

## Weekly Alert

**Russian War Against  
Ukraine: Energy Dimension**

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**Russian War Against Ukraine: Energy Dimension**  
**DiXi Group weekly review**

(May 1 - 7)

**#StopRussianAggression**  
**#StandWithUkraine****Summary**

- Damage to distribution networks in the Dnipropetrovsk, Kherson, Sumy, Chernihiv, Kharkiv and Donetsk regions was recorded as a result of strikes by Russian troops. On the night of May 4, due to shelling, a power generation facility in the Donetsk region partially suspended operations, while on the morning of May 5, the attack led to an emergency shutdown of its unit. On the morning of May 3, the Russians attacked an oil depot in the city of Kropyvnytskyi with three UAVs.
- Due to constant shelling, power supply was absent to some consumers in 5 regions. In a week, the specialists were able to restore electricity supply for at least 200,000 consumers.
- The IAEA and the General Staff of the Armed Forces of Ukraine report that the occupiers have begun evacuation of residents in Energodar, where the vast majority of the Zaporizhzhia NPP personnel live. The IAEA also reported that Russians had placed military equipment and explosives in the turbine room of ZNPP unit 4.
- The Verkhovna Rada appealed to the parliaments of all foreign countries, the European Parliament and the IAEA to impose sanctions on Rosatom and reduce cooperation in the field of nuclear energy with Russia.

- The Cabinet of Ministers has approved the Energy Strategy of Ukraine by 2050, with no text yet published. According to the Ministry of Energy, the document envisages achieving carbon neutrality through the development of nuclear generation, renewables, and the modernisation and automation of transmission and distribution systems. According to media reports, in the gas sector, the strategy envisages covering domestic demand with own production as early as 2025.
- MinRecovery presented the communication platform DREAM (Digital Restoration Ecosystem for Accountable Management), which will provide a single digital route for all recovery projects: from recording damages to commissioning of finished facilities. Also, the government allocated an additional 3.1 billion UAH for 516 communities in the Donetsk, Luhansk, Kherson and Zaporizhzhia regions.
- Ukrenergo and the Polish transmission system operator PSE modernized the powerful line between Poland and Ukraine. Obviously, it is the restored interconnector Khmelnytskyi NPP - Rzeszow, which has been operational since April 27. The modernized line will allow receiving additional revenues from exports, use imports and emergency assistance in the case of need.
- According to the NEURC, as of May 4, Ukrenergo did not submit a draft procedure on joint capacity allocation, agreed with the Slovak TSO. Ukrenergo reported it had submitted all the necessary documents 8 months ago, yet the papers specified relate to the Ukraine-Romania interconnection.
- 10 companies have already approached GTSOU, considering the construction of 31 biomethane facilities with an annual capacity of 225 mcm, so the General Director of GTSOU Dmytro Lyppa.
- The law on creation of the State Fund for Decarbonization and Energy-Efficient Transformation was signed. The Fund will be operational from January 1, 2024, be sourced mainly from the environmental tax, and should become a permanent source of financing energy efficiency projects and programs.
- The government adopted a resolution about corporatization of State Enterprise NNEGC Energoatom, which will be transformed into a joint-stock company with 100% state-owned shares.
- In 3 months since the start of the lamps exchange program, Ukrainians have received about 18.2 million LED lamps.
- The National Anticorruption Bureau (NABU) and the Specialized Anticorruption Prosecutor's Office (SAPO) informed about the suspicion of a former member of the management of Centerenergo and his associates, who caused over 176 million UAH losses.

## IMPACT OF THE WAR

### Attacks

The occupiers continue to destroy Ukraine's energy infrastructure by striking at generation facilities and power grids.

According to the Ministry of Energy and Ukrenergo, on the night of [May 1](#), another massive strike damaged distribution networks in the **Dnipropetrovsk region**, and over 18,000 consumers in the **Kherson region** lost power supply due to shelling. In the evening of the same day, distribution networks in the **Sumy region** were [damaged](#) and a large-scale fire broke out. On the night of [May 3](#), two aerial bombs targeted a power substation and a control centre building in the **Sumy region**, leaving more than 4,000 customers without electricity. Shelling also damaged distribution networks in the **Chernihiv, Kharkiv and Donetsk regions**. Also, on May 5, damage was reported to distribution networks in the **Kherson and Kharkiv regions**. [On May 6](#), a night air strike in the

**Sumy region** damaged distribution networks, and grid infrastructure was affected in the **Dnipropetrovsk region**.

On the night of [May 4](#), the Russian military shelled a power generation facility in the **Donetsk region**, forcing it to partially suspend operations. In addition, heavy shelling damaged overhead power lines in the region, cutting off electricity supply to 186,000 consumers, including coal mines. On the morning of [May 5](#), the enemy shelled a thermal power plant in the **Donetsk region** for more than 2 hours, which led to an emergency shutdown of the unit.

The fuel sector also remains the enemy's target. On the morning of May 3, the Russians attacked an oil depot in the city of **Kropyvnytskyi** with three UAVs, causing a fire, [reported](#) the Kirovohrad Regional Military Administration Head Andrii Raikovych.

Restoration works are taking place with a huge risk to life. [On May 3](#), repair crews in the **Kherson and Sumy regions** came under fire. Three employees of the Kherson DSO were killed. In the **Kharkiv region**, a group of engineers working to restore power grids hit an enemy mine. In total, 119 employees of energy companies have been killed and over 300 injured since the start of the full-scale Russian aggression.

As of April 27, the shelling of Ukraine's fuel infrastructure has caused more than 3.3 billion UAH in environmental damage, the media [reported](#) citing the State Environmental Inspectorate. The most affected are the Kyiv, Dnipro, Kirovohrad, Poltava, and Lviv regions.

## Nuclear and Radiation Safety

The [IAEA](#) and the [General Staff of the Armed Forces of Ukraine](#) report that the occupiers have begun a mass evacuation of residents in Energodar, where the vast majority of the Zaporizhzhia NPP personnel live. The IAEA mission was denied access to the city. In addition, the IAEA mission at the plant reports constant sounds of artillery shelling near the site.

At a weekly meeting between the IAEA's Incident and Emergency Centre (IEC) and the State Nuclear Regulatory Inspectorate on May 2, the IAEA representatives [reported](#) that Russians had placed military equipment and explosives in the turbine room of ZNPP unit 4.

[According to](#) Energoatom, there have been no changes in the situation around the ZNPP. As of May 6, the plant is not generating electricity, instead consuming it from the Ukrainian power system to meet its own needs. Five of the units are currently in a cold shutdown, and one (unit 5) is in a hot shutdown.

During the week, the IAEA missions inspected the Rivne, Khmelnytskyi and South Ukraine NPPs and rotated personnel at each plant.

The State Agency on Exclusion Zone Management [reported](#) that 1.6 billion UAH will be needed to restore the condition of Chernobyl NPP SSE to its pre-war state. It is noted that 40 projects have already been developed and registered for the restoration of the Exclusion Zone, the funding of which will reach about 15 million EUR in 2023.

## Countermeasures

The Cabinet of Ministers has [approved](#) the Energy Strategy of Ukraine by 2050, the text is however not yet been published. According to the Ministry of Energy, the approved document envisages achieving carbon neutrality through the development of nuclear generation, renewable energy sources, and the modernisation and automation of transmission and distribution systems. [According to](#) the Cabinet of Ministers, the strategy reflects the goals of the European Green Deal and takes into account the consequences of the war, the strengthening of energy security and resilience of the energy system; the results of power system synchronization with ENTSO-E and further deepening of integration; the latest technologies (including hydrogen production and use, small modular nuclear reactors, energy storage systems, etc.), technical changes in the energy

sector, global trends and innovative solutions; environmental safety requirements in accordance with the EU standards and Ukraine's commitments.

[According to](#) media reports, in the gas sector, the strategy envisages covering domestic demand with own production as early as 2025: under the baseline scenario, Ukraine will increase production to 20 bcm (i.e. by 8%) in 2024 and 2025, and by 7.5% in the following years, up to to 21 bcm. It is reported that from the mid-2030s, gas consumption will begin to decline, reaching 10.4 bcm in 2050, in particular due to substitution with hydrogen and biogas. Hydrogen production is scheduled to start in 2032 and reach 1.65 million tonnes per year by 2050; biomethane production potential is set at 10 bcm per year, of which about 4.5 bcm will be needed by Ukraine for its own consumption by 2050.

The Cabinet of Ministers has [expanded](#) the experimental Single Digital System for Reconstruction Management to include construction and real estate, along with infrastructure projects. The project will be coordinated by the Ministry of Communities, Territories and Infrastructure Development (MinRecovery).

MinRecovery [presented](#) the communication platform of the single electronic recovery management ecosystem DREAM (Digital Restoration Ecosystem for Accountable Management), which will provide a single digital route for all recovery projects: from recording damages to commissioning of finished facilities.

The platform [includes](#) 8 stages of project work:

- recording damage and identifying needs;
- development of feasible recovery plans;
- project initiation and preparation;
- developing the project portfolio;
- identification of financing mechanisms;
- preparation and conduct of procurement;
- project implementation;
- audit and its implementation.

Under DREAM, communities will be able to use a database of facility templates to create projects, present them to partners to raise funding, and manage the construction process. So far, communities have submitted more than 4,000 projects to restore infrastructure facilities.

The Prime Minister Denys Shmyhal has [announced](#) the government's decision to allocate an additional 3.1 billion UAH for 516 communities in the Donetsk, Luhansk, Kherson and Zaporizhzhia regions. "We are strengthening their capacity and helping to mobilise resources for reconstruction," the PM wrote.

The President Volodymyr Zelenskyy has [signed](#) a law exempting facilities destroyed or damaged as a result of the war from real estate tax. According to the law, the exemption for individuals (for the whole of 2022) and legal entities, single tax payers of the fourth group (from March 1, 2022, to January 1, 2023) will apply if the land plot is located in the areas of active hostilities or occupied territories. Starting from 2023, the exemption will be valid until the last day of the month in which active hostilities or occupation ends.

The Cabinet of Ministers has amended the Procedure for the formation of housing intended for temporary residence of internally displaced persons. [According to](#) the Ministry of Reintegration, housing for temporary residence will be provided, in particular, from the special housing fund for IDPs employed at enterprises relocated to safe regions, as well as for IDPs belonging to vulnerable groups. The government also approved a list of socially vulnerable IDPs who are eligible for temporary housing.

In the village of Posad-Pokrovske (Kherson region), destroyed by Russian aggression, representatives of Archimatika LLC and the State Agency for Reconstruction [presented](#) three

options for the reconstruction of residential buildings to local residents. Almost all houses, a school, a kindergarten, a community centre, shops, pharmacies and other social infrastructure were damaged or destroyed in the village. Emergency repairs are currently underway to repair the damaged networks.

## MARKETS PULSE

### Electricity Sector

#### *Power system operation*

According to [Ukrenergo](#) and the [Ministry of Energy of Ukraine](#), during the week, the power system worked in a balanced manner, generation with a reserve provided the necessary amounts of capacity for the needs of consumers. On Ukraine's rivers, the second moderate wave of the freshet continues, so hydroelectric power plants are performing actively. Solar and wind farms have seasonally increased electricity production. Total volume of electricity produced by hydropower, solar and wind power plants is enough to compensate for the capacity of those units of thermal and nuclear generation that were offline for repairs and maintenance.

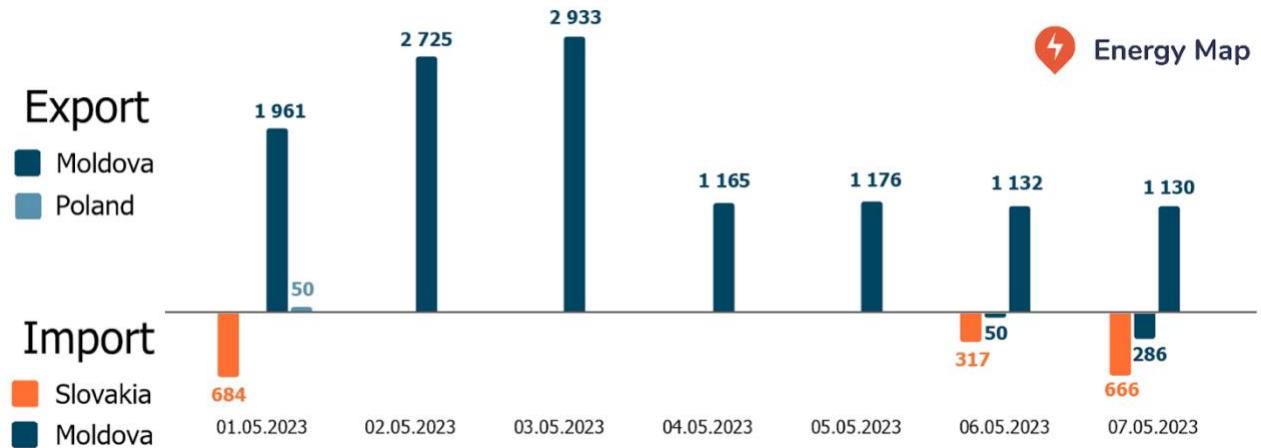
The massive Russian missile attacks during the week did not lead to the need to limit consumption. However, as of May 6, due to constant shelling and destruction of power grids, power supply was absent to some consumers in the Kharkiv, Kherson, Zaporizhzhia, Donetsk, and Chernihiv regions. Repair crews work where the security situation allows. In particular, Ukrenergo's crews restored a damaged power transmission line in the central region. In a week, the specialists were able to restore electricity supply for at least 200,000 consumers.

Ukrenergo and the Polish transmission system operator PSE [modernized](#) the powerful line between Poland and Ukraine. Obviously, we are talking about the Khmelnytskyi NPP - Rzeszow line. The restored interconnector has been operational since April 27, 2023 and successfully completed the first days in a test mode. The total length of power grids reaches almost 400 km, and more than 70% of them pass through the territory of Ukraine. The line is connected to the main system by an open switchgear "at one of the Ukrainian energy facilities". Modernization of the power line increases Ukraine's export-import possibilities. It will allow receiving additional revenues from exports, use imports and emergency assistance in the case of need. As the Prime Minister of Ukraine Denys Shmyhal [reported](#), the total cost of the project amounted to 350 million UAH.

According to the [NEURC](#) and [ENTSO-E](#), Ukraine performed commercial electricity imports from Slovakia amounting to 0.6 GWh [in total](#) during May 1, 6 and 7. The imports were performed in daytime hours, with capacity ranging from 15 to 134 MW. On the afternoon of May 6 and 7, there were also minor imports of electricity from Moldova for 0.34 GWh (no imports performed in the previous week), the capacity varied in the range of 10-66 MW.

The volume of exports to Moldova amounted to 12.2 GWh (-40% as compared to the previous week), the capacity ranged from 0 to 206 MW. Poland received only 0.05 GWh on May 1 (-99.6% as compared to the previous week), as the country did not need additional electricity due to long holidays and reduced consumption in the following days.

## Electricity import and export, MWh



Source: [Energy Map](#)

[5-6 companies booked access](#) to capacity for imports in the Slovakia-Ukraine direction at daily auctions; the main players: Nexttrade, DE Trading, LE Trading, ERU Trading and TEP. In the Moldova-Ukraine direction, on May 1 and 4-7, capacity was booked by CPG Energy, DE Trading, ERU Trading, Cube Energy. The marginal price in both directions was "zero".

During the week, 7-9 companies purchased export capacity in the Ukraine-Moldova direction, the main players: Artlex-Energy, D.Trading, NAP-Community Trading, Ukrhydroenergo and Centrenergo. The marginal price in certain hours (01:00-05:00 and 24:00) on May 4-7 varied from 1 to 16.16 UAH/MWh, the total revenue of Ukrrenergo from the auctions amounted to 18,200 UAH.

## Electricity market performance

**Bilateral Contracts Market (BCM):** Compared to the previous week, the intensity of trading on the Ukrainian Energy Exchange (UEEX) decreased significantly. On May 1-7, [11 auctions](#) for the purchase/sale of electricity were held at UEEX (3 in commercial sections, 8 in specialized ones). Ukrhydroenergo, Centrenergo, companies of DTEK group, Guaranteed Buyer, universal service suppliers, distribution system operators, etc. were among those who initiated trades. It is noteworthy that Energoatom-Trading did not initiate any auction. A total of 243.8 GWh was sold at the UEEX with delivery in May (-81% as compared to the previous week). The monthly Base index for May remained at 2,702.7 UAH/MWh.

In particular, Guaranteed Buyer sold 0.98 GWh in block positions at 2,650 UAH/MWh. Ukrhydroenergo sold 14.4 GWh of maximum load in block positions at prices 2,900-3,771.9 UAH/MWh and 17.6 GWh of minimum load in block positions at 1,809.2 UAH/MWh. Centrenergo succeeded in selling 2.48 GWh of block positions (24:00-07:00) at prices of 1,610-1,854 UAH/MWh, 15.2 GWh (08:00-23:00) at prices of 2,829.6-3,100 UAH/MWh, and 1.2 GWh (08:00-20:00) at a weighted average price of 2,730 UAH/MWh. The companies DTEK Kurakhivska TPP, DTEK Dniproenergo and DTEK Zahidenergo sold a total of 182.5 GWh, at prices in the range 1,490-2,826.2 UAH/MWh. In the commercial sections, companies mainly purchased electricity by the load of individual profiles.

**Day-ahead market (DAM):** According to the Energy Map service, on May 1-7, hourly prices were [relatively stable](#) due to the effect of price caps. Deviation from the price caps for day and night hours (4,000 and 2,000 UAH/MWh, respectively) ranged from 0% to 33.8% and averaged at 15.7%. The number of hours with prices being close (with a deviation of less than 1%) or directly at the level of price caps increased, as compared to previous week, from 3.5% to 26.8%. The average hourly price increased moderately to 2,726.7 UAH/MWh (+10.3% as compared to the previous period). The weighted average daily price of electricity [ranged](#) in the narrow corridor 2,610.8-2,907.6 UAH/MWh during the week. At the same time, the spread between the EU and Ukrainian markets significantly decreased. In particular, the Base DAM indices in the countries of Eastern Europe (Poland, Hungary, Romania and Slovakia) [exceeded](#) the similar index of Ukraine 1.03-1.58 times (compared with 1.1-2.1 in the previous week).

The total volume of electricity sales at the DAM of Ukraine increased slightly and [amounted](#) to

423.95 GWh (+45.7% as compared to the previous week). In particular, the daily volume of trading was in the range of 55.3-65.2 GWh. In general, the market remained in surplus - the ratio between the total volume of sale and purchase bids decreased and fluctuated at 1.24-1.71. Unlike the previous week, the deficit in the market was observed for 6% of hours. The purchasing structure [was dominated](#) by suppliers (86.8-88.5%), the share of system operators was 12-13%, the rest (up to 0.2%) belonged to producers and traders.

## ***Policy and regulation***

The President signed the Law about [creation](#) of the State Fund for Decarbonization and Energy-Efficient Transformation. This law provides that the Fund will be sourced from the funds collected as the environmental tax, paid for emissions of carbon dioxide into the atmosphere by stationary sources of pollution. The Fund will be operational from January 1, 2024. Currently, the Ministry for Communities, Territories and Infrastructure Development is developing the procedure of its operation.

The Fund's activities will be [aimed](#) at energy efficiency measures and state programs. In particular, it will be reducing the cost of obligations under contracts on loan and lease, and on implementing energy services. Another direction is the fulfilment of state debt obligations for the implementation of such programs, as well as increasing the use of renewable energy sources and alternative fuels, reducing carbon emissions. According to the Head of the State Energy Efficiency Agency Hanna Zamazeyeva, the Fund should become a permanent source of financing energy efficiency projects and programs in various sectors of the economy. It is planned to implement some relevant mechanisms: green bonds, ESCO projects, green lending, factoring, leasing, etc.

The Cabinet of Ministers of Ukraine [adopted](#) a resolution about corporatization of State Enterprise NNEGC Energoatom. The enterprise will be transformed into a joint-stock company with 100% state-owned shares. The government set a commission for the transformation of Energoatom, approved the structure, and set a deadline for creditors to declare their claims to the company.

The Verkhovna Rada of Ukraine adopted in the first reading the draft law "On Amendments to Certain Laws of Ukraine on the Restoration and Green Transformation of the Energy System of Ukraine" (No 9011-d). The draft is aimed at ensuring the development of renewable generation on a market basis. In particular, it is proposed to introduce guarantees of origin for electricity from RES; the model of auctions for the distribution of support quotas for RES producers based on the contract for differences model is being improved; producers under the feed-in tariff are granted the right to leave the balancing group of guaranteed buyer and sell electricity on the market; the right to export green electricity is granted to producers and guaranteed buyer; the concept of an active consumer (prosumer) with the right to install RES installations and batteries for own consumption and sale under net billing model is introduced; the definition of a new market participant (aggregator); the possibility of connecting generating facilities of third parties to the internal networks of the active consumer is provided. It is also possible to complete the construction and commissioning of wind energy facilities under the feed-in tariff by the end of 2023.

The NEURC [made changes](#) to the resolution on temporary changes in the technical parameters of customers' electrical installations. For the purpose of improving the procedure for temporary grid connection during martial law, the provisions of the relevant procedure and rules for bringing electrical installations into compliance with the Distribution Systems Code have been clarified. In particular, the temporary change of technical parameters is carried out by providing a temporary connection service on the basis of a contract between the customer and the DSO. In this case, the connection fee is calculated based on the estimate for the construction of the line part of the connection. In the case the customer independently constructs the linear part with a connection point on his own land, no fee for temporary connection is charged.

Also, the Regulator [approved](#) amendments to the Market Rules and the DAM/IDM Rules in terms of extending the time limits set for moving the time of "closing the DAM gates" and, accordingly, starting trading on the IDM, as well as the possibility for TSO to change the gates closing time for registering purchase and sale volumes under bilateral contracts.

According to the NEURC report, at the meeting on May 4, the Regulator should have [considered](#) the issue of approving the procedure for the distribution of revenues from cross-border capacity allocation in the Ukraine-Slovakia direction, agreed with the Slovak transmission system operator. However, as of May 4, Ukrenergo did not submit this draft procedure to the NEURC, which is

necessary for the resumption of electricity exports from Ukraine to Slovakia. Ukrenergo [reported](#) it had submitted all the necessary documents to the Regulator for approval 8 months ago. At the same time, the documents specified in the notification relate to the Ukraine-Romania interconnection and the agreement of the relevant mechanism with the Romanian TSO Transelectrica.

The NEURC [published](#) the draft resolution “On approval of the Amendments to the Procedure for Investigating Violations on Electricity and Natural Gas Markets”. The draft envisages changes in terms of the requirements for the list of information that must be contained in the notification (statement) about a possible violation, the maximum period of investigation, the provision by market participants to the NEURC of a large amount of information on electronic media during investigations, etc.

## **Other**

The National Anticorruption Bureau (NABU) and the Specialized Anticorruption Prosecutor’s Office (SAPO) [informed](#) about the suspicion of a former member of the management of Centerenergo and his associates. They caused losses for the state-owned company in the amount of over 176 million UAH. According to the investigation, in 2020 Centrenergo entered an agreement on the sale of electricity to United Energy LLC, which contracted, but did not offtake the specified volumes of electricity. In order to avoid a fine, additional contracts were retroactively concluded, which allowed LLC to offtake any volume of electricity, despite the fact that under the terms of auctions, the contracted offtake of electricity should have been guaranteed. As a result of such actions, Centrenergo did not receive income of over 176.8 million UAH - this is the amount of money the private company had to pay for failure to fulfill the specified obligation.

## **Gas**

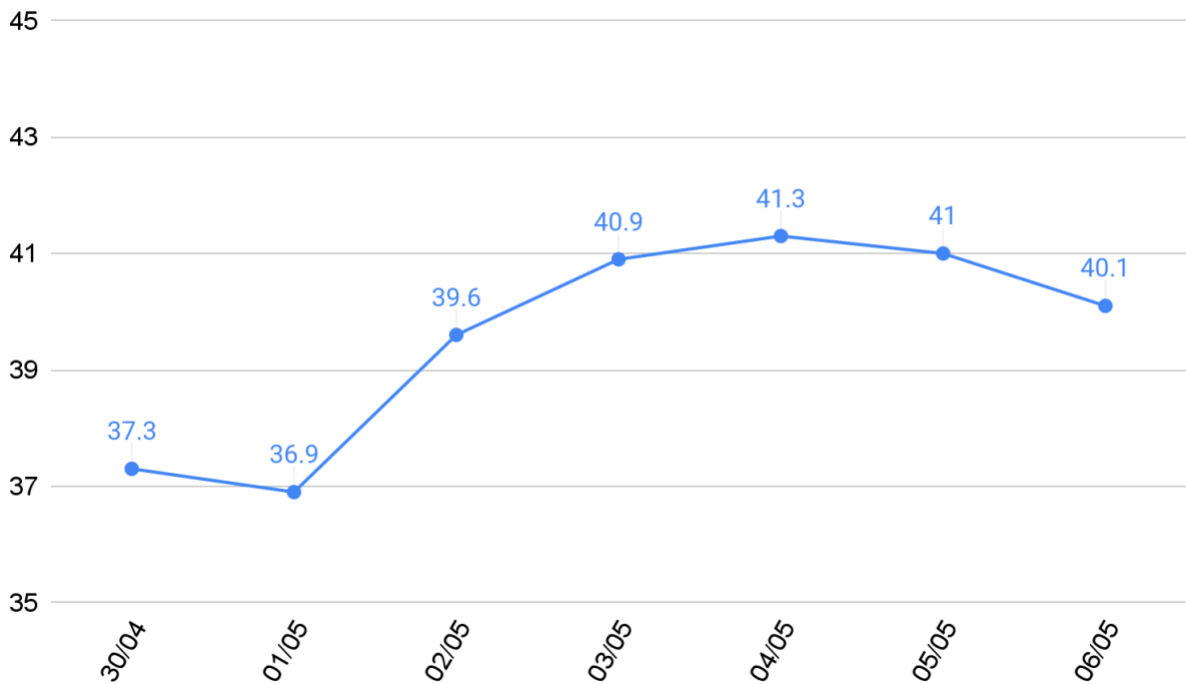
### ***Gas system performance***

On April 30 - May 6, the volume of gas transit through the territory of Ukraine amounted to 36.9-41.3 mcm per day, i.e. only 34-38% of the capacity contracted by Gazprom (109 mcm per day). In the reporting week, the average daily transit was at 39.6 mcm. There were no transit flows via the Sokhranivka interconnection point.

Physical imports from the EU countries amounted to 7.4 mcm in the reporting week (on average, 1.05 mcm per day), which is 49% less than in the previous week. The physical imports performed via the Beregdaroc interconnection point (VIP Bereg) at 3.9 mcm, via the Hermanowice interconnection point (VIP Ukraine-Poland) at 1.4 mcm, and via the Căușeni interconnection point (Ukraine-Moldova) at 2.1 mcm. There were no physical imports performed via the Budince interconnection point during the week. On April 30 - May 6, no gas was transmitted on Ukraine’s gas system exit, except for transit flows.



### Transit of Russian gas through the territory of Ukraine, mcm

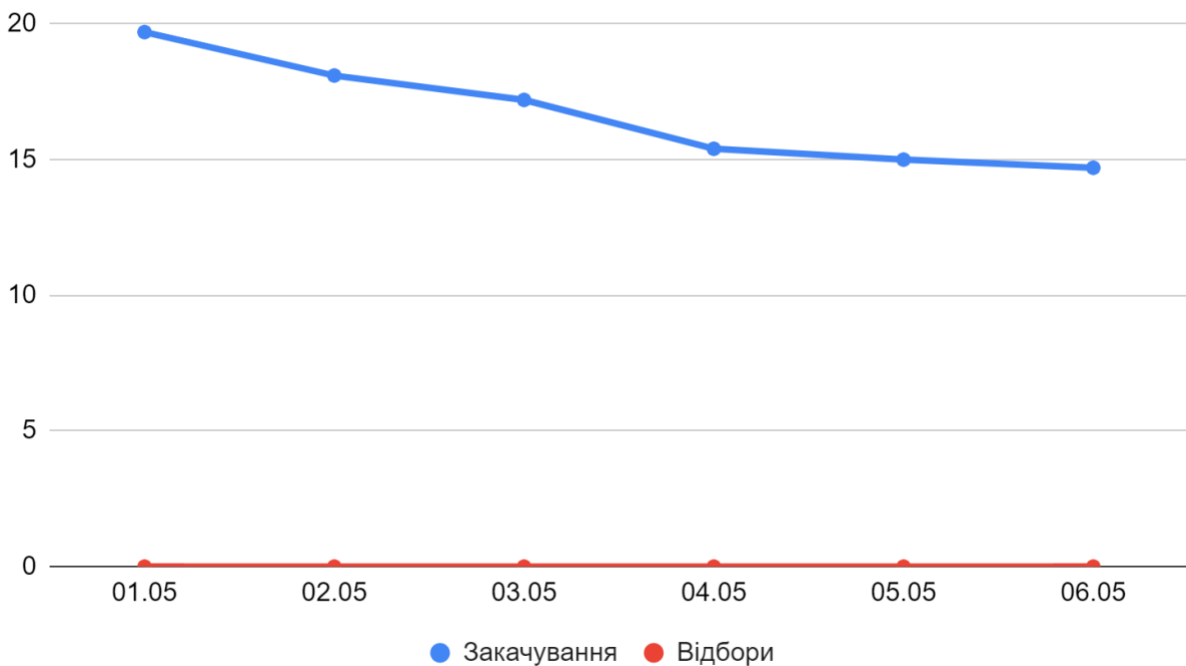


Source: [Gas Transmission System Operator of Ukraine LLC](#)

### Underground storage facilities

According to the AGSI platform, as of May 6, 4.81 bcm of gas was stored in the Ukrainian storages (15.94% of the total working capacity). Withdrawals on April 30 - May 6 were not performed, and injections were at 120 mcm (corresponds to the indicators of the previous week).

### Natural gas withdrawals and injections into Ukrainian storages, mcm



Source: [AGSI](#) (all indicators calculated by dividing the primary indicators in MWh by the conversion factor of 10.595 kWh/cm)

## Functioning of the natural gas market

In the [trading sessions](#) of May 1-5, 10 companies (3 sellers and 7 buyers) submitted bids for purchase and sale of natural gas at the Ukrainian Energy Exchange (UEEX). In the reporting period, UEEX received purchase and sale bids for 422.6 mcm of gas with a total starting price of 4.81 billion UAH. The weighted average starting price of all bids was 11.4 UAH/mcm, excluding VAT, which is 3% lower than previous week.

A total of 30.01 mcm was sold. Two sale bids were successful - both by the state-owned Ukrnafta (5.01 mcm). In terms of purchase bids, 4 positions were successful: all from the state-owned Naftogaz (volume - 25 mcm). The weighted average cost of the purchased and sold resource is 10.81 UAH/cm without VAT (0.08 UAH/cm less than the previous week). As for the auctions initiated by Naftogaz, the weighted average purchase price for gas in storage (delivery in May) was 10,801 UAH/tcm (excluding VAT).

Naftogaz Group also became more active in the over-the-counter segment of the wholesale market. Thus, on April 28, Naftogaz Trading [concluded](#) a gas supply contract with ArcelorMittal Kryvyi Rih, one of the largest producers of rolled steel in Ukraine. The volume of supply is 200 mcm, which covers more than half of the annual needs of the enterprise.

### Policy and regulation

The NEURC [published](#) the draft resolution “On approval of the Amendments to the Procedure for Investigating Violations on Electricity and Natural Gas Markets”. The draft envisages changes in terms of the requirements for the list of information that must be contained in the notification (statement) about a possible violation, the maximum period of investigation, the provision by market participants to the NEURC of a large amount of information on electronic media during investigations, etc.

### Other

On May 4, the Verkhovna Rada of Ukraine [held](#) committee hearings on the development of biomethane, hydrogen, other synthetic gases, and bioethanol production. The main topics of discussion with the participation of representatives of the state (Ministry of Energy, Ministry of Agrarian Policy, specialized VRU committees) and business (Naftogaz, GTSOU) were:

- simplifying the connection of biomethane (other gases) producers to transmission systems;
- legal regulation of activities of customs clearance participants in the sale of alternative energy sources;
- most effective types (mechanisms) of support for agricultural enterprises producing alternative energy sources;
- promoting the mandatory share of bioethanol in motor fuels;
- launch of a full-fledged register of biomethane producers.

The General Director of GTSOU Dmytro Lyppa additionally noted that more than 10 companies have already approached the TSO, which are considering the construction of 31 biomethane facilities with an annual capacity of 225 mcm.

## Motor Fuels

The state-owned Ukrnafta [continues](#) to implement measures to increase oil production. According to the 1Q2023 results, it was possible to increase production by 100 tons per day. In particular, the transfer to another horizon at one of the wells in the Eastern oil and gas region made it possible to obtain an average daily flow of crude at 34.1 tons. Measures were also carried out at other deposits, in total - over ten operations.

[According to](#) the media, Ukrnafta wants to acquire corporate rights of Ukrnaftoburinnia, which was partially previously owned by Ihor Kolomoiskyi and his partners. As noted, the company intends to take over Ukrnaftoburinnia, Sakhalinske LLC, Sirius-1 LLC, and East Europe Petroleum LLC. Arguing its intentions, the company notes that Ukrnafta has the technical and practical capabilities

to increase production of oil&gas at the Sakhalinske field and, as a result, can increase the production of oil products.

## International Cooperation

The Verkhovna Rada [appealed](#) to the parliaments of all foreign countries, the European Parliament and the International Atomic Energy Agency (IAEA) to impose sanctions on Rosatom and reduce cooperation in the field of nuclear energy with Russia. The authors of the appeal, in particular, called for:

- introduction of measures to stop cooperation with Russia in the field of nuclear energy;
- a proper response to the unacceptable violations already committed by Rosatom and its subordinates on the territory of Ukraine through a system of sanctions;
- start working on the sanctions mechanism and its criteria to be applied in the future if the Russian nuclear terror intensifies;
- laying the groundwork for further cooperation on specific goals aimed at reducing cooperation with Russia in the field of nuclear energy.

Energoatom, the IAEA, and the French Ministry of Europe and Foreign Affairs [signed](#) a trilateral cooperation agreement. The document provides for France's assistance to Energoatom in the purchase of spare parts for diesel generators through the IAEA.

The Prime Minister Denys Shmyhal [paid](#) a working visit to London and met with the British Prime Minister Rishi Sunak, Secretary of State for Foreign Affairs James Cleverly, and Secretary of Defense Ben Wallace. The main topics of the meetings were the upcoming recovery conference, strengthening military support for Ukraine, and adopting NATO standards.

The Vice Prime Minister and Minister of Economy Yuliia Svyrydenko [said](#) that DFC intends to mobilize 1 billion USD in investment in Ukraine. The DFC's intention to raise these funds ensures the creation of new projects in strategic sectors of the Ukrainian economy, such as energy, food security, reconstruction of social and critical infrastructure, military technology, IT, etc. According to Svyrydenko, DFC also announced a new investment project in Ukraine worth 25 million USD, with Horizon Capital Growth Fund IV as partner.

In 3 months since the start of the lamps exchange program, Ukrainians have [received](#) about 18.2 million LED lamps. The highest demand was observed in the Kyiv region, where 2.5 million lamps were exchanged, and in the Dnipropetrovsk region (almost 2 million). Since May 1, only Ukrposhta's central offices in 23 cities and regional centers have been [available](#) for exchange in the Diia app. The program is being implemented with the support of the EU.

For subscriptions, comments and other questions, please email to:  
[author@dixigroup.org](mailto:author@dixigroup.org)

### SUPPORT UKRAINIAN ENERGY SECTOR



*Ukraine urgently needs emergency energy equipment to restore energy supply in the regions affected by war. More than 12,000 items are on the list of requested emergency energy equipment. If your company, association or country is ready to help, please [contact the Energy Community Secretariat's Ukraine Support Task Force](#).*

[Energy Community Homepage \(energy-community.org\)](http://energy-community.org)

### SUPPORT UKRAINIAN ARMY

*To financially support the Armed Forces of Ukraine, please follow the [link](#) (the National Bank of Ukraine special account).*