Nord Stream
The new gas supply route for Europe

STATEMENT

100,000 Pipes Concrete Weight Coated for the Nord Stream Pipeline

Zug, 29 July 2010. One hundred thousand of the pipes needed for the Nord Stream Pipeline have now been concrete weight coated. In total about 202,000 concrete weight coated steel pipes will be needed for the two strings of the 1,224 kilometres natural gas pipeline through the Baltic Sea.

The pipes are being concrete weight coated by Nord Stream's coating and logistics partner EUPEC, which has weight coating plants in Mukran, Germany, and in Kotka, Finland, dedicated to construction of the Nord Stream Pipeline.

So far, approximately 62,000 pipe segments have been concrete weight coated in Mukran and 38,000 in Kotka. During the whole project, the Mukran plant will produce about 126,000 weight coated pipes (60 percent), and the Kotka plant approximately 76,000 (40 percent) of the pipes needed for the two strings of the pipeline. EUPEC´s coating plants have been coating pipes for the Nord Stream project in Mukran since spring 2009 and in Kotka since summer 2009. EUPEC employs over 200 people at each production site.

EUPEC is responsible for the concrete weight coating, storage and transshipment of the pipes for the Nord Stream project. In addition to Mukran and Kotka, EUPEC has interim storage yards in Karlskrona and Slite, Sweden and Hanko, Finland.

Concrete weight coating ranging from 60 millimetres to 110 millimetres in thickness is applied to the 12 metre long 1,158 millimetre diameter pipes. The steel pipes have an average weight of 11 tonnes, and the concrete weight coating brings the total weight of each pipe up to about 24 tonnes and guarantees the stability of the pipes when laid on the seabed.

Approximately 230 kilometres of the first string of the Nord Stream Pipeline have been laid so far, and it is planned that this first pipeline will be operational in 2011. After that, the construction for the second string of the pipeline will start, and it is planned that the twin pipelines will be fully operational in 2012. Nord Stream will transport 55 billion cubic metres (bcm) of natural gas to Europe annually, which is enough gas to supply for the needs of 26 million households.

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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 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 15.5 percent each, and the Dutch gas infrastructure company N.V. Nederlandse Gasunie and the French energy company GDF SUEZ S.A. each hold 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.

Construction of the Nord Stream Pipeline started in April 2010, after completion of environmental studies and planning and an Environmental Impact Assessment (EIA) along the whole pipeline route. Three pipelay barges will be working on the project: the Castoro Sei is carrying out the majority of the offshore construction. In German waters, the shore approach of both pipelines will be built in the second half of 2010 by the Castoro Dieci. In the Gulf of Finland, Allseas' Solitaire, a dynamically positioned vessel, will be deployed. The first pipeline is planned to become operational in 2011, the second one in 2012.