



# FACTS

ISSUE 7 | 08 – 2008

## FACTS ABOUT THE NATURAL GAS PIPELINE ACROSS THE BALTIC SEA

### ADVANCED PIPE-TRACKING OPTIMISES OPERATIONAL SAFETY

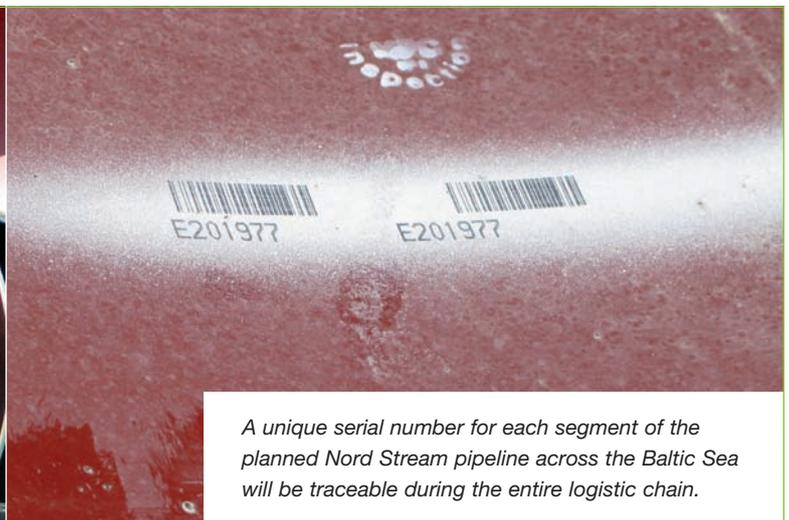
Safety is Nord Stream's first priority. An advanced pipe-tracking system is one of the innovations setting new standards for the planning, construction and operation of natural gas pipelines. Pipe-tracking enables the company to monitor and document the pipe production and logistics. Pipe-tracking maintains detailed information on each and every one of the individual pipe segments that will make up the two 1,220-km lines of Nord Stream.

Pipe-tracking is a multi-stage survey tool that collects data at every stage of the logistics chain – manufacture, transportation, storage, concrete weight coating and installation in an integrated database. This database will secure constant quality control over decades, contributing to the pipeline system's operational safety.

How does pipe-tracking work in detail? Each pipe segment – made from X70 special steel and certified according to the internationally acknowledged DNV (Det Norske Veritas) OS-F101 Offshore Standard – receives a unique serial number. This allows Nord Stream to maintain constant quality control during initial production, transportation, storage, concrete coating, storage and final welding on board the pipelay vessel. The results of random material tests such as

steel chemistry are also retained in the central data bank, which stores data on all individual pipe segments, valves and other components. Consequently, initial information is automatically checked against the target data resulting from regular inspections. The pipeline safety inspection process takes place at three levels. Steel pipe manufacturers, Nord Stream assessors and independent pipeline experts conduct inspections and quality control. The involvement of independent certification bodies employed by Nord Stream such as the Norwegian company DNV is a crucial part of quality assurance.

With full access to the central databank, DNV inspectors will make regular checks at every stage of the logistics chain of the permanent quality control system put in place by Nord Stream. They attest that standards are maintained in practice. These checks cover the quality of materials delivered by Nord Stream service companies, the loading of pipes on to the lay barges and the pipe welds made on board. This multi-stage process ensures that the exact location of each pipeline segment in the corridor is recorded. All components for the two lines – comprised of more than 100,000 elements each – comply with predetermined technical specifications.



*A unique serial number for each segment of the planned Nord Stream pipeline across the Baltic Sea will be traceable during the entire logistic chain.*

## “WHITE BOOK” RESPONDS TO PUBLIC COMMENTS ON PIPELINE PROJECT

Nord Stream has published its so-called White Book, responding to the more than 200 comments and questions from stakeholders in all Baltic Sea countries since notification of the pipeline project in November 2006.

Reflecting the project status of June 2008, the White Book is a key element in the on-going dialogue between Nord Stream, as project developer of a gas pipeline across the Baltic Sea, and the public in all states bordering it.

It serves two main functions: First, it provides an overview of how all comments have been taken into account. Second, it summarises the general approach in a way that gives non-experts in the various fields (natural science, engineering, legal aspects etc.) access to and understanding of the complex issues involved. The White Book is structured to highlight the most important topics – from the various possible types of impact of the project to questions of alternatives and safety provisions.

For more information please download the White Book at:  
[www.nord-stream.com/project/whitebook.html](http://www.nord-stream.com/project/whitebook.html).

## IMPORTANT STEP OF THE PROJECT UNDERWAY: CONTRACTS FOR PIPELINE INSTALLATION SIGNED

Nord Stream has received the go-ahead from its shareholders for two major contracts for its project to build a 1,220-km natural gas pipeline across the Baltic Sea.

The contracts – with EUPEC PipeCoatings S.A. (Dunkirk, France) for concrete weight-coating and logistics as well as with Saipem S.p.A. (Milan, Italy) to lay the pipeline on the seabed – represent major investment commitments to the project. Nord Stream signed the contract with Saipem on 24 June 2008. The signing of the contract with EUPEC followed on 29 July 2008.

The Shareholders approved a project plan for construction of the first of two parallel lines to start in 2010. Matthias Warnig, Managing Director of Nord Stream AG, said: “Nord Stream is the most advanced of all gas infrastructure projects classified by the European Union as ‘of European interest’. We are aware of the environmental concerns and are taking sufficient time and effort to address them. Based on intensive planning and preparation, we will be able to supply additional gas from 2011.”

## PIPELINE INFORMATION TOUR PLANNED TO VISIT BALTIC SEA COUNTRIES

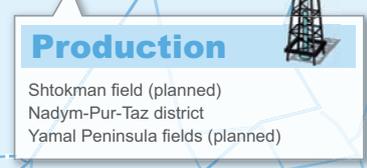
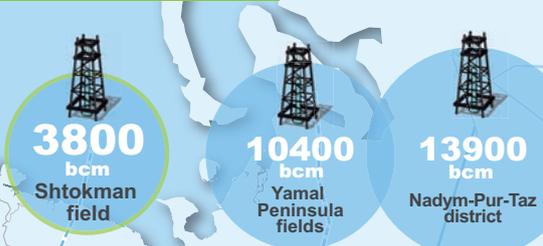
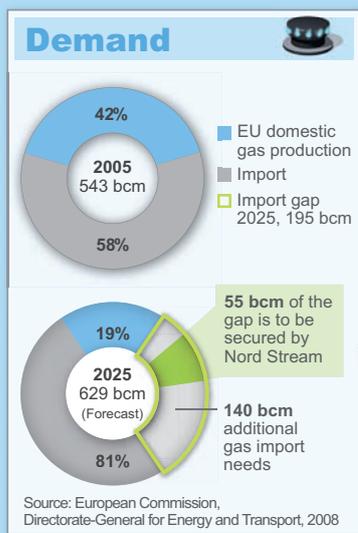


Nord Stream has developed a mobile exhibition devoted to its project. The “Pipeline Information Tour”, designed to provide the general public with information on all aspects of the pipeline. It is housed in a bus which will travel to major cities on and near the Baltic Sea coast. Visits to Finland and Sweden have already taken place. A tour through Germany, Denmark and Russia is planned. The Pipeline Information Tour is designed to explain all aspects of the pipeline project in a way that is accessible to all

those interested. Visitors will be able to familiarise themselves with the Nord Stream project using such devices as an interactive multimedia terminal providing facts and figures on environmental issues, the use of gas, pipeline safety, construction and operation. All information will be available in the languages of the countries to be visited as well as in English.

For additional information please visit:  
[www.nord-stream.com/infotour.html](http://www.nord-stream.com/infotour.html).

# An important link in the EU gas supply chain – Nord Stream



## EUROPEAN PARLIAMENT STRESSES THE IMPORTANCE OF NORD STREAM FOR SECURING EUROPE'S ENERGY SUPPLY

Nord Stream welcomes the recent debate in the European Parliament (EP) on its pipeline project and is working on the final draft of an Environmental Impact Assessment (EIA) report. It will present this draft report within the Espoo process for final consultations in October 2008.

The report emphasizes Nord Stream's policy of transparency and presents results from the most detailed scientific surveys and research ever undertaken in the Baltic Sea. It will contain responses to the hundreds of comments received from governments, non-government organisations and individuals since November 2006.

Nord Stream believes the EIA report will add to growing understanding for the pipeline project at the level of European politics. On 8 July 2008, in a positive and unusual move, the EP debated and approved more than 50 amendments before adopting a report from its Petitions Committee (PETI).

A Polish Member of the European Parliament initiated the original, more critical, report after submissions from Lithuanian and Polish petitioners in 2006. It sought direct European Commission involvement in assessing Nord Stream's environmental impact. EU Environment Commissioner Stavros Dimas emphasized that this is the legal responsibility of national governments.

Nord Stream welcomes the changes made to a "inaccurate report." In particular, the amendments adopted by the EP plenary voting recognise:

- Nord Stream's status as a TEN-E project of European Interest, as approved by the Parliament in 2006.
- The need for joint European action to secure future energy supplies.
- Continued growth in European gas demands requires analysis and promotion of new gas pipeline routes.

## UNIFYING THE BALTIC SEA REGION – THE BALTIC YOUTH PHILHARMONIC'S PROMISING DEBUT CONCERT

Seventy of the most outstanding young music students from ten nations around the Baltic Sea convened in Riga, Latvia, to perform music together without borders.

Nord Stream and the Usedom Music Festival initiated the Baltic Youth Philharmonic. The common idea behind the orchestra is to unite the Baltic Sea region. Both partners have laid the foundation for a promising project – an orchestra that will transcend geographical and artistic boundaries and will give young musicians at the beginning of their careers a unique opportunity to develop. The Baltic Youth Philharmonic will contribute to the understanding between young people from around the Baltic Sea and emphasize their shared cultural heritage.

Renowned conductor Kristjan Järvi leads the Baltic Youth Philharmonic and offers the ideal artistic personality. The talented musicians, who had previously never played together, re-hearsed from 30 May to 5 June 2008. These rehearsals culminated in a concert at the Great Guild in Riga. Under the patronage of Latvian Prime Minister Ivars Godmanis, and with



Swedish and Polish ambassadors to Latvia, as well as officials from Latvian ministries attending, the Baltic Youth Philharmonic played a repertoire ranging from Beethoven to Dvořák.

The Baltic Youth Philharmonic will come together for a second round of rehearsals in 2008 at the Usedom Music Festival, a major classical music event in Germany. A second concert is scheduled for 21 September 2008 during the festival in Peenemünde, Germany.

For additional information please visit: [www.baltic-youth-philharmonic.org](http://www.baltic-youth-philharmonic.org).

### DID YOU KNOW ...



- The Nord Stream pipeline will supply Europe with 55 billion cubic metres of natural gas per year, equal to energy transported by 550 LNG (liquefied natural gas) tankers or produce by 240,000 average windmills.
- These 55 billion cubic metres would be enough energy to satisfy the demands of 26,5 million European households (EU-27) for one year.
- Using this much natural gas instead of lignite would reduce CO<sub>2</sub> emissions by 55 million tons – as much as Denmark produces per year.

### NORD STREAM'S AGENDA

**September 10–13** Economic Forum of Central and Eastern Europe, Krynica, Poland

**September 21** Baltic Youth Philharmonic, concert at the Usedom Music Festival, Peenemünde, Germany

For subscription to subsequent issues of "Nord Stream: Facts", please go to: [www.nord-stream.com/newsletter.html](http://www.nord-stream.com/newsletter.html).

If you have any comments or requests, we look forward to hearing from you.

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