



FACTS

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FACTS ABOUT THE NATURAL GAS PIPELINE ACROSS THE BALTIC SEA

NORD STREAM LEADS TRANSPARENT DIALOGUE AT ROUND TABLE MEETING WITH ENVIRONMENTAL NGOS



Nord Stream has received praise from environmental NGOs (non-governmental organisations) for transparency and responsiveness to their concerns. The comments came at a round table meeting with Baltic Sea region NGOs in Riga, Latvia, on 14 May 2008, which was designed to update them on the status of the pipeline project and discuss concerns raised by the environmental community.

Nord Stream provided detailed reports on route optimisation, environmental surveys and international consultations held in accordance with the Espoo Convention governing environmental impact assessment in transboundary context. The meeting in Riga was organised within the framework of the “Forum of Baltic Sea States NGOs” from 13-14 May 2008, in the run-up to the 7th Baltic Sea States Summit also taking place in the Latvian capital at the beginning of June 2008. The forum was attended by representatives of environmental NGOs from Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Russia and Sweden.

Nord Stream experts updated the audience on the ongoing environmental surveys and research in the

Baltic Sea and on the progress of the project planning. A comprehensive Environmental Impact Assessment (EIA) report will be finalised and published in 2008.

The European-Russian joint venture reaffirmed it will make all data gathered for the pipeline project available through HELCOM (governing body of the “Convention on the Protection of the Marine Environment of the Baltic Sea Area”). The outcomes of the comprehensive surveys carried out by Nord Stream will prompt and support further research of the Baltic Sea ecosystem.

The environmental community focussed on the permitting process in different countries, as well as the potential impact of constructing and operating the pipeline and the materials to be used. In addition, NGO representatives highlighted they want more direct co-operation and information exchange with Nord Stream.

Noting the detailed information presented by Nord Stream, participants described the project as one of the most transparent in the Baltic Sea region. The company’s co-operative approach, they said, will help preserve the Baltic Sea’s unique environment.

Vera Ovcharenko, from Russian “Green World” and international NGO “Coalition Clean Baltic”, commented: “This is the first time we have been present at a meeting, where company experts are very attentive to the questions and comments received from environmental NGO representatives.”

The Riga meeting agreed to hold further round table discussions involving Nord Stream and Baltic Sea region environmental agencies. Comments made at these meetings will be taken into account during the project’s implementation.

Additional information on the round table in Riga, including presentations, is available on the Nord Stream website at: www.nord-stream.com/events_08.html.

NORD STREAM TO BUILD PIPELINE WITHOUT SERVICE PLATFORM

Advanced pipeline monitoring technology – “pigging” – enables Nord Stream to dispense with the planned service platform in Swedish waters.

On 8 April 2008, Nord Stream withdrew its provisional application to the Swedish government for building a service platform off the coast of Gotland. Since submitting this application in December 2007, Nord Stream has continued to seek maintenance solutions for the pipeline without a service platform. In view of the debate and concerns in Sweden regarding such an installation, Nord Stream is pleased that technological progress obviates the need for a platform at the mid-point of the planned pipeline route.

Nord Stream pipeline maintenance will be undertaken through the deployment of intelligent “pigs” (pipeline inspection gauges) that can examine the entire length of the line which stretches 1,220 kilometres. Currently, studies are being finalised which describe the technical design of these gauges. Other projects such as Franpipe and Langeled have shown that



long distance “pigging” is feasible for long high-pressure, large-diameter pipelines.

Inspection gauges to monitor pipeline

Inserted into a pipeline and propelled by the pressure of gas, a “pig” is fitted with high-resolution sensors that can detect even the slightest irregularities caused by external impact or internal or external corrosion. Inspection results form the basis for any remedial measures required to ensure operational safety.

NORD STREAM’S MUNITIONS SCREENING PRESENTED IN FRONT OF COUNCIL OF EUROPE

A detailed seabed survey, carried out by the Swedish company Marin Mätteknik on behalf of Nord Stream, will ensure that the 1,220-kilometre-long installation corridor is clear of any dumped or residual munitions.

The potential threat of dumped munitions in the Baltic Sea and a draft report by Gediminas Jakavonis (Lithuania) were discussed in the Council of Europe’s Parliamentary Assembly. This question was on the agenda of a meeting of the Committee on the Environment, Agriculture and Local and Regional Affairs held in Paris on 22 February 2008.

There were further presentations from, among others, Professor Mieczyslaw S. Ostojki (Poland), President of the Helsinki Commission (HELCOM) and Sinikka Bohlin (Sweden), Member of the Riksdag and Chairperson of the Baltic Sea Parliamentary Conference. Ostojki pointed out that data gathered by HELCOM suggests that chemical munitions do not have any noticeable impact on the Baltic Sea ecosystem, whereas, for example phosphate pollution poses a high threat to the Baltic Sea.

For more details about Nord Stream’s efforts on munitions screenings along the planned pipeline route please go to: www.nord-stream.com/munitions_survey.html.



SUSTAINABLE INVESTMENT IN LOGISTICS AROUND THE BALTIC SEA REGION

Nord Stream’s comprehensive logistics concept will mean significant investment in the Baltic Sea region. In March 2008, Nord Stream signed a Letter of Intent with EUPEC PipeCoatings (France) for the supply of concrete weight coating and logistics services to implement the Nord Stream pipeline project. Total contract value amounts to about 650 million euros of which about 100 million euros will be invested in infrastructure around the Baltic Sea with economic benefits for the selected harbour towns and regions.

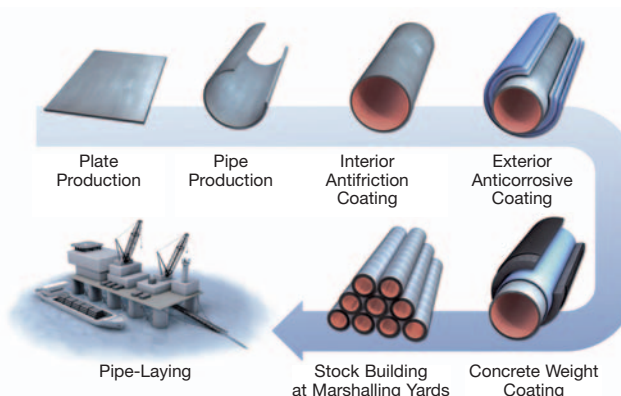
EUPEC will undertake the concrete weight coating for both Nord Stream pipeline strings at new coating plants to be constructed in Mukran (Germany) and Kotka (Finland). The agreement includes interim trans-shipment, handling and storage of pipes around the Baltic Sea coast.

Nord Stream has assessed potential logistics locations that are technically feasible and that, by minimising transport distances, are environmentally beneficial. Kotka, in the Gulf of Finland, and Mukran, on the German island of Rügen, have been selected

as logistic hubs for concrete weight coating and interim stock yards. Slite, on the island of Gotland in Sweden, will serve as the main interim stock yard. The port of Hanko, in the South of Finland, and Karlshamn, in Southern Sweden, are both envisaged as additional interim stock yards in order to reduce transport distances to less than 100 nautical miles.

Please visit: www.nord-stream.com/news.html.

Logistic chain from pipe production to pipe-laying



NORDIC MEDIA'S PRESS TRIP TO THE SIBERIAN GAS FIELDS

As of 2011, Nord Stream will link Russia’s and Europe’s gas transmission networks and will supply about 25 per cent of the projected increase in Europe’s demand for natural gas. For the European Union (EU), it will be a link to the largest gas reserves in the world, benefiting Europe in the global competition for energy resources.

Nord Stream invited media from Denmark, Finland and Sweden to visit natural gas fields and production facilities in Novy Urengoy, Siberia from 1 to 5 April 2008. This was a unique chance to gain on-the-ground impressions of how natural gas is explored, treated and transported. The visitors found out how people live and work in difficult climatic conditions to ensure reliable gas supplies and witnessed first hand how advanced technologies are used for efficient production deep under the Earth’s surface.

The Nordic journalists had the opportunity to discuss with Nord Stream and senior representatives from Gazprom, BASF/Wintershall, E.ON Ruhrgas and Gasunie key issues concerning European gas supplies over the coming decades, the benefits of cooperation between exporters and importers along the whole supply chain and aspects of the energy partnership between Russia and the EU. Alexander Medvedev, Deputy Chairman of the Board of Executive Directors of Gazprom, confirmed that Russia has

substantial natural gas reserves and will be able to increase production substantially as new fields come on stream starting in 2011.

Dr Manfred Fishedick, Vice President of the Wuppertal Institute for Climate, Environment and Energy (Germany) pointed out the benefits of gas, which results in far lower greenhouse gas emissions than other fossil fuels, in the drive to limit climate change. Replacing fossil fuels with natural gas is thus a rational element in climate protection as a bridge to the use of renewable energy. That is why the share of gas in the European energy mix is growing.

Read more on the press trip to Siberia at: www.nord-stream.com/press_events.html.



NORD STREAM-SPONSORED ARCHAEOLOGY PROJECT BRINGS REPLICA OF 16TH CENTURY CANNON TO GOTLAND

Nord Stream is sponsoring the preservation of the Baltic Sea's fascinating cultural heritage and its unique ecosystem by funding an international research project; Heritage Underwater – Maritime Archaeology (HUMA) is shedding new light on the unexplored wrecks and artefacts lying on the seabed around Gotland, Sweden.

The Gotland-based maritime archaeological company AquaArkeologen initiated and is now leading the first ever seabed exploration of ships belonging to the Danish-Lübeck fleet. These were wrecked and sunk just outside Visby harbour by a heavy storm in 1566.

An operational replica of a 4.3 metres ship's cannon will be transported to Gotland in June 2008. Media and the public will witness a test-firing, adding to what is known about 16th century artillery. The original cannon was recovered in September 2007 by the HUMA team. It will be restored for a few years in Gothenburg before being displayed in the Gotland County Museum.



More information about the project and coming activities at: www.huma-gotland.com.

DID YOU KNOW ...



- Over 6,000 kilometres of underwater pipelines are in the North Sea, some in operation since the 1970s.
- The first underwater pipeline was built in the Gulf of Mexico in 1954.
- Other pipelines are planned in or close to the Baltic Sea:
 - Balticconnector (between Finland and Estonia),
 - Baltic Pipe (between Poland and Denmark),
 - Skanled in the Skagerrak (between Norway, Sweden and Denmark).

NORD STREAM'S AGENDA

June 4 Baltic Youth Philharmonic concert supported by Nord Stream, Riga, Latvia

June 6–8 St. Petersburg International Economic Forum, Russia

June 12 Heritage Underwater – Maritime Archaeology (HUMA): demonstration of archaeological dives and test firing of 16th century cannon replica, Visby (Gotland), Sweden

For subscription to further issues of "Nord Stream: Facts", please go to: www.nord-stream.com/newsletter.html. If you have any comments or requests, we look forward to hearing from you.

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