
Greece may seek compensation from Russia over gas shortfalls

Saturday, 17 Jan, 2009

RIA Novosti reported that Greece may seek compensation from Russia over shortages in gas deliveries due to a conflict with Ukraine over Russian gas transits.

Mr Kostis Khatzidhakis who took over the ministerial post on last January 7th 2009 when Russian gas supplies to Greece through Ukraine were suspended said that "There are agreements that envisage the process of reimbursement and arbitration in case the terms of agreements are not fulfilled."

Mr Khatzidhakis held a conference in Athens on the current gas crisis with government officials. He said that the possibility of legal action against Gazprom would be considered by the Greek Public Gas Corporation.

The Greek gas company's head said an online publication earlier Wednesday that DEPA could sue Russian energy giant Gazprom for the suspension and subsequent shortfalls in Russian gas supplies to the country. Mr Makis Papageorgiou CEO of DEPA said Kathimerini that in line with DEPA's contract with Gazprom, the Russian company should pay for its failure to supply the required volumes of natural gas, adding that DEPA could take legal action once supplies resume. He said that the compensation could amount to some EUR 1 billion.

Mr Papageorgiou said that DEPA had received a letter from Gazprom which described the current situation as an act of God, which gave the impression that Russia was not intending to compensate the company for the gas shortages.

Russia delivers about 6 million cubic meters of gas per day to Greece, around two-thirds of the country's consumption. Greece has made up for some of the shortfall in Russian gas through purchases of Azerbaijani gas delivered via Turkey, as well as liquefied gas from Algeria.

(Source from RIA Novosti)

For more news visit at www.steelguru.com