

Highlights of Alexander MEDVEDEV's speech
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Doha, Qatar

- Natural gas is not only the green fuel of today, but the future as well. For this reason, it should be at the center of strategies for carbon reduction.
- Within the 20/20/20 program, the EU sets the target, among others, to reduce such bad gas emissions by 20% until 2020. But in the fact, this goal is in fact being replaced by the decarbonization of the European energy industry, which is by far not the same as emissions' reduction.
- Renewables are subsidized. We at Gazprom made an estimate for 12 EU countries and found that the spread of renewables will cost over 1.5 trillion euro over the next 20 years, with more than half of that amount coming directly from government subsidies.
- To fully meet the EU targets by 2020, the cost of incremental natural gas generation would be 800 billion euros less than meeting the same targets with renewables.
- Burning gas instead of oil reduces CO2 emissions by 20% - and by 50-60% if used as a replacement for coal. Increasing the share of gas in the EU energy mix by only 1% will reduce emissions by 3%. If Europe were to replace every 2nd coal power plant with a gas turbine plant, CO2 emissions could be reduced by up to 60% and 2020 emission goals would be met.
- The problem is to find the right place for every energy source in the energy mix, to make the system be efficient, economically viable and ecologically friendly. Obviously, natural gas is part of the rational solution, it should be widely used, not be targeted as enemy of green economy.
- Renewables depend to a very large extent on market-distorting public subsidies. For example, to achieve the same effect of CO2 reduction by wind power, investments of some \$150 billion will be required. For the construction of gas-fired power-generating facilities of the combined cycle one would need \$50 billion, which means you can save \$100 billion by investing in gas.

- For every 4 megawatts of wind capacity installed there is the need for at least 1 megawatt of back-up fossil-fired generation needed to satisfy peak demand.
- Heavy duty kind of vehicles is the most polluting and fuel consuming, so their switch from diesel to ecologically friendly gas is extremely promising and would contribute both to a substantial reduction of emissions as well as to cost saving.
- Gazprom intends to be a leading architect in the energy strategy for a clean future, as a generator of ideas, market major, technology leader and international energy supply partner.