The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

BP Launches Mirror Case Against Renova

By The Moscow Times

August 09, 2011



BP's Dudley, left, and Vekselberg. **Igor Tabakov**

British Petroleum has launched a legal case in a Stockholm arbitration court against Renova, one of the shareholders in its Anglo-Russian TNK-BP joint venture, a source at Renova said.

The source said BP's case centers on a possible failure by Renova, the investment vehicle of businessman Viktor Vekselberg, a member of the Moscow-based consortium that owns half of TNK-BP, to offer new energy projects to TNK-BP, in breach of the shareholder agreement.

BP's landmark drilling deal — spearheaded by chief executive Robert Dudley — with top Russian oil producer and TNK-BP rival Rosneft collapsed in the face of opposition from the consortium, which said BP had violated the shareholder agreement by failing to offer the deal to TNK-BP.

The case appears to mirror that filed by the Alfa-Access-Renova consortium, which

ultimately led Rosneft and BP to back down from their deal.

"BP is trying to create problems in order to get revenge," the source said.

The Renova source said the nature of the complaint was unclear. BP's Moscow spokesman was not immediately available for comment.

The AAR consortium is also suing BP for damages, saying the failed deal hurt its relationship with Rosneft and the regulators.

The Kommersant business daily said BP was alleging that Vekselberg, who also has extensive mining, construction and technology investments through his Renova Group, had violated the shareholder agreement by operating oil and gas assets independently without offering them to TNK-BP.

The TNK-BP shareholder agreement requires both sides to offer new business opportunities in Russia to the TNK-BP board before pursuing them independently.

Kommersant said the assets in question were gas and gas distribution assets held through Vekselberg's utility holding, Integrated Energy Systems, as well as the refueling complex at Yekaterinburg's airport, where Renova is financing renovation work.

Vekselberg ran TNK-BP's gas business as a senior executive for some years, and Renova is working on a deal to sell some of IES's power generation assets to Gazprom's utility business in a deal that would make him a minority shareholder in an enlarged Gazprom utility business.

Forbes magazine put the fortune of Vekselberg at $13 billion in April. His wealth comes largely from TNK-BP and a stake in aluminum giant RusAl, of which he is chairman, but he also has businesses in engineering and solar energy.

Original url:
https://www.themoscowtimes.com/2011/08/09/bp-launches-mirror-case-against-renova-a8782