US-POLAND LNG DEAL WILL EASE EUROPE'S RELIANCE ON RUSSIA: PERRY

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Washingtons energy secretary on Thursday (8 November) hailed a 24-year deal to deliver US liquefied natural gas (LNG) to Poland as signal for Europe on ensuring energy security and easing dependence on Russian supplies.

The deal, the second multi-decade agreement with a US firm signed in two months, comes as Warsaw looks to diversify its gas supplies in an effort to wean itself off its heavy reliance on Russia amid tensions with Moscow.

This is a signal across Europe that this is how your energy future can be developed, the security of the country, the diversity of supply this is a great day for Europe, US energy secretary Rick Perry said at a signing ceremony in Warsaw with Polish President Andrzej Duda.

Poland, which currently sources about two-thirds of its gas from Kremlin-backed Russian energy giant Gazprom, is also eyeing imports from Norway and Qatar.

State-run gas firm PGNiG said it had sealed a two-tranche 24-year deal for LNG deliveries from the Texas-based Cheniere Marketing International, amounting to a total of 40.95 billion cubic meters of natural gas after regasification.

This deal will provide Poland with energy security, said Duda, adding that the agreement reflects a real transatlantic partnership.

The deal with the US firm is due to take effect in 2019, three years before Warsaws current contract with Gazprom for 10 billion cubic metres of natural gas per year is set to end.

Anti-trust complaints

PGNiG CEO Piotr Wozniak said the terms of the deal including a competitive price, are fully satisfactory although no value for the contract was provided, adding two further deals were planned.

We want to build a full supply portfolio, he said.

PGNiG struck a similar 20-year deal in October with the US-based Venture Global LNG for delivery of up to two million tonnes of liquefied natural gas per year.

Poland in October filed a complaint with the EUs top court against a controversial deal by the European Commission to settle an anti-trust case against Gazprom.

This allowed Gazprom to avoid billions in fines after eight eastern EU members including Poland claimed the Russian giant had abused its dominant position as a gas provider in their region.

The settlement with the EU came after Gazprom agreed to benchmark prices in eastern Europe against prices in the rest of Europe, and to drop clauses restricting the re-export of gas by clients.

Poland attacks EU's Gazprom deal in court

Polands state-run gas firm PGNiG said on Tuesday (16 October) it filed a complaint with the EUs top court against a controversial deal by the European Commission to settle an anti-trust case against Gazprom, the Kremlin-backed energy giant.

Perry and Polands energy minister Krzysztof Tchorzewski signed a declaration of cooperation on energy security later on Thursday.

The US official also attended cyber security exercises near Warsaw where US experts trained Poles on how to prevent attacks by hackers on power grids.

Kaynak/Source: