

Nabucco Decision Delayed Until Next Year

By [The Moscow Times](#)

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VIENNA — A final investment decision for the Nabucco pipeline will definitely not happen this year and will be delayed until 2011 because gas supply talks with Azerbaijan are dragging on, an Austrian newspaper reported Friday.

The 7.9 billion euro (\$11 billion) Nabucco pipeline is part of the EU's effort to diversify its natural gas supplies by bringing up to 31 billion cubic meters of gas annually from the Caspian region to an Austrian hub via Turkey and the Balkans.

Construction on the project, which has already been subject to several delays, is scheduled to start next year with the first gas deliveries at the end of 2014.

"We are definitely not going to manage [the decision] this year; it will not happen until 2011," Michael Ulbrich, head of international pipeline projects at OMV, was quoted in Der Standard as saying. OMV is one of Nabucco's six shareholders. The Vienna-based consortium said in a

statement that the timeline had been "slightly rescheduled" last month because of gas supply discussions.

"We are aligning our project efforts with the suppliers' side. The shareholders are currently negotiating gas supply contracts which are a basis for the final investment decision," Nabucco spokesman Christian Dolezal said.

Azerbaijan has been in talks with more than 20 firms and consortiums and will decide later this year which project gets gas from its giant Shah Deniz II gas fields, co-led by BP and Statoil. The government has said the gas contracts will go to the company that offers the highest price, and the Nabucco and Russian offers are seen as the main contenders.

Gazprom said recently its competitors would not be able to beat its price for gas from Shah Deniz. Nabucco expects that the pipeline will transport its first gas from Iraq — 10 billion bcm — and another 8 billion bcm from Shah Deniz in 2015.

Nabucco's other shareholders are Hungary's MOL, Romania's Transgaz, Bulgaria's Bulgargaz, Turkey's Botas and Germany's RWE.

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