

Press Review on 22.10.2013

OJSC «National Electricity Grid of Kyrgyzstan» is installing more powerful transformers at substations

22/10/13 09:03, Bishkek – Information Agency «24.kg», Yuliya Kostenko

OJSC «National Electricity Grid of Kyrgyz Republic» is installing more powerful transformers at substations in order to lessen the load - the company's press service informs. At the substation «Kyzyl-Asker» of 110/35/6 kV the commissioning works have been finalized and the second transformer of 25 MVA has been put into operation. At the substation "Manas" of 110/35/10 KV the transformer of capacity 10 MVA has been replaced by a more powerful one - of 16 MVA, which was transported from the "Novo-Yuzhnaya" substation.

The replacement of the transformers is envisaged in the framework of the project on improving electricity supply to Bishkek and Osh.

More detailed information can be found here: <http://www.24.kg/economics/163296-oao-laquonacionalnaya-yelektricheskavaya-set.html>

Kyrgyzstan is interested in the construction of CASA-1000 and in exporting electricity to Afghanistan and Pakistan

21/10/13 17:05, Bishkek - Information Agency «24.kg», Daria Podolskaya

"Kyrgyzstan is interested in the construction of CASA-1000 and in exporting electricity to Afghanistan and Pakistan", Prime Minister of the Kyrgyz Republic announced at today's meeting with Mr. Saroj Kumar Jha, the World Bank Regional Director, the department of information policy of the Government Administrative Office informs.

According to him, during the meeting the parties discussed the issue of speeding up the implementation of the CASA-1000 project. The start of implementation of its practical part is scheduled for July 1st 2014. The total project cost is 1 billion USD.

The head of the Cabinet of Ministers mentioned that Kyrgyzstan is interested in the construction of CASA-1000 and in exporting electricity to Afghanistan and Pakistan. "The Kyrgyz party will exert every effort to implement the project as soon as possible", Jantoro Satybaldiyev said.

More detailed information can be found here: <http://www.24.kg/economics/163282-kvrgyzstan-zainteresovan-v-stroitelstve-casa-1000.html>

OJSC «Power plants» requests a budget loan of 100 million som due to the interfiscal deficit, - Mrs. Olga Lavrova, Minister of Finance, informed during the meeting of the Parliamentary Committee for Budget and Finance.

"The enterprise has interfiscal deficit. They need a stock up on fuel in order not to ruin the heating season. That is why OJSC "Power plants" is asking for the loan of 100 million som", - the minister explained.

In return, Mr. Ahmatbek Keldibekov (Ata-Jurt) said that budget loans should not be given to commercial enterprises.

“We have to ban the provision of loans to enterprises that receive commercial profit. This year, for the first time over 10 years, “Power plants” did not make any profit and we give them budget loans. This enterprise has always been profitable and now it does not even pay the profit tax. If they do not want to work, certain measures should be taken», he said, pointing out that he was against providing the loan to the enterprise.

His opinion was supported by Mr. Omurbek Abdrahmanov, the MOP (not a member of any faction). “We need to adopt a law prohibiting the provision of budget loans. In such instances a bad management and corruption are certainly present”, he emphasised.

More detailed information can be found here:

http://www.knews.kg/econom/38565_oao_elektricheskie_stantsii_prosvat_by_udietnovu_ssudu_v_100_millionov_somov_v_svvazi_s_vnutrifiskalnvim_defitsitom/

22-10-13, 10:15

“Economic recovery in the near future will take place under conditions of high electricity deficit” - minister O. Artykbayev.

Tazabek: “Kyrgyzstan is a mountainous country rich in hydro resources with the potential of 142 billion kWh, 10% of which is used”, Mr. Osmonbek Artykbayev, Minister of Energy of Kyrgyz Republic, said today, October 22, at the international conference “Path to Sustainable Economic Growth through Providing Secure, Clean and Sustainable Energy”.

According to the minister, alternative energy is used only by 1%. With the possibility of local coal production of 6 billion tons, the annual production amounts to 1 million 100 thousand tons.

“This year we want to increase production up to 1.5 mln. tons, and during the upcoming 3 years — up to 3 mln. tons”, the minister informed.

The Minister of Energy noted that the legislative basis in energy saving has already been developed together with implementation mechanisms. “The laws concerning energy efficiency in buildings do not work yet”, he added.

Mr. Artykbaev noted that there is shortage of electricity today and the estimated deficit by 2017 will amount to 5 billion kWh. “Economic recovery in the near future will take place under conditions of high electricity deficit”, the Minister said.

More detailed information can be found here: <http://www.tazabek.kg/news:359814>

22-10-13, 10:32

“We have to harness the hydro potential of Kyrgyzstan both for the country and for the whole region” - EU Ambassador to the Kyrgyz Republic.

Tazabek: Energy is absolutely a paramount objective, it is relevant to everyone. The EU Ambassador, Mr. Cesare de Montis, spoke about this at the international conference “Path to Sustainable Economic Growth through Providing Secure, Clean and Sustainable Energy” that took place today, October 22.

According to Mr. Cesare de Montis, the long-term development is a responsibility related to the environmental impact. This meeting is focused on the development of Kyrgyzstan that has a great hydro potential. “We have to harness the hydro potential of Kyrgyzstan both for the country and for the whole region” - the Ambassador stated.

He informed that within the framework of the INOGATE Programme the Kyrgyz Republic cooperates in the following areas: energy markets convergence, market strengthening, attracting investments to the projects in energy sector.

“I would like to mention an active participation of Kyrgyz Republic in the reviewing process of programmes that are being implemented by Partner Countries in the framework of INOGATE. We work on the implementation of certain tasks, for example, on everything related to the heating of residential houses and the oil and gas sector. We are ready to share our experience with Kyrgyzstan”, Cesare de Montis stated.

He spoke about the availability of certain schemes to improve the actual cost of energy. The Ambassador noted that the Government of the Kyrgyz Republic can get the support within the framework of the Programme.

More detailed information can be found here: <http://www.tazabek.kg/news:359818>

Ministry of Energy and Industry hopes to increase coal production to 3 mln tons in three years

22.10.13 10:51

Dmitry Denisenko

Today the actual annual production of coal in Kyrgyzstan amounts to 1.1 mln tons. By the end of this year it is planned to bring this indicator to 1.5 mln tons and during the upcoming 3 years - to 3 mln tons, stated the Minister of Energy and Industry, Mr. Osmonbek Artykbayev, today, October 22, at the international conference on energy.

According to the Minister, the coal-mining and oil and gas industries play an important role in the provision of energy safety of the country. Although due to the depreciation of equipment and lack of funds, the production level is very low.

Mr. Artykbayev also mentioned the total coal reserves in Kyrgyzstan amount to nearly 6 billion tons.

More detailed information can be found here:

http://www.vb.kg/doc/248141_minenergoprom_nadeetsia_dovesti_dobychy_vglia_do_3_mln_tonn_za_tri_goda.html

“Economic recovery in all sectors will require a deep power down regime,” O. Artykbayev.

Bishkek, October 22 / Shirin Torogeldiyeva - Kabar/. “Economic recovery in all sectors will require a deep power down regime”, Mr. Osmonbek Artykbayev, Minister of Energy and Industry said today in Bishkek during the international conference on energy. According to the Minister, the estimated deficit of electricity by 2017 will amount to 5 billion kWh per year.

“Economic recovery in all sectors will require a deep power down regime the mechanisms of which are not sufficiently developed yet. That is why the President of the country has approved the strategic objectives for the next years. They are listed in the National Strategy of Sustainable Development of the Kyrgyz Republic by 2017,” the minister said.

According to Mr. Artykbayev a positive fact is that the legislative basis has been developed in the field of energy and energy conservation. All the mechanisms for implementation of the main Law “On energy” have been developed. However, the Laws on “Energy Saving”, “Energy Efficiency in Buildings” and “Renewable Energy Sources (RES)” are still not working properly. The reason for that is the absence of implementation mechanisms.

“Kyrgyzstan is a mountainous country rich in hydro resources with the potential of 142 billion kWh, 10% of which is used”, the Minister said.

The head of the Ministry of Energy also mentioned that the renewable energy sources (RES) – solar, wind, small rivers and biomass – are used in Kyrgyzstan to the extent of 1%, although the coal-mining and oil and gas industries play an important role in the provision of energy safety of the country, however due to the depreciation of equipment and lack of funds, the production level is very low.

The total coal reserves in Kyrgyzstan are estimated at nearly 6 billion tons, the annual production is 1.1 mln tons. During this year we plan to bring this indicator to 1.5 mln tons and during the upcoming 3 years - to 3 mln tons”, he emphasised.

More detailed information can be found here: <http://kabr.kg/economics/full/65036>

Information Agency “Vesti.kg”

22.10.13 10:33

Despite the criticism of the CASA-1000 project, it’s been decided to speed up its implementation.

However, what kind of electricity the prime minister is going to sell remains unclear.

Here is some background of the matter. The project CASA-1000 envisages the construction of transmission lines thorough which the electricity produced in Kyrgyzstan will be delivered (sold –

author's note) to such countries as Afghanistan, Pakistan and those located further, deep into South East Asia.

From the very beginning the discussions were held concerning this project and it was heavily criticised. First of all, experts were worried about the fact that transmission lines should pass over the territory of Afghanistan – the country where renewal of hostilities is likely to happen in the future. There is another negative point – the competition from the side of Tajikistan which can start exporting its electricity after finalising the construction of the Rogun HPP. Under such conditions the official Dushanbe is unlikely to be willing to let our electricity pass through its territory.

However, officials do not get confused by all of these observations. For example, yesterday the Head of Government received a visit from the World Bank Regional Director for Central Asia, Mr. Saroj Kumar Jha. The main topic was how to speed up the implementation of CASA-1000 project. The start of implementation of its practical part is scheduled for July 1st 2014.

“And what Kyrgyzstan is going to sell?” academic Asylbek Aydaraliyev asks during the conversation with Vesti.kg. “Today we reduced our export even to Kazakhstan and Uzbekistan. There is an opinion that in spring we will not have enough electricity even for our own needs. Apparently the decision to speed up implementation of the project was adopted by our officials in the hope to push Russians to expedite the construction of the first Kambar-Aty. It is known that electricity generated by this power plant will be sold to local population at a low price. Under such conditions the HPP will not pay off any time soon. Although if there is CASA-1000, the export of electricity will allow to do it quicker. As for the World Bank it needs to spend money allocated for the project as soon as possible to be able to report that they are taking measures to assist countries of Central Asia”.

More detailed information can be found here:

http://www.vesti.kg/index.pbp?op^on=cor_k2&view=item&id=23582:nesmotrya-na-kritiku-proekta-casa-1000-resheno-uskorit-ego-realizatsivu<ennid=79

Information Agency “Vesti.kg”

22.10.13 10:15

Why the deputies are silent after their visit to China organised for TBEA money?

It is believed that they are “working on” their colleagues to get the support of the majority.

The story with CHP reconstruction begins to resemble a description of Tantalus tortures in Hades where he being near fruits and water still couldn't satisfy his hunger and thirst. The good

news, however, is that in our version of the story such sufferings are experienced by the officials and deputies.

Let us recall that not so long ago a relevant delegation made a trip to a number of energy facilities located in China and owned by TBEA which is the same company to which our bureaucrats hope to entrust the reconstruction of the CHP in the capital city.

A group of energy industry leaders and members of Parliament traveled to China to study the technical capabilities of the TBEA Company, but has not provided any report until now, - Mrs. Nurzat Abdyrasulova, co-chair of supervisory board of Transparency Initiative in the Fuel and Energy Complex of the Ministry of Energy and Industry, has raised the topic recently.

Why are they silent, really? It is known that before that trip the participants of delegation were directly accused of corruption.

This is, in general, a direct bribery, energy expert Rasul Umbetaliyev says. To make such a trip at the expense of the inviting party, especially if it is a private company, having its interests in Kyrgyzstan, is a real corruption. Probably after their trip to Hong Kong the members of the delegation found out that TBEA is not a company to be trusted with the reconstruction of CHP. They can't say that openly because then they will let the "sponsor" of their trip down. But it is also problematic to say "OK" taking into consideration the public response caused by their visit to China. Most probably they are conducting work among other deputies to get the support of the majority and only then to entrust the reconstruction of the CHP to TBEA.

More detailed information can be found here:

http://vesti.kg/index.php?option=com_k2&view=item&id=23579:pocherrtu-molchat-deputatyi-s'ezdivshie-v-kitay-na-dengi-tvea?&itemid=83

22.10.13 11:00

Kyrgyzstan expects to get great advantage from passing Kyrgyzgas to Gazprom and the CASA-1000 project – Ministry of Energy and Industry

Tazabek – Hydro energy potential of Kyrgyzstan is poorly used, the Deputy Minister of Energy of the Kyrgyz Republic, Mr. Raimbek Mamyrov said today, October 22, at the international conference "Path to Sustainable Economic Growth through Providing Secure, Clean and Sustainable Energy".

He also said that it was defined back in 1960-s how many HPP can be built in the country. Currently, 7 HPPs and 2 CHP are functioning. "Today we produce up to 15 billion kWh. It is possible to build up to 31 HPPs on the river Naryn", he stated.

Among the priority projects the deputy minister named Kambar - Atinskaya HPP-1, the reconstruction of CHP, Verhnenaryn HPP cascade, the reconstruction of At-Bashinskaya HPP, modernization of the lines in the South (already implemented), construction of the line Datka-Kemin, and the improvement of the electricity supply of the cities Osh and Bishkek.

“As strange as it may seem, Osh and Bishkek turned out to be the most vulnerable cities in terms of electricity supply. Big cities grow very fast and the electricity grids are outdated. There are around 48 housing estates close to Bishkek”, Mr. Mamyrov said.

He noted that Kyrgyzstan expects to get great dividends from transferring OJSC “Kyrgyzgas” to Russian “Gazprom”. Another project from which the country expects to get great benefits, according to Mr. Mamyrov, is the project of electricity transmission CASA-1000. This project is a promising one potential and comes close to practical implementation, he said.

More detailed information can be found here: <http://www.tazabek.kg/news:359825>

22.10.13 10:51

Energy sector of Kyrgyzstan is in critical condition - deputy minister R. Mamyrov.

Tazabek – Energy sector of Kyrgyzstan is in critical condition. Deputy Minister of Energy of Kyrgyz Republic, Mr. Raimbek Mamyrov said today, October 22 at the international conference “Path to Sustainable Economic Growth through Providing Secure, Clean and Sustainable Energy”.

According to the Minister, all the difficulties are rooted in the lack of funds and the policy of low rates.

“We intend to improve the sector with the help of organizational and other measures and to conduct reforms with participation of donor community and the INOGATE Programme. The government approved a very short period of time for the reforms - until 2017. One of the objectives we set is the uninterrupted operation of the energy system because our population is very sensitive to interruptions. Another objective is to reduce total losses by 12% by 2017. It will require considerable capital investments”, he said.

The minister reminded the amendments are introduced into the Criminal Code, so the theft of electricity will be criminally liable.

“By 2017 Kyrgyzstan should become self-sufficient in terms of electricity production. Our corporate governance is not a perfect one. We have to improve it at the legislative level. Client oriented policy is very important but today we are not client oriented very much. We must respect the interests of every consumer,” Mr.Mamyrov stated.

More detailed information can be found here: <http://www.tazabek.kg/news:359823>

Osmonbek Artykbayev: Kyrgyzstan does not fully use its energy potential

22/10/13 10:27, Bishkek – Information Agency «24.kg», Yuliya KOSTENKO

“Kyrgyzstan does not fully use its energy potential,” Mr. Osmonbek Artykbayev, the Minister of Energy and Industry of the Kyrgyz Republic stated today at the international conference dedicated to the 50th anniversary of the Kyrgyz Scientific and Technical Centre “Energy”.

According to the Minister, Kyrgyzstan is rich in hydro resources but only 10% of water potential is used. Renewable energy sources are used within the limits of 1%. “It is a small rate. The production of coal and oil is low because of equipment depreciation and lack of funds. 1 million tons of coal is produced annually. Next year we want to increase the volume up to 3 million tons,” Osmonbek Artykbayev explained.

He added that there is electricity deficit in the country. In this connection the whole economy and households switch to hard-line energy saving regime.

More detailed information can be found here: <http://www.24.kg/economics/163316-osmonbek-artvkbayev-kyrgyzstan-ne-v-polnoi-mere.html>

Lemlem Said Issa: The global challenge for the energy sector is the dynamic demand for energy resources.

22/10/13 11:11, Bishkek – Information Agency «24.kg», Yuliya KOSTENKO

“The global challenge for the energy sector is the dynamic demand for energy resources”, Mrs. Lemlem Said Issa, Team Leader of the INOGATE project, said today at the international conference dedicated to the 50th anniversary of Kyrgyz Scientific and Technical Centre “Energy”.

According to Mrs. Said Issa, the revision of rates for electricity, heat and natural gas in Kyrgyzstan is driven by the need to reconstruct the infrastructure. Equipment is outdated and has to be replaced entirely.

“Attracting investments into energy projects of general and regional importance is the main objective of the INOGATE. Currently, a common problem is the dynamic demand for energy resources and the lack of long-term prospects. Because of that it is necessary to introduce principles of energy efficiency and to use renewable energy sources,” Lemlem Said Issa said.

More detailed information can be found here: <http://www.24.kg/economics/163329-lemlem-said-issa-mirovoi-problemoi-v-yenergetike.html>

Ministry of Energy and Industry warned about a deep power down regime

22.10.13 11:41

Dmitry Denisenko

“Economic recovery in all sectors will require a deep power down regime”, Mr. Osmonbek Artykbayev, Minister of Energy and Industry said today in Bishkek during the international conference on energy.

According to the Minister, today we are witnessing the growth of consumption and increasing electricity deficit in the country. According to the estimates, by 2017 the electricity deficit will amount nearly 5 billion kWh.

How the state is planning to protect the economy from deficit is unclear yet. “The mechanisms to mitigate the influence of the deficit have not been sufficiently developed so far,” Mr. Artykbayev concluded.

More detailed information can be found here:

http://www.vb.ka/doc/248164_minenergoprom_predypredil_o_rejime_jestkoy_ekonomii_elektrichestva.html

The Scientific and Technical Centre “Energy” was rewarded for conducting the state policy in technical-and-economic complex

22.10.13 12:03

Dmitry Denisenko

Kyrgyz Scientific and Technical Centre “Energy” under the Ministry of Energy and Industry, which celebrates its 50 anniversary this year, has made a significant contribution into the development of state policy in the fuel and energy complex. In the future the institute is expected to deliver the projects that are not less ambitious, the Minister of Energy and Industry of the Kyrgyz Republic, Mr. Osmonbek Artykbayev stated today, October 22, at the international conference dedicated to the anniversary of the Centre “Energy.”

According to the Minister, the institute had done a lot of work for the development and implementation of the state policy over these 50 years. “Today we still have to cope with big tasks. The achievements of the Scientific and Technical Centre “Energy” in the development of the economy of the Republic are tremendous, especially of our veterans whose work we appreciate very much,” Mr. Artykbayev said.

“There are all the possibilities for the development of energy sector,” the Minister stated. “The positive fact is that the legislative basis in the sphere of energy and energy saving has already been developed in our country, and all the mechanisms for implementation of the Law “On Energy” are developed,” Mr. Artykbayev explained.

More detailed information can be found here:

http://www.vb.kg/doc/248173_naychno_tehnicheskiy_centr_energiia_poblagodarili_za_gospoliti_ky_v_tek.html