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ENERGY INDUSTRY IN RUSSIA. RELEVANCE OF HOLDING THE WORLD ENERGY CONGRESS IN RUSSIA

Russia as a destination for the World Energy Congress in 2022

Russia is a global leader of every segment of the energy industry, which has a significant influence on the development of the global energy space. Our country has a vast scientific and technological potential, it is the world's biggest producer and exporter of energy resources, and a principal guarantor of global energy security. The future architecture of the world energy sector and the condition of main energy markets of the planet depend on the stance of Russia and the condition of its fuel-and-energy sector.

Russia's role in the global energy industry

The Russian fuel-and-energy sector is steadily demonstrating high development rates and playing an important role in the provision of global energy security despite the complex international situation. Mixed trends on the global market are pressuring the Russian fuel-and-energy sector: the world has seen the longest stretch of low oil prices in the past 50 years, rivalry has grown fiercely, and the tax burden on oil-and-gas companies has increased. The constantly expanding anti-Russian sanctions are hindering the attraction of investment and technologies by the fuel-and-energy sector.

Despite those negative events, oil production in Russia did not fall but increased by 35 million tonnes per year. Following a plummet of global oil prices, OPEC and non-OPEC countries agreed on measures towards stabilizing the world oil market.





National records have been set in the Russian gas industry: the output of natural gas reached 691.1 bcm, while exports grew to 224 bcm in 2017. A lot was done to implement the LNG potential. Annual investment in the oil-and-gas sector more than doubled.

The coal industry grew by more than 21% in the past six years to a record annual production of 409 million tonnes. The industry has acquired a new technological level over recent years, and new facilities have been developing in the east: Yakutia, the Khabarovsk, Primorye and Transbaikal territories, and Sakhalin. Russia ranks the world's third in terms of coal exports.

The economic growth requirements in the electric power sector have been satisfied to the full. Russia annually produces more than 1 trillion kWh of electricity, ranking the world's first nation in terms of the power transmission line length and fifth in terms of installed capacity. The accident rate in the generation and power grid complex has significantly decreased, the capacity market is developing, and a major investment program has been implemented in the industry. A set of measures implemented in energy grids has improved connection service, and Russia has moved from the 188th to the 10th position in the Doing Business ranking.

The fuel-and-energy sector has the following medium-term tasks:

In the oil industry- the creation of conditions for a higher oil recovery factor, incentives for replenishing the resource base, commencement of small fields, finalizing of oil refinery modernization.

In the gas industry - the creation of prerequisites for equalizing economic conditions for all gas market actors, finalizing of large investment projects, LNG production development, and implementation of the program of a common gas market of the Eurasian Economic Union (EAEU).

In the coal industry - higher production, coal dressing, development of new markets in the Asia Pacific region.

In the electric power industry – the development of competition on electric power markets, decommissioning of inefficient facilities, liquidation of cross-subsidies, affordability of grid infrastructure and responsibility of consumers for the amount of requested connection to grids; reduction of the accident rate in the electric power industry, digitalization of the industry, development of smart grids, and digitalization of power grids in general.

The geographic position and a unique gas transport system, including powerful export trunk pipelines, enable Russia to supply environmentally clean fuel to consumers in Europe, the CIS, and Asia Pacific Region. The implementation of new gas transport projects, such as the South Stream and Nord Stream 2, gives Russia access to new markets, improve reliability of supplies, and lay a foundation for the sustainable economic growth inside and outside the country.

The atomic energy industry is a keynote element of the global energy sector. Nuclear power plants generate about 11% of all electric power on the planet. The United States, France, and Russia are the world's top three suppliers of electricity generated by nuclear power plants. The Russian atomic power industry is the world's most powerful as a whole and in terms of particular technologies. State Atomic Energy Corporation ROSATOM is a leader in terms of the book of foreign projects (33 reactor units in 12 countries); it ranks the world's second by uranium deposits and the world's fourth by uranium mining. The state corporation accounts for 36% of the world uranium enrichment services and 17% of the world nuclear fuel market. as a

Russia has developed and is implementing a state program of the atomic energy industry's development in the period until 2035. New unique technologies, including green atomic energy, are emerging.

Another promising area supported by the government is generation based on renewable energy resources. Russia has vast reserves of fossil fuel but it still gives much attention to developing new technologies in the field of renewable energy resources and takes into consideration the shift of some principal importers to energy self-sufficiency. The appearance of new producers, the growing significance of untraditional resources, and the accelerated development of renewable energy resources are causing stronger competition.

Russia gives much attention to energy cooperation with member countries of the CIS, the SCO, the BRICS, and the Asia Pacific region. It is developing relations within several international organizations, among them the International Energy Agency, the World Petroleum Council, the Gas Exporting Countries Forum, and others.

The more reliable and transparent our energy scenarios are, the more comprehensive and objective the analysis of future trends in the global and regional energy development is, the more chances we will have to make and fulfill mutually advantageous decisions in this crucial sphere.



Russia and the World Energy Council

Being the legal successor of the former Soviet Union, Russia has been taking an active part in the activity of the World Energy Council since the day the organization was founded in 1924. It is one of the founding countries.

Representative Russian delegations comprising executives of major national fuel-and-energy companies, acclaimed scientists, and energy specialists regularly take part in congresses of the World Energy Council, one of which took place in Moscow in 1968. The election of renowned Russian officials and scientists to high-ranking positions in the Council are the recognition of Russia's contribution to the WEC's activity.

Russia is exercising its membership in the WEC via the **Russian National Committee of the World Energy Council (WEC RNC)**, which includes PJSC Gazprom, PJSC Rosseti, the Rosatom state corporation, PJSC RusHydro, major oil companies, and a number of leading energy companies and entities, as well as celebrated Russian scientists and specialists acting as individual members.

WEC RNC members eagerly participate in the activity of WEC technical committees and working parties addressing various problems of the energy sector and discussions of global and regional energy issues, including pressing problems of the energy sector amid restructuring and de-regulation processes.

Russia puts an emphasis on the support for and promotion of ideas put forward by young energy specialists, their integration in the global ideology of the current and future development of the energy industry, and accumulation of the intellectual and creative potential for the sake of developing the energy sector in Russia and the entire world. Our energy companies are involving young and interested specialists in the elaboration of a strategy of safe, sustainable, affordable and efficient energy in the global energy policy.

The Russian delegation to the 22nd Congress in Daegu, South Korea, in 2013, was one of the largest and most representative. The Day of Russia was held on the Congress' sidelines, and Russian Energy Minister Alexander Novak delivered a keynote speech on the search for balance in resolving the energy trilemma. The focus on sustainable development problems viewed in the context of the long-term energy policy may be broadened by adding the axis of economic growth and energy efficiency to the trilemma, suggesting the notion of pentalemma as more appropriate, he said. Given that the "balance of interests" in this sector primary depends on the substantive content and the founded evaluation of alternative scenarios, as well as on coordinated decisions, Russia prioritizes cooperation in the elaboration of energy scenarios.



Why St. Petersburg?

St. Petersburg is the second largest city of Russia and a major industrial, scientific, and cultural center. It is rightly deemed to be one of the most beautiful cities on earth, and its historical center is a UNESCO World Heritage site.

St. Petersburg is not just an acknowledged tourist center but also a bustling megalopolis and a major transport hub in northwestern Russia, which contributes to the development of the city's economic contacts and a growth of its industrial potential.

The history of the Russian energy industry started in St. Petersburg. Known scientists and specialists of the Russian Technical Society organized a special electro-technical section in the city. Its works led to the appearance of electric street lamps, an electric tram, the first power plant, and heating mains first in St. Petersburg and then in other places of Russia.

A unique hydro-energy ring was formed around the city and its growing industrial facilities in the 1900s. Innovations and creative engineering solutions resulted in the rapid construction of the Volkhovskaya, Svirskaya, and Narvskaya hydropower plants, and the Vuoksinen cascade, which are still regulating and supporting the country's oldest energy grid.

The need for providing the city with powerful and environmentally safe energy emerged in the new millennium. The construction of modern steam-gas units began in 2006 at St. Petersburg's Pravoberezhnaya, Yuzhnaya, and Pervomaiskaya power and heating plants, which became the leaders of innovative solutions and incorporated the best available products of domestic machine builders, and smart control and automation systems.



Founded by Peter the Great on the shore of the Gulf of Finland, St. Petersburg is Russia's window to Europe, and a center of business communication, which plays host to such world events as G8 and G20 summits, the St. Petersburg International Economic Forum, the Russia-ASEAN business forum, and others.

The opening of the Expoforum exhibition and convention center in October 2014, the newest and most modern venue in St. Petersburg, bolstered the significance of St. Petersburg as a city of Russia. The new specialized multifunctional grounds with developed infrastructure, such as exhibition pavilions, a congress center, hotels, cafes, restaurants, and parking areas, enabled St. Petersburg to host international events.

A century ago St. Petersburg gave an impetus to the development of the Russian energy industry. Nowadays it has a chance to host a discussion of energy of the future.

Proposed dates. Experience of holding great events

Russia bidding team herewith bids for the honor of hosting 25th WORLD ENERGY CONGRESS in St. Petersburg, Russia. The suggested dates are **June 11-15, 2022**

The bid, initiated by **the Russian National Committee of the World Energy Council (WEC RNC)** and supported by **Russian Energy Ministry**, is a joint work of the **WEC RNC** and the meeting industry representatives such as **Roscongress Foundation**, a major conference and exhibition organizer, offering a range of services for running events of all kinds and levels of complexity, the **Russian Convention Bureau**, marketing organization intended to consolidate and unify the national congress and exhibition industry, represent and promote Russia on the international meetings industry market, **Saint Petersburg Convention Bureau**, promoting Saint Petersburg as one of the leading platform for business communication through bringing professional events to the city.

St. Petersburg is a charming place meeting all necessary requirements for the Congress, and our team is ready to do it's best to organize an excellent event.

The Roscongress Foundation was founded in 2007 with the aim of facilitating the development of Russia's economic potential and strengthening the country's image by organizing world-class communication platforms. The Foundation develops substantive content for such events, providing companies and organizations with advice, information, and expert guidance, and offering comprehensive evaluation, analysis, and coverage of the Russian and global economic agendas. Over the years since the Foundation was established, over 440 events have been held, which attract 55,000 participants annually from 143 countries. Some of the leading business events to take place include the St. Petersburg International Economic Forum, the Russian Investment Forum, the Eastern Economic Forum, the International Financial Congress, and Russian Energy Week.

Having the world's largest energy potential, Russia can initiate the discussion on forming transnational energy infrastructure, which will guarantee energy supply to regions with an energy deficiency, on the regional and sub-regional levels. This is particularly important, considering that the growing consumption of traditional energy resources linked to the economic growth and the enlarging population is a pressing issue. Experts say the global energy demand will double by 2030. Russia is ready to face and handle these challenges. We are sure that the 25th World Energy Congress can be held in Russia in 2022 at the highest possible level.

