

PRESS RELEASE

We Deliver: Nord Stream's Twin Pipelines Come On Stream

- **Following 30 months of construction, infrastructure project is fully operational, on schedule, on budget**
- **Pipelines capable of transporting up to 55 billion cubic metres of gas to Europe per year for at least 50 years contribute to Europe's long-term energy security**
- **Shareholders' Committee Chairman Gerhard Schröder: "Nord Stream is truly an expression of cooperation and trust between the European Union and Russia"**

Portovaya Bay, Russia, 8 October 2012. Just 30 months after the start of construction of its first pipeline, Nord Stream's twin pipeline system came on stream today, on schedule and on budget. International specialists worked around the clock under the most challenging conditions to construct the pipelines with a total weight of 4 million tonnes.

Nord Stream Managing Director Matthias Warnig said: "We are proud of this incredible achievement, made possible thanks to the dedication of everyone at Nord Stream, the support of our shareholders, as well as, of suppliers and contractors from all over the world."

Nord Stream's second pipeline was officially inaugurated today, completing the fully-integrated twin-pipeline system. The Nord Stream pipeline system will provide the capacity to transport up to 55 billion cubic metres (bcm) of natural gas a year from Russia to the European Union for at least 50 years. Line 1 began transporting gas to Europe in November 2011.

Gerhard Schröder, Chairman of the Nord Stream Shareholders' Committee said: "Nord Stream is without a doubt one of the most modern systems for transporting energy ensuring that Europe enjoys a reliable supply from the world's largest deposits in Russia. Today, we can proudly say 'We Deliver!'"

To mark the occasion of both pipelines being fully operational, a ceremony was held today at Portovaya Bay, on Russia's Baltic coast, in the presence of distinguished guests, representatives of several European countries and Nord Stream's shareholders. By starting the gas flow in the control centre of the nearby Gazprom Compressor Station Portovaya,

Russian gas can now be pumped without the need for interim re-compression all the way through the Baltic Sea, and onwards into the European gas transmission network. The state-of-the-art compressor units generate pressures of up to 220 bar, enough to take the gas through both 1,224 kilometre pipelines to Lubmin on the German Baltic Coast.

The precise routing of the pipelines had been agreed over a four-year period of intensive consultations with the nine countries bordering the Baltic Sea. Environmental monitoring results confirm the low environmental impact from the construction of the Nord Stream Pipelines.

Mr Warnig added: "I am very pleased to report that we completed this ambitious infrastructure project on schedule and on budget. Looking at the number of other pipeline projects in various stages of planning in Europe – Nord Stream certainly serves as the new benchmark. In terms of design, construction, safety, environmental compliance and the operation of our pipelines – we truly deliver!"

[Mr Schröder's speech: check against delivery!](#)

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Notes to editors:

Nord Stream is a natural gas pipeline system which links Russia and the European Union through the Baltic Sea. The European Union's annual natural gas imports in 2009 were approximately 312 billion cubic metres (bcm) and are projected to increase to over 523 bcm by 2030. By then, the EU will need additional gas imports of 211 bcm per year (Source: IEA, 2011). Nord Stream will meet about a quarter 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 make an important contribution to the long-term security of supply and is a milestone of the energy partnership between the European Union and Russia.

The first of Nord Stream's two parallel pipelines came on stream in November 2011. Each line is approximately 1,220 kilometres long, providing a transport capacity of some 27.5 bcm per year. Line 2 was completed and commissioned as part of a fully-integrated twin-pipeline system by October 2012. The system's design capacity of about 55 bcm per year will make a major contribution to Europe's energy security for at least 50 years.

Nord Stream AG is an international joint venture established for the planning, construction and subsequent operation of offshore gas pipelines 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 have 9 percent.

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 recognised as a key project for meeting Europe’s energy infrastructure needs.

Construction of the first 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 pipe-laying vessels were commissioned to work on the project: Saipem’s *Castoro Sei* carried out the majority of the construction in the Baltic Sea. The *Castoro Dieci* completed its operations in German waters, where it constructed both pipelines in the German landfall section; Allseas’ *Solitaire* handled construction in the Gulf of Finland as a subcontractor of Saipem. The first pipeline came on stream in November 2011, the second in October 2012.

No intermediate compressor station: Nord Stream was able to design its offshore pipelines to operate without an intermediate compressor station, but with three different design pressures and pipe wall thicknesses as the gas pressure drops over its long journey from Russia to landfall in Germany. The connection by hyperbaric tie-in of these three pipeline sections was carried out at the two offshore locations where the design pressure changes from 220 to 200 bar and from 200 to 177.5 bar respectively. 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. The three sections of Line 2 were connected underwater in May and June 2012.

**Quotes by Heads of State and Government of the Shareholder
Countries on the Inauguration of Nord Stream's Second
Pipeline,
8 October 2012**

Vladimir Putin, President of Russia:

"Nord Stream will meet Europe's growing demand for energy resources. Gas will be supplied directly by the shortest route, linking the major Russian gas reserves to European markets without transit risks, steadily and smoothly. We can guarantee this."

Angela Merkel, Chancellor of Germany:

"Nord Stream has strikingly shown that the state and the private sector can form a constructive and productive unit across several national borders. We can be proud of this truly European collaboration."

Mark Rutte, Prime Minister of the Netherlands:

"It's hard to overstate the importance of the Nord Stream project. The International Energy Agency calls this 'the Golden Age of Gas'. And with good reason. Natural gas is relatively cheap and much cleaner than other fossil fuels. So as we seek large-scale renewable energy solutions, natural gas remains the transition fuel of choice."

François Hollande, President of France:

"I'd like to thank all those men and women workers, technicians and engineers who participated in this wonderful construction. It is indeed an exemplary technical work, one of the finest infrastructure projects in Europe today."