
Azerbaijan starts gas deliveries to Georgia.

Itar-Tass

10/01/2007

TBILISI, January 10 (Itar-Tass) - Azerbaijan begins gas deliveries to Georgia on Wednesday. It will deliver to it daily one million cubic metres of gas at a price of 120 dollars per 1,000 cubic metres, representatives of the Georgian ministry of energy report.

Agreement on gas deliveries was reached late in December 2006. According to the ministry of energy, "under the agreement, Azerbaijan will deliver gas to Georgia during to 90 days. The deliveries may be prolonged, if need be."

After defects at the Shakh-Deniz gas field are eliminated and the Baku-Tbilisi-Erzurum gas pipeline is put into effect, Georgia "will start receiving by the Baku-Tbilisi-Erzurum pipeline its own quota and part of the Turkish quota of natural gas deliveries." Gas deliveries by the Baku-Tbilisi-Erzurum pipeline are expected to begin in February. Georgia will receive by the pipeline 250 million cubic metres of gas this year at a price of 64 dollars per 1,000 cubic metres. Turkey will give to Georgia 800 million cubic metres of gas from its quota in 2007. The value of the deal has not been reported so far.

Russian Gazprom signed contracts with three Georgian companies on December 22 for gas deliveries in 2007 amounting to 1.1 billion cubic metres at a price of 235 dollars per 1,000 cubic metres. Until recently Georgia satisfied its domestic demand for natural gas with the help of Russian gas deliveries. Now, in addition to that, it will receive gas from Azerbaijan and later by the Baku-Tbilisi-Erzurum gas pipeline. Georgia needs a total of two billion cubic metres of gas a year.
