



# Burgas – Alexandroupolis Pipeline

**BAPLINE**

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**Greek-Bulgarian Cooperation in the Energy  
Sector**

**Sofia, Thursday April 29, 2010**

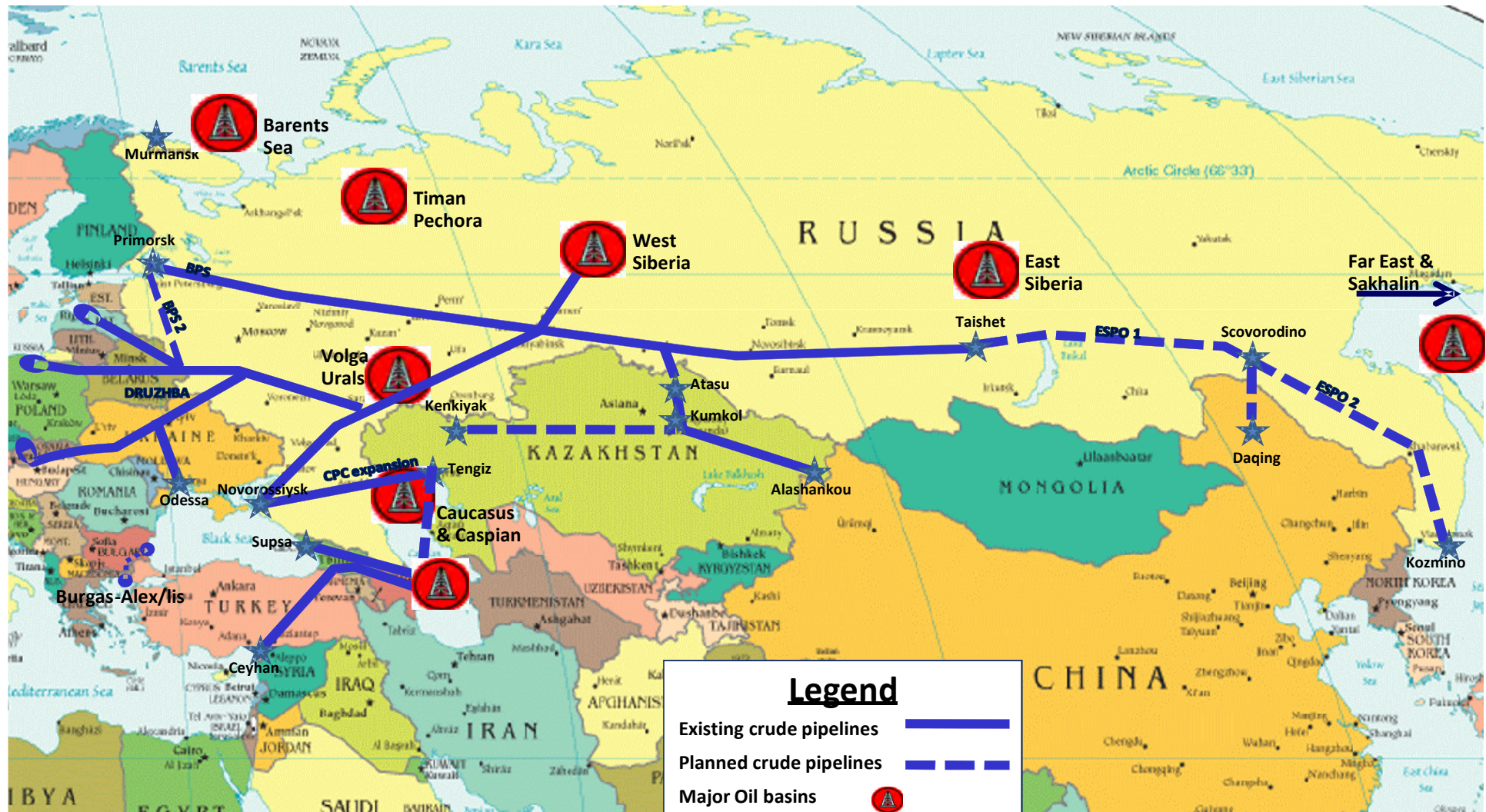
**Organized by the Institute of Energy for South  
East Europe (IENE) in association with the  
Hellenic Business Council in Bulgaria (HBCB)**

# Russian and Caspian Main Oil Fields

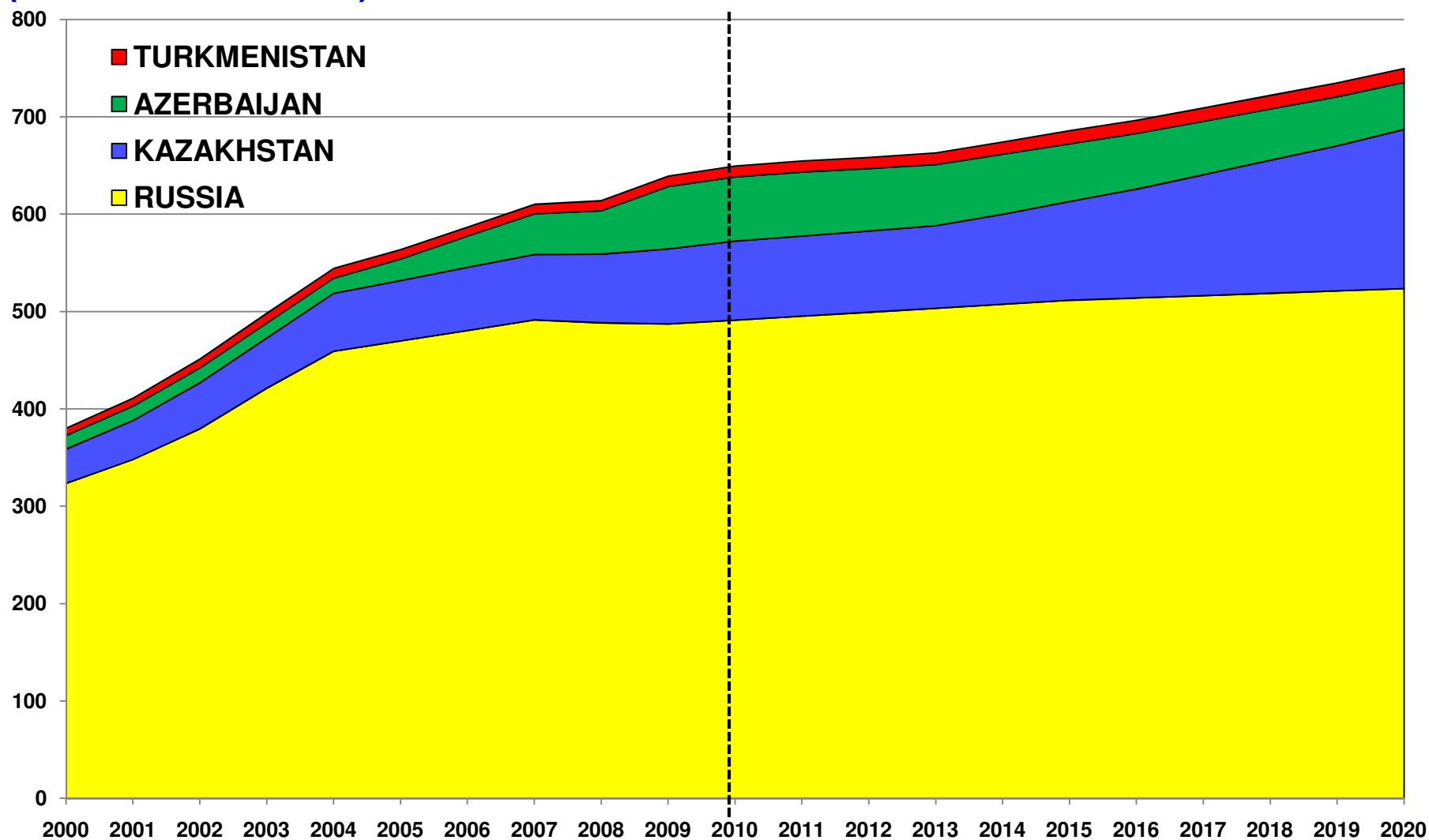




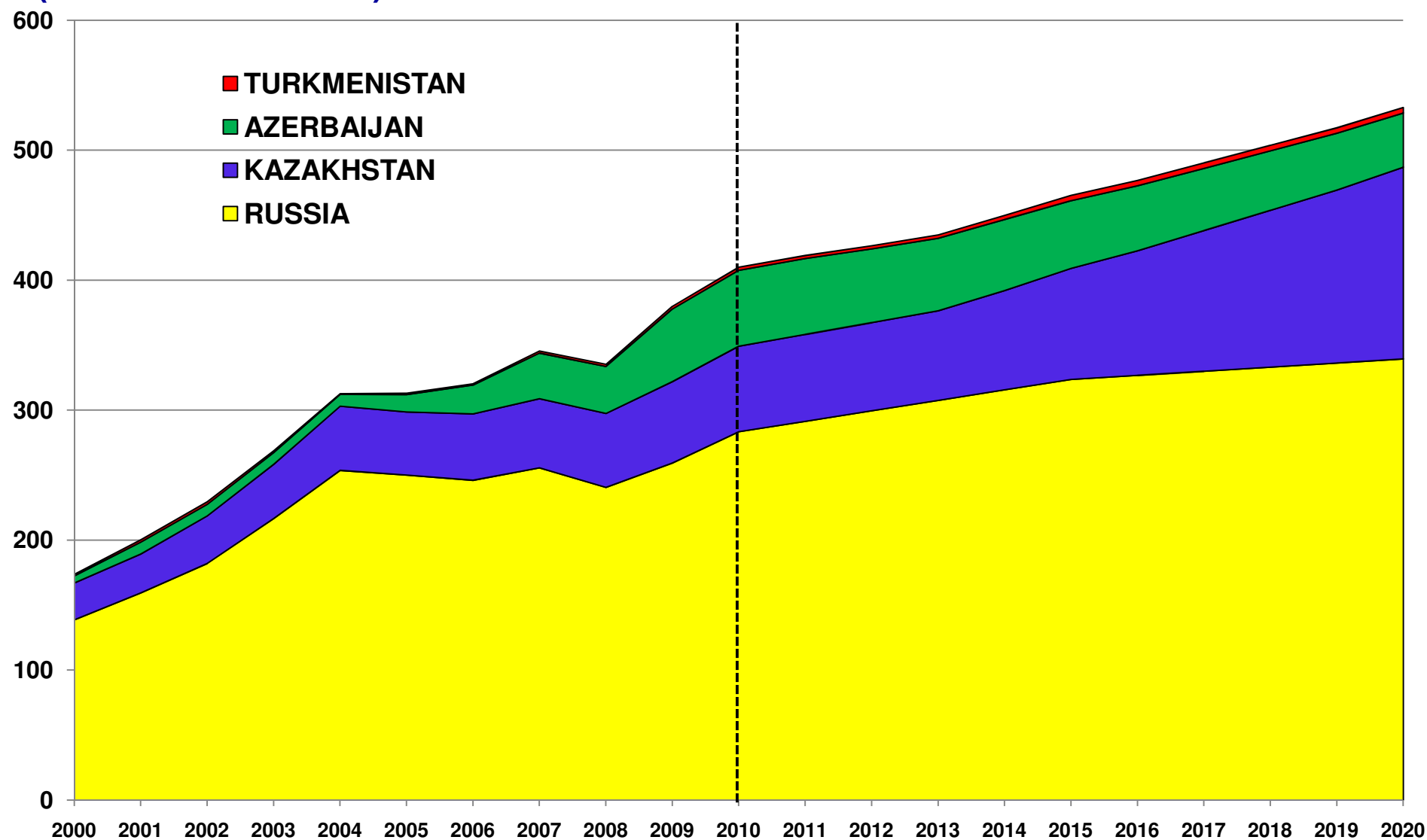
## Russian and Caspian Main Crude Export Routes



## Russian and Caspian Crude Oil Production (Million Metric Tons)



## Russian and Caspian Crude Oil Exports (Million Metric Tons)





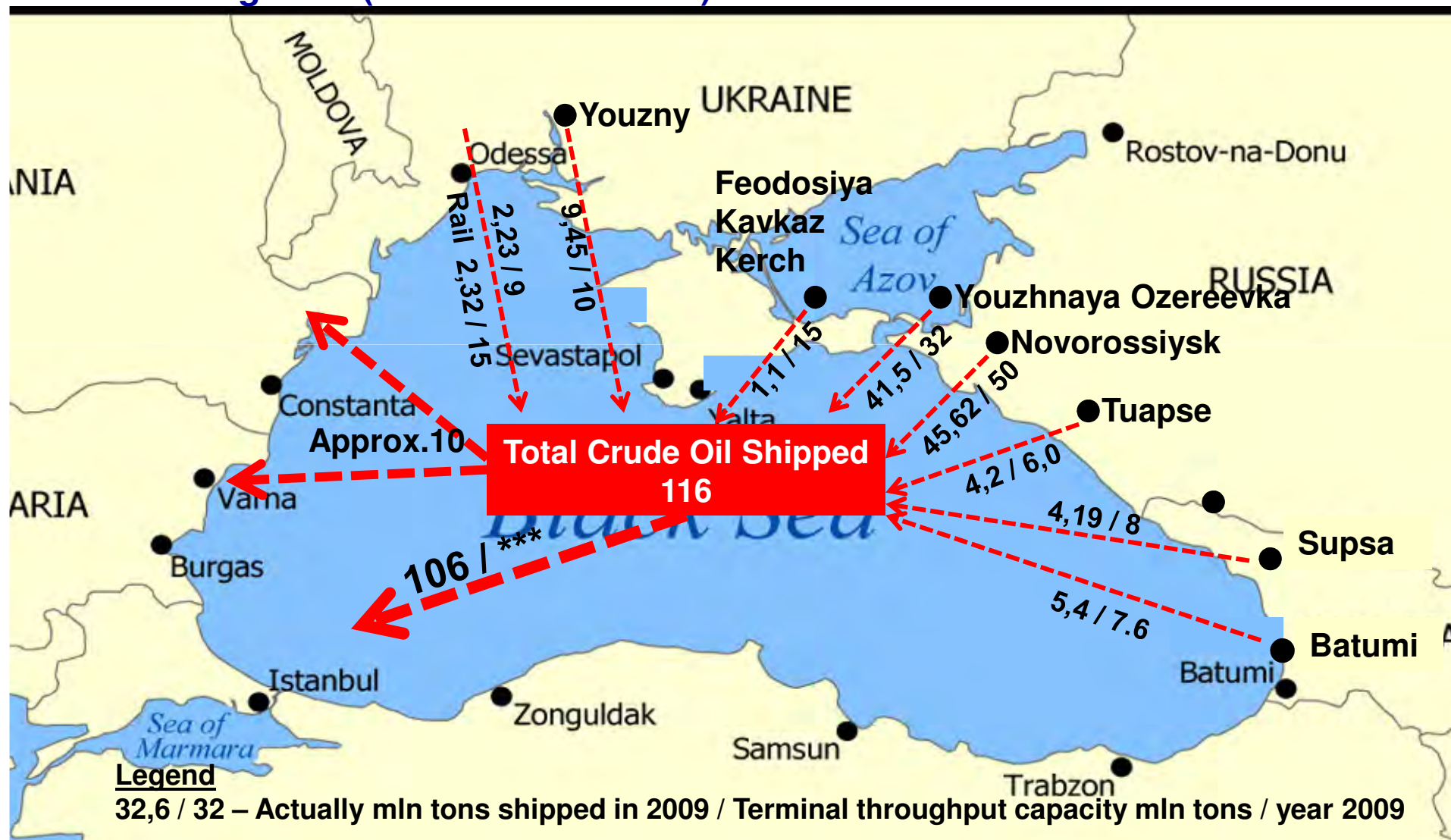
## **OIL CONCENTRATION IN THE BLACK SEA AND THE BOSPORUS STRAITS**



## Balance of crude oil flow shipped through the Black Sea and the Bosphorus Straits during 2008 (Million Metric Tons)



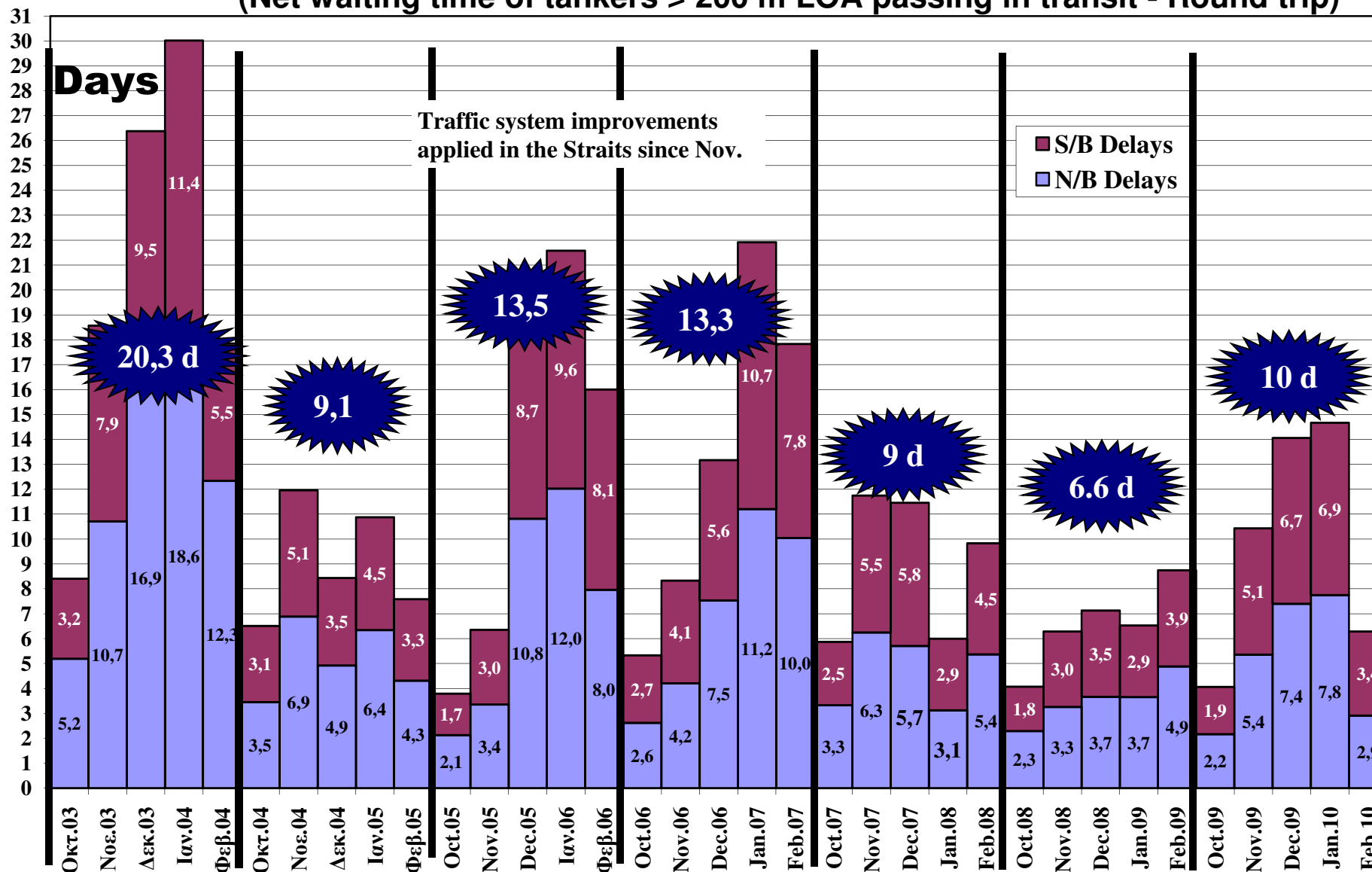
## Balance of crude oil flow shipped through the Black Sea and the Bosphorus Straits during 2009 (Million Metric Tons)



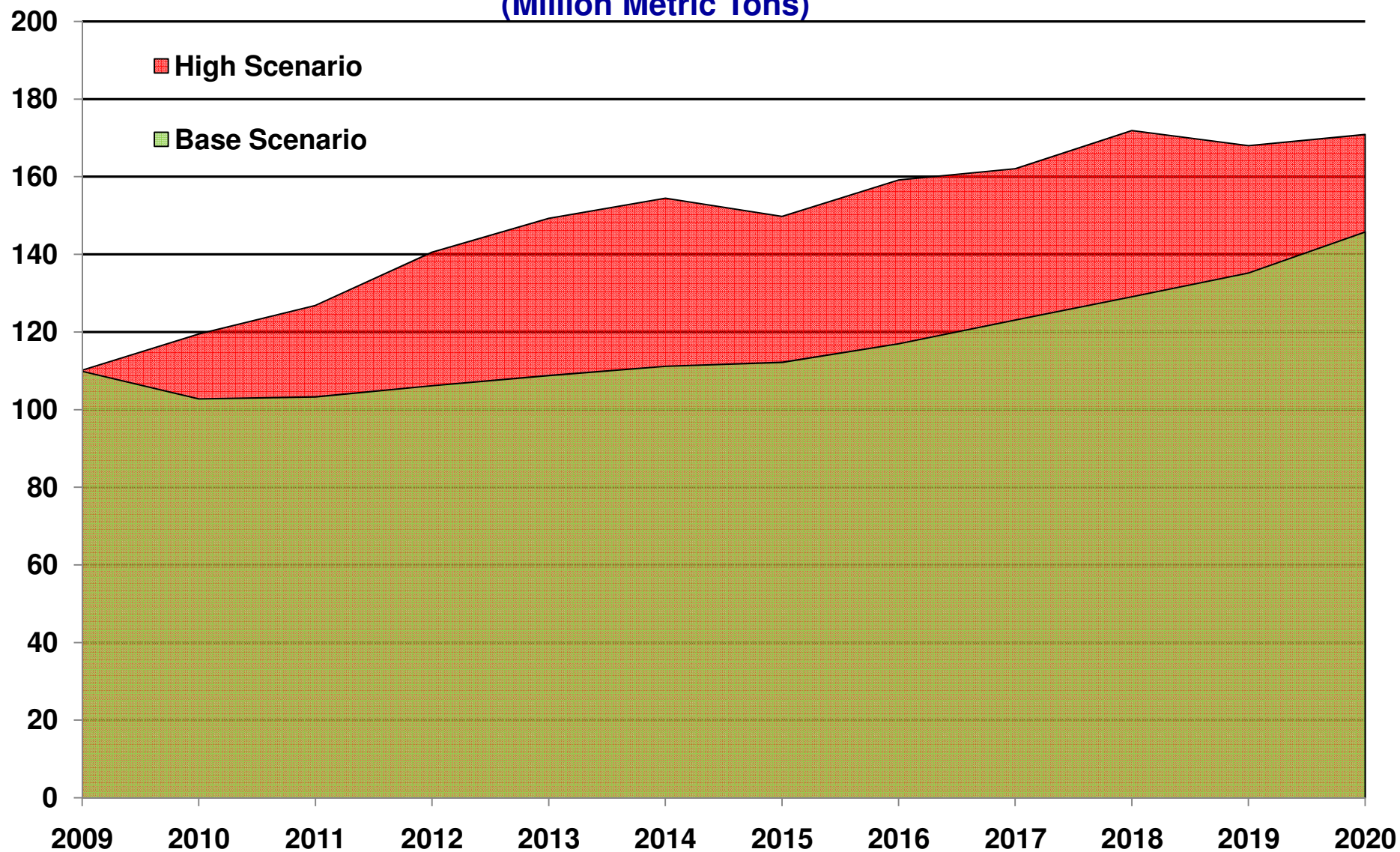
Total Black Sea Ports Crude Oil Export Capacity in 2009 ➡ 153 Million Metric Tons)



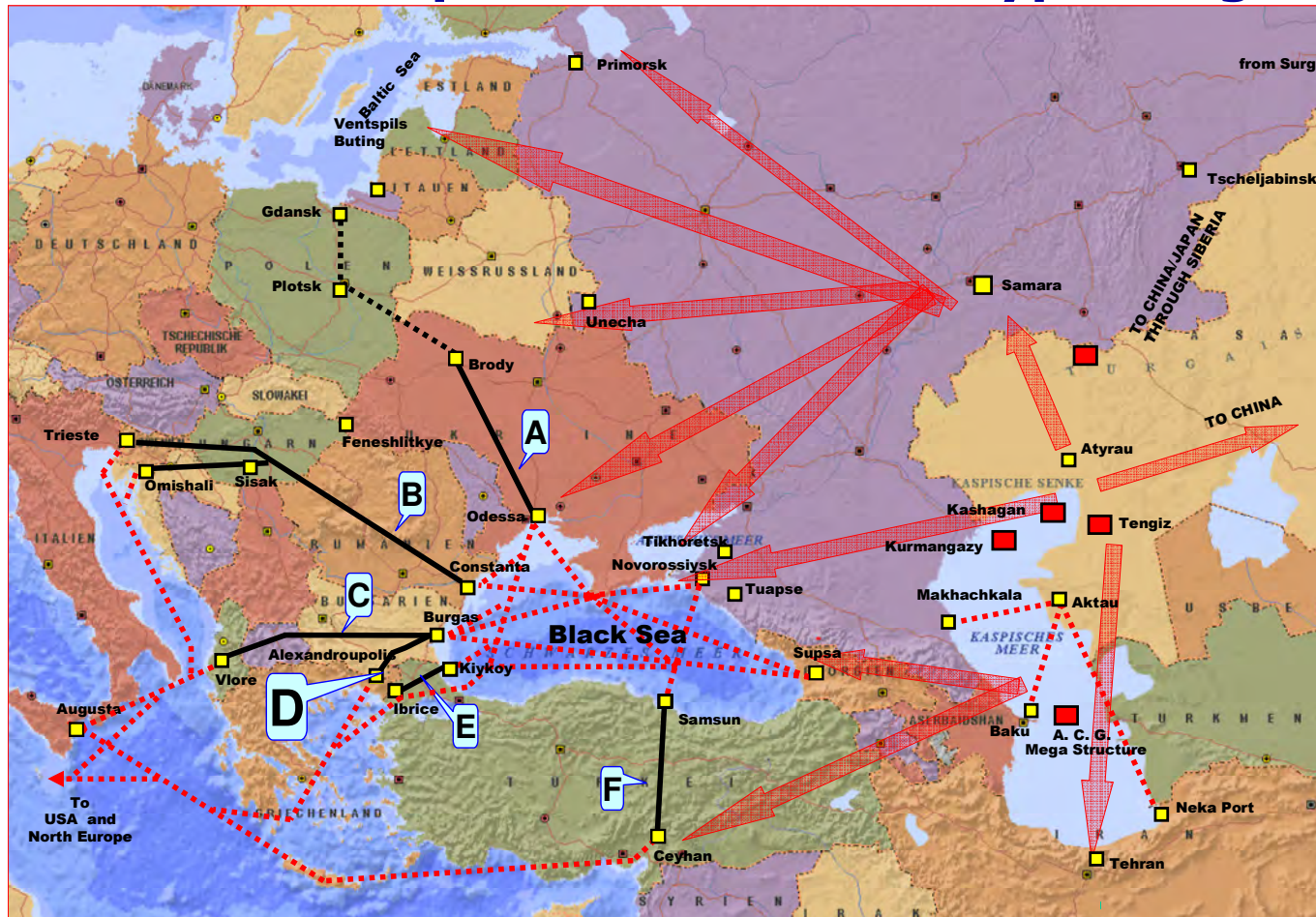
# **Actual Monthly Average Tanker Delays in the Straits - Winters** **(Net waiting time of tankers > 200 m LOA passing in transit - Round trip)**



## Flows of Eurasian Crude Oil Through the Bosphorus (Million Metric Tons)



# Black Sea Crude Oil Export Alternatives Bypassing the Straits



- A. Odessa – Brody – Baltic Sea
- B. Constantza – Trieste
- C. Burgas – Flore
- D. Burgas – Alexandroupolis**
- E. Kiykoy – Ibrice
- F. Samsun - Cheyhan



## Black Sea Crude Oil Export Alternatives Bypassing the Straits

	By-pass Pipeline	Length (Km)	Pros / Cons
<b>A</b>	<b>Odessa – Brody – Plock – Gdansk</b>	1.480	High investment; Export terminals in Gdansk & Rostock can be used; Problem again with the Danish Straits
<b>B</b>	<b>Constanza – Trieste Pipeline</b>	1.375	Relatively high initial investment requirements, direct pipeline supply of Central European refineries with Caspian light grades through the Trans Alpine Pipeline (TAL)
<b>C</b>	<b>Burgas – Vlore Pipeline (AMBO)</b>	913	Long and mountainous route, relatively high initial investment requirements, supply to refineries along the route in FYROM & Albania, challenging financing due to political risk
<b>D</b>	<b>Burgas – Alex/polis Pipeline (BAPLine)</b>	256	<b>Short route, smooth terrain, relatively low initial investment requirements; Studies and design ready; Permits incl. EIA first stage finished, therefore fast implementation feasible; Diversification of oil routing. Cost efficient comparable with the Straits; European Union corridor.</b>
<b>E</b>	<b>Kiyikoy – Ibrice Pipeline</b>	200	Short route, smooth terrain, relatively low initial investment requirements; Russian and Caspian Black Sea exports depending on one country.
<b>F</b>	<b>Samsun – Ceyhan Pipeline</b>	550	Long and mountainous bypass route, Russian, Caspian and Black Sea exports depending on one country, use of BTC pipeline corridor / supply to Kirikkale refinery



## **BURGAS – ALEXANDROUPOLIS PIPELINE**

## PROJECT BACKGROUND

1993-1994	Athens	<ul style="list-style-type: none"> <li>Establishment of THRAKI S.A, which is the initiator and promoter of the project..</li> </ul>
Feb. 1998	Athens	<ul style="list-style-type: none"> <li>Establishment of the J/V HELPE S.A. – THRAKI S.A., the Greek participant in the project.</li> </ul>
Jan. 2002	Project Studies	<ul style="list-style-type: none"> <li>Extensive studies completed by ILF Consulting Engineers.</li> </ul>
Nov. 2004	Athens	<ul style="list-style-type: none"> <li>Political Memorandum initialed among Bulgaria, Greece and Russia.</li> </ul>
Jan. 2005	Moscow	<ul style="list-style-type: none"> <li>Legal and economical transit framework initially agreed.</li> <li>Group of Initiating Companies (GIC) created.</li> </ul>
Apr. 2005	Sofia	<ul style="list-style-type: none"> <li>Russia, Bulgaria and Greece signed a Memorandum on cooperation.</li> </ul>
Sep. 2006	Athens	<ul style="list-style-type: none"> <li>Russia, Bulgaria and Greece signed a Trilateral Declaration of Cooperation.</li> </ul>
Mar. 2007	Athens	<ul style="list-style-type: none"> <li>Russia, Bulgaria and Greece signed an Intergovernmental Agreement.</li> </ul>
6 Feb. 2008	Amsterdam	<ul style="list-style-type: none"> <li>Incorporation of the International Project Company of the Project “Trans-Balkan Pipeline B.V.” in Netherlands.</li> </ul>
Oct. 2008		<ul style="list-style-type: none"> <li>Project Studies Update awarded to ILF</li> </ul>
2009		<ul style="list-style-type: none"> <li>Elaboration of the technical studies</li> <li>Preparation of the environmental studies</li> <li>Public consultation procedure</li> <li>Transportation Agreement issues</li> </ul>
2010		<ul style="list-style-type: none"> <li>Completion of Project Technical studies expected by the end of June 2010.</li> <li>Planned submission of ESIA to the Ministries in both countries for approval</li> <li>Transportation Agreement Issues</li> </ul>



## **PRELIMINARY PROJECT CHARACTERISTICS FOR A CAPACITY OF 35 ÷ 50 MTA**

### **Pipeline**

- **Main Pipeline Length: 256 km**
- **Overall Pipeline Length: 336 km**
- **Main Pipeline Diameter: 42"**
- **Capacity 35÷50 Mta**

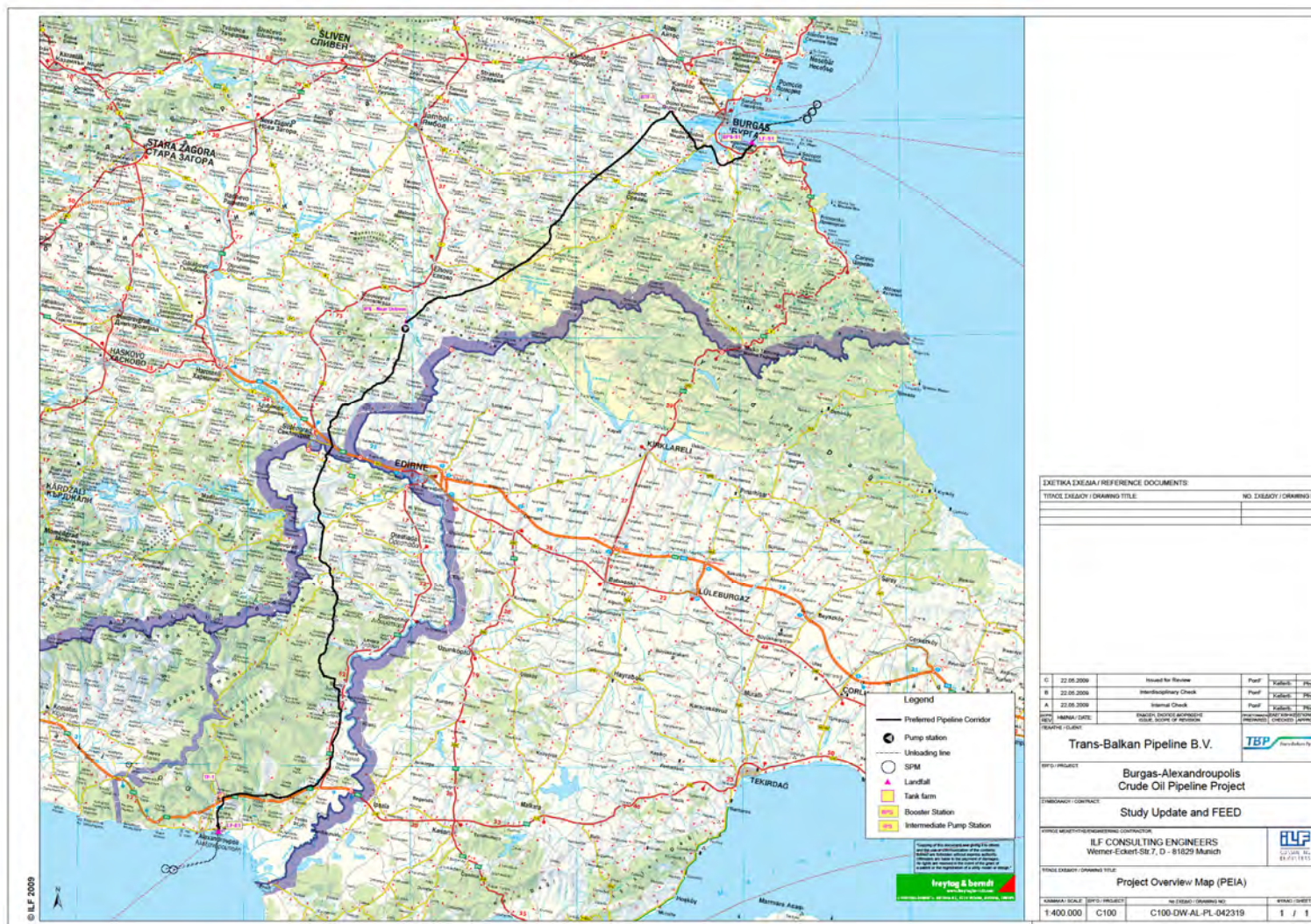
### **Burgas Tank Farm and Marine Facilities**

- **Tank Farm Capacity: 480 ÷ 640.000 m<sup>3</sup>**
- **Marine Facilities: 2 SPMs for 150.000 dwt Tankers each**

### **Alexandroupolis Tank Farm and Marine Facilities**

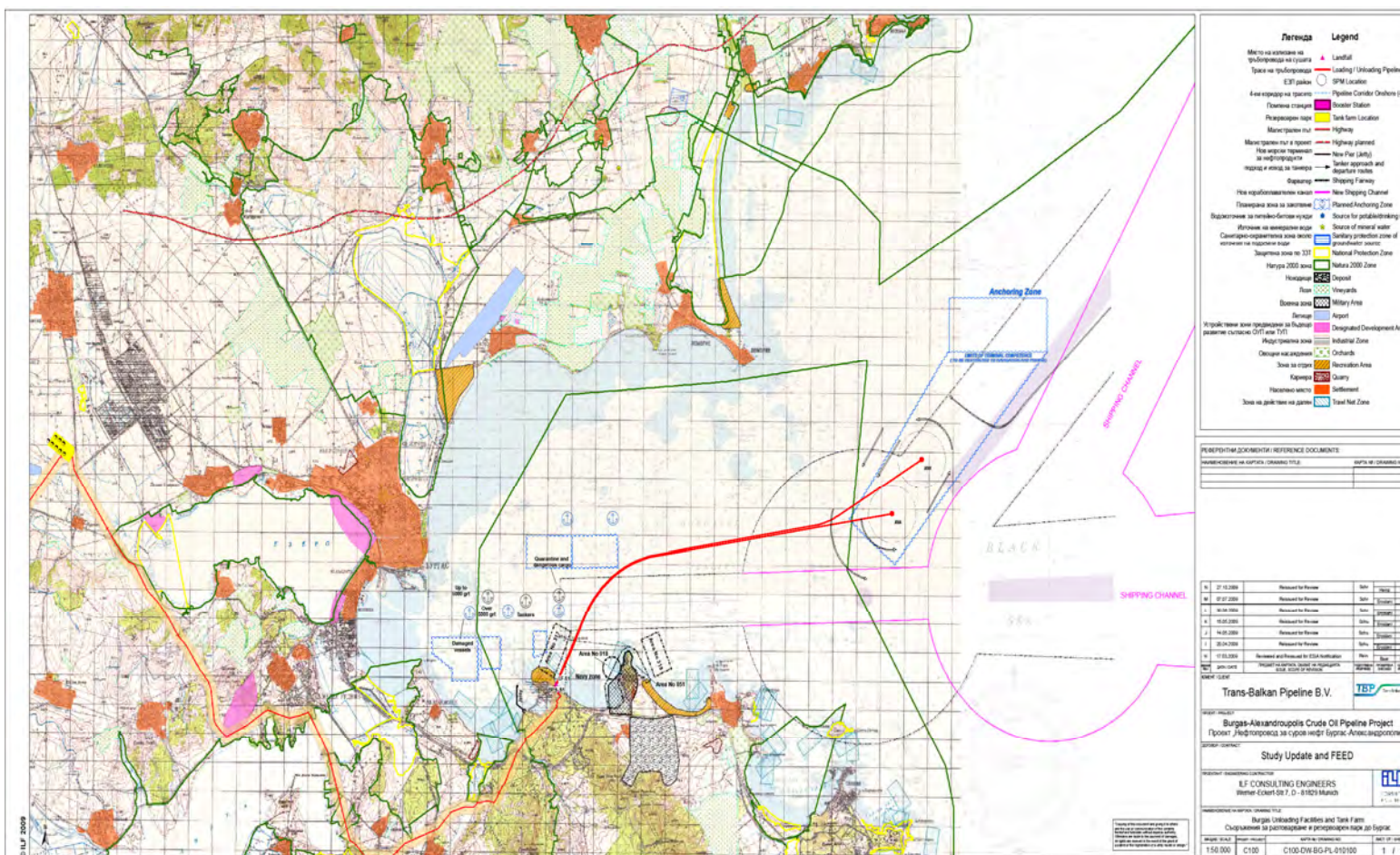
- **Tank Farm Capacity: 900 ÷ 1.200.000 m<sup>3</sup>**
- **Marine Facilities: 2 SPMs for 300.000 dwt Tankers each**

## General Indicative Map of the Project



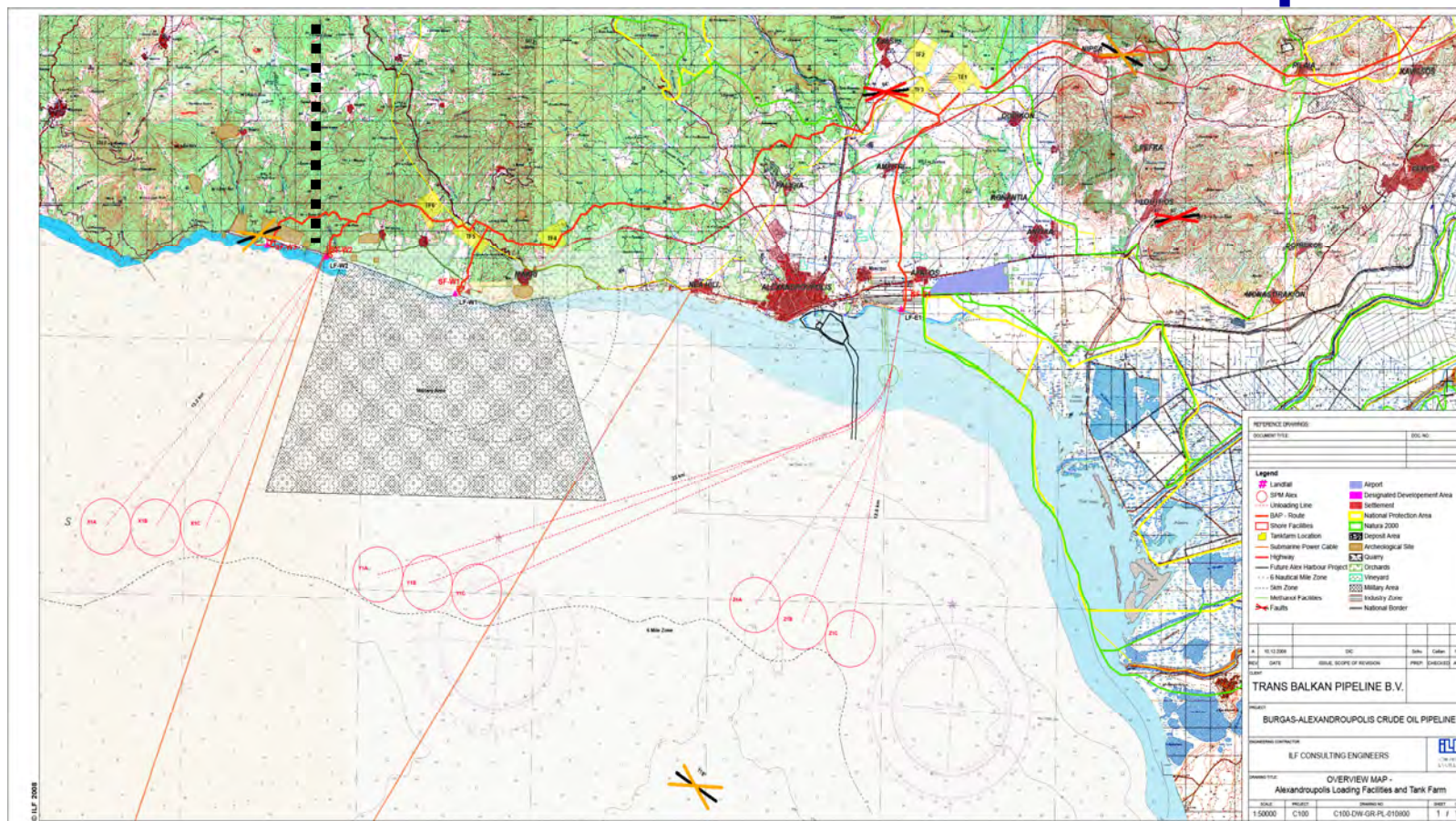


## Location Options Jetty/SPMs (Burgas)



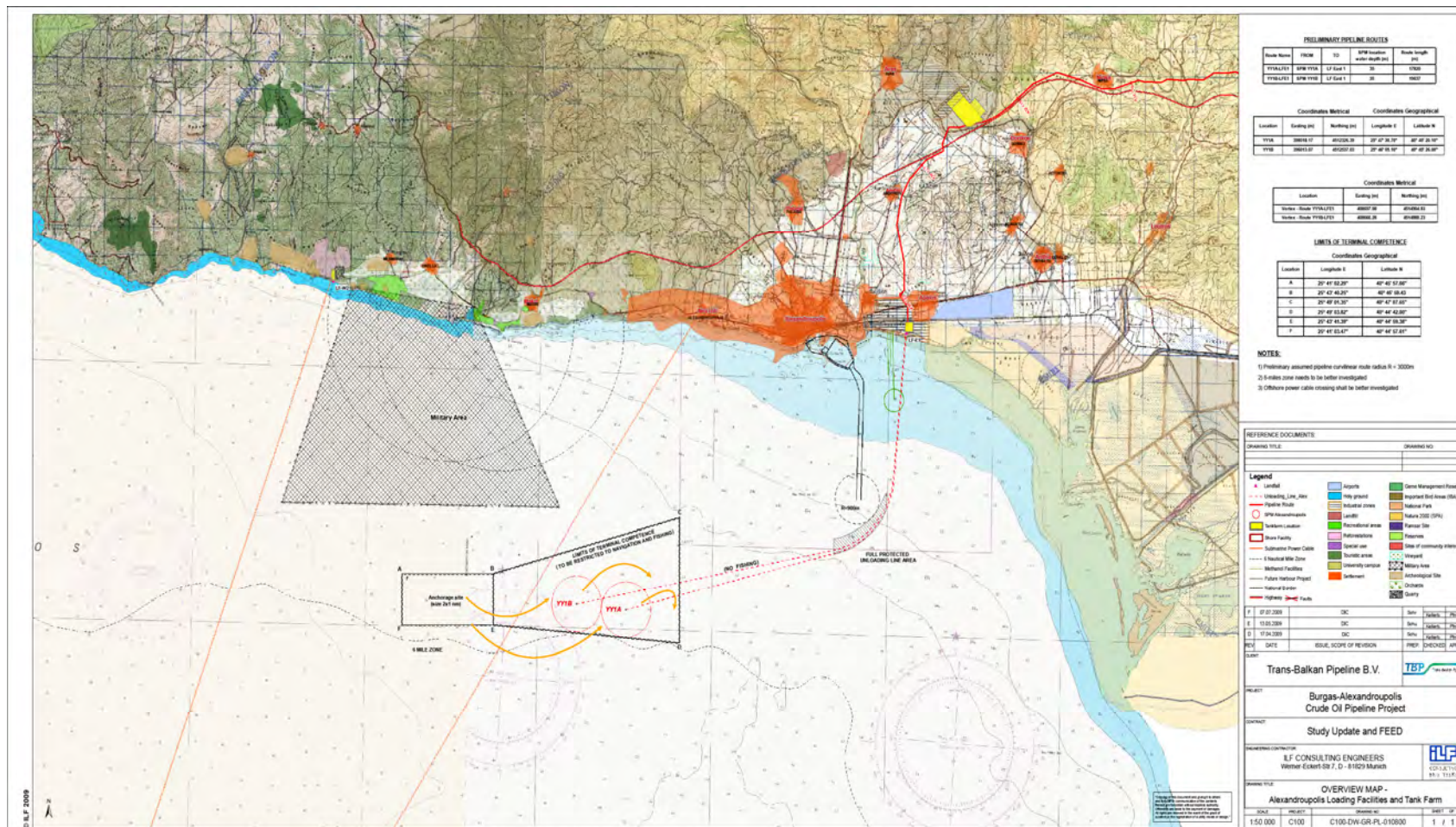


## Studied Alternatives in Alexandroupolis





## Location Option (Alexandroupolis)



## **CURRENT ACTIVITIES (2010)**

- **Environmental Studies under review**
- **Finalization of Technical studies in June 2010**
- **Submission of the Environmental studies to the ministries in both Countries for approval**
- **Public Consultation Procedures and Query Management Procedure**
- **Transportation Agreement**

## **FUTURE ACTIVITIES**

- **HGA issues**
- **Detail design**
- **Permitting / Land acquisition issues**
- **Procurement / Construction**



## **TBP's Values and Principles**

Throughout planning, development and implementation of the project, TBP is committed to:

- protecting the environment;
- respecting local communities and cultural heritage;
- safeguarding public health and occupational health and safety;
- employing best available technologies;
- applying highest safety standards to minimise any risks;
- applying international best practice Environmental and Social performance

Standards to develop the Project, and

- working in a constructive and continuous dialogue with the population in the project area , PCDP ( Public Consultation and Disclosure Plan), NGOs and the relevant authorities and other stakeholders.

## **Public Consultation Disclosure Plan (PCDP)**

- **Public consultations have started since the beginning of the technical studies (November 2008)**
- **Numerous presentations of the project and consultations took place with various statutory stakeholders, regarding the Technical and Environmental data of the project.**
- **Public presentations were held in municipalities along the route of pipeline where TBP presented to the local public its studies of the terrain, the environment, information about the current state of the project and of the reviewed alternative facility locations.**
- **Visit to the CPC Marine International Terminal and Tank Farm in Novorossiysk for representatives of the public and media from Bulgaria and Greece.**
- **Press conferences and interviews to the press.**
- **Informative meetings with Ministries and Supervised Organizations/Entities.**
- **A Query Mechanism has been set up in each country.**

## **SOME MAJOR CONSULTANTS OF TBP**

- **ILF Consulting Engineers**
- **Environmental Resources Management (ERM)**
- **Allen & Overy LLP , Law Firm**
- **Société Générale, Corporate & Investment Banking**
- **KPMG, Audit Advisor**
- **Deloitte & Touche (DT), Tax Consultant**
- **Cambridge Energy Research Associates(CERA)**
- **Local Consultants for Bulgaria/Greece**