

## **STATEMENT**

### **Nabucco: An Additional Contribution to Improving Security of Supply in Europe Gas infrastructure is indispensable for climate protection**

**Zug, Switzerland, 14 July 2009.** Nord Stream AG welcomes the signing of an international agreement that should pave the way for the Nabucco pipeline.

“If we want to close future gas supply gaps in Europe and reach its climate protection goals, then we must increase investments in infrastructure development,” said Matthias Warnig, Managing Director of Nord Stream AG.

Nord Stream, like Nabucco, will also make a significant contribution to countering impending undersupply. From 2012, Nord Stream will supply approximately 55 billion cubic metres (bcm) of natural gas to the European gas grid with a pipeline through the Baltic Sea.

Nevertheless, additional gas import demand in Europe is expected to rise by 150 to 200 bcm annually by 2025. Among other things, this is a consequence of decreasing production at gas fields in the North Sea and it will primarily affect the gas supply of the U.K., Denmark and the Netherlands. Given this background, Nord Stream regards a variety of planned infrastructure projects as necessary to meet additional gas demand in Europe.

This long-term rise in demand should not be ignored in the current economic crisis. “Prominent institutions now see the potential for even greater use of gas in power generation, since in some regions of Europe, this energy source performs a bridging function for reaching ambitious emissions goals,” said Warnig. “If one would use gas from our pipeline to completely replace coal-fired power generation, Europe could reduce emissions by more than 120 million tonnes of CO<sub>2</sub> per year.” This amount is almost double all of Sweden’s emissions in 2007.

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**Notes to editors:**

**Nord Stream** is a natural gas pipeline that will link Russia and the European Union via the Baltic Sea. The European Union's gas imports were 314 billion cubic metres (bcm) in 2005 and are projected to grow by almost 200 bcm to 509 bcm per year by 2025 (Source: European Commission/DG-TREN, 2007). Nord Stream will meet about 25 per cent of this additional requirement by connecting the European gas pipeline network to the world's largest gas reserves. The project will be an important contribution to long-term security of supply and a milestone of the energy partnership between the European Union and Russia.

Nord Stream AG plans to have the first of two parallel pipelines operational in 2011. Each line is approximately 1,220 kilometres long, providing a transport capacity of some 27.5 bcm per year. Full capacity of about 55 bcm per year will be reached in the second phase, when the second line goes on stream.

**Nord Stream AG** is an international joint venture established for the planning, construction and subsequent operation of the new offshore gas pipeline across the Baltic Sea. OAO Gazprom holds a 51 per cent stake in the joint venture. BASF/Wintershall Holding AG and E.ON Ruhrgas AG hold 20 per cent each, and N.V. Nederlandse Gasunie has a 9 per cent stake.