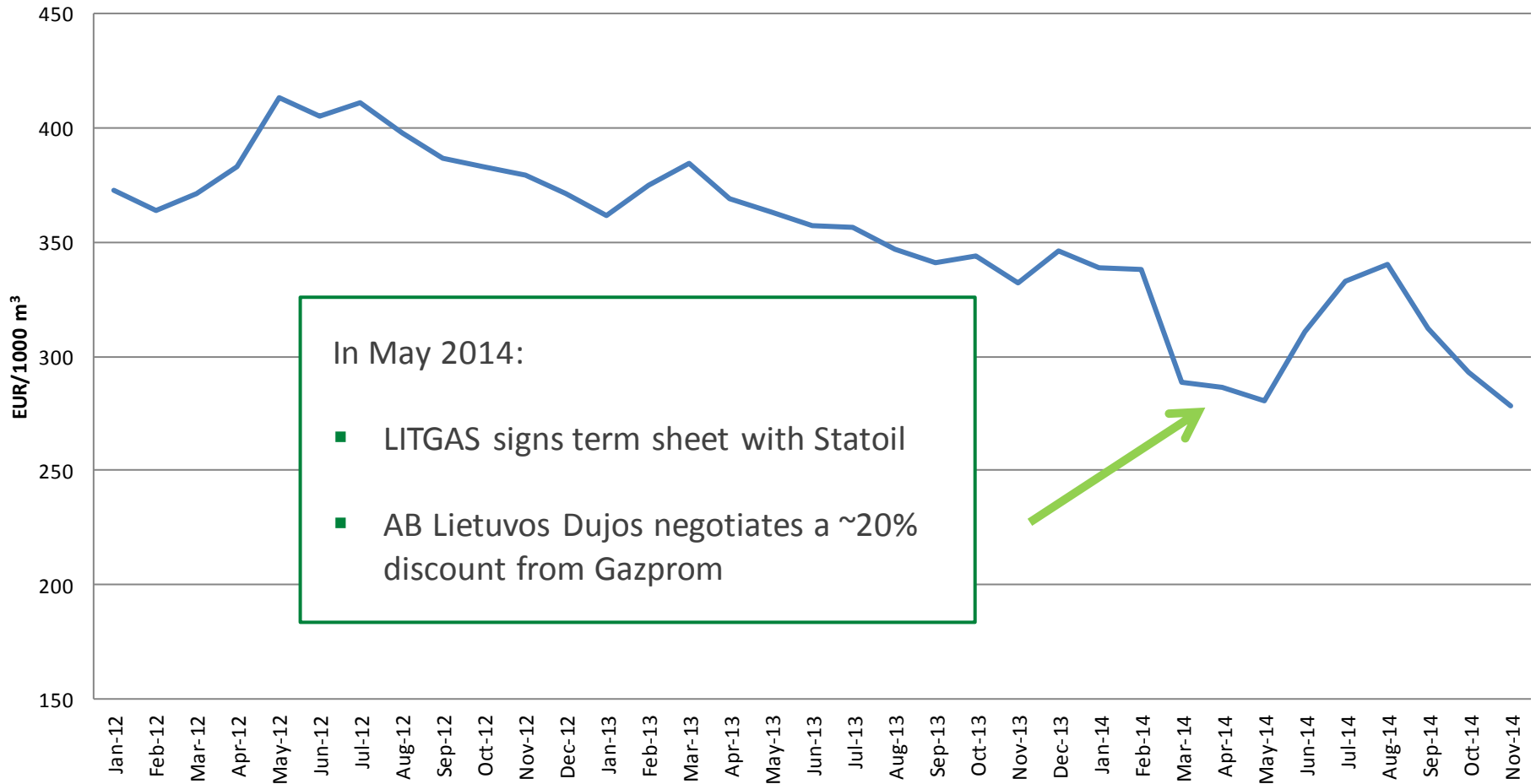
- 21% of supply market in Lithuania in 2015
- Export target to customers outside Lithuania for 2015 – 30 MCM



## II PRICES, CONSUMPTION AND TRENDS

# Trends

## Lithuanian average weighted natural gas import price



Source: National Commission for Energy Control and Prices (Lithuania)

# Prices and consumption

Wholesale prices in March, 2015,  
€/1000 m<sup>3</sup>



Source: GET Baltic exchange (Lithuania); Latvijas Gaze (Latvia; >100 nm<sup>3</sup>), Eesti Gaas (Estonia; >100 nm<sup>3</sup>)

Consumption in 2014, BCM



Source: National Commission for Energy Control and Prices (Lithuania), Central Statistical Bureau of Latvia, Estonian Ministry of Economic Affairs and Communications

# Natural gas flows: the birth of Baltics market?

2014



2015Q1



Source: Amber Grid (Lithuania)





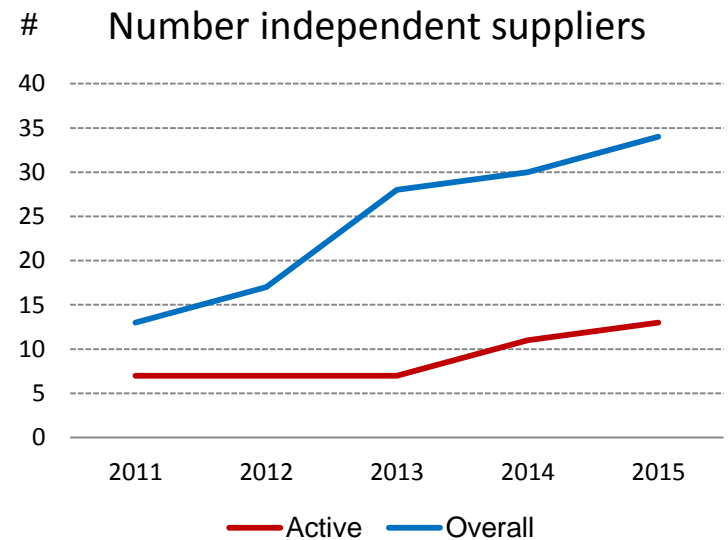
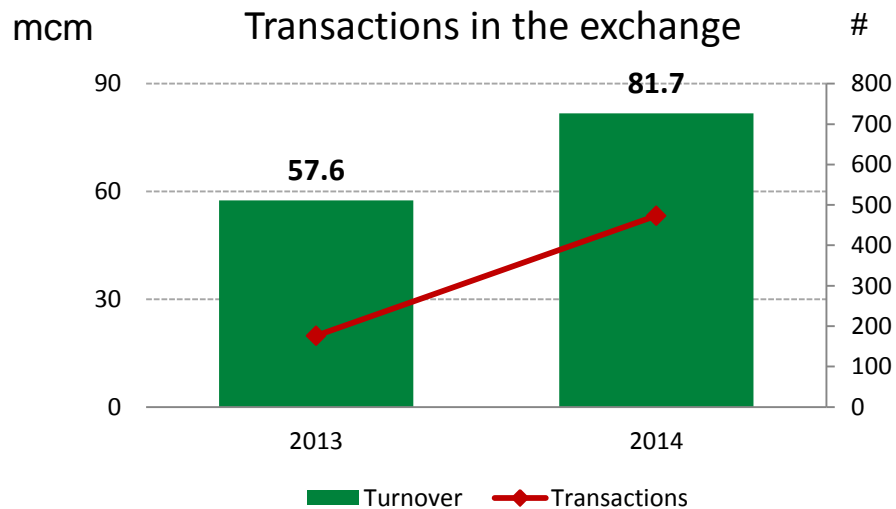
## III TOWARDS A SINGLE MARKET



# Towards a single market

## Lithuanian natural gas market:

- Functioning gas exchange and bilateral trade contracts
- Increasing number of independent suppliers
- Growing activity in the natural gas exchange



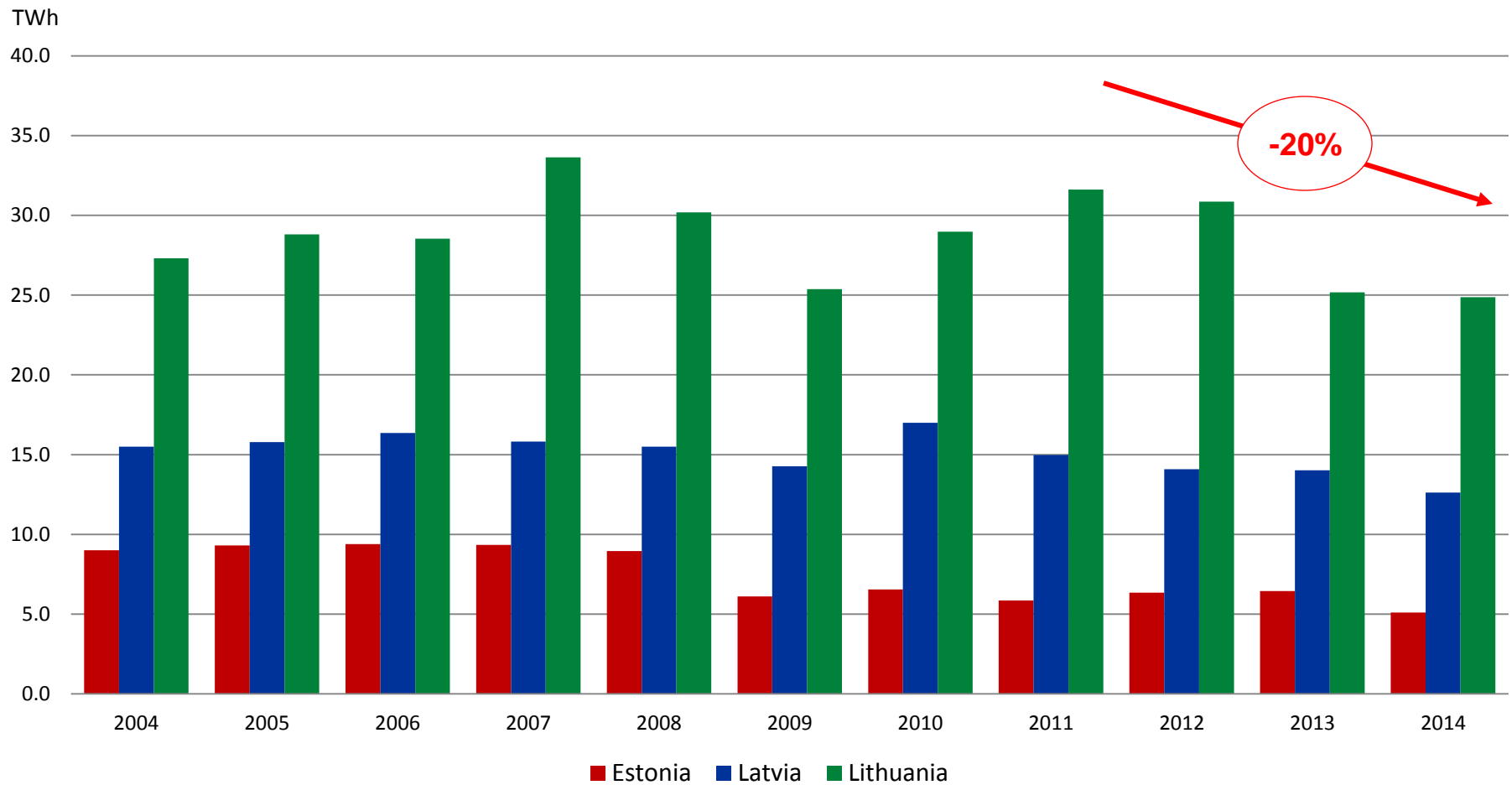
# Towards a single market: obstacles

- Non-liberalized natural gas market in Latvia
- Transit/storage in Latvia conditions are not uniform
- Different measurement systems
- No single entry/exit model



# Trends

## Natural gas consumption in Baltics





# Conclusions



- First cross Baltic gas trading transactions
- Baltic states no longer isolated from the global gas markets
- Decreasing consumption, low liquidity – a legacy of the monopoly and green energy support schemes
- Cross border trading increases security of the supply
- Regulation still lagging behind

THANK YOU!



LITGAS