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Shmatko Pushes Sofia on Energy

By The Moscow Times

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Russia urged Bulgaria to speed up decisions to allow the countries to start building an oil pipeline bypassing Turkey's Bosporus as well as a nuclear power plant on the Danube River.

"We didn't discuss concrete timelines, but we should head into the homestretch and we expect final decisions on the fate of the project soon," Russian Energy Minister Sergei Shmatko told reporters in Moscow late Wednesday after meeting with his Bulgarian counterpart Traicho Traikov.

Bulgaria delayed approval for construction of the oil pipeline from the Black Sea port of Burgas to the Greek port of Alexandroupolis, on the Aegean, in late March for a second time as it considers concerns that an oil spill would harm tourism at the country's Black Sea resorts.

Bulgaria always adheres to its international agreements and doesn't plan to change that, Traikov said.

Russia, Bulgaria and Greece agreed in 2007 to build the 1 billion euro ($1.4 billion) link to bypass the Bosporus and Dardanelles, saving shipping costs. The 285-kilometer pipeline will be able to carry as much as 35 million tons of oil a year.

Bulgaria and Russia also aim to resolve outstanding issues on a project to build a new 2,000-megawatt nuclear power plant at Belene on the Danube, Shmatko said.

Bulgarian authorities are carrying out additional analysis on nuclear safety after Japan's worst-ever earthquake and tsunami last month damaged reactors and led to radiation leaks.

"We believe that our project meets all necessary safety standards," Shmatko said. "I am sure it will pass this test for higher security requirements that will now, of course, apply to all nuclear power projects."

Bulgaria has sought to construct a nuclear plant to meet growing energy needs as older utilities are decommissioned. The project stalled after a contract with Russian state-owned Rosatom was signed in 2005 because of a lack of funding and disagreements over Russia's demands for higher construction costs.

Rosatom increased the price to about 6.4 billion euros from 4 billion euros because of delayed construction. Bulgaria estimates the cost at about 5 billion euros.

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