



Impact of the liberalization of the natural gas markets on gas demand and prices



Liberalization of energy markets

<i>Original goals</i>	<i>Current results</i>
<ul style="list-style-type: none">• Role of market in reduction of prices for end consumers	<ul style="list-style-type: none">• Significant energy prices growth in 2000 - 2008
<ul style="list-style-type: none">• Freedom to choose an energy supplier	<ul style="list-style-type: none">• Takeover of small gas suppliers by large energy companies and formation of oligopolistic market
<ul style="list-style-type: none">• Increasing the energy business transparency	<ul style="list-style-type: none">• Slight improvement of energy business transparency for investors
<ul style="list-style-type: none">• Energy independence and security of supplies	<ul style="list-style-type: none">• Enhanced dependence on suppliers, increase of international competition for energy resources supply
<ul style="list-style-type: none">• <i>Enhancing secure and efficient functioning of the energy sector</i>	<p>?</p>



Study challenges

The major role of energy markets in the 21 century is ensuring security of energy supplies to end consumers

- Has markets liberalization provided for the enhanced security of supplies?
- What are the main current results of market liberalization and major obstacles to reach the set goals?





Study «Impact of the liberalization of the natural gas markets on gas demand and prices»

Major goals

- Analysis of the current state and future prospects of the energy market development
- Determination of the relationship between free market, market prices, sustainable supplies and efficient energy use
- Finding of mechanisms of improvement of energy markets functioning





Study methods

- Specialized Questionnaire for energy and gas experts
- Office research – analysis of statistical data and information on gas sector of different countries
- Field research – site visits and examination of liberalization impact on work of separate companies
- Consultations with the international experts





Thematic structure of Questionnaire

- Analysis of current results of the gas markets in Europe
- Analysis of impact of the liberalization of the natural gas markets on gas demand and prices
- Determination of possible relations between liberalization, prices and energy use efficiency
- Evaluation of the world financial crisis impact on the liberalization
- Forecast of future prospects of the European energy markets





Study timetable

- **Development of draft Questionnaire**
 - » December 2008
- **Review and approval of draft Questionnaire by the international experts**
 - » December 2008 – January 2009
- **Distribution of Questionnaire and gathering of information**
 - » January 2009 – April 2009
- **Analysis of collected data**
 - » May – September 2009
- **Preparation of draft Study report and making of conclusions**
 - » October – December 2009
- **Presentation of the Study results**
 - » January 2010





Questions for discussion

- Should the Study concentrate on gas market or consider the whole energy market?
- Should more attention be paid to relationship between the process of liberalization and Kyoto protocol issues?
- Should the Study consider the world financial crisis impact on the future of energy markets?





***THANK YOU FOR
ATTENTION!***

