

November 15, 2011

An Interview with Professor Anatoly. F. Dyakov, Chairman, Russian Member Committee, WEC.

****WEC would like to wish Professor Dyakov a very Happy 75th Birthday****



With more than 55 yrs experience in the Russian energy sector. Ex-Minister of Energy for the Russian Federation and Ex-President of Unified energy system, Prof Dyakov is currently Head of the Russian Scientific and Technical Council of Unified energy system. Dr Anatoly is also President of the Russian Member Committee, WEC, and Honored President of Russian Member Committee of CIGRE.

What major difficulties is the Russian energy sector facing today?

The Russian electric power sector sustainably delivers electric and thermal power to the industry and population. There is, however, a number of issues that need to be addressed, such as the high percentage of worn out and obsolete equipment; power plants and mains, the power sector dependence on natural gas, the deficiency of generating capacities, the deficiency of maneuverable and intermediate generating capacities in the European part of the country and the isolated operation of the power system of the East and other power systems.

The most urgent problem of the national energy sector, however, is the need for modernization, with a focus on thermal plants, efficiency, the decrease of power losses and, consequently, curbing of the tariffs growth.

What positive and negative changes has the restructuring of the Russian power sector brought in the last 10 – 15 years? How has the organizational split-off of the thermal power sector influenced on the efficiency of electric power delivery?

RAO UES of Russia – a unified power holding, combining all types of activity in the power sector, existed until mid-2008. As a result of the restructuring power generation, supply and distribution have become independent types of commercial and operational activity, and the thermal power sector has been privatized and market relations

Were started in the electricity trade. Liberalization, however, has turned out to be a more complex task and has brought less effective results than it had been estimated. Withdrawal of the state from wholesale prices regulation has turned into their unjustified growth. It is obvious now, that the leading role of the state, as a watchdog, and the largest owner of power generation capacities, that the network must be strengthened.

What steps in your opinion should be taken to strengthen and raise the quality of the interaction between the generating capacities and European consumers?

The European Union is Russia's major strategic partner. There are good prospects for cooperation between the power sectors of European countries and Russia. A good example of this can be seen in the energy roadmap between Russia and the EU until 2050, which is being currently developed. Russia is the EU's main natural gas supplier and the second largest oil and oil products supplier. Proper legal conditions need to be developed so that the cooperation between Russian and European power companies becomes closer.

Unfortunately, when equipment is acquired abroad it does not imply the transfer of technology to Russia and lessens the opportunities for Russian institutes to participate in projects. It is necessary to harmonize the European and Russian legislation in the sphere of electric power, to overcome difficulties in the agreeing upon of the third set of the EU energy laws, more active interaction is needed in various areas of energy policy, including on the issue of synchronization of UES of Russia with the Central European association of the UCTE.

Apart from oil and gas supply is Russia planning to export electric power in the near future?

Russia was and remains the major exporter of electric power. In 2009 the electricity export from Russia amounted to about 17 bln KW/h with Finland being the largest importer (67.1%). The exports of electric power from Russia are expected to grow further. Russian export of electric power to China is scheduled to be launched in 2012.

How has the accident at Fukushima nuclear plant (Japan) impacted the plans for development and the future in general of the nuclear power sector in Russia? What is the public opinion on this and how will the position of the state be adjusted in this regard? ...

For the answer to this question please [click here](#) and to view the full article in Russian please [click here](#).

WEC Debrief

2011 World Energy Council Houston Business Forum: A North American Regional Meeting. Houston, Texas 31st Oct-1st Nov
Led by Jack Futcher, Chairman of the United States Energy Association (USEA), and with cooperation from the WEC Mexico committee and the Energy Council of Canada, the three WEC North American committees, the Houston Business Forum convened major players from all sectors of the North American energy industry to delve into the details of the "Globally Integrated Energy Business" and the role that North American energy suppliers and consumers play therein. The event successfully fostered a critical exchange of ideas amongst today's energy visionaries on the critical role that our industry will play in shaping global economic growth and human development.

Over 250 senior executives from twelve countries participated in the Forum's proceedings, including WEC Chairman Pierre Gadonneix, Canadian Minister for Natural Resources Joe Oliver, Enbridge CEO Patrick Daniel, American Electric Power's CEO Michael Morris, Shell Oil Company President Marvin Odum, AREVA North America's CEO Jacques Besnainou, IHS CERA Chairman Daniel Yergin and GE Energy CEO John Krenicki. These senior executives delved into some of the pivotal events and technology developments that are influencing trends across the global energy landscape. From enhancing horizontal drilling techniques for unconventional oil & gas production to developing advanced energy storage technologies that will facilitate deployment of renewable power generation resources; from the tsunami-induced Japanese nuclear crisis to implementing emissions trading schemes; from ensuring energy security with North American supply production to empowering consumers to efficiently utilize and conserve energy – these topics represent but a few of the issues discussed amongst participants during the forum's proceedings.

WEC Agenda - We invite our members to attend the following events:

WEC Romanian National Committee Conference "ENERGY 2011", November 15 - 17 2011

Location: Paris, France
Organised by: Forum Invest & WEC/ RNC
Contact: WEC/ RNC Executive Secretariat
Tel: +4021.211.41.55/ 56
Email: ghsalan@cnr-cme.ro

Croatia Energy Day: HED 20th Forum, November 18 2011

Location: Zagreb, Croatia
Contact Branka Jelavic: hed@eihp.hr OR bjelavic@eihp.hr
tel: +3851 6326 117, 6040 609

WEC Executive Assembly, Oran Algeria November 20-24 2011

Secretary General: Mr. Smaïl Moussi
Email: cae2011@sonelgaz.dz

WEC World Energy Leaders' Summit, Istanbul April 19-20 2012

** Registration open soon**
Email: chandler@worldenergy.org

Further details can be found on WEC [Events Page...](#)

****WEC NEWS****

WEC would like to thank Mr Massampu who has stepped down as Chair of the Congo MC, and we welcome Mr Eric MBALA MUSANDA who will take over as Chairman (sneldg@ic.cd)

Thanks to Clare Cooper, Coordinator Communication & Ops, who is leaving WEC; going forward please send all Communications and WEC Inside requests to Florence Mazzone, Manager of Communications.

****MEDIA NEWS****

Our "Policies for the future: 2011 Assessment of country energy and climate policy" report will be launched on Wednesday, 16th November at a Press Conference in London (United Kingdom).

Please feel free to [connect](#) on the day at 9.00GMT to witness the live session or after that to see the recording of the event.

We encourage you to share this link with members of the press in your country.

Inside Insight

WEC publishes Energy Sustainability Index

GDP/capita (USD)		> 33,500	14,300 – 33,500	6,000 – 14,300	< 6,000
Positioning	1	Switzerland	France	Colombia	Philippines
	2	Sweden	Japan	Latvia	Indonesia
	3	Germany	Spain	Brazil	Swaziland
	4	Canada	Finland	Mexico	Cameroon
	5	Norway	Italy	Albania	Sri Lanka

Black font = net energy importers. Blue font = net energy exporters



WEC's Energy Sustainability Index ranks the energy sustainability performance of the 90-plus WEC member countries according to WEC's definition of energy sustainability which is based on three core dimensions – energy security, social equity and environmental impact mitigation. It displays the aggregate effect of energy policies applied over time in the context of each country and is based on an empirical analysis of a range of indicators that reflect the three goals of energy sustainability. These include energy performance indicators across the WEC energy sustainability dimensions, and contextual indicators that reflect the broader political, social, and economic circumstances of the country.

The Index highlights that all countries face an imbalance amongst the three dimensions of energy sustainability. As countries develop and economies mature, they make choices that tend to strengthen or trade-off one or two dimensions against the third. Despite differences in resource endowment and market structure, leading countries, mostly mature economies, show low energy-demand growth and robust policy environments. These are supported by well-established energy-efficiency programmes, and a balance between affordable energy and pricing that enables investment.

Sustainability therefore involves a shifting balance of trade-offs between the three dimensions of energy sustainability with no single 'silver bullet' formula. Each country must determine its balance, taking into consideration its needs, public acceptance, and key externalities.

The Assessment Report and Energy Sustainability Index are available for download at www.worldenergy.org/publications For further information please contact Sandra Biesel at Biesel@worldenergy.org

Christoph Frei, Secretary General

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