Power strategy: investment portfolio

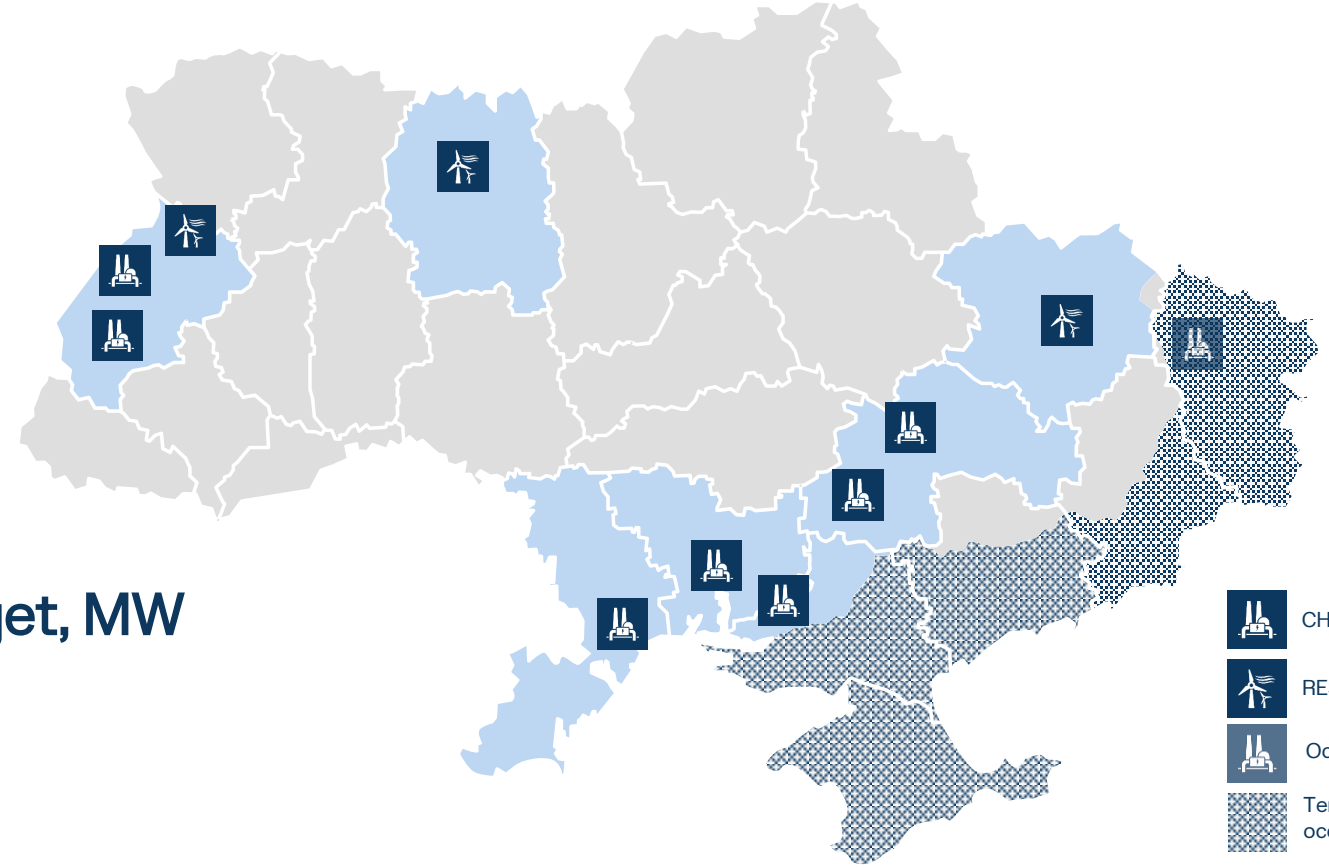
Target portfolio by 2035

1.5 GW
flexible gas generation/ CHP modernization

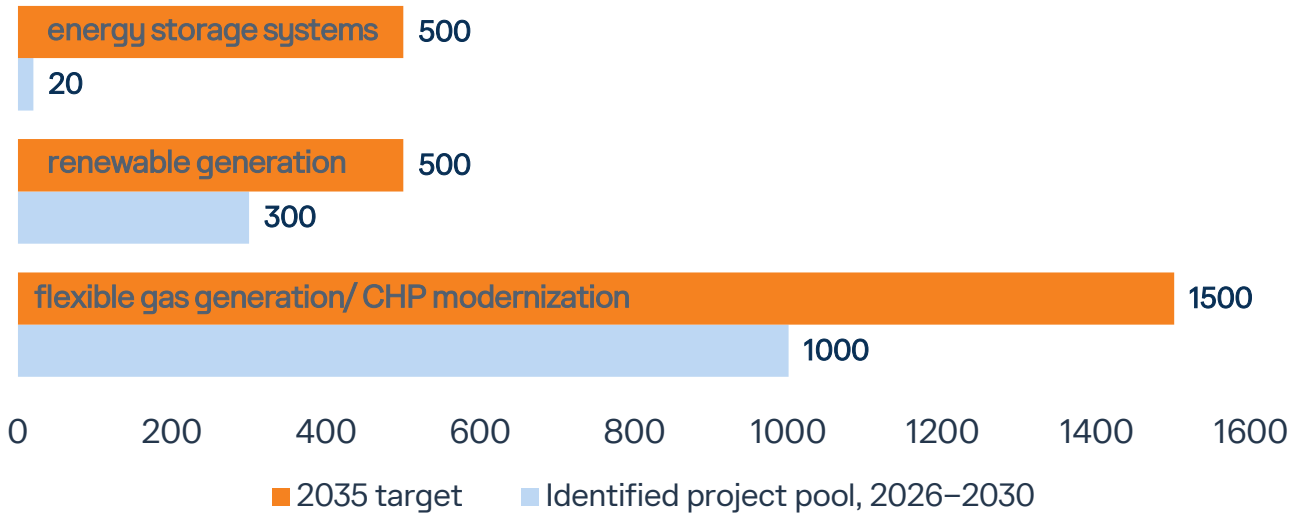
0.5 GW
renewable generation

0.5 GW
energy storage systems

2.5 GW
target generation portfolio



Identified project pool and 2035 target, MW



8 gas CHPs
incl. 1 occupied

1,162 MW
total heat capacity

3 objects
renewables

164 MW
total electricity capacity

Naftogaz Group

Distributed Generation in Ukraine

Strengthening energy security and resilience in Ukraine and across Central and Eastern Europe



Ukraine's integration with Europe's power system

From 2022 Ukrainian energy system is the **part of ENTSO-E**	Ukraine–EU **balancing market integration targeted for 2028**	Ukraine - **EU candidate** Full electricity market coupling

- Developing Ukraine's power sector guarantees **regional security and drives evolution of coupled markets**
- Financing Ukrainian generation is a **commercially viable investment**, not just a matter of support
- **Attractive market models** for generation are available in both the Ukrainian and EU coupled markets:

Gas-fired flexible generation

- Balancing services in Ukraine and, after market integration, in the EU (including via PICASSO and MARI)
- Capacity mechanisms
- Day-ahead and intraday trading in Ukraine

Renewable generation

- CO_2 emissions reductions towards carbon neutrality
- Corporate (direct) PPAs with consumers
- Guarantees of origin sold with PPAs
- DAM (SDAC), IDM (SIDC) trading

Naftogaz Group power generation

- Naftogaz Group **adds value to natural gas by turning it into electricity** that helps balance Ukraine's grid today and will support EU balancing markets once integration is in place
- Naftogaz establishes **the "Energy Generation" subholding** that ensures unified management of assets, investments, and operational performance, aligning with the best international practices
- The subholding intends to become **a leader in the balancing services** through flexible gas-fired generation (CHP/ gas piston units / gas turbines), with further expansion of energy storage systems

We are the first in Ukraine to systematically deploy advanced distributed generation technologies alongside our partners.

Naftogaz Group implements power generation projects with donor support, equity and debt finance. Successful cooperation experience with leading global manufacturers, including Siemens, Wärtsilä, General Electric, Bergen and others.

Naftogaz Group resilience plan

Objectives, critical performance indicators

Main purpose of the Resilience Plan

- neutralise threats and ensure national security in the energy sector
- ensure the sustainable passing of the 2026/27 autumn-winter period
- secure operationability of critical infrastructure and minimise production losses

Critical performance indicators

Sustainable operation is guaranteed for over 70% of gas production, over 90% of oil production and 423 MW of electricity generation

Plan components, protection levels, geography and implementation management

Key facilities requiring protection

Gas processing plants, storage tanks, compressors, power generation facilities, control rooms and transformers.

Core components

- Engineering protection (constructions)
- Design and construction of protected facilities, including power generation facilities, compressor stations and pumping stations
- Equipment reserves for crisis situations

Levels of engineering protection

The second level of protection is achieved by locating facilities underground or providing them with full shelter.

Geographical scope

The plan is being implemented in nine Regions of Ukraine and in the city of Kyiv, covering key critical infrastructure facilities.

Design solutions for generation protection & Use of modular blocks in the construction of protective structures

Design Solutions

- The main equipment is located below ground level
- The structure's design ensures a fully-fledged second level of protection



