



RUSSIAN GAS PHASEOUT IN THE DANUBE REGION 2025

Draft modelling results
20.11.2025.

*Financed by Danube Region
Strategy Energy Priority Area*

Study questions

- Does the Russian pipeline ban of the RePowerEU cause security of supply issues in the 2025-2027 time period?
- How would the missing Russian volumes be replaced on the current infrastructure?
- What would be the price effect of such a policy in the DR?

Tasks

- Task 1 Calibrating model: to period 2024 Apr-2025 March. Scenarios will be compared to this base case

- Task 2 Scenario design:
 - a.** as RePower Roadmap suggests: ending Russian spot deliveries by 2026, Russian LNG by 2027, long term contracts by 2028 to EU27.
 - b.** Speeding up realisation: full RU gas phaseout before 2027
 - c.** Turk Stream out scenario: due to low utilisation of TS2, Balkan countries (Serbia, Bosnia, Macedonia) will be also cut off

- Task 3 scenario analysis country-level results (prices, consumption, flow patterns)
- Task 4 sensitivity testing to LNG market conditions, terminal availability, European gas demand

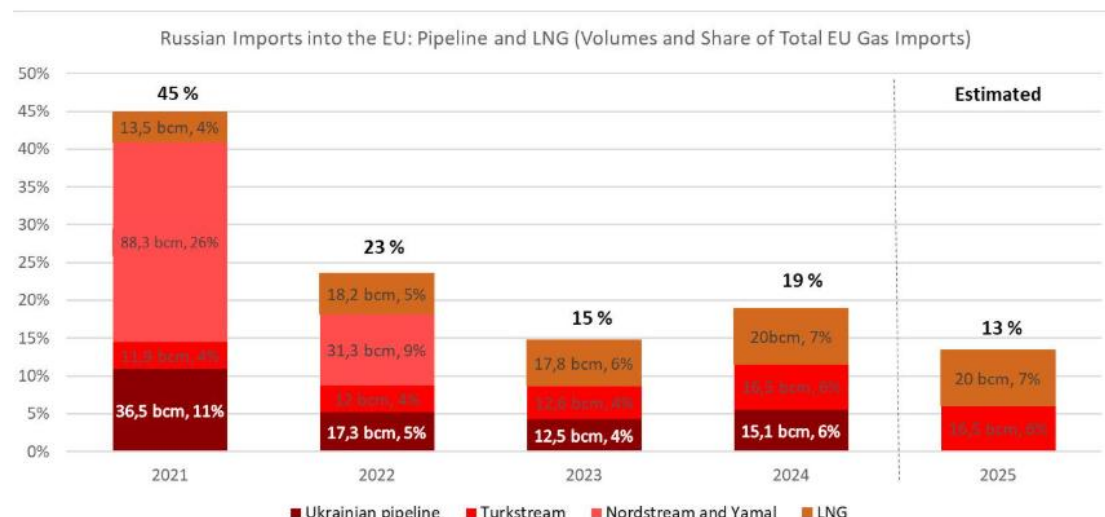
- Task 5 visualisation
- Task 6 conclusions, recommendations

Main outputs

- Price effect of Russian gas phaseout policies in the Danube Region countries:
 - AT, BA, BG, CZ, DE, HR, HU, MD, ME, RO, RS, SI, SK, UA
- Supply structure of the DR countries
- Total gas procurement cost of DR countries
- Russian volumes replaced and sourcing of such volumes
- Effect on TSO revenues
- Storage utilisation
- Cost of moving away from Russian gas
- Sensitivity of results

Background – the REPowerEU Roadmap

Roadmap towards ending Russian energy imports:



In 2024, the EU still imported **52 bcm of Russian gas** (32 bcm via pipeline and 20 bcm via liquified natural gas (LNG) or around 19% of total EU gas imports

2/3 is long term contracted, 1/3 is spot trade

EU gas demand decreased by 18% between 2022 and 2025.

Commission foresees 70 bcm further demand reduction to 2027 – *our modelling assumed stagnating demand*

LNG REGAS capacity +70 bcm/yr (2022-24)

Supply will increase from 2027:

+ 8 bcm/ yr in CEE: Neptun Deep
+ 300 bcm/yr LNG global supply enters

our modelling assumed +200 bcm

Roadmap towards ending Russian energy imports

TIMELINE

- From Jan 2026: No spot trade (1/3 of 52 bcm)
- From Jan 2028: ending all long-term contracts with Russia: LNG (ES, FR) and pipeline (HU, SK, GR*)

* In 2028 the Greek and Slovak LTCs are already expired

MONITORING OF THE ORIGIN OF GAS

- Non RU origin has to be certified: on Nord Stream 1-2, Baltics, FI, Yamal, Turk Stream 2
- ? TR-BG entry of Transbalkan (Strandzha 1)**

** The Parliament amendmend suggests to add the old entry point from Türkiye (4-5 bcm/yr capacity) to the list

Modelling timeframe

		1	2	3	4	5	6	7	8	9	10	11	12
CALENDAR YEAR	2024				GY 2024								
	2025	GY 2024			GY 2025								
	2026	GY 2025			GY 2026								
	2027	GY 2026			GY2027								
	2028	GY2027			GY2028								
	2029	GY2028			GY2029								
	2030	GY2029			GY2030								
	2031	GY2030											
	...												
	2035				GY 2035								
	2036	GY2035											
	...												
	2040				GY2040								
	2041	GY2040											

Modelled scenarios

**WITH
RU GAS**

JP Low (30)

**EU
Low**

**EU
Ref**

**EU
High**

JP REF (40)

**EU
Low**

**EU
Ref**

**EU
High**

JP High (50)

**EU
Low**

**EU
Ref**

**EU
High**

**SC1
REPOWER
ROADMAP**

JP Low (30)

**EU
Low**

**EU
Ref**

**EU
High**

JP REF (40)

**EU
Low**

**EU
Ref**

**EU
High**

JP High (50)

**EU
Low**

**EU
Ref**

**EU
High**

**SC2
REPOWER
ROADMAP
EARLY**

JP Low (30)

**EU
Low**

**EU
Ref**

**EU
High**

JP REF (40)

**EU
Low**

**EU
Ref**

**EU
High**

JP High (50)

**EU
Low**

**EU
Ref**

**EU
High**

**SC3
REPOWER
ROADMAP FOR
EU27+BALKANS**

JP Low (30)

**EU
Low**

**EU
Ref**

**EU
High**

JP REF (40)

**EU
Low**

**EU
Ref**

**EU
High**

JP High (50)

**EU
Low**

**EU
Ref**

**EU
High**

Measuring the overnight effect is the most extreme

EVERYTHING COMPARED TO 2024-25

**SC1: EU REPOWER
OVERNIGHT**

JP REF (40)

**EU
Ref**



Russian gas
(spot / LTC ,
LNG and
Pipeline are all
banned)

**SC2: DR REPOWER
OVERNIGHT EU + BA, RS, MK**

JP REF (40)

**EU
Ref**



LNG Supply is
assumed to
stay in 2025
(conservative)

**SC3: REPOWER + UA SHORTAGE
OVERNIGHT EU + UA prod decrease**

JP REF (40)

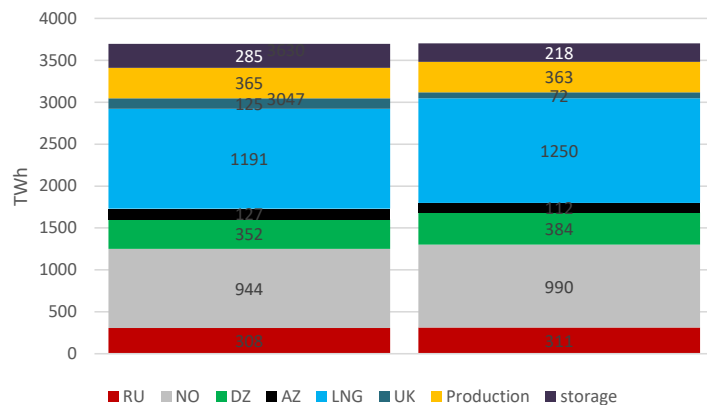
**EU
Ref**



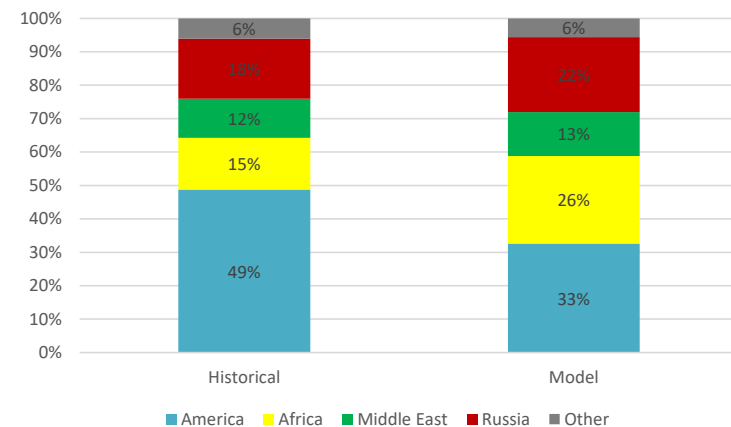
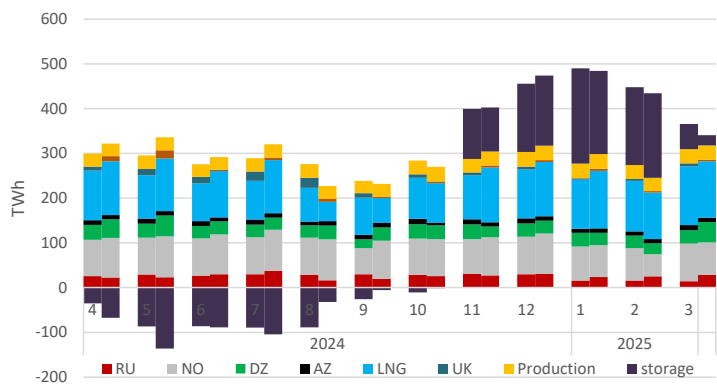
Gas demand is
as in 2024/25
(conservative)

Calibrating the model for 2024-2025

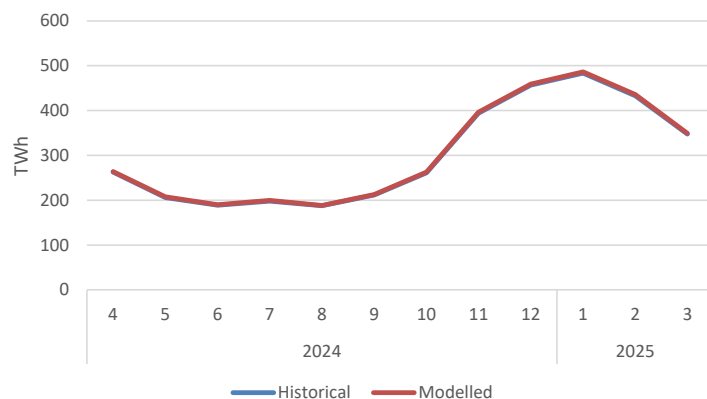
EU27 supply structure annual



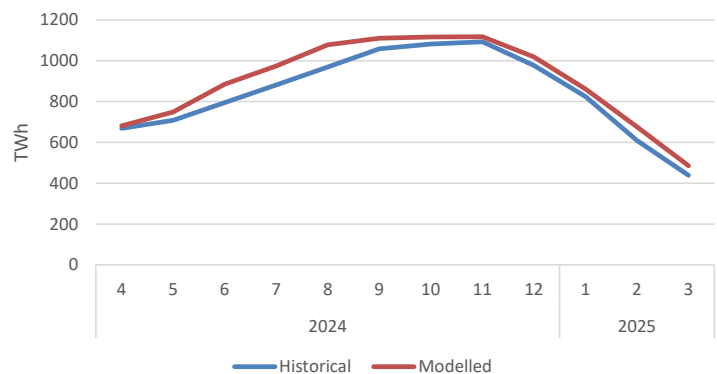
EU27 supply structure



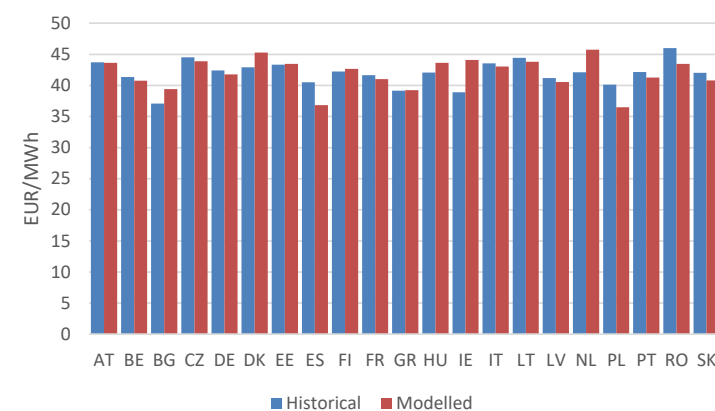
EU27 consumption



EU27 Storage level start of month

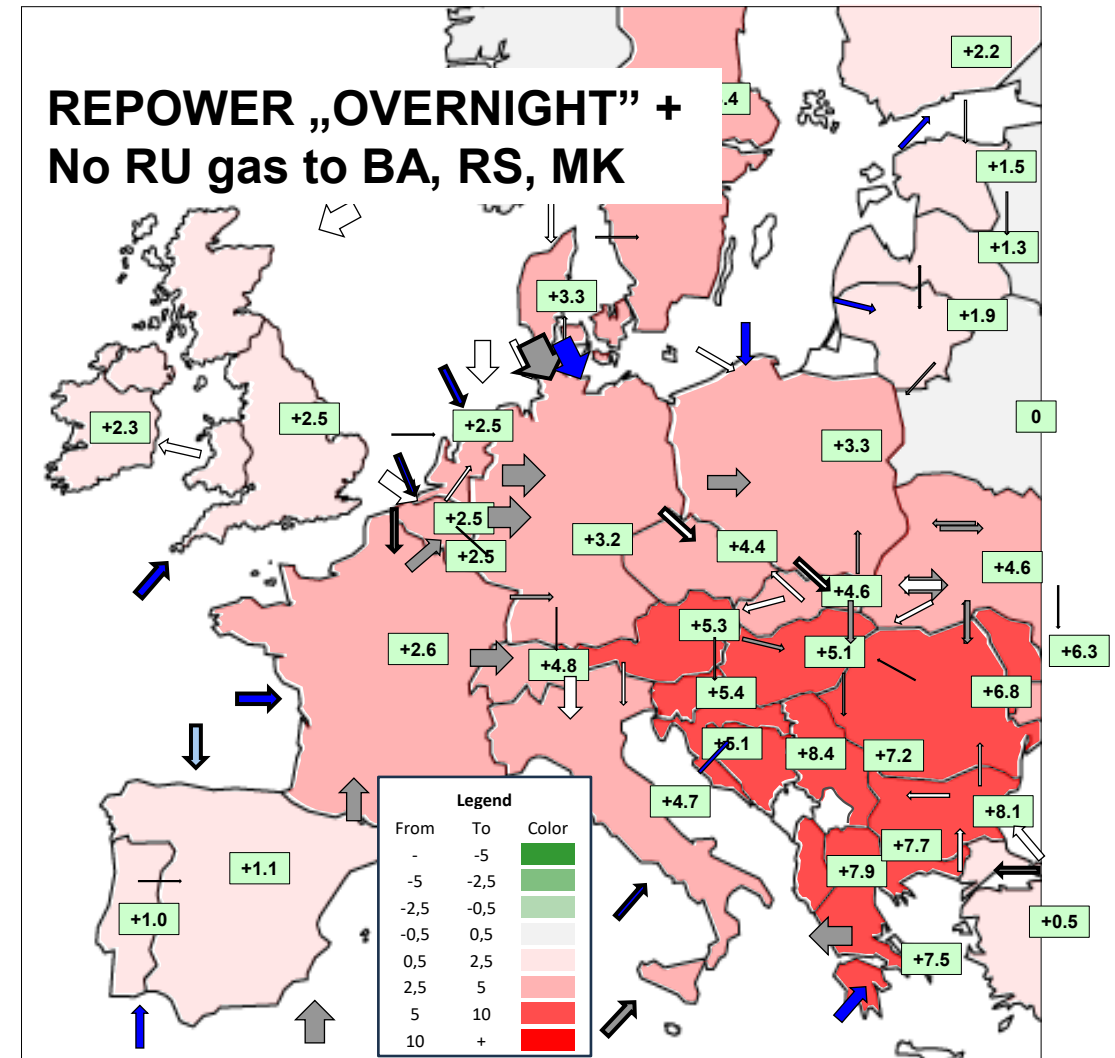
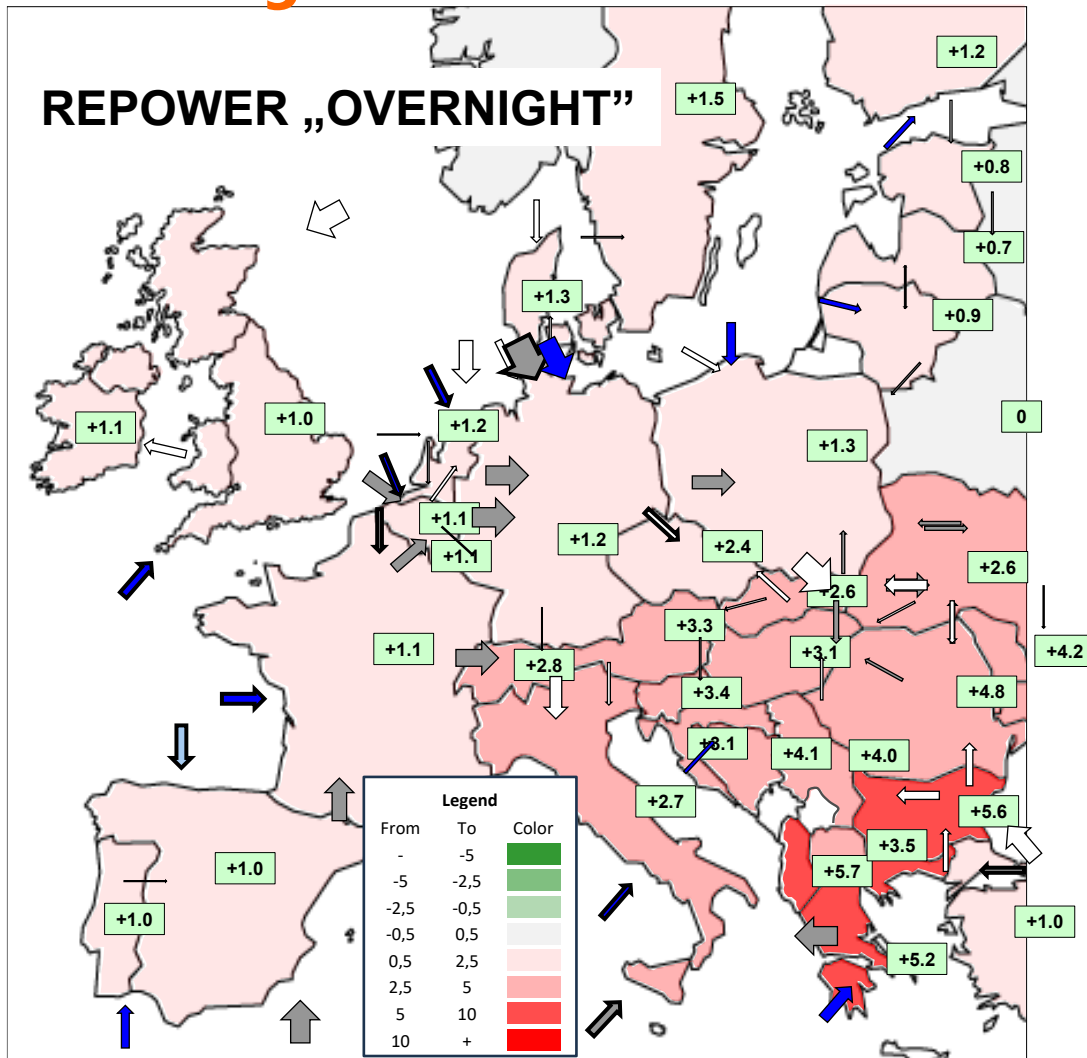


Modelled annual prices



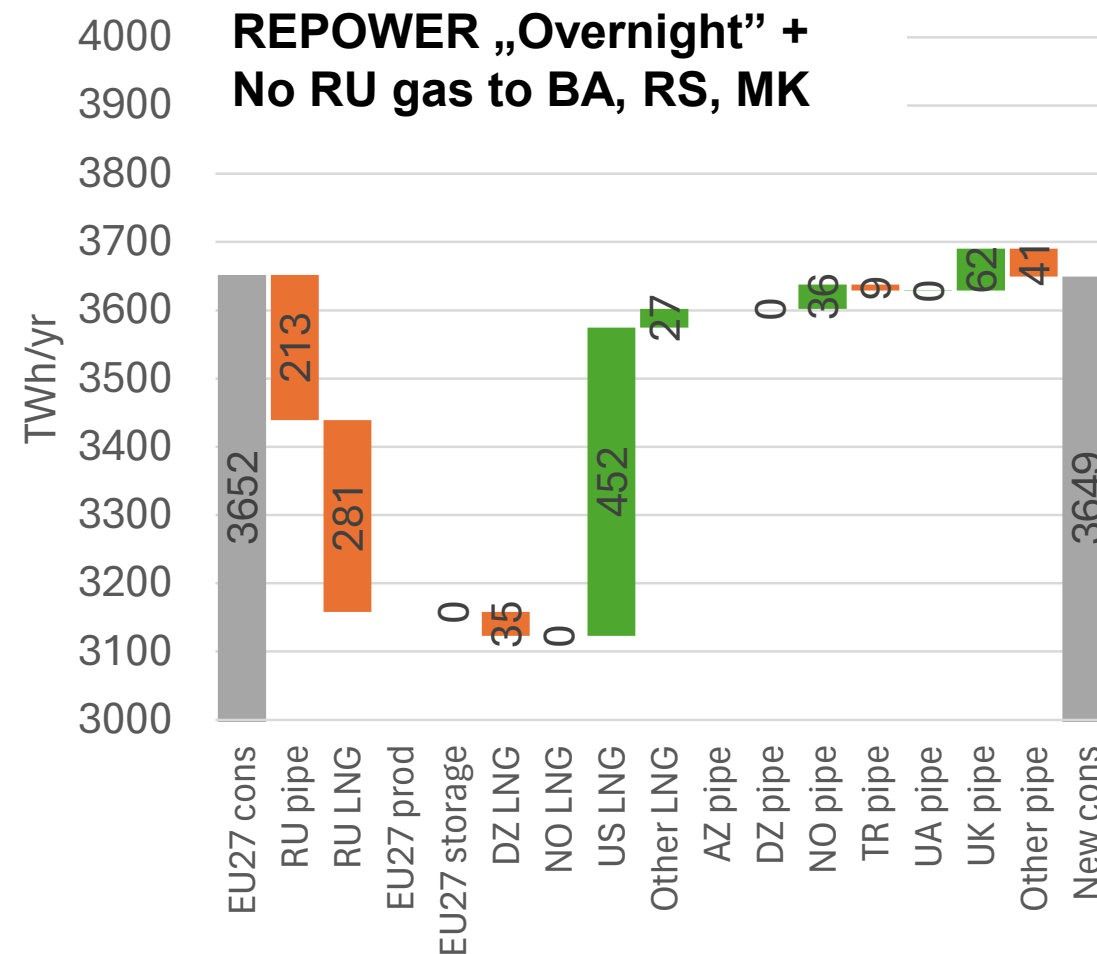
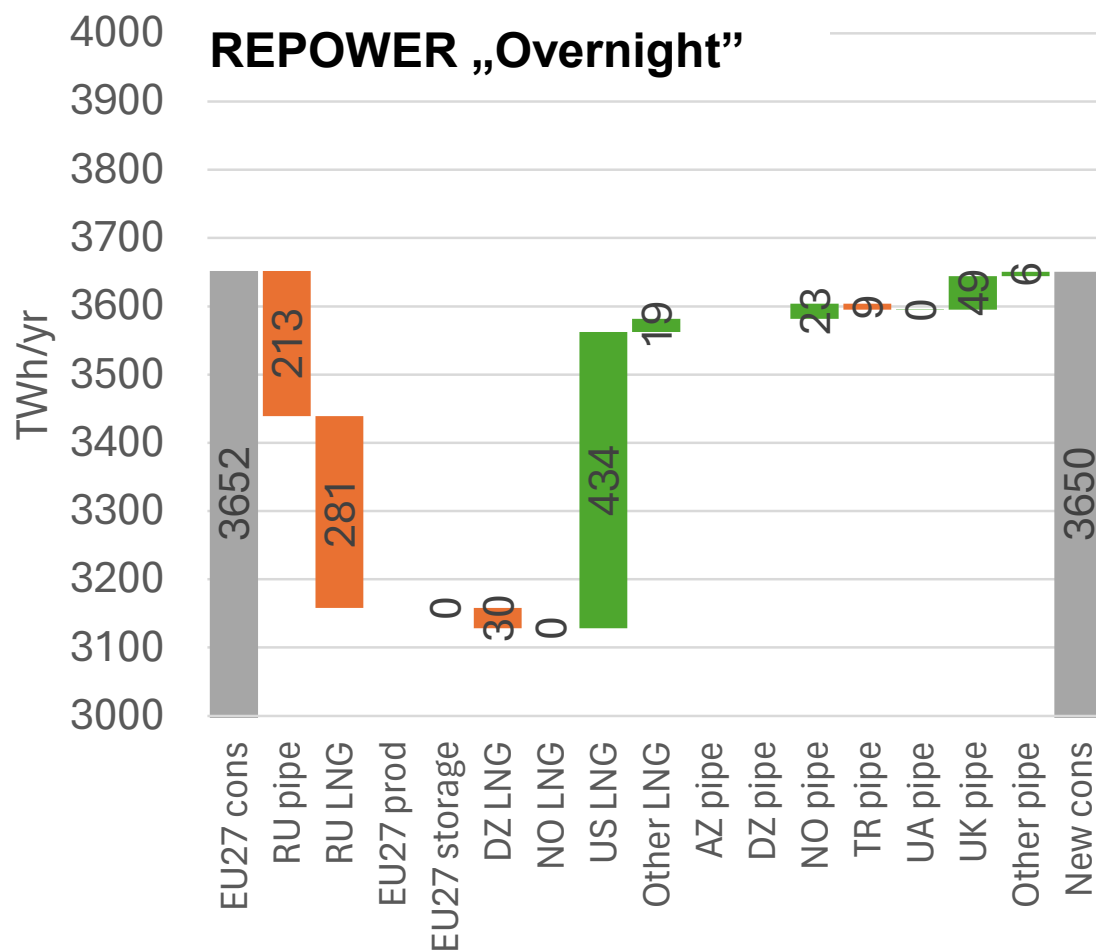
- Model recreates the 2024Q2-2025 Q1 historical flow, prices and supply structure in Europe

Overnight effects: what if REPowerEU is enforced right now?



- Overnight effects are negligible (~1 €/MWh) in WE, 2-3 €/MWh in CEE and 4-5 €/MWh in the Balkans
- If Balkans countries (BA, RS, MK) are not supplied via TurkStream 2, effects are similar and slightly more severe (2-8 €/MWh)

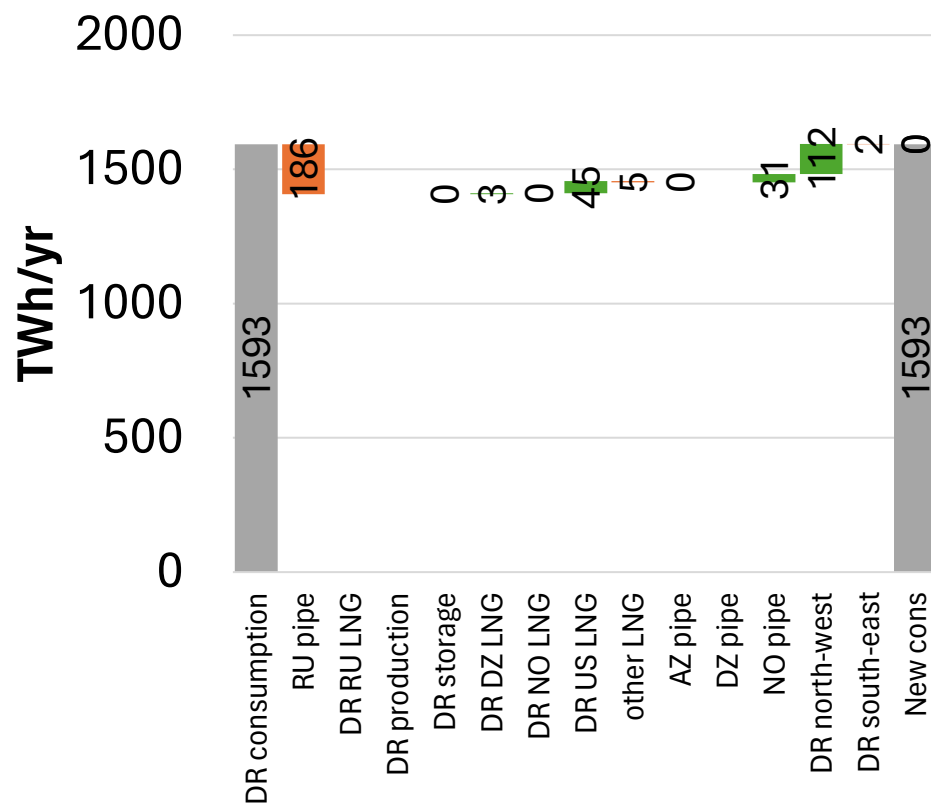
Change in EU27 supply structure



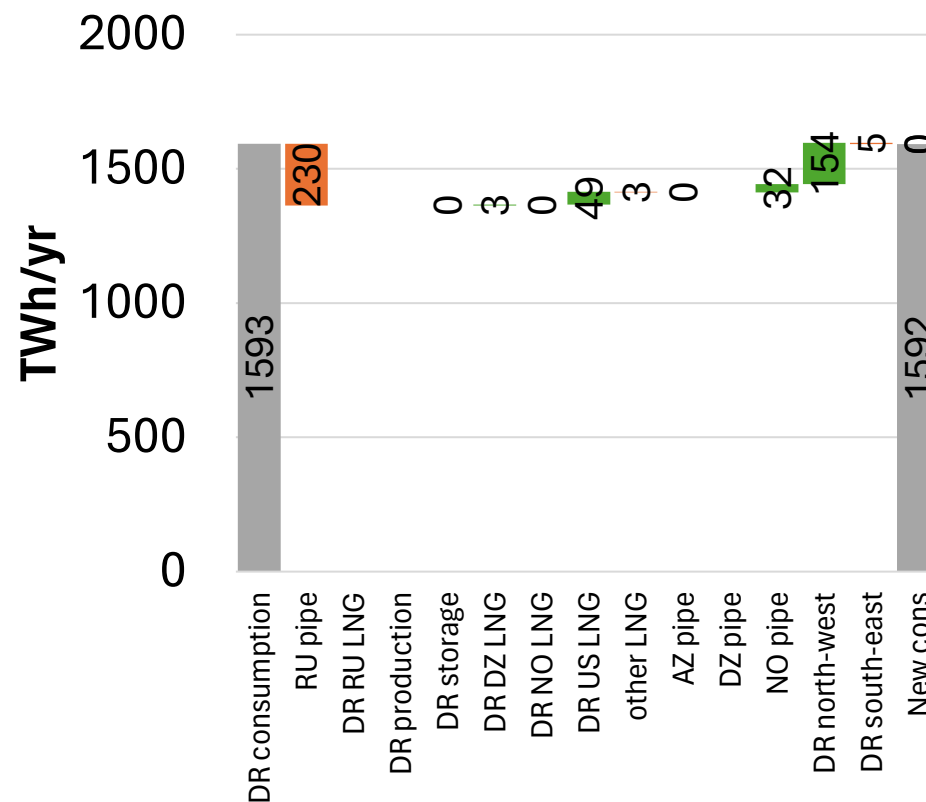
- On the EU27 level, missing RU volumes are replaced by US LNG

Change in DR supply structure

REPOWER „OVERNIGHT”



REPOWER „OVERNIGHT” + No RU gas to BA, RS, MK

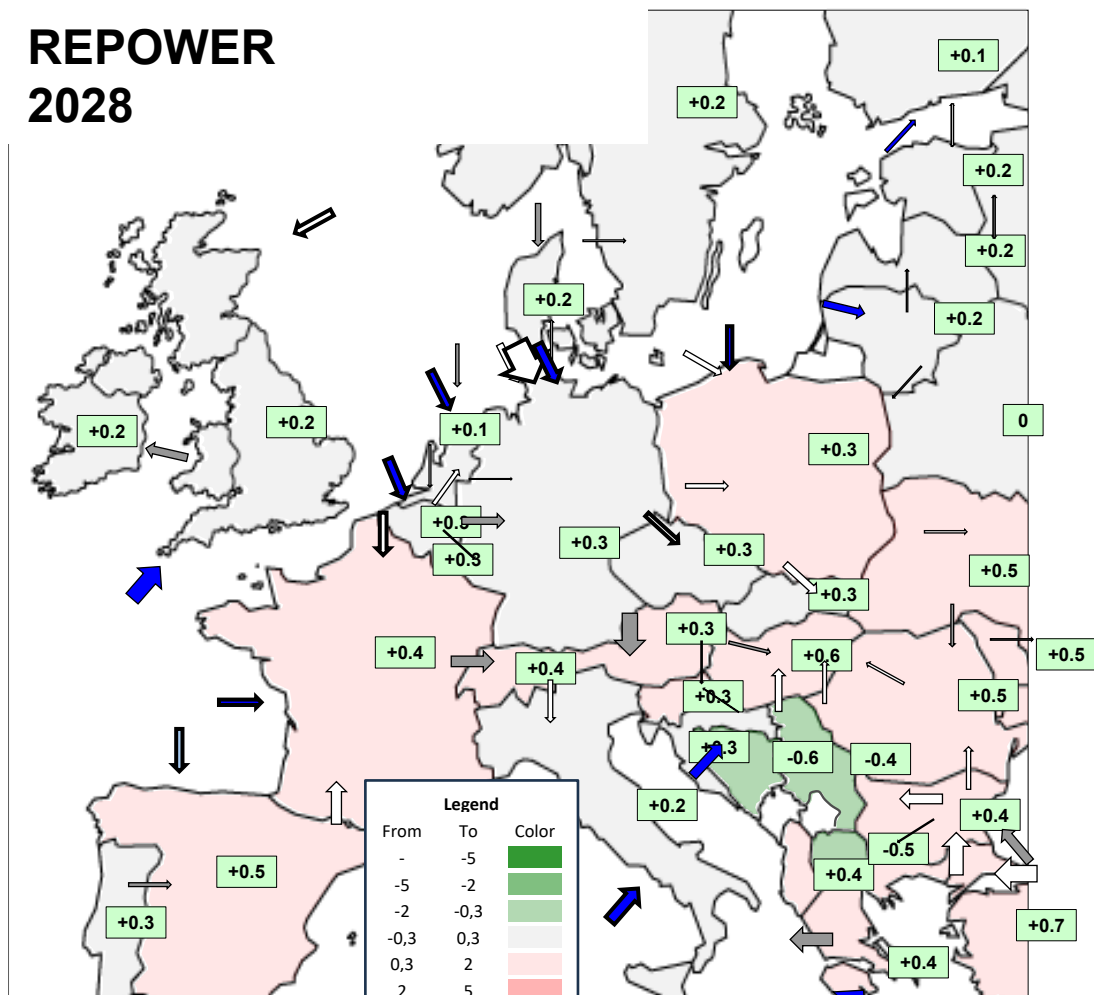


DR North-West border: BE, CH, DK, FR, LU, NL, PL
DR South-East border : AL, GR, IT, MK, TR

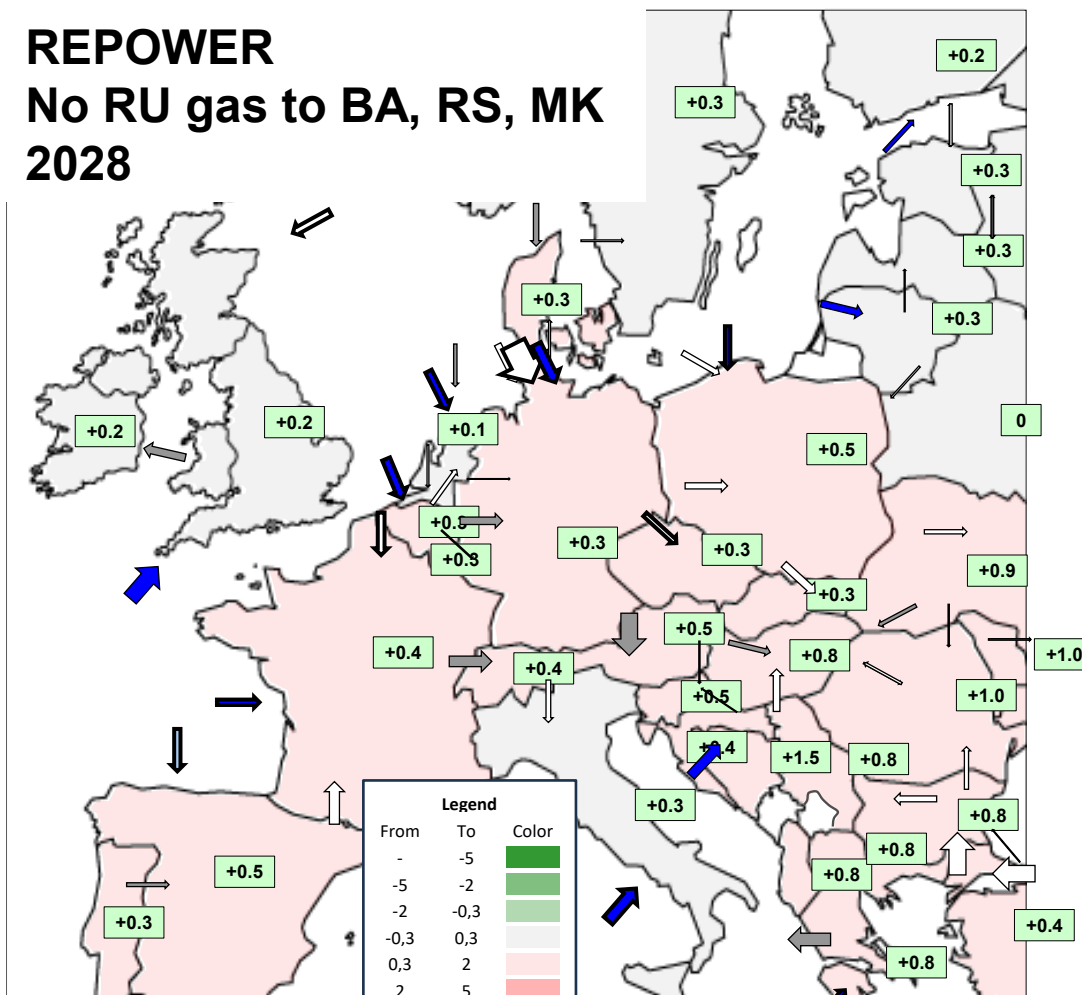
- On the EU27 level, missing RU volumes are replaced by US LNG
- DR imports more gas from the North-West direction

REPower implemented as Commission proposal suggests by 2028

REPOWER 2028



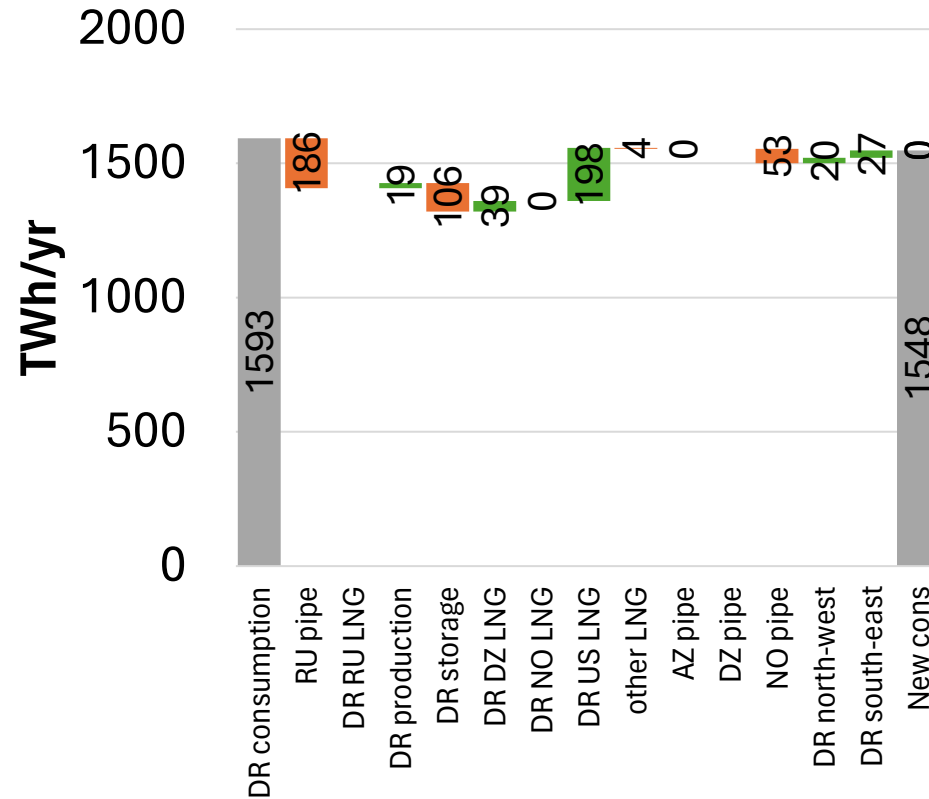
REPOWER No RU gas to BA, RS, MK 2028



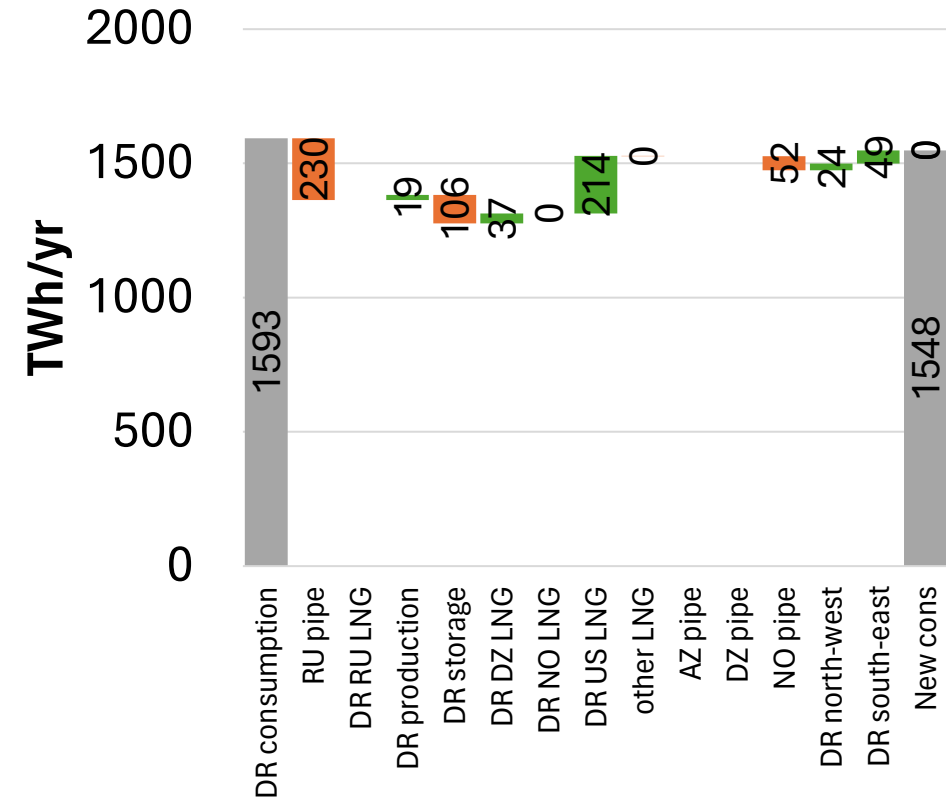
- By 2028, price effects of moving away from RU pipe gas and LNG are below 1 EUR/MWh
- Reason is mainly the increased alternative LNG supply, Romanian offshore production and slightly lower demand (-10 bcm for EU27 from 2024 to 2028)
- Around 5 bcm pipeline gas arrives from Turkey via Strandzha-Malkoclar 1

DR supply structure from 2024 to 2028

**REPOWER
2028**



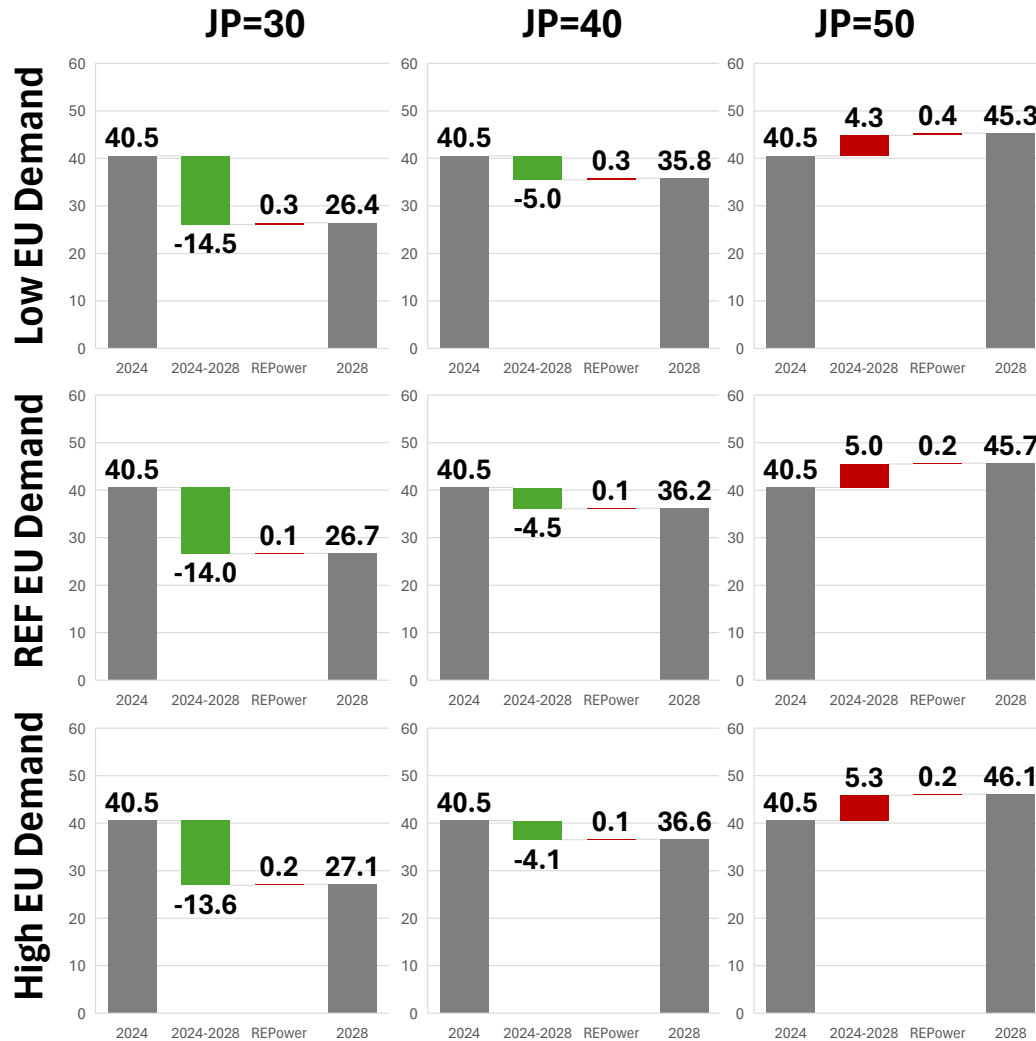
**REPOWER „OVERNIGHT” +
No RU gas to BA, RS, MK
2028**



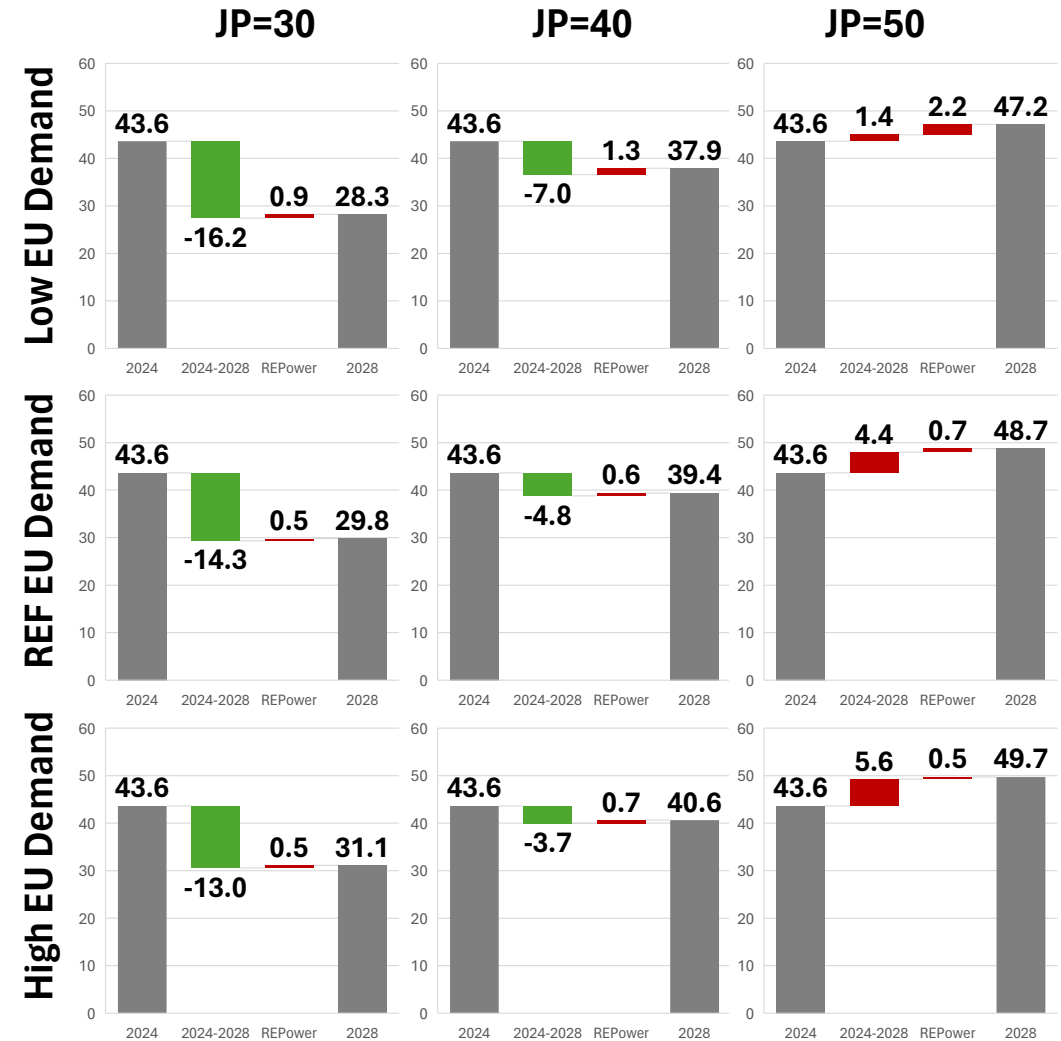
- On the EU27 level, missing RU volumes are replaced by US LNG
- DR imports evenly from North-West and South-east direction
- Limited (-3%) demand reduction from 2024 to 2028 assumed

Decomposing the price effects of market and regulation

NL PRICE, EUR/MWH

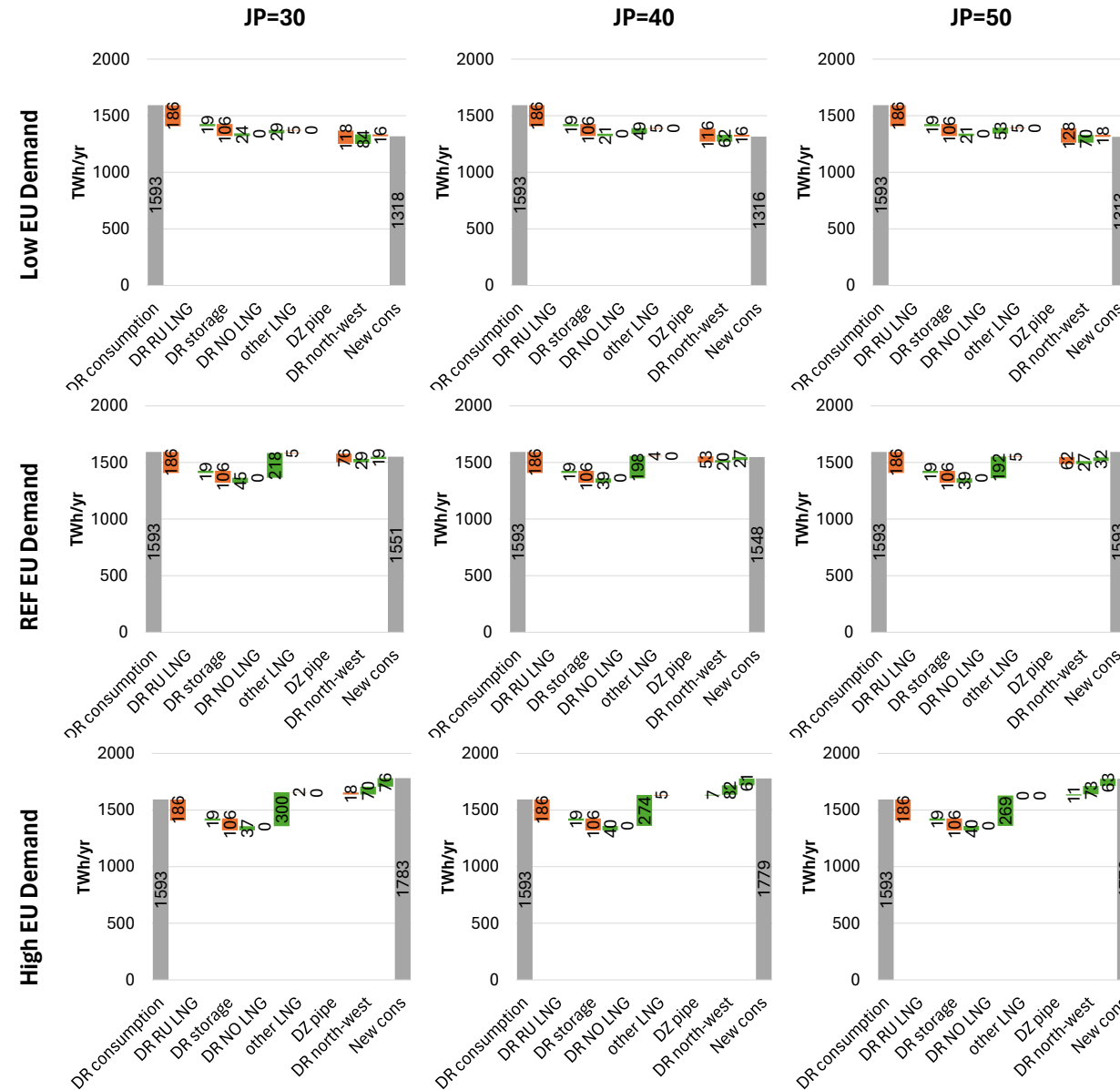


HU PRICE, EUR/MWH

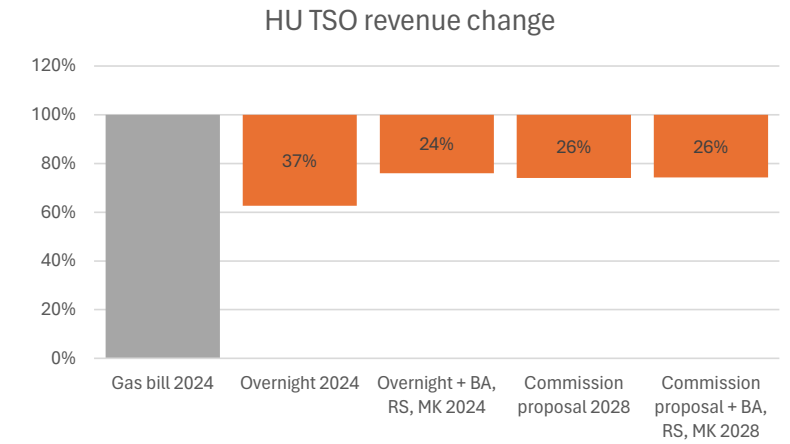
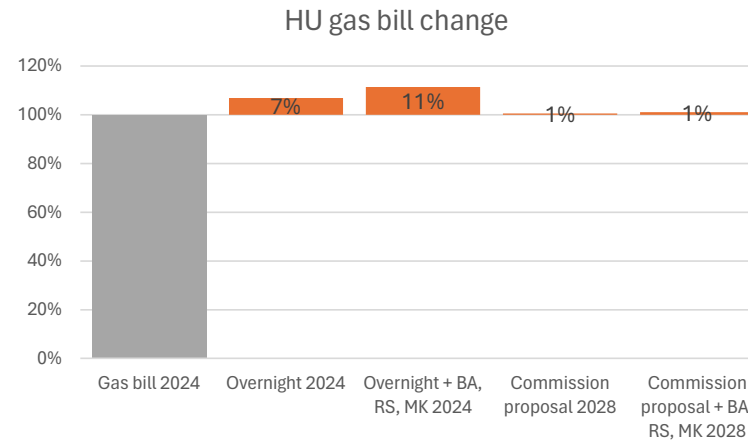
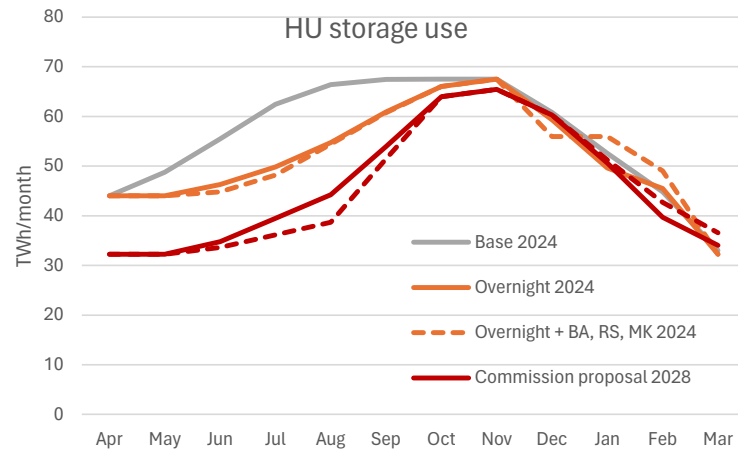
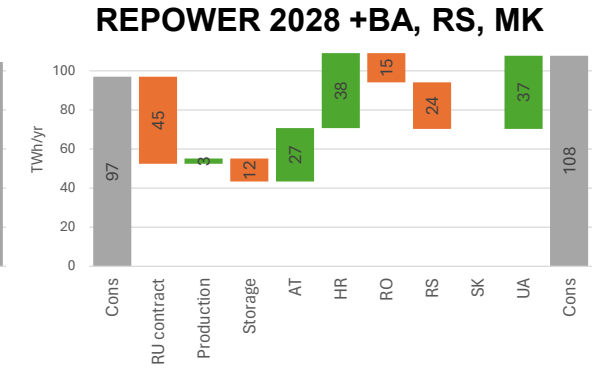
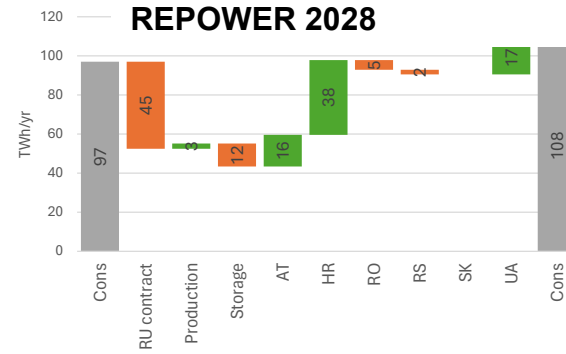
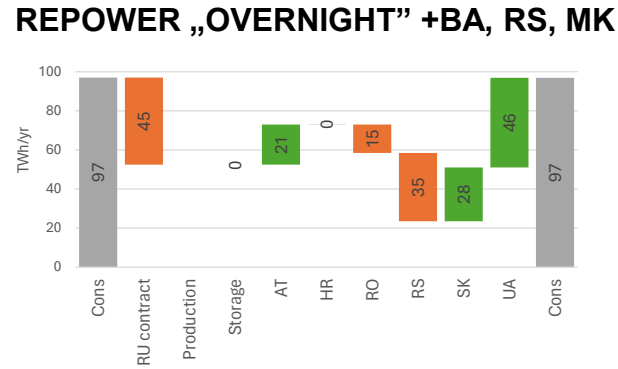
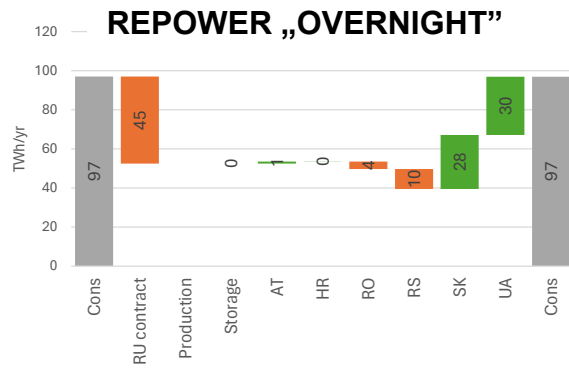


- Price effects of the regulation are not significantly affected by global market or European demand conditions

Change in DR supply structure



Proposed country template (HU)



Conclusions

LONG-TERM EFFECTS

- Banning Russian gas as suggested by the Commission proposal does not have a major price impact in Europe: price increase below 1 EUR/MWh in 2028
- Sensitivity shows that effects of the regulation are overall identical irrespective of global market and EU demand conditions

„OVERNIGHT“ EFFECTS

- Implementing the regulation earlier leads to higher price impact, at most 4-5 EUR/MWh in the Balkans
 - Leaves less time for markets to adjust and
 - Supply sources are scarcer
- Russian gas phaseout of non-EU Balkans countries still supplied by Russian LTCs (BA, RS, MK) may cause a further 2 EUR price increase in the neighbouring countries

THANK YOU FOR YOUR ATTENTION

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