

Weekly Alert

**Russian War Against
Ukraine: Energy Dimension**

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Russian War Against Ukraine: Energy Dimension
DiXi Group weekly review

(February 12 – 18)

#StopRussianAggression
#StandWithUkraine**Summary**

- On February 13, equipment at a TPP in Dnipropetrovsk region (most likely, the Prydniprovsk TPP) was damaged, and a large-scale fire broke out, leading to the shutdown of power units, unloading and suspension of the TPP operation.
- Systemic shelling continues in areas close to the front line. In general, as of February 18, 365 settlements remained without electricity due to hostilities and technological disruptions.
- Another threat to nuclear and radiation safety has arisen at the Zaporizhzhia NPP – so the Acting CEO of Energoatom Petro Kotin. Namely, the 6-year period allowed by the producer for the presence of nuclear fuel in reactors, with the first supplies loaded in 2017, is expiring.
- As of December 31, 2023, the recovery and reconstruction needs in the energy sector are estimated at 47.1 billion USD – RDNA3 report. 10.6 billion USD of damage was estimated for the energy and extractives sector, and another 2.1 billion USD in district heating.

- Priority recovery measures in 2024 are estimated at 2.7 billion USD, including 1.24 billion USD in the electricity sector, 241 million USD in the gas sector, 435 million USD in the oil sector, as well as 540 million USD for gas purchases and 200 million USD for electricity imports.
- Electricity exports increased by 62% to 16.5 GWh, imports decreased by 68% to 11.2 GWh. For the first time in a long period, weekly exports overtook imports by 32%.
- The day-ahead market remains in surplus, the ratio between total daily volume of sale and purchase bids ranged from 1.58 to 1.85.
- The NEURC published amendments to the methodology for setting price caps on the organized electricity markets, caused by significant fluctuations in the balancing market. Also, Regulator has developed a draft procedure for reporting on transactions related to wholesale energy products.
- The government approved the Priority Action Plan for 2024. Among the priorities – implementation of the EU legislation, market coupling, and expanding physical capacities for electricity exports/imports. In the gas sector it is planned to separate accounts of SOEs related to the performance of public service obligations, resolve the issue of examining technical conditions for transmission/distribution system connection, approve the 2050 Hydrogen Strategy, and launch the biomethane registry.
- The Minister of Energy Herman Halushchenko confirmed that in 2024 Ukraine plans to start the construction of new power units at the Khmelnytskyi NPP.
- The Ministry of Economy released for public discussion the draft National Energy and Climate Plan.
- Japan announced the transfer of 1,800 gabions to GTSOU, which will be used for the physical protection of critical gas transmission infrastructure in various regions.
- Under the USAID Energy Security Project, 91 cogeneration units were purchased for 32 municipalities and two universities. As of February 15, 57 such installations with a capacity of 50 to 1500 kW have already been delivered.
- The United States, through Estonia, will transfer to Ukraine 0.5 million USD forfeited following the breakup of an illegal procurement network, to perform an assessment of damage to the distribution and transmission systems in electricity.

IMPACT OF THE WAR

Attacks

Shelling of energy infrastructure. [According to](#) Ukrenergo, as of February 18, 365 settlements in Ukraine remained without electricity due to hostilities and technological disruptions. Hostile attacks and, accordingly, the interruption of electricity and gas supply took place:

Dnipropetrovsk region. At the beginning of the week, Russia's UAV attacks on a thermal power plant continued. On [February 12](#), equipment at the substation was damaged, and 53,700 households and industries in 40 settlements [lost power supply](#). On [February 13](#), equipment at the TPP was damaged, and a large-scale fire broke out, leading to the shutdown of power units, unloading and suspension of the operation, and the disconnection of Ukrenergo's line. Since DTEK also [reported](#) the attack, it is more likely to be the Prydniprovsk TPP. On [February 12](#), an above-ground gas distribution pipeline was damaged by shelling in the city of Marhanets. On [February 15](#), 682 consumers were disconnected due to the hostilities; on [February 16](#), 3,200 consumers were offline.

Donetsk region. On [February 12](#), a 110 kV power line was disconnected, leaving 11,500 consumers in 17 settlements without [electricity supply](#). On [February 13](#), a thermal power plant came under fire, with equipment damaged. As a result of a missile strike, debris fell on the territory of a mine, damaging equipment. A total of 18,900 consumers in 8 settlements were cut off from [electricity supply](#) over the day. On [February 14](#), shelling caused a fire at a coal mining enterprise; power lines were disconnected, which cut off power supply to households and a mine with 50 workers (all brought to the surface). On [February 15](#), 37,500 consumers in 56 settlements were left without electricity due to damaged power grids. On [February 16](#), over 15,100 consumers in 22 settlements were disconnected. On [February 17](#), shelling of the territory of a thermal power plant was recorded twice, causing equipment malfunctions. Due to shelling, 11 settlements lost [power supply](#). On [February 18](#), 4,700 consumers in 3 settlements were disconnected.

Kharkiv region. On [February 12](#), the administrative building of the local DSO in Kupyansk was damaged, and consumers in 3 settlements were cut off from electricity supply. On [February 15](#), about 300 consumers were disconnected in Chuhuiv due to hostile attacks; an overhead line was [damaged](#) in the Vovchansk community, and 1,558 consumers were offline; gas supply was suspended to 52 consumers as a result of damage to gas networks. On [February 17](#), a low-pressure gas distribution pipeline was damaged in the Kharkiv district, leaving over 100 consumers without gas supply. On [February 18](#), 3,785 consumers in the Kupyansk district were left without electricity and 430 - without [gas supply](#).

Kherson region. On [February 14](#), as a result of shelling in Kherson, 557 consumers lost power supply, and heating mains of two boiler houses were damaged; district heating to 66 apartment buildings was suspended for repairs. On [February 17](#), 90 consumers in Kherson were disconnected.

Zaporizhzhia region. On [February 12](#), more than 2,300 consumers in Zaporizhzhia lost electricity supply due to damage to a cable power line. On [February 14](#), Russia shelled the town of Stepanohirsk, damaging power lines, leaving the surrounding settlements without electricity, district heating, water, and communication.

Mykolaiv region. On [February 12](#), 645 consumers were left without electricity supply.

Sumy region. On [February 14](#), 351 consumers in a settlement were disconnected due to shelling from the Russian border; on [February 17](#), 4 settlements were offline.

Lviv region. On [February 15](#), several facilities of the distribution system operator, including a transformer substation, were severely damaged in Lviv, and an infrastructure facility was disconnected.

Damage assessment

On February 15, the Government of Ukraine, the World Bank Group, the European Commission and the United Nations presented [the Third Ukraine Rapid Damage and Needs Assessment \(RDNA3\)](#). According to the report, as of December 31, 2023, the recovery and reconstruction needs over the next 10 years [will](#) amount to almost 486 billion USD. This is about 2.8 times the nominal GDP of Ukraine in 2023. The estimate includes 47.1 billion USD recovery needs in the energy sector. Direct losses amounted to almost 152 billion USD. 10.6 billion USD of damage was estimated for the energy and extractives sector, and another 2.1 billion USD in district heating.

The mentioned needs include critical measures for fast recovery, as well as medium-term reconstruction based on the "build back better" principle. Priority energy recovery measures in 2024 are [estimated](#) at 2.7 billion USD. This includes 1.24 billion USD in the electricity sector, 241 million USD in the gas sector, 435 million USD in the oil sector, as well as 540 million USD for gas purchases and 200 million USD for electricity imports.

Nuclear and Radiation Safety

At the site of the occupied Zaporizhzhia NPP, the IAEA experts [continued](#) to inspect the reactor hall, security systems, engine room and emergency diesel generators of unit 2.

Over the week, the IAEA experts continued to hear explosions at some distance from the facility. The team [observed](#) an oil spill near the spent fuel pool cooling pump and a water leak at another pump of the same safety system. Subsequently, the occupiers informed the IAEA experts that the spill had been cleaned up.

The IAEA teams at the other four nuclear power plant sites in Ukraine [continue](#) to perform their works despite frequent air raid alarms. The IAEA experts at the Chernobyl NPP site have been rotated.

The Acting CEO of Energoatom Petro Kotin [said](#) that another threat to nuclear and radiation safety has arisen at the Zaporizhzhia NPP: the 6-year period allowed by the producer for the presence of nuclear fuel in reactors, with the first supplies loaded in 2017, is expiring. Further operation of such fuel violates the technical specifications defined in accordance with safety standards and may lead to the destruction of the fuel elements' integrity and, as a result, to a radiation accident. To solve the issue, a safety analysis is required, as no one knows how the fuel will behave beyond the specified period. And there are no personnel at the Zaporizhzhia NPP who can conduct such an analysis. On February 3, 2024, the occupiers withdrew the last competent (and licensed) Energoatom personnel from the facility (about 400 people).

Countermeasures

On February 16, the Cabinet of Ministers [approved](#) the Government's Priority Action Plan for 2024. Restoration and energy independence are among the priorities. The key reforms for energy independence include the implementation of EU legislation, market coupling, and expanding physical capacities for electricity exports/imports.

The Prime Minister Denys Shmyhal [noted](#) that Ukraine plans to increase gas production, start design work for the construction of two new units at the Khmelnytskyi NPP, develop smart grids, decentralize the energy system, and increase investments in energy efficiency and Ukraine's Green Deal.

At a meeting with the management and operational staff of the Khmelnytskyi NPP, Energoatom's Acting CEO Petro Kotin [said](#) that preparations for the completion of KhNPP Unit 3 are almost complete. The Minister of Energy Herman Halushchenko also [confirmed](#) that in 2024 Ukraine plans to launch one of the largest projects - the construction of new power units at the Khmelnytskyi NPP, in particular using the AP1000 technology.

On February 14, the Ministry of Economy [released](#) for public discussion the draft National Energy and Climate Plan (NECP), a strategic document aimed at harmonizing energy and climate policies to ensure sustainable development and economic recovery of Ukraine. The draft was developed under the coordination of the Ministry of Economy by a group of experts from DiXi Group and the Institute for Economics and Forecasting of the National Academy of Sciences of Ukraine with the support of the British Embassy and the Net Zero World Initiative.

On the same day, the Vice Prime Minister for Reconstruction of Ukraine and Minister of Communities, Territories and Infrastructure Development of Ukraine Oleksandr Kubrakov [presented](#) the key priorities for recovery in 2024, including decentralization of the energy system, its protection, and increasing its resilience and productivity.

MARKETS PULSE

Electricity Sector

Power system operation

According to [Ukrenergo](#) and the [Ministry of Energy](#), electricity consumption was covered by domestic production, as well as by imports from Romania, Slovakia, Poland, and Moldova.

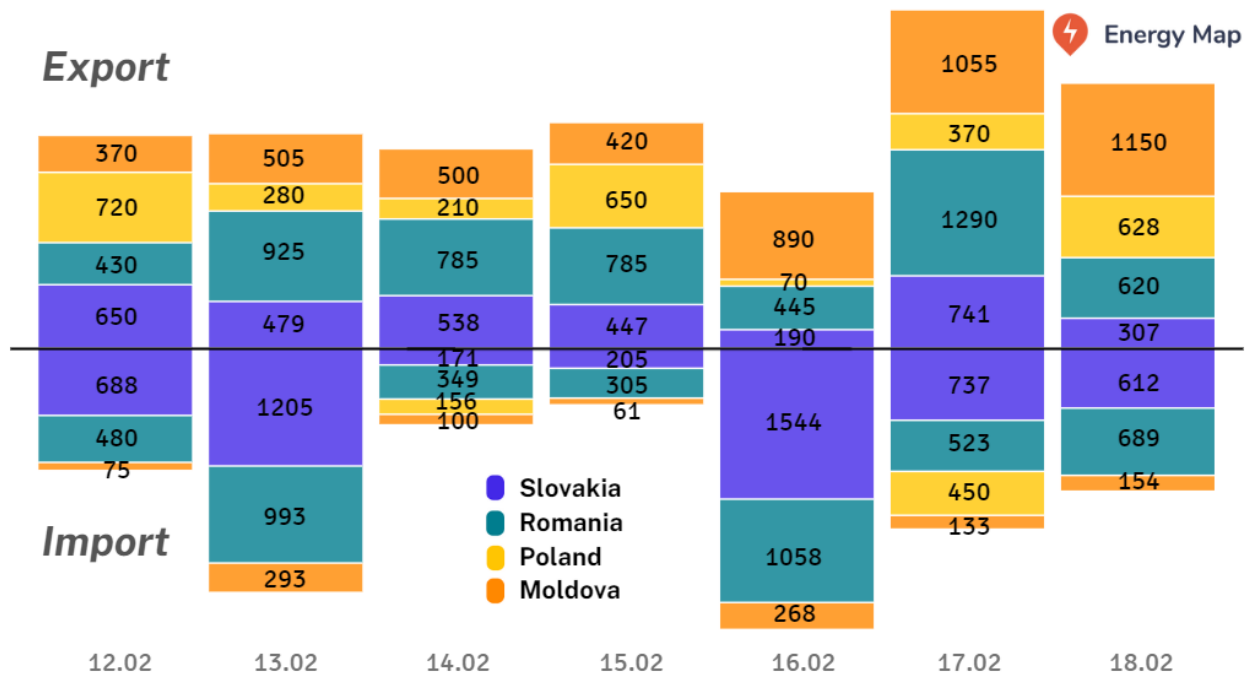
On February 12, due to **technological disruptions**, equipment at Ukrenergo's 330 kV substation in the Volyn region was disconnected, cutting off power supply to more than 15,000 consumers and industrial facilities. An overhead line was disconnected in the Dnipropetrovsk region, leaving almost 2,000 consumers without power supply; 1,500 consumers in the Kyiv region were offline as well. On February 13, an overhead line was disconnected in the Kyiv region, leaving more than 1,400 consumers without power supply; a 10 kV line and a transformer at a TPP were disconnected in the Kirovohrad region; 828 consumers in 4 settlements in the Cherkasy region, as well as 357 consumers in 4 settlements in the Sumy region were offline. On February 14, 10 kV overhead lines were disconnected in the Kyiv, Dnipropetrovsk and Kirovohrad regions, which resulted in the outage of over 1,500 consumers; in the Sumy region, 1,600 consumers in 17 settlements were without power supply, and in the Chernihiv region, 699 consumers were offline. On February 15, a 110 kV line was disconnected in the Zhytomyr region, which resulted in power outages at three substations, household consumers, and local industries; in the Sumy, Zaporizhzhia, and Odesa regions, 2,341 consumers were offline due to technical disruptions. On February 16-17, 10,200 consumers in the Sumy region and 250 in the Zaporizhzhia region were disconnected. On February 18, an autotransformer broke down at a Ukrenergo substation in the Vinnytsia region; a 35 kV overhead line and substation equipment were disconnected in the Dnipropetrovsk region, and 4 settlements were offline; a 150 kV overhead line was disconnected in the Mykolaiv region.

According to the [NEURC](#) and [ENTSO-E](#), during the week, commercial exports and imports of electricity were performed to 4 countries: Slovakia, Romania, Poland and Moldova. Exports increased by 62% to 16.5 GWh; imports decreased by 68% to 11.2 GWh. Thus, for the first time in a long period, weekly exports overtook imports by 32%.

Commercial exports to Romania were the largest and [amounted](#) to 5.3 GWh (+108%), with capacity ranging from 10 to 100 MW at certain hours. Deliveries to Moldova amounted to 4.9 GWh (+68%), with a capacity range from 20 to 100 MW. Exports to Slovakia amounted to 3.4 GWh (+61%) with a capacity of 59-100 MW at certain hours. A total of 2.9 GWh (+11%) was supplied to Poland, with a capacity range of 58-100 MW. The maximum export capacity in all directions amounted to 370 MW (on February 17, from 21:00 to 22:00), with the maximum capacity allowed by ENTSO-E at 400 MW.

Commercial imports from Slovakia amounted to 5.2 GWh (-67%), with capacity ranging from 1 to 300 MW at certain hours. Electricity supplies from Romania amounted to 4.4 GWh (-70%), with capacity ranging from 10 to 300 MW. Imports from Moldova amounted to 1.1 GWh (-39%), with a capacity ranging from 1 to 74 MW. Deliveries from Poland were performed on February 14 and 17, with a total volume of 0.6 GWh (-81%) and capacity range of 56-150 MW. The maximum commercial import capacity in all directions amounted to 667 MW (on February 17, from 18:00 to 19:00), with the maximum capacity allowed at 1,700 MW.

Electricity import and export, MWh February 12-18, 2024



Source: [Energy Map](#)

Import capacity in the Slovakia-Ukraine direction [was booked](#) by 12 to 18 companies, with the largest volumes distributed among Energy Company of Ukraine, D.Trading, Tviy Energopostachalnyk, Trade Energy Solution, and Naftogaz of Ukraine. The marginal price ranged from 1 to 100 UAH/MWh, and Ukrenergo's revenue amounted to 201,900 UAH. Capacity from Romania was booked at daily auctions by 6 to 10 companies, including Energy Company of Ukraine, CPG Energy, Euromin Energy, Synapse Electric, and others. The marginal price ranged from 0.05 to 11.11 EUR/MWh, and Ukrenergo's total revenue amounted to 32,700 EUR (about 1.34 million UAH). Access to the Moldova-Ukraine capacity was booked by 5-8 companies, the most active ones being Artlex Group, Synapse Electric, CPG Energy, and Solipower. The marginal price ranged from 0.03 to 60.01 UAH/MWh, and Ukrenergo's total revenue amounted to 109,500 UAH. On February 14-18, capacity for the Poland-Ukraine direction was distributed between 1-2 companies. The marginal price was set on February 16-17 at 0.01-0.02 EUR/MWh, with total revenues amounting to 134.4 EUR. According to the auction rules, Ukrenergo received 50% of this amount (about 2,700 UAH).

Export capacity in the Ukraine-Romania direction was booked by 2 companies: Ukrhydroenergo and DTEK Zakhidenergo, the marginal price was set at 0.01 to 3 EUR/MWh, and Ukrenergo's total revenue amounted to 3,400 EUR (about 140,000 UAH). Export capacity in the Ukraine-Moldova direction was booked by 1-2 companies: Ukrhydroenergo, Solipower Trading, and Solipower, with no marginal price set. Capacity in the Ukraine-Slovakia direction was booked by 2 companies: DTEK Zakhidenergo and ERU Trading, with no marginal price set. 1 company [booked](#) access to the capacity in the Ukraine-Poland direction, with no marginal price set.

Market performance

Bilateral contracts market (BCM): After the previous week's sharp decline, the dynamics of trading on the Ukrainian Energy Exchange (UEEX) intensified. Between February 12 and February 18, UEEX [held](#) 16 auctions for the purchase/sale of electricity (3 in commercial and 13 in specialized sections). Among the initiators of trades were Guaranteed Buyer, Ukrhydroenergo, Centrenergo, Nyzhniodnistrovska HPP, companies of DTEK group, universal service suppliers,

distribution system operators, etc. In total, 680.4 GWh were sold at UEEX (2.5 times more week-on-week). The monthly Base BCM index for February remained at 3,107.6 UAH/MWh.

In particular, Centrenergo sold 17.3 GWh of block positions (24-07) at prices ranging from 2,006.8 to 2,027.7 UAH/MWh with delivery on February 19-29. Guaranteed Buyer sold 23.9 GWh of block positions (daytime hours) at prices ranging from 2,881.7 to 3,253.3 UAH/MWh with delivery in the last ten days of February. Ukrhydroenergo sold 11.3 GWh of block positions (08-15) at prices 3,116.5-3,130.0 UAH/MWh and 7.8 GWh (16-23) at prices 3,750.0-3,759.9 UAH/MWh with delivery in February, as well as 12.6 GWh of block positions (08-15) at a weighted average price of 3,229.4 UAH/MWh and 1 GWh (16-23) at a price of 3,677.5 UAH/MWh with delivery in March. In the specialized section, DTEK Kurakhivska TPP, DTEK Dniproenergo and DTEK Zakhidenergo sold a total of 580.8 GWh of various block positions at prices ranging from 2,100.0 to 3,351.6 UAH/MWh with delivery in the last ten days of February. In the commercial sections, companies purchased/sold electricity under individual load profiles.

Day-ahead market (DAM): According to the [Energy Map](#) service, on February 12-18, DAM prices demonstrated lower [volatility](#): the deviation of hourly prices from price caps ranged from 2% to 66.9%, with an average of 35.9%. The number of cases of significant price deviations (over 50%) from the upper price caps increased and was observed in 28% of the settlement periods (hours of the week). At the same time, no hours were recorded when prices were close (with a deviation under 1%) or at the level of price caps.

The average hourly electricity price for the week (Base DAM index) decreased moderately to 3,164.5 UAH/MWh (-7.7%), while the weighted average daily price [ranged](#) in a relatively narrow range from 2,985.6 to 3,890.9 UAH/MWh. At the same time, the ratio between the Base DAM indices in the markets of Eastern European countries (Poland, Hungary, Romania, Slovakia) and Ukraine [ranged](#) from 0.73 to 1.20.

The total volume of electricity sales on the DAM of Ukraine decreased moderately and [amounted](#) to 417.5 GWh (-7.2% week-on-week). The daily trading volume varied at 56.8-61.8 GWh. The DAM remained in surplus: the ratio between the total daily volume of sale and purchase bids ranged from 1.58 to 1.85. The dynamics of the market surplus was caused by two factors - an increase in total supply to 726.6 GWh (+1%) and a decrease in demand to 418.5 GWh (-7.3%). At the same time, no deficit hours were observed during the week. Suppliers [prevailed](#) in the purchase structure (86.7-88.2%), the share of system operators was 10.9-12.6%, and the rest (about 1%) belonged to producers and traders.

Policy and regulation

The Regulator [has amended](#) the Transmission System Code in terms of requirements for the development of TSO's investment program and reporting on the results of its implementation. Accordingly, the Code has been supplemented with three new annexes, which define the procedure for developing, submitting for approval and implementing the TSO's investment program, as well as the forms of its development and reporting.

The NEURC has also [published](#) a draft resolution on amending the Methodology for Determining Significant Price Fluctuations and Setting Price Caps on the Day-Ahead Market, Intraday Market and Balancing Market. The proposed amendments are caused by significant fluctuations in the balancing market recorded by Ukrenergo on a daily basis since April 2023 and provide for clarification of the procedure for setting and revising price caps on the DAM, IDM and balancing market.

The Regulator has also [developed](#) a draft Procedure for Submitting Information on Economic and Trade Transactions Related to Wholesale Energy Products, which defines the content, scope, frequency and procedure for submitting information to the NEURC on transactions with wholesale energy products, including executed and unexecuted offers (bids) with a place of delivery (execution) in Ukraine or from Ukraine to the territory of other states, as well as a list of basic (fundamental) data.

In addition, the Regulator [has published](#) draft amendments to the license conditions for various types of activity in the electricity market, including those for TSO, DSOs, market operator, guaranteed buyer, traders, suppliers, and operators of energy storage facilities. The amendments mainly concern the need to register as a wholesale energy market participant and disclosure of insider information.

Gas

Gas system operation

On February 11-17, the volume of gas transit through the territory of Ukraine amounted to 41.5-42.9 mcm per day, i.e. 38-39% of the capacity contracted by Gazprom (109 mcm per day). In the reporting week the average daily transit was 42.2 mcm (corresponds to the indicator of the previous week).

At a meeting with the Minister of Energy Herman Halushchenko, the European Commissioner for Energy Kadri Simson [stated](#) that the EU is not interested in extending the contract for the Russian gas transit. Europe has been preparing for the termination of this contract for two years, since the manipulations on gas market began, and the EU has alternative options to ensure security of supply.

Physical imports from the European countries were minimal. 4.2 mcm of gas arrived from Moldova through the Căușeni interconnection point, but it was probably a transit of gas, which later returned to Moldova through the "Consumers of Moldova" virtual interconnection point (VIP). 6.9 mcm were delivered through the Bereg VIP from Hungary.

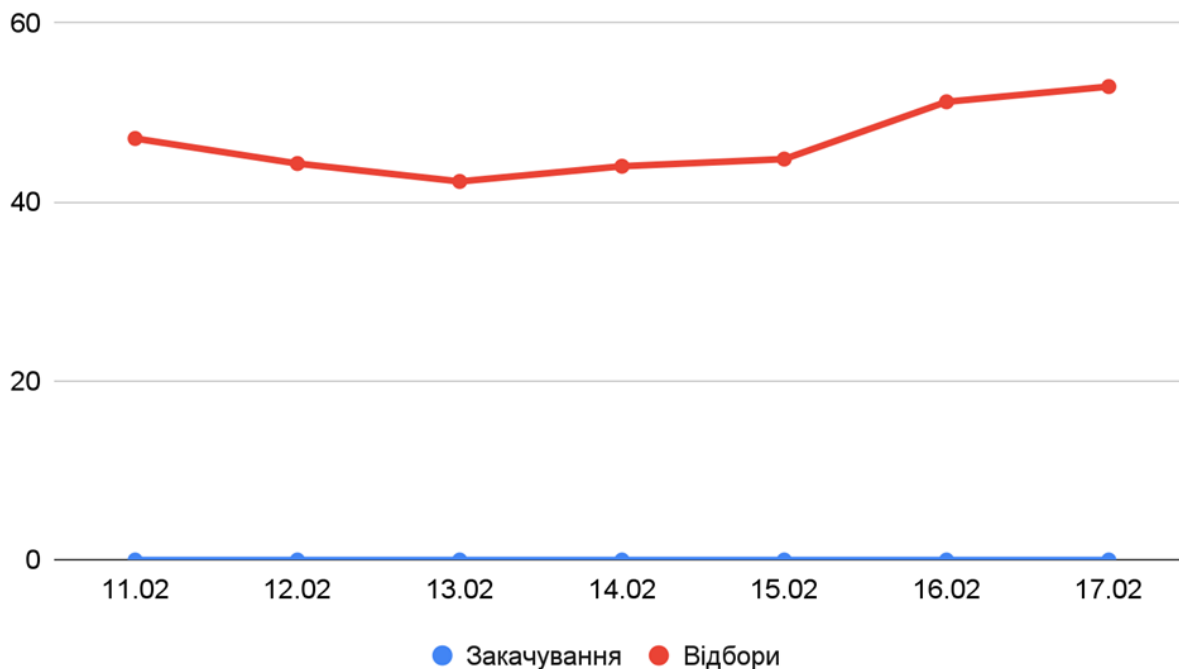
At the same time, gas exports from Ukraine continued. In the circumstances of the ban on the exports of Ukrainian-produced gas, exports are the gas volumes withdrawn from the storage facilities by non-residents, who previously injected it for storage in the "customs warehouse" mode. The volume of such exports on February 11-17 was 15.9 mcm (almost corresponds to the previous week), which were transported through the Drozdowicze/Hermanowice interconnection point with Poland.

Commercial exports through the VIP Ukraine-Poland were performed at 16.1 mcm (close to physical volumes). Another 1.7 mcm was exported through the Bereg VIP to Hungary. It is also likely that part of the volumes exiting the Ukrainian system to Moldova is the transmission of gas stored by foreign companies in Ukrainian storages. This assumption is due to the fact that the volumes of gas transported from the system in the "customs warehouse" mode exceeded the indicators of commercial exports to Poland and amounted to 60.6 mcm (-2% WoW).

Underground storage facilities

According to the [AGSI platform](#), as of February 17, 4.92 bcm of gas was accumulated in the Ukrainian storage facilities (-1.08% as compared to February 10). It corresponds to 16.3% of the total working capacity, i.e. without 4.662 bcm of "long-term storage" buffer gas. Withdrawals from storage in the reporting week amounted to 326.6 mcm; the average daily withdrawal amounted to 46.7 mcm (-6.5 mcm).

Natural gas withdrawals and injections into/from Ukrainian storage facilities, mcm



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

Gas market performance

In the [trading sessions](#) of February 12-16, three companies (one buyer and two sellers) submitted bids for purchasing gas at the Ukrainian Energy Exchange (UEEX). In the reporting period, UEEX received bids for 166.3 mcm of gas (+31.3% WoW) with a total starting cost of 1.96 billion UAH (+32.5%). The weighted average starting price of bids was 11.78 UAH/cm (excluding VAT, almost without change).

In the monitoring period, 32.4 mcm (22 times more WoW) at a weighted average price of 11.78 UAH/cm (without VAT) (-0.6%) were purchased. All of the resource was sold to GSC Naftogaz Trading on the terms of transfer in storage with delivery in February 2024.

Policy and regulation

A draft law on amendments to the Law "On Housing and Utility Services" has been [submitted](#) to the Verkhovna Rada of Ukraine, which provides for the introduction of a ban on the suspension of housing and utility services provision, as well as a penalty for incomplete or late payment for such services. The ban should apply to socially vulnerable categories of households, namely persons with disabilities, unemployed citizens receiving old-age pensions, low-income and large families.

The Cabinet of Ministers [approved](#) the Government's Priority Action Plan for 2024. Among the planned measures in the gas sector: separation of accounts of state-owned enterprises for activities related to and not related to the performance of public service obligations, implementation of the mechanism of state energy supervision on the gas market, regulation of the procedure for conducting an independent examination of the technical conditions for connection to gas transmission or distribution systems, approval of the 2050 Hydrogen Strategy, and launch of the biomethane registry (in December 2024).

The text of the previously adopted [Procedure](#) for the Use (Sale) of Government's Part of the Production under Production Sharing Agreement (Natural Gas) was also made public. According to the Procedure, the commodity belonging to the state under a PSA must be transferred by the

investor to an authorized person (Gas of Ukraine company, a subsidiary of Naftogaz) at a virtual trading point for off-balance sheet storage. The authorized person must sell the relevant volumes in the most economically advantageous way on the short-term market. The revenues shall be directed to the state and local budgets.

Other

At a meeting with representatives of Ukrainian gas producing companies and traders, the Commercial Director of GTSOU Vadym Rybachuk [said](#) the company will purchase gas for its own needs every month through ProZorro and UEEX. Rybachuk also informed that GTSOU has amended the gas purchase agreement, which makes the responsibility between the parties mirror-type and improves the terms of settlement.

Ukrgezvydobuvannya [carried out](#) major repairs and restored an old well, with additional daily output of natural gas at over 340 tcm.

Oil and Motor Fuels

As reported by specialized media, the wholesale price of petroleum and diesel fuel [increased by](#) about 0.75 UAH/l and 1 UAH/l, respectively. Among the reasons - price growth on foreign markets. The wholesale price of LPG also [increased](#): at the UEEX auction on February 14, the average price grew by 9% to 42,023 UAH/t.

Since February 9, Polish farmers [renewed](#) the blockade of the Polish-Ukrainian border. On February 16, the sixth checkpoint on the border, Krakovets-Korczowa, [was blocked](#). The spokesperson of the State Border Service Andrii Demchenko said that, as of the morning of February 17, the largest concentration of trucks was recorded at the Krakovets (1,600) and Yahodyn (550) crossing points. A total of 3,000 trucks were waiting for entry at six checkpoints from the Polish side.

The Chair of the Verkhovna Rada Committee on Finance, Taxation and Customs Policy Danylo Hetmantsev, in an interview with the media, [stated](#) about the support of preferential royalties for the production of hydrocarbons at new wells, but only for a limited period of three years.

International Cooperation

The Cabinet of Ministers [of Ukraine](#) [has approved](#) a draft Grant Agreement between the Government of Ukraine and the Government of the French Republic to facilitate the restoration and support of critical infrastructure and priority sectors of the Ukrainian economy.

A high-level ministerial meeting dedicated to the 50th anniversary of the International Energy Agency (IEA) [was held](#) in Paris. The event was attended by representatives from close to 50 countries. The Ukrainian delegation was led by the Minister of Energy of Ukraine Herman Halushchenko. In particular, he met with the U.S. Secretary of Energy [Jennifer Granholm](#), the Executive Director of International Energy Agency (IEA) [Fatih Birol](#), the U.S. Assistant Secretary of State for Energy Resources and Coordinator of the G7+ Ukraine Energy Coordination Group [Geoffrey R. Pyatt](#), the European Commissioner for Energy [Kadri Simson](#), the Austrian Federal Minister for Climate Action, Environment, Energy, Mobility, Innovation and Technology [Leonore Gewessler](#), the Deputy Prime Minister of Sweden and Minister for Energy, Business and Industry [Ebba Busch](#), the Minister of the Environment and Energy Security of Italy [Gilberto Fratin](#), the Minister for Energy of Belgium [Tinne Van der Straeten](#), Secretary-General of the Organisation for Economic Co-operation and Development (OECD) [Mathias Cormann](#), the Minister Delegate for Industry and Energy of the French Republic [Roland Lescure](#), the Minister of Energy of the Republic

of Lithuania [Dainius Kreivys](#), and the Deputy Director-General of the Nuclear Energy Agency (NEA) [Nobuhiro Muroya](#).

Among the main topics of the meetings were the shelling of Ukraine's energy infrastructure by the enemy and partners' assistance in restoring it, nuclear and radiation safety and the situation at the Zaporizhzhya NPP, the potential for cooperation with partners in developing nuclear and renewable energy capacities in Ukraine, the transit of Russian gas to Europe and the strengthening of sanctions against the aggressor, etc.

On 13 February, the Ukraine Capacity Development Fund (UCDF) administered by the IMF [was launched](#). The Fund's target budget of 65 million USD will support reforms aimed at ensuring macroeconomic and financial stability, post-war reconstruction and EU integration over the medium term. As of 13 February, donor contributions have reached 16.5 million USD. The UCDF workplan was also approved, with a focus on economic and financial reforms consistent with activities under the IMF's Extended Fund Facility.

On February 14, the [eighth](#) meeting of the Steering Committee of the Ukraine Donor Coordination Platform took place. The meeting focused on ensuring Ukraine's macro-financial stability in 2024 and the state of reforms. The Republic of Korea, the Netherlands, Norway and Sweden became new members of the group. These four countries have pledged to provide a total of more than 5.5 billion USD for economic recovery and reconstruction. Denmark, Spain, Estonia, Latvia, Lithuania and Poland also joined the Platform as observers for the first time.

The Ambassador Extraordinary and Plenipotentiary of Japan to Ukraine Kuninori Matsuda, and the Deputy Chief Representative of the Ukrainian Office of the Japan International Cooperation Agency (JICA) Satoshi Sugimoto [announced](#) the transfer of 1,800 gabions to be used for the physical protection of critical infrastructure facilities of the GTS Operator of Ukraine LLC during the visit to one of the facilities of the company. 320 of the gabions have already been delivered and the remaining gabions will be delivered to the GTS Operator of Ukraine in the near future. The protective structures will be installed immediately upon arrival at the facilities to enhance protection against possible enemy attacks.

The USAID Energy Security Project (ESP) [has purchased](#) 91 combined heat and power (CHP) units for 32 Ukrainian cities and two universities to ensure a stable supply of heat and power during the winter. As of 15 February, 57 of these units, with capacities ranging from 50 kW to 1500 kW, have been delivered. As a result, the heating companies will be able to generate an additional 56.5 MW of electricity for their own needs and supply heat to around 1 million citizens and 960 social institutions. These include schools and hospitals, as well as other local critical infrastructure facilities, including water utilities.

The Deputy Attorney General of the United States and the Secretary General of the Ministry of Justice of Estonia Tõnis Saar [signed](#) a transfer agreement at the Munich Security Conference, under which the US will transfer 0.5 million USD to Ukraine via Estonia, seized as a result of the uncovering of an illegal scheme to export military-related equipment to Russia. Estonia will use the funds to conduct a UAV-based assessment of damage to distribution and transmission networks in Ukraine.

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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)

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