

Current situation of the gas industry in the Kyrgyz Republic

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Gosekotehinspektsiya under the Government of Kyrgyz Republic

**was created by the Governmental Decree No. 136 of
February 20, 2012**

**It exercises supervision and monitors compliance to
the requirements of normative legal acts and
technical regulations on :**

**mechanical, seismic, fire, environmental, industrial, energy,
biological, chemical and radiation safety on products (s) and / or
the associated manufacturing processes, construction,
installation, commissioning, operation, storage, transportation,
use, sale, disposal, placements and recycling, including
overseeing the safe operation of gas supply systems in the
country.**

Information on Gas Sector of Kyrgyz Republic

- Length of pipelines - 3091.94 km, including:
- - gas mains – 707.3 km (north - 367 km, south -336.3 km);
- - high pressure pipelines – 50.50 km;
- - medium pressure pipelines – 656.9 km;
- - low pressure pipelines – 1679.46 km;
- - GDS, gas distributing cabinet – 1212 pcs.;
- - Gas wells - 1245 pcs;
- - Compressor station COP-5 - 1 pcs;
- - CNG stations - 4 pcs;
- - GDS - 24 pcs

PROBLEMS OF GAS SECTOR

- During main gas pipelines operation term more than 45-50 years, there are numerous violations of safety protection zone of gas pipelines near the city dump (construction of residential buildings, sheep barns, ponds, etc.), in many places the insulation coating of gas pipelines is damaged (mechanical and by plants).
- On the north of the republic there are 52 stations of cathodic protection that require major repair or replacement due to the long operation.

COMPLEX OF MEASURES IN GAS SECTOR FOR 2012/2013

- Actual problem - reducing gas losses
- Through the elimination of gas leaks:
- In the north of Kyrgyz Republic: in 2012 - 1 gas leak, in 2013 - 4 gas leaks were eliminated.
- In the south of Kyrgyz Republic : in 2012 - 7 gas leaks, in 2013 - 6 gas leaks.
- By replacing emergency and unreliable gas pipelines:
- 2012 – the length is 2145m, including in the north -120m, in the south – 2025m.
- 2013 – the length is 3115.5m, including in the north – 818.5m, in the south – 2297m.

What is needed?

- ➔ A complete replacement of all:
- ➔ – 72.5 km underground pipelines (47 facilities),
- ➔ including 5.2 km high pressure gas pipelines,
- ➔ 59.3 km medium pressure gas pipelines
- ➔ 8 km low pressure gas pipelines

Gas accounting system with neighboring countries

- Accounting of natural gas in the north inlet to the Kyrgyzstan territory is made by Kazakh side, Meter Station "Novovoskresenovka" - 1001 km.
- At the exit from the territory of Kyrgyzstan Meter Station "Chui" - 1113 km.
- In the south the accounting of natural gas at the inlet to the territory of Kyrgyz Republic is made by the interstate meter stations Aidarken, Kadamzhaj, Muyan, Osh, Madaniat.

TARIFF POLICY

- Natural gas tariffs are approved on 20.01.12 by № 1 and 2 resolutions of the Executive Board of the State Department on regulation of the fuel and energy complex of the Ministry of Energy and Industry of the Kyrgyz Republic “On tariffs for natural gas for population and industrial, budgetary and commercial customers“.
- According to the requirements of the regulation, the gas company sells gas to local consumers based on the monthly recalculation of tariffs in part of the purchase cost, normative losses, transportation through the territory of Kazakhstan and taking into account the official exchange rate of the national currency against the U.S. dollar, approved by the National Bank of the Kyrgyz Republic.

PERSPECTIVE OF GAS INDUSTRY DEVELOPMENT IN KYRGYZSTAN

- After a symbolic purchase of Kyrgyz gas supply systems by Gazprom of the Russian Federation there appeared a great hope of investing into new construction, replacing emergency and unreliable gas pipelines, performing overhauls and bringing the operation of gas pipelines in compliance with regulatory requirements. It is planned to invest for five years more than U.S. \$ 500 million.

PROBLEMS IN THE GAS INDUSTRY

- ▶ During operation of gas supply system facilities the operating companies are experiencing great difficulties since 2011 due to the cancellation of previously existing regulatory acts, according to article 36 of the Law "On normative legal acts of the Kyrgyz Republic" dated July 20, 2009 N 241, and the lack of developed, approved and adopted technical regulations instead of previous ones. Thus, on many issues of security of gas supply systems a legal vacuum was created in the country.

What is made in normative technical documentation?

- Gosekotehinspektsya developed:
- Technical regulations "On safety of production processes of production, transportation, and storage of oil and gas", which in 2013 passed the approval procedure in ministries and agencies from which comments were received, now it is being finalized.
- Technical regulations "On safety of production processes and gas supply systems". Currently, the working group finalizes the regulatory impact analysis (RIA) and the harmonization with the international standards of the European Union at the end of which the document will be sent for translation into national language, and then it will be sent for approval to the concerned ministries and departments.
- After passing all the required procedures, technical regulations will be sent for approval to the Government of the Kyrgyz Republic.

OUR EXPECTATIONS FROM OUR TOUR

- to obtain information about the systems and problems of gas supply in the European Union;
- to study best practices and methods of safety and reducing losses in gas transmission systems;
- to study experience of the Technical Committees on Oil and Gas;
- to study experience of implementation of European standards in the gas companies of European countries;
- mutual cooperation.



***Thank you
for
attention!***

