

Nabucco Could Revise Costs on Iraqi Pipe

By The Moscow Times

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Nabucco Gas Pipeline International may revise its cost estimate for the link to ship Caspian natural gas to Europe if it has to build a connection from the Iraqi border, managing director Reinhard Mitschek said.

The Vienna-based company expects to determine the project's cost this year after it finishes examining the viability of using an existing Turkish pipeline to Iraq, Mitschek said Friday. This doesn't necessarily mean the price tag will increase, he said.

The project plans to reduce construction costs by leasing the Turkish pipeline owned by state-owned operator Boru Hatlari ile Petrol Tasima, or Botas, to transport gas to the pipe's main trunk. Nabucco would need to build its own feeder pipeline in case no agreement is reached, he said.

The decision to include a feeder pipe from Iraq would extend the pipeline by more than 500

kilometers (310 miles) to 3,900 kilometers, Mitschek said.

Representatives of Nabucco's steering committee and of the Shah Deniz consortium met in Baku, Azerbaijan, last week to discuss "gas volumes and off takes" for supplying the pipeline, Mitschek said, adding that the "fruitful meeting" will be followed by another this month.

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