



**Sakhalin Energy publishes AEA Independent Environmental Report for the Sakhalin II, Phase 2 Project.**

After six years of research and analysis, AEA's Independent Environmental Report, for one of the world's largest integrated oil and gas development projects – Sakhalin II, Phase 2 in the far east of Russia – has been completed. A full copy of AEA's report has been published and is available at: [www.sakhalinenergy.com](http://www.sakhalinenergy.com)

**Background**

AEA Technology (AEA) was engaged by Sakhalin Energy Investment Company (SEIC), as the Independent Environmental Consultant (IEC), for the Sakhalin II Phase 2 oil and gas development project in September 2001.

Since its engagement 6 years ago, AEA has undertaken an extensive Health, Safety, Environmental and Social (HSES) review and assessed Project performance against a set of standards, guidelines, legislative requirements, international treaties and conventions, and SEIC's own HSE standards.

**The Project**

The Project is an integrated oil and gas development project that will develop the Piltun-Astokhskoye and Lunsokoye hydrocarbon fields located off the north east coast of Sakhalin Island in far eastern Russia. The Project is massive, even by industry standards, and effectively comprises a number of major sub-projects. The main Project facilities/assets include:

- two new offshore platforms (in addition to modifications to an existing platform)
- offshore pipelines
- onshore pipelines
- an onshore processing facility
- an LNG/Oil Export Terminal and associated jetty facilities, and
- a Terminal Loading Unit.

These facilities are distributed over a wide geographical area, which includes numerous environmental and social sensitivities where the Project has potential to cause impacts. Such sensitivities include habitats for the critically endangered Western Gray Whale, wetland areas that are important for endangered bird species, protected areas, and a large number of commercially and ecologically sensitive rivers.

The Project also has the potential for social impacts, in part resulting from the influx of a large workforce and construction activities across the island.

**The Report**

AEA has now issued its project report which has been produced specifically for the potential Lenders to the Project, namely ECGD (Export Credits Guarantee Department – UK), JBIC (Japan Bank for International Co-operation) and US Exim (Export Import Bank of the United States).

In the report AEA details the project's HSE and social performance. It provides information to potential Lenders as input to their financing decision.

The report is available in full on [www.sakhalinenergy.com](http://www.sakhalinenergy.com)



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**Approach**

To carry out our monitoring and review of the project over 6 years, AEA has:

- undertaken 17 visits to the Project locations on Sakhalin Island.
- maintained a continuous presence on the island since the winter of 2005 to monitor pipeline construction.
- attended numerous project related meetings elsewhere, such as meetings convened to discuss protection measures for the Western Gray Whale
- spent 4500 man-days reviewing Project assessments/plans and, following the onset of construction, the implementation of these plans.

In addition to its own team of environmental and social specialists, AEA has been supported by a network other specialists, many of them world-renowned in their areas of expertise including erosion control, river management and protection of salmonids, Gray Whale behaviour, oil spill response.

**Expertise of AEA**

AEA is a leading international energy and environmental consultancy company, with over 700 people.

Within the oil and gas sector AEA has over 20 years experience working in the fields of HSE management systems, environmental risk, environmental and social impact assessment and due diligence. AEA has provided due diligence services around the world to financial institutions and other organisations over the past 10 years. Through this experience AEA has built up a team of highly experienced HSE specialists.

**For any further details on AEA please contact: Matthew Moth at 0044 (0)20 7593 4000.**

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