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$6.5M U.S. Tech Bound for Russia Seized by Authorities

By The Barents Observer

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The turbine was to be put into use on Prirazlomnoye, Russia's only oil field in production on the Arctic shelf. **Gazprom Neft**

The attempted shipment of a Vector 40G turbine from the U.S. to Russia was halted last Tuesday as American authorities caught suspicions that the installation was destined for use in the Russian Arctic, the Kommersant business daily reported.

The $6.5 million turbine is produced by U.S. company Dresser-Rand. Its exportation to Russia would mean a violation of U.S. sanctions against the country. The case is now under investigation by U.S. prosecutors, Kommersant reported, citing court documents.

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includes a ban on the export of technology and services to Russia for deep-sea and Arctic offshore petroleum projects.

Among the five people arrested in the case are two leading representatives of the Russian company KS Engineering as well as the leaders of two American and one Italian energy companies. They face possible prison terms of up to 20 years and over $1 million in fines.

According to Kommersant, the turbine shipment was originally addressed to Kazakhstan, but customs officials in Europe reportedly caught suspicions about the delivery and returned it to the U.S., where American authorities investigated the case.

The turbine was to be put into use on Prirazlomnoye, the offshore oil project operated by Gazprom Neft. The platform operates in shallow waters in the remote Pechora Sea and launched production in late 2013. Today it is Russia's only oil field in production on the Arctic shelf.

The platform in 2017 produced a total of 2.6 million tons and in 2018 was to increase output to 3.6 million tons. Target production of about 5 million tons is to be reached in 2020.

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