

China Gas Deal, Transneft, Diesel Exports: Business in Brief

By [The Moscow Times](#)

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Price Still Not Set for China Gas Deal

Gazprom and China's CNPC are pressing ahead with talks to reach agreement on a gas price to secure a long-awaited deal for Russia to supply China with gas, Interfax reported Wednesday.

"The heads of CNPC and Gazprom reached an agreement to sign a contract during the visit of Russian President Vladimir Putin to China in May. However for the contract to be signed, a price for gas must be agreed," a CNPC official for foreign relations said, Interfax reported.

"Rumors that the Chinese side is trying to use the current events in Ukraine to reduce the price for Russian gas are not true." (*Reuters*)

Transneft Considers Druzhba Redirect

Russian pipeline monopoly Transneft could redirect oil that is shipped annually via

the Druzhba pipeline through Ukraine to the Russian ports of Primorsk and Ust Luga in the Baltic, a company official said.

"If problems arise with oil supplies via the Ukrainian part of Druzhba, we can easily redirect this 17 million tons to Primorsk and Ust Luga," Igor Katsal, head of the transportation department at Transneft, told a company magazine in an interview published Wednesday.

Last year, Russia shipped a total of 50.3 million tons of oil via the Druzhba pipeline, which splits in Belarus into two streams supplying European refineries.

Europe has tried to cut its dependence on Russian oil and gas. Moscow has also moved to diversify its exports, looking to redirect energy flows to Asia. (*Reuters*)

Russia to Export More Diesel

Surgutneftegas will start exporting diesel from the Baltic port of Ust Luga next month after extensive modernizing upgrades to Russian refineries have created a surplus of higher grade fuels, traders said.

Russian refiners are struggling to find new ports to cope, with the Baltic's Primorsk already at full capacity.

Surgut, Russia's third-largest oil producer, plans to transport diesel by rail from its 420,000 barrels per day Kirishi refinery in northwest Russia to Ust Luga.

From there it will be exported from the Sibur-Portenergo terminal owned by Sibur, Russia's top petrochemical company, the trading sources said.

Initial exports were expected to total around 60,000 tonnes of diesel per month, or roughly two cargoes. Most Russian diesel exports from the Baltic Sea go to Europe. (*Reuters*)

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