

STATEMENT

First Nord Stream Pipelay Vessel Enters Baltic Sea

- **150-metre long Castoro 6 construction vessel passes under Denmark's Great Belt Bridge**
- **Years of thorough planning ensure environmental and technical safety of the natural gas pipeline project**

Zug, 26 March 2010. The pipelay vessel Castoro 6 today passed under the Great Belt Bridge, one of Europe's greatest bridges, on its way to start construction of one of Europe's largest infrastructure projects. It is the first time that a large pipelay vessel has ever entered the Baltic Sea. The vessel is planned to stay there for approximately two years, laying the majority of the Nord Stream natural gas pipeline.

Denmark's Great Belt Bridge, the gateway to the Baltic Sea, is almost seven kilometres long. With a vertical clearance of 65 metres, even the world's largest cruise ship could pass under it. No special precautions need to be taken to allow the Castoro 6 to pass.

The Nord Stream Pipeline is scheduled to transport natural gas to Europe from 2011. Pipe-laying activities will commence in the Swedish Exclusive Economic Zone, about 30 kilometres off the coast of the Swedish island of Gotland. From there, the Castoro 6 will slowly move north toward the Gulf of Finland, laying the pipeline at the rate of up to 2.5 kilometres per day.

Years of thorough planning

Before pipe laying could start, Nord Stream spent several years carefully planning the pipeline route, taking account of environmental factors from fish spawning and bird migration to sediment and bedrock geology, as well as social and economic aspects such as ship traffic and fishing activities.

A sophisticated HSE (health, safety and environment) plan and an environmental monitoring system have been developed. All equipment and procedures have been developed and tested to meet internationally-recognised standards.

High productivity offshore

Offshore production requires thorough planning: each of the parallel 1,224 kilometre long Nord Stream pipelines will consist of about 100,000 concrete weight coated steel pipes weighing about 25 tons each. To ensure uninterrupted pipe-laying, pipe-carrier vessels will continuously

deliver pipes to the pipelay vessel. On board, the 12 metre long pipes will be prepared for welding. Then, each pipe will first be welded to another one to form a 24 metre long double pipe, and then these double pipes will be welded onto the pipeline in the vessel's central production line. Every millimetre of each weld will undergo thorough testing and the vessel will move ahead, slowly lowering the pipeline on to the seabed.

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Notes to editors

Nord Stream is a natural gas pipeline that will link Russia and the European Union through the Baltic Sea. The European Union's annual natural gas imports in the year 2007 were approximately 312 billion cubic metres (bcm) and are projected to increase to 516 bcm by the year 2030. This means that by 2030, the EU's annual import needs will have increased by about 200 bcm (Source: IEA, World Energy Outlook, 2009). Nord Stream will meet about 25 percent of this additional gas import requirement by connecting the European gas pipeline network to some of 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. This is enough gas to supply more than 26 million European households.

Nord Stream AG is an international joint venture established for the planning, construction and subsequent operation of the new offshore gas pipeline through the Baltic Sea. Russian OAO Gazprom holds a 51 percent stake in the joint venture. The German companies BASF SE/Wintershall Holding GmbH and E.ON Ruhrgas AG hold 20 percent each, and the Dutch gas infrastructure company N.V. Nederlandse Gasunie has a 9 percent stake.

Nord Stream is included in the Trans-European Energy Network Guidelines (TEN-E) of the European Union. In 2006, the project was designated a "project of European interest" by the European Commission, the European Parliament and the Council of the European Union. Nord Stream is, therefore, recognized as a key project for meeting Europe's energy infrastructure needs.

As a cross-border project, Nord Stream is subject to international conventions and national legislation in each of the countries through which it passes. It has invested 100 million euros in environmental studies and planning and an Environmental Impact Assessment (EIA) was completed along the whole pipeline route. This is a detailed study of environmental aspects in a trans-boundary context. The process is governed by international law (Espoo Convention) and by national legislation in the countries concerned.