

## **PRESS RELEASE**

### **Underwater Works on Nord Stream Pipeline Completed**

- **All three sections of the 1,224 kilometre gas pipeline joined together underwater**
- **First pipeline to become operational in fourth quarter 2011**

**Zug, June 21, 2011.** All three sections of the first of Nord Stream's twin 1,224 kilometre natural gas pipelines have now been joined together underwater by hyperbaric tie-ins. The completed pipeline through the Baltic Sea will now be prepared for connection to the landfalls in Russia and Germany later in the summer.

The connection by hyperbaric tie-in of these three pipeline sections was successfully carried out at the two offshore locations. The connection of the Gulf of Finland and central sections took place off the coast of Finland at a sea depth of approximately 80 metres, and the connection of the central and south western sections off the Swedish island of Gotland at a depth of approximately 110 metres. Each of the two "tie-ins" was carried out in an underwater welding habitat and was remotely controlled from a diving support vessel, the Technip Skandi Arctic. The specialised subsea equipment used to perform the tie-ins was provided by the PRS (Pipeline Repair System) pool, a pool of pipeline operators administrated by Statoil. The construction work was supported by teams of divers, who were present at all times to ensure that the equipment was correctly positioned and operated subsea.

Nord Stream's twin pipelines each consist of 101,000 12-metre long 48-inch diameter concrete-weight coated steel pipes each weighing about 23 tonnes. The pipes of the first line were welded together on board special pipelay vessels and laid on the seabed along a precisely defined route which had been agreed with the authorities of the five countries through whose waters the pipeline passes: Russia, Finland, Sweden, Denmark and Germany. The two main pipelay vessels used for the first line, Saipem's Castoro Sei and Allseas' Solitaire, are currently laying the second pipeline in the Gulf of Finland.

Work on the second pipeline is progressing at the rate of about six kilometres a day, and more than 230 kilometres have already been constructed. When both lines are fully operational by the end of 2012, the Nord Stream Pipeline will be capable of transporting 55 billion cubic metres (bcm) of gas a year to Europe. No other major new pipeline with a capacity over 10 bcm is expected to come on-stream before 2015.

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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 2008 were approximately 320 billion cubic metres (bcm) and are projected to increase to over 500 bcm by the year 2030. By then, the EU will need additional gas imports of 188 bcm per year (Source: IEA, 2011). Nord Stream will meet almost one third 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, recognised 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 entire pipeline route. Three pipelay barges have been commissioned to work on the project: Saipem's Castoro Sei is carrying out the majority of the construction in the Baltic Sea. The Castoro Dieci has completed its operations in German waters, where it constructed both pipelines in the German landfall section; Allseas' Solitaire handles construction in the Gulf of Finland as a subcontractor of Saipem. The first pipeline is scheduled to be operational in 2011, the second one in 2012.