

Gas Supply Security in the Baltic States: A Qualitative Assessment

EPRG Working Paper 1008

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Energy security has been moving up the European policy agenda over the last decade, recently becoming a prominent theme of the European political debate. This has been driven largely, though not entirely, by the rise in concern about the security of natural gas supply to Europe, particularly supplies from Russia.

A number of attempts have been made at creating indices which are capable of quantifying the level of supply security that any given country enjoys. However, without a detailed, qualitative understanding of a country, determining its level of security is a virtually impossible. The specific gas supply set up, the structure of gas consumption and, in particular, policies in place designed to mitigate the effects of a disruption are key contributors to the level of security that any country enjoys.

This paper assesses the security of supply of each of the three Baltic States using this type of qualitative assessment. Consideration of their gas supply set ups provides insights into the types of disruption risks that each country faces and the seasonality of these risks. Analysis of policies also highlights the significant contribution that they can make to supply security, in particular those policies which mandate fuel switching capabilities of power generators. Other factors such as regulatory tests and checks, which are particularly difficult to capture in numerical indices, can also impact supply security by contributing to policy effectiveness.

The analysis presented in this paper demonstrates a need for careful and individual assessment of countries in order to ascertain the level of supply security that they enjoy.

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Publication March 2010
Financial Support ESRC TSEC3



