The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Gazprom's Bric-a-Brac Rig Called a Risk to the Arctic

By Yekaterina Kravtsova

October 23, 2013



Gazprom's Prirazlomnaya platform was rushed into the Pechora Sea to circumvent regulation, activists say.

Gazprom's Prirazlomnaya platform, the advance guard of the coming expansion of Russia's state energy corporations into the Arctic, is a cobbled together bric-a-brac of second-hand parts, some of which date to 1984, environmentalists said.

The very presence of the Prirazlomnaya rig in the icy Pechora Sea is the result of a rush to get there before tighter regulations, which demand higher standards of equipment, came into force in 2012, said the environmental group Bellona.

Thirty Greenpeace activists, who tried to board the platform Sept. 18, remain incarcerated in a Murmansk jail. Charges of piracy against them were dropped Wednesday, replaced by the lesser charge of hooliganism.

Prirazlomnaya is due to pump its first oil next year.

The effects of a spill could be catastrophic. The Arctic is an ecosystem in slow motion. Constant low temperatures deprive the region of any natural regenerative capacity. Spilled oil will not disperse.

Increasing industry, by contributing to melting permafrost, could catalyze the release of huge quantities of methane. Malaria and tick-borne encephalitis may follow, and, on top of that, thawing bird carcasses could release Siberian plague virus, said Boris Revich, who heads the Forecasting Laboratory for the Environment and Public Health at the Russian Academy of Sciences.

Revich was speaking at the International Arctic Forum in Salekhard on the Yamal peninsular in September. President Vladimir Putin in his keynote speech at the forum declared Arctic extraction a national priority and said the region's industrialization was inevitable.

Adding substance to those words, the Regional Development Ministry announced Friday plans to spend 2 trillion rubles ($63 billion) by 2020 on a strategic program to develop the Arctic.

Clean Technology

Russia currently leads the world in the number of pipeline leaks, according to Greenpeace. At least 5 million tons of oil leak into environment every year, the group said.

While foreign companies will be brought in as partners, Rosneft and Gazprom have been given de facto monopoly rights on the resource-rich Arctic shelf.

Environmentalists say the two companies do not have the necessary experience for drilling in frozen seas and point to a long record of accidents both at sea and on land, such as sinking of the Kolskaya rig, owned by Gazprom's subsidiary Gazflot, in the Okhotsk Sea in 2011, which killed 53 crew members.

"Gazprom has a very dirty record on land, while Rosneft is the dirtiest of all Russian companies," said Vladimir Chuprov, head of Greenpeace's energy program.

No Russian companies drilling in the Arctic shelf have ever had any accidents, said Putin at the Arctic forum, where he expressed his hope that "such things will never happen because we use the latest innovative technologies." All projects undergo a thorough examination before launch, authorities say, neutralizing any possible negative impact for the Arctic environment.

But Gazprom Neft's Prirazlomnaya platform is as yet the only active oil rig in the area, and environmentalists claim the platform is in no way a good example of innovation.

"Prirazlomnaya horrifies all environmental activists," said Anna Kireyeva, a journalist with Bellona, an environmental group that has conducted an investigation into Prirazlomnaya platform.

Bellona discovered that Prirazlomnaya was constructed from second-hand Norwegian materials, information corroborated by Greenpeace.

The platform's construction began 18 years ago but was suspended a year later due to a lack of funding. Work was resumed only in 2002. In order to cut costs, the upper part was recycled from the Norwegian Hutton platform, a rig built in 1984, according to Bellona.

In 2005, Bellona published a report claiming that radioactive waste was found at Hutton.

Citing an unidentified employee at the Russian shipyard Sevmash, which purchased the Hutton rig, Bellona said the upper part of the platform contained radioactive material requiring additional security measures.

Hutton's fire warning system has more than 300 nuclear alert mechanisms, the employee said. According to Russian norms, only a rig in a high-risk category would have such a number.

Bellona's report also referred to research conducted by Sevmash, which confirmed that the upper part of the platform contained radioactive elements, mostly radium-226 and thorium-232.

The Prirazlomnaya rig, still incomplete, was sent to the Pechora sea in 2011 in order not to fall under tighter restrictions due to take effect from 2012, Kireyeva said.

"The authorities and oil companies substituted a complete unreadiness for drilling in the Arctic with statements about the use of innovative technologies," she said.

Moreover, Gazprom has refused to publicly discuss the ecological issues of the project, says Greenpeace.

In an interview with RIA Novosti earlier this month, Gennady Lyubin, managing director of Gazprom Neft subsidiary Gazprom Neft Shelf, which holds the license for the Prirazlomnaya field, denied that the platform was built of old used parts and said all the equipment was purchased after 2008.

Gazprom receives inquiries from Greenpeace constantly, Lyubin said, but dialogue is impossible because Greenpeace refuses to listen to any of the company's proposals and manipulates information.

In September, Gazprom Neft head Alexander Dyukov told reporters that the platform had several layers of protection from oil spills. The materials used in its construction were "appropriate," he said, and the decisions made were "right," and all equipment "previously tested."

Questions have been raised not only by the equipment to be used in the Arctic, but also by the people working with them and controlling them. The 2011 capsize and loss of the Kolskaya rig in the sea of Okhotsk occurred because its operators chose to tow it into dock in winter, outside of the approved season.

The Kolskaya rig contained no oil when it went under. Gazprom's Prirazlamnaya can hold 120,000 tons.

Yelena Kobets, an expert in the Arctic region who also works with Bellona, said that even if

the technologies were as innovative as the Russian government said they were, it was unlikely that Russian employees were well prepared to use them because there still was no adequate education for such specialists in Russia.

And since the Russian Arctic is a closed territory, she said, the government would be able to conceal information about catastrophes or downplay their scale.

Contingency Planning

The government has a plan for the liquidation of oil spills. A law requiring companies to create reserve funds to finance the cleanup of possible spillages and quick-reaction emergency teams ready to leap into action took effect in July.

However, there is no regulation requiring prevention and clean-up plans from vessels and organizations that transport oil and other hydrocarbons by water. Alexei Knizhnikov, head of the WWF's Ecological Policy of Oil and Gas Sectors Program, said in September that a set of rules and requirements for shipping must be accepted for the Northern Sea Route, which is seen as the main artery for oil transportation from the Arctic.

Greenpeace's Chuprov is unconvinced by the legislation and views it as a tacit acknowledgement by the government that the equipment used in the Arctic does not guarantee protection from the spilled oil.

Dmitry Kobylkin, governor of the Yamal-Nenets autonomous district, which is located within the Arctic Circle to the east of the Pechora Sea, echoed other officials, saying that only innovative technologies were used for oil drilling in the region and that all projects were discussed with members of public. He also cited a waste disposal and clean-up program that has absorbed more than 1 billion rubles of state subsidies as an illustration of the ecologically responsible approach of companies and authorities.

Absorbing all of that money are numerous and ongoing land oil leaks. According to Chuprov, there are enormous "oil lakes" in Khanty-Mansiisk and Yamal-Nenets autonomous districts and Komi republic, three territories spaced around the north Urals.

The most recent oil spill occurred in the Ustinsky district of the Komi republic. In June, the Investigative Committee opened a criminal case against Rusvyetpetro, a young oil company that was responsible for the spill. The accident had happened in November 2012, the committee said and Rusvyetpetro had hushed it up, thereby severely worsening the ecological consequences.

Greenpeace said LUKoil was also involved in the accident. The company denies the accusation.

Consequences

Oil spills in the Arctic can never be dissolved. Low temperatures block the natural cleaning mechanisms that work in warm waters.

Both the authorities and environmentalists recognize that accidents in the Arctic are more dangerous for the global environment that in any other part of the world.

"When I was on the Arctic shore with an expedition, I saw an off-roader's track, several years old, that had not grown over. It is difficult to imagine what the impact of an oil spill would be," said Kobets.

Environmental damage would intensify the melting of permanent ice, she said. If the ice bogs of the vast Taimyr peninsula in north-west Siberia begin to thaw, she added, large amounts of methane, a potent greenhouse gas, could be released.

At the Arctic Forum, the academic Revich said climate warming would also severely affect the health of people living in North-European Russia, spreading such diseases as malaria and tick-borne encephalitis.

"There is a risk that melting ice will release the Siberian plague virus from thawed-out animal burials," he said, adding that unknown viruses could also be found.

It is not only the drilling for oil on the shelf that worries scientists. Business activity in the neighboring regions sends soot and other emissions to the Arctic and covers the ice, exacerbating the melting process, said Kobets. These effects are a major cause of climate warming in the Arctic.

Last year, the Arctic lost a record amount of ice and snow, scientists from The National Snow and Ice Data Center, a U.S.-based polar research center, said in September. This may lead to an ice-free Arctic during the summer months by the middle of the 21st century, causing havoc to the region's biodiversity.

Scientists are also worried about native populations of the northern territories, which are continuing to decline.

Governor Kobylkin said that in recent years, the native population in his Yamal district had dropped by 11 percent to 42,000 people.

Summers have become much longer over the few last years, he said.

Environmentalist's Advice

A 10 year moratorium on drilling on the shelf should be introduced, until scientists develop technologies able to guarantee the safety of the Arctic environment, Greenpeace and the WWF said.

A balance between economic and environmental interests could be found, said the WWF's Shestakov, provided that the government take certain steps towards improving the legal base for the Arctic development and conduct a thorough analysis of possible threats.

First, he said, there should be a systemic analysis of all economic activity conducted in the Arctic.

"It is important not only to evaluate the impact that a single project will have but all future projects together because it could show that while one project is safe, 15 of them together could be dangerous," he said.

Secondly, certain areas, both on land and at sea, must be free of all economic activity.

"Norway has already cordoned off such areas in the Barents Sea. It would be useful if Russian areas were created and joined with the Norwegian ones," Shestakov said.

Third, he said, there should be legislation guaranteeing the involvement of local communities in the discussion of all future projects and transparency of decision making.

Despite Kobylkin's claim that every project was discussed at public hearings, Shestakov said that the current legislation made such hearings a mere formality and that all oil-company plans are in fact secret.

"The formal character of these hearings is particularly obvious in remote places with small villages, where local residents are not educated enough to process all of the information properly in one session. It requires time, but only one hearing is usually held," he said, adding that there was no serious discussion on launching the Prirazlomnaya platform.

Greenpeace said the government and oil producing companies did not want to have a dialogue with them.

At the International Arctic Forum, Putin said Greenpeace should come to the forum and express their discontent with Prirazlomnaya there, rather than protesting in the Barents Sea.

"We got an invitation," Greenpeace's Chuprov said, "but it was cancelled two weeks before our protest at Prirazlomnaya platform without giving any reason."

Contact the author at e.kravtsova@imedia.ru

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