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Natural Gas Supply in Latvia

JSC Latvijas Gāze is the only natural-gas transmission, storage, distribution, and sales operator in Latvia. The company ensures the supply of natural gas to 442,000 customers in Latvia; during heating season, the company also supplies natural gas, from the Inčukalns Underground Gas Storage Facility, to Estonia, northwestern Russia, and Lithuania.

The history of the Latvian gas industry began in 1862, when the first artificial gas factory was opened in Riga; this factory manufactured combustible gas for lighting the streets of Old Riga and, later, for homes. Natural gas was first used in 1962, when Latvia was linked to a gas pipeline from Dashava, Ukraine. In 1968, the Inčukalns Underground Gas Storage Facility began operation; the storage facility still functions as the most important stabilizer of natural gas supply in the Baltic region. In 1991, after the fall of the Soviet Union, the Latvian government assumed jurisdiction over all the institutions and objects connected with gas supply in Latvia, combining them to form the state company Latvijas Gāze. In 1994, the state company Latvijas Gāze was reformed into a state stock company and included in the list of objects to be privatized. As a result of privatization, the company's largest shareholders, from 1997 to 2002, became the companies E.ON Ruhrgas International GmbH, OJSC Gazprom, and LLC ITERA Latvija.

The picture features one of the most beautiful and interesting buildings of Riga - the largest and newest gas reservoir that was built for the gas factory in Vagonu Street in 1901.

JSC Latvijas Gāze encompasses the Inčukalns Underground Gas Storage Facility, the only functioning gas-storage facility in the Baltic States, which ensures the stability of regional natural gas supply. During the summer season, when the consumption of natural gas is many times lower than during the colder months, natural gas is injected into the storage facility, so that it can be supplied, during the heating season, to customers in Latvia, Estonia, northwestern Russia, and (in smaller amounts) Lithuania. Thanks to the storage facility, the stability and volume of natural-gas supply for customers in Latvia does not depend on demand in other countries; during the heating season, they receive all their natural gas from the Inčukalns Underground Gas Storage Facility.

The highest capacity of the Inčukalns Underground Gas Storage Facility was 4.47 billion m³, of which 2.32 billion m³ was active, or regularly extracted, natural gas. As natural-gas consumption in the region increases, it will be possible to increase the capacity of the Inčukalns Underground Gas Storage Facility to 3.2 billion m³ of active natural gas, which will completely ensure the region's needs for fuel. It is possible that, in the future, the facility will also be able to store the natural gas required by Finland.

Latvia has unique, concentrated geological formations that allow for the creation of natural-gas storage facilities in at least eleven places, with a total capacity of up to 50 billion m³. This is approximately 10 % of the European Union's annual consumption, and almost as much as the total storage capacity in the entire E.U. Storage is possible because Latvia's subterranean depths have a layer of porous sandstone, which has good collector properties and is covered with layers of gas-impermeable rock. These geological formations are optimally located at depths of 700-800 m., allowing for the safe and economically effective storage of natural gas.

Information Source:
JSC "Latvijas Gāze"