

Belarus Energy Digest for November 2024

March 28, 2025

Key events

Deputy Minister of Forestry Vladimir Krech has announced forthcoming legislative measures aimed at supporting the domestic pellet industry. A presidential decree nearing completion will **provide a 40% reimbursement to consumers for purchasing pellet boilers** or related equipment from Belarusian manufacturers. Notably, homeowners won't need to fully replace their existing boilers to qualify.

Additionally, heating a 100-square-meter house during winter requires about 4 tons of pellets. Currently priced at 200-230 BYN (\$59-\$65) per ton from forestry enterprises, a new regulation will allow consumers to **purchase 3.6 tons for just 50 BYN (\$15)**.

This subsidy program emerges as Belarus faces challenges in exporting wood pellets due to sanctions impacting the timber industry. Previously, pellet exports were a significant income source for forestry enterprises, and efforts to find alternative markets have been repeatedly mentioned.

By subsidizing pellet boilers and reducing fuel costs, Belarus seeks to address surplus production and promote biofuels, a climate-neutral energy source. However, this initiative adds to the growing list of energy subsidies in the country, **raising concerns about their long-term economic sustainability**.

A new **9 MW boiler house has been constructed** in the village of Chervonoe, Zhitkovichi district. This facility will provide heating to residents of the agro-town of Semencha and Chervonoe village. The project features domestically produced boiler equipment and utilizes milled peat sourced from the Zhitkovichi peat plant as its primary fuel. Annually, the boiler house is expected to consume approximately **6.7 thousand tons of peat**, replacing around 2 million cubic meters of imported natural gas.

While the equipment for using milled peat is comparable to that for wood fuel in terms of technology, maintenance, and costs, the project raises significant concerns about its environmental impact. This initiative demonstrates a lack of alignment with climate-focused policies, as it prioritizes energy independence over sustainability.

The rotor has arrived, and the stator is on its way as **Grodno CHPP-2** prepares for a major reconstruction of its turbogenerator. The project, which involves replacing the steam turbine turbogenerator, was initiated in September 2019.

Since the evening of November 1, strong squall winds have caused power outages in several regions of Belarus, with the Vitebsk region being the hardest hit. As of 8:00 AM on November 2, power engineers are actively working to **restore electricity in 171 affected settlements**.

In October, oil companies set a **new record with 81 hydraulic fracturing stages completed**, surpassing the previous monthly high of 72 stages recorded in August 2024.

The first scheduled shutdown **repair of the Amine Cleaning of Dry Gases and Reflux Unit was successfully completed** on September 20, finishing six days ahead of schedule.

RUE Brestenergo is set to **reconstruct the 110 kV Manchaki substation** in the Kamenets district, accompanied by the construction of a new 110 kV power transmission line.

Statistics and data

Belarus has achieved a milestone in peat production, **mining 2 million tons this year**, according to the Energy Minister.

In October, **six new wells were added to the well stock** at Belorusneft fields. Three were constructed at the Rechitsa field, while one each was developed at the Severo-Domanovichskaya, Nurgaleevskaya, and Ostashkovichskaya areas. Additionally, the site preparation team handed over two assembled drilling rigs to the SUBR drilling team—one at the Rechitsa field and another at the Barsukovskoye field. Furthermore, ten new sites were prepared for future drilling rig construction.

Since its integration into Belarus' unified energy system on May 13, 2023, the second power unit of the Belarusian NPP has generated 10 TWh of electricity. In total, the Belarusian NPP has produced over 36 TWh, with **approximately 14.2 TWh generated this year** alone—20% more than the total production in 2023. This increase is attributed to the fact that in 2023, the second unit was still in the commissioning phase and was inactive for part of the time.

JSC NK Yangpur produced 1 billion cubic meters of natural gas from January 1, 2024, to November 5, 2024. This achievement, recorded today, marks a significant milestone for the company. In comparison, in 2023, JSC NK Yangpur produced 787,951,000 cubic meters of natural gas.

JSC NK Yangpur is a subsidiary of Belorusneft, responsible for gas production and operations in the Russian Federation.

Over the first 10 months of 2024, more than **25,000 subscribers** received technical specifications for connecting electrical installations of single-family homes to electrical networks for heating purposes, marking a 30% increase compared to the same period last year. Energy Minister Alexei Kushnarenko announced that electricity consumption for heating continues to rise, and the number of connection applications is growing, which is expected to drive further increases in electricity consumption. This trend also indicates that the costs of subsidizing such consumption will continue to rise in the future.

Statements

Denis Moroz commented on the construction of **the third power unit or the second nuclear power plant**, emphasizing the need for a systemic analysis of the issue. He stated that extensive work is underway to study prospects, with rapid growth in electricity consumption being observed. According to instructions, a **feasibility study** for the construction of the third power unit or a new NPP should be completed by 2025. The idea of adding a third unit to the NPP or constructing a second plant has been discussed periodically since the second unit was connected to the grid.

It appears that energy sector leaders face external pressures, possibly from the presidential administration, which stands to benefit most from the construction. At the same time, the Ministry of Energy seems to be attempting to delay the project, given that it would be responsible for the operational challenges of running the new unit. The Ministry's efforts to stimulate electricity consumption further suggest that the existing NPP is currently operating in a state of partial overproduction.

Topic of the Issue: Electricity vehicles

Several statements and publications have been made regarding the development of electric transport in Belarus. Andrei Kotik, Deputy Director General for Construction and General Issues at Belorusneft, stated: "We are seeing impressive growth in electric vehicles. In 2023, there were **3,000 electric vehicles** in the country, and in 2024, the number **increased to 8,000**. The goal for 2030 is a significant increase to 300,000. We aim to be leaders in the transition to eco-friendly transport, as the state has implemented a working mechanism"

According to Belstat, at the end of 2022, the total number of electric vehicles was 3,635 units, including 166 units owned by organizations. By the end of 2023, this number had increased to 7,710 units, marking a growth of 4,000 units, or 112%. To reach **the target of 300,000 electric vehicles** by the end of 2030, an annual growth rate of 70% would be required, which is an ambitious and likely unattainable goal, particularly without financial support for purchasing electric vehicles. If the growth continues at a linear rate, the annual sales of electric vehicles would need to rise to 42,000 units, compared to the current volume of 4,000.

In 2023, electricity consumption by electric vehicles totaled 17 GWh, which equals 3,000 kWh per vehicle, based on the average number of 5,672 vehicles for that year. This is a slightly underestimated value since the data on

consumption is only available for specialized chargers, and home charging from sockets is not accounted for. However, using this approach, electricity consumption with 300,000 electric vehicles would **increase to 900 GWh**.

New information about the charging infrastructure has also been released. By 2035, Belarus plans to have 35 super-fast electric charging stations, as outlined in the Resolution of the Council of Ministers No. 816, dated November 5, 2024. At the beginning of 2024, there were 1,020 electric charging stations in Belarus, with an average of 7.6 electric vehicles per station and 17,000 kWh of consumption per station.

By 2028, **it is planned to install an additional 838 charging stations** as part of the state network. This means that by the end of 2028, there will be approximately 1,858 charging stations in the country (excluding the development of private networks). With exponential growth, the estimated number of electric vehicles will reach 107,000, while with linear growth, it could rise to 260,000.

By the end of 2028, with the exponential growth of the number of electric vehicles, the ratio of electric vehicles to charging stations will range from 57 to 140 vehicles per station. This means the demand for station maintenance will increase from 7.6 to 18.5 times. The energy consumption per station will rise from 173,000 to 419,000 kWh, with the load growing between 10 and 25 times. Clearly, the **infrastructure will struggle to meet such growth in consumption and operation**, indicating that the current infrastructure development plans do not align with the projected growth of the electric vehicle fleet. It is also possible that the government is placing significant expectations on the expansion of private company charging stations. However, this approach seems risky, considering the country's investment climate and ongoing challenges faced by private entrepreneurs, as well as the fact that even existing private companies have not been involved in the development of this program.

It is more likely that the **authorities are struggling to form a unified understanding of the trends in electric transport development**. In their statements, they present an overly optimistic view of the future, while their infrastructure development plans seem to rely on more realistic forecasts for the growth of the electric vehicle fleet.

