Baltic Marine Environment Protection Commission

Heads of Delegation
Brussels, Belgium, 20-21 June 2017

HOD 52-2017

Document title	Nord Stream 2 Project Information
Code	3-12
Category	INF
Agenda Item	3 - Matters arising from the HELCOM Groups
Submission date	19.06.2017
Submitted by	Germany
Reference	

Background

Further to Article 3 of the Helsinki Convention and HELCOM Recommendation 17/3 to inform about new installations affecting the Baltic Sea region, please find enclosed a Project Information of the project owner Nord Stream 2 AG.

Action requested

The Meeting is invited to take note of the attached project information.

Nord Stream 2
Committed. Reliable. Safe.

Nord Stream 2
Project Information

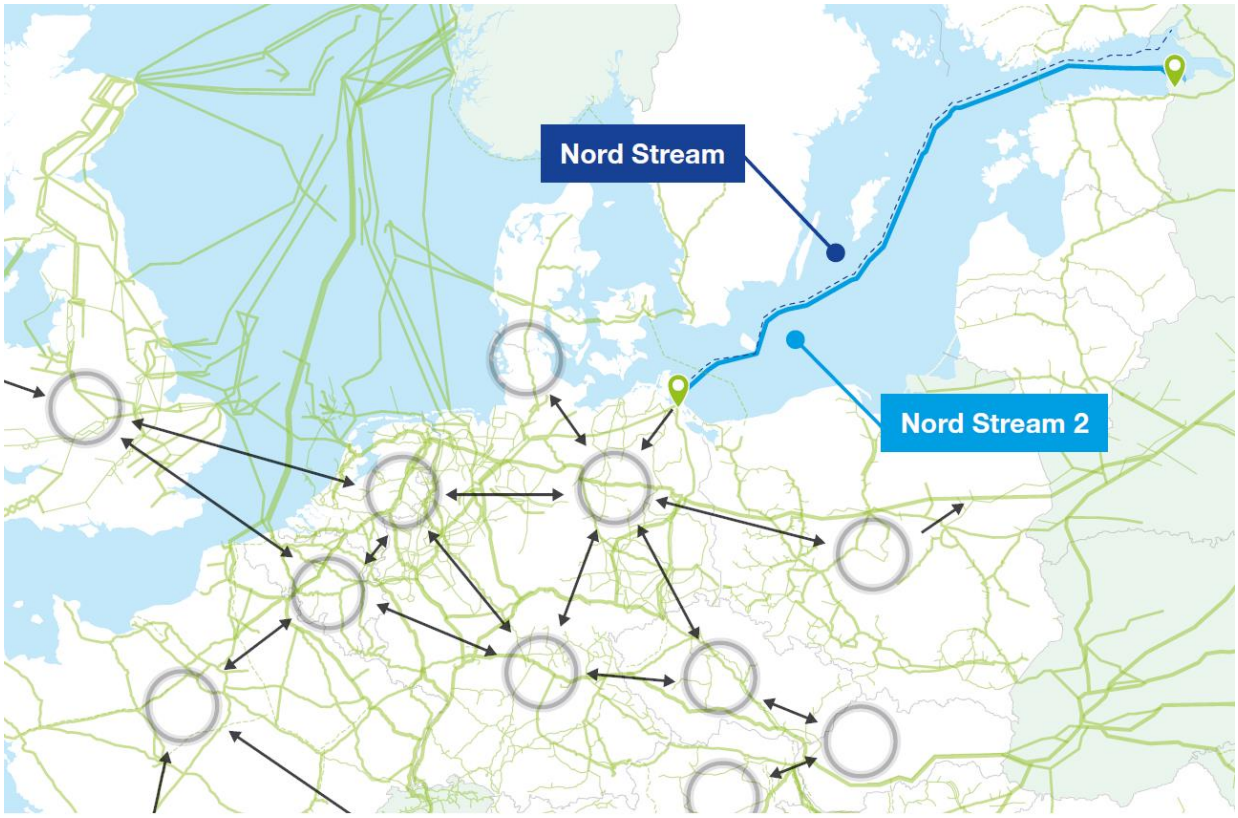
Nord Stream 2 AG | Jun-17

Table of Contents

1. The Project

Nord Stream 2 is a planned natural gas pipeline system that will increase transportation capacity into Europe to meet the region's growing import needs. The twin pipelines will run for some 1,200 km from the Baltic coast in Russia, through the Baltic Sea, reaching landfall near Greifswald in Germany. Once the gas enters the EU internal market, it can be transported onwards to wherever it is needed.

Nord Stream 2 builds on the successful construction and operation of the existing Nord Stream pipeline system, which became fully operational in 2012 and has been recognised for its high environmental and safety standards, green logistics concept and transparent public consultation process.



Nord Stream 2 has spent several years conducting research and carrying out surveys along the proposed pipeline route. These investigations range from technical and environmental studies to examinations of social and socio-economic impacts at local, regional and international levels.

The Nord Stream 2 Project includes:

- Offshore pipelines;
- Onshore facilities at the Russian landfall Narva Bay, including buried pipelines sections of some 4 km and above ground facilities; and

- Onshore facilities at the German landfall Lubmin 2, including pipelines sections of some 0.4 km housed in twin microtunnels, and above ground facilities.

During construction, Nord Stream 2 will make use of ancillary facilities operated by a supply contractor that include:

- Coating plants in Kotka, Finland and Mukran, Germany; and
- Pipe storage yards at Karlshamn, Sweden; Kotka and Hanko, Finland; and Mukran, Germany.

The Nord Stream 2 system will have the capacity to deliver 55 billion cubic metres of natural gas per year directly to the EU market in an environmentally safe and reliable way. This is equivalent to the supply of 26 million households. Each pipeline will have an internal diameter of 1,153 mm (48 inches) and will be constructed from approximately 100,000, 24-tonne concrete-weight-coated steel pipes laid on the seabed. Pipe laying will be carried out by specialised vessels handling the entire welding, quality control and pipe laying process. Over 1100 km of each pipeline will be installed using state of the art dynamically positions pipe lay vessels (no anchors). Both lines are scheduled to be laid during 2018 and 2019, followed by the pre-commissioning of the system at the end of 2019, readied for gas flow.

The availability of first-hand knowledge gained from the design, construction, operation and environmental monitoring of the existing Nord Stream pipeline has benefited the design and planning of Nord Stream 2. The new system will be independent from the existing pipeline, but they will run in parallel for a substantial distance.

2. The Route

2.1 Russia

Environmental, social and technical constraints, notably the requirement to adhere to a minimum safety distance from settlements, means it is not possible to follow the original Nord Stream route in Russia starting at a landfall north to St Petersburg not far from Vyborg. Narva Bay and Cape Kolganpya on the southern coast of the Russian part the Gulf of Finland were therefore identified as potential alternatives.

Both options require crossing of protected areas. Following environmental surveys and the assessment of the two alternatives, the Narva Bay option – located at Kurgalsky's relatively less environmentally-sensitive part to the south of the peninsula – is preferred, due to:

- shorter onshore and offshore routing, leading to lower impacts and shorter construction timeframes;

- more favourable seabed conditions, meaning less dredging and rock placement are required; and
- lower risk of accidents during operation, having regard to the intensive ship traffic triggered by the busy Port of Ust-Luga.

The Narva Bay landfall is within an area that exhibits a high species diversity of flora and fauna. The pipeline route runs through the Kurgalsky Nature Reserve which is a national protected area and also listed as Ramsar site.[1] The distance of marine crossing amounts to 2.5 km, while onshore crossing of the Kurgalsky reserve is 3.7 km. Kurgalsky Peninsula is also a HELCOM Marine Protected Area. At the same time, the pipeline route avoids the Important Bird Areas.

Thorough engineering and environmental assessment of the project implementation is underway to avoid, minimize and mitigate environmental impacts and to ensure compliance with international environmental and social standards. Final decision on approval of the preferred route starting at Narva Bay will be given by the Russian Federation authorities based on a detailed analysis of alternatives and evaluation of the final outcome of the Russian environmental impact assessment (EIA).

The company will implement ecological and community initiatives in alignment with Russian authorities and local stakeholders with the aim to realise a net gain to the region.

2.2 Route in Finland, Sweden and Denmark

Out of Russian territorial waters, the pipeline passes into the Finnish EEZ. No environmentally sensitive areas are crossed in the Finnish section. At the same time, the route passes in the vicinity of the Sandkallanin eteläpuolinen merialue Natura 2000 site (SAC FI0100106), 1.9 km away; and Kalbådans islets and waters (SAC FI0100089), 8.1 km away. The project planning takes due consideration of these designated areas which are addressed in the Finnish national EIA.

Three route alternatives were identified through Swedish and Danish waters. The less favourable options required more seabed intervention works, were located closer to Natura 2000 sites and/or passed through the chemical munitions dumping site to the east of Bornholm, increasing risk of environmental impact. The preferred route runs parallel to the existing Nord Stream pipelines, which minimises the overall infrastructure footprint and associated restrictions on other marine uses.

In Sweden, a referral for proposal regarding an extended Natura 2000 site was sent to the Government in November 2016 from the Swedish Environmental Protection Agency. The extended area consists of the current Natura 2000 sites Hoburgs Bank and Northern Midsjö Bank along with the area towards the IBA at Southern Midsjö Bank. The purpose of this extension is to

[1] Please refer to Appendix 1 that provides a map of Natura 2000 sites and protected areas in Russia in the Baltic Sea.

include important areas for summer breeding harbour porpoises in the Natura 2000 network. The Swedish Government adjusted and forwarded the proposal to the EU Commission in December 2016. The new site number and name is SPA/SCI SE0330380 - Hoburgs Bank och Midsjöbankarna. Nord Stream 2 will cross the site along a length of 139.3 km, which is addressed in the Swedish environmental study.

2.3 Germany

The Pomeranian Bay was selected as the preferred landfall area on the German coast on the basis of environmental, socio-economic and technical evaluations.

Four landfall locations – Lubmin West, Vierow, Mukran and Usedom – were evaluated. Usedom was discounted on the basis that it is near important tourism and residential areas. The three remaining route alternatives were assessed to minimise offshore pipeline length, avoid environmentally sensitive areas, and optimise technical conditions. Lubmin West, located close to the existing Nord Stream landfall facilities, is the preferred option also because it has a direct connection to the existing gas grid leading to lower environmental impact.

The route in Germany envisages to traverse five Natura 2000 areas.

Name	Crossing distance (km)
SPA DE1552401: Pommersche Bucht	31.1
SPA DE1649401: Westliche Pommersche Bucht	28.5
SCI DE1749302: Greifswalder Boddenrandschwell e und Teile der Pommersche Bucht	31.1
SPA DE1747402: Greifswalder Bodden und südlicher Strelasund	24.6
SCI DE1747301: Greifswalder Bodden, Teile des Strelasundes und Nordspitze Usedom	16.7

In addition, the route will cross a HELCOM Marine Protected Area – Pommersche Bucht – Rønnebank. The crossing distance amounts to 34.1 km.

The company will implement compensation measures in alignment with German authorities and local stakeholders.

3. Permitting Status

The Nord Stream 2 Project is subject to national legislation in each of the countries whose territorial waters and/or Exclusive Economic Zones it crosses: Russia, Finland, Sweden, Denmark,

and Germany. According to the requirements of country-specific national legislation, Nord Stream 2 submits the national permit applications and EIAs to the relevant authorities.

Under the Convention on Environmental Impact Assessment in a Transboundary Context (Espoo Convention), countries which could be affected by the construction or operation of the Nord Stream 2 pipeline system – Affected Parties – have the chance to find out more about the project and share their views, before construction begins. Nord Stream 2 has assessed the project's likely transboundary impacts and is consulting with the affected countries who are otherwise not part of the permitting process – Estonia, Latvia, Lithuania and Poland.

The permitting process is scheduled to support the start of construction in Q2 2018. Consequently, Nord Stream 2 has already handed in national environmental assessment documentation, Espoo report and permit application in most project countries.

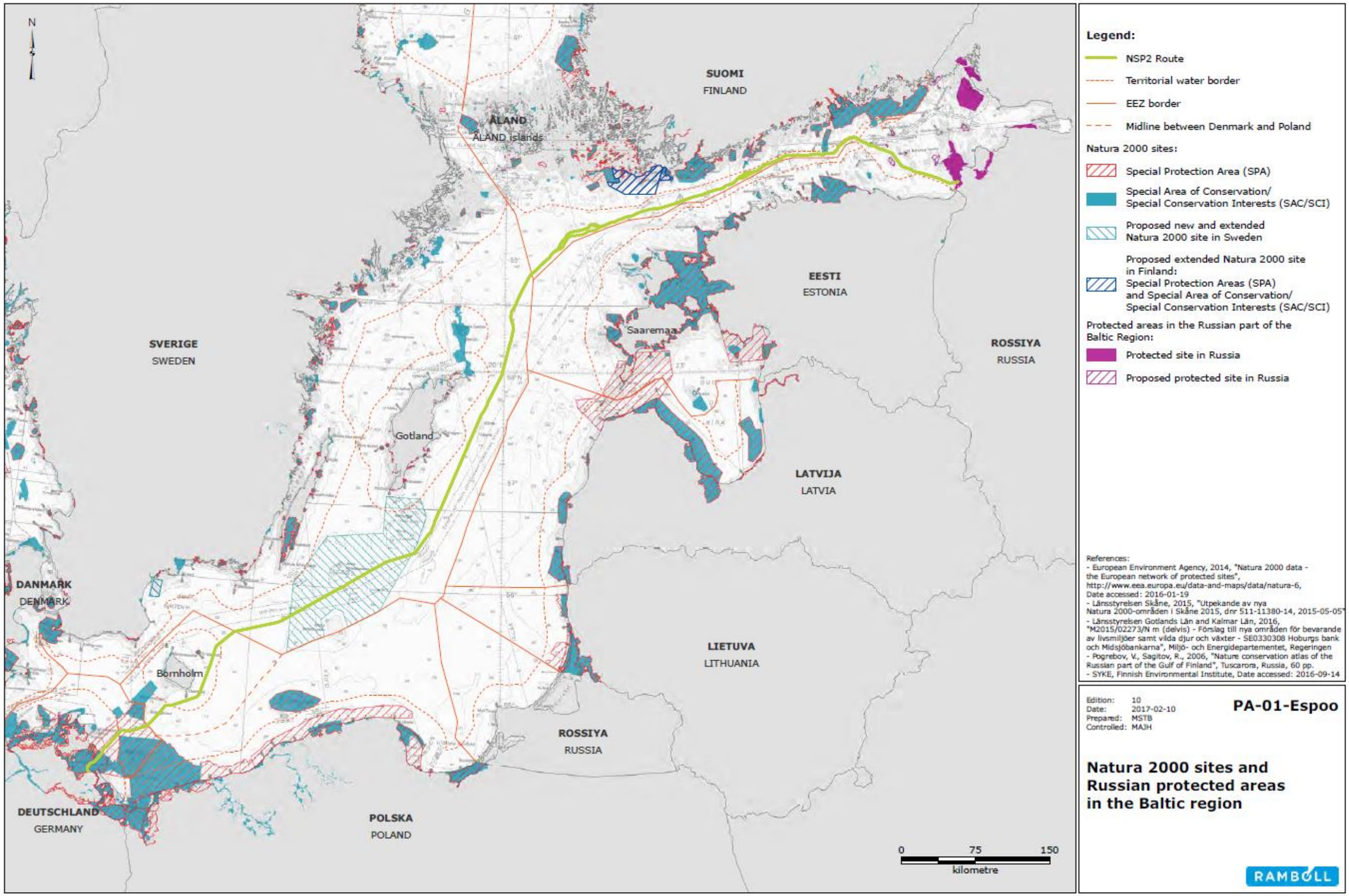
Date	Milestone
Apr-2017	Espoo report submitted to the Parties of Origin in English and nine Baltic Sea languages. The Parties of Origin sent the Notification to the Affected Parties, thus starting the international consultation process on the Espoo Report.
Apr-2017	The EIA Program and Terms of Reference for the environmental impact assessment, as well as Route Alternatives Reports disclosed to the public in Russia
Apr-2017	Environmental impact assessment report submitted in Finland
Sep-2016	Construction permit application and environmental study submitted in Sweden
Apr-2017	Construction permit application and environmental impact assessment report submitted in Denmark
Apr-2017	Construction permit application and environmental assessments submitted in Germany

Coming up:

July-2017	Environmental impact assessment report to be disclosed to the public in Russia
Aug-2017	Environmental impact assessment report to be submitted to the State Environmental Expert Review in Russia
Sep-2017	EEZ and Water Permit applications to be submitted in Finland

Consultations on the national documentation and the Espoo Report are ongoing in all Baltic Sea countries. A number of public meetings have already taken place, with others scheduled for the coming weeks, as illustrated below:

Appendix 1: Natura 2000 sites and Russian protected areas in the Baltic region (Reference: Map PA-01-Espoo of the Espoo Atlas)



Part of Espoo Documentation: W-PE-EIA-POF-DWG-805-040100EN-06

Contact:

Nord Stream 2 AG
Baarerstrasse 52, 6300 Zug, Switzerland
info@nord-stream2.com
T: +41 41 414 54 54
F: +41 41 414 54 55

www.nord-stream2.com

Simon Bonnell
Head of Permitting
Simon.bonnell@nord-stream2.com
T: +41 79 239 5326