



**OMV: Romania's First Deep-water Well Indicates Hydrocarbon Presence**

153 words

3 February 2012

16:16

Dow Jones Business News DJON

English

(c) 2012 Dow Jones & Company, Inc.

VIENNA -(Dow Jones)- Hydrocarbons are present in Romania's first deep-water well, Domino-1, OMV Petrom SA (SNP.RO) said in a statement released Friday by its parent company, the Austrian oil and gas company OMV AG (OMV.VI).

"This is encouraging, but it is too early in the data evaluation and exploration to speculate whether it will prove to be commercial or not," said OMV Petrom.

Domino-1 is located in the Neptun Block of the Black Sea, 170 kilometers offshore in water about 1,000 meters deep. Since 2008, OMV Petrom and ExxonMobil Corp. (XOM) have worked together to explore the hydrocarbon potential of the Neptun Block. Drilling on the Domino-1 well started at the end of 2011.

-By Nicole Lundeen, Dow Jones Newswires; +43 1 513 69 2210, [nicole.lundeen@dowjones.com](mailto:nicole.lundeen@dowjones.com) [ 02-03-12 1016ET ]

Document DJON000020120203e82300051



# UPDATE: RWE CEO Says Might Scrap Plans For Nabucco Gas Pipeline

By Jan Hromadko, Klaus Hinkel and Alessandro Torello Of DOW JONES NEWSWIRES

789 words

17 January 2012

20:08

Dow Jones Business News DJON

English

(c) 2012 Dow Jones & Company, Inc.

BERLIN -(Dow Jones)- RWE AG (RWE.XE) could scrap its plans for the proposed Nabucco pipeline that aims to transport natural gas from the Caspian region to central Europe via Turkey, the German energy giant's chief executive officer told The Wall Street Journal Deutschland in an interview.

While still keen to import Caspian gas to Europe, RWE favors options "that keep our own financial exposure limited," said Chief Executive Juergen Grossmann. RWE, which has been badly hit by the German retreat on nuclear power, could support other pipelines that have competed with Nabucco, he added.

Grossmann 's comments mark the first concrete signal from a member of the Nabucco consortium that the pipeline may not be built, despite years of preparation. The remarks follow other recent developments that have harmed the prospects for Nabucco, long a Brussels priority to reduce Europe's dependence on Russian gas. A key shift has been the recent emergence of an Azeri-backed line that RWE said offered promise.

Nabucco has been a centerpiece of Europe's strategy of diversifying energy supplies away from Russia, but it is also a highly controversial project, which many experts criticized for its size -- too big for the gas available in the Caspian in the medium term-- and its costs --at least EUR7.9 billion, far more than other leading pipelines that target Caspian gas.

Nabucco's prospects have also been challenged by Russian-led South Stream pipeline, whose partners include European giants like Germany's BASF SE (BAS.XE) and France's Électricité de France SA (EDF.FR). Late last year, Azerbaijan and BP PLC (BP.LN) --which has a leading role in the consortium developing the Azeri field-- aired the idea of two other, possibly complementary, pipelines, one across Turkey and one from Turkey across Central Europe.

An RWE statement released Tuesday after Grossmann's remarks were published said the new TANAP line, the result of the Azeri-Turkish agreement, "needs to be explored" and that offers potential to "substantially lower our capital commitment and achieve our ultimate aims." But RWE's interest in TANAP doesn't imply "that RWE will "withdraw from the Nabucco project," RWE added.

The EU, and specifically the European Commission, its executive body, has spent years in the effort to bring Caspian gas to Europe and particularly supporting Nabucco, as it sees it as the more apt project in the aim opening a gas "corridor" between Central Asia and Europe.

An EU spokeswoman Tuesday declined to comment on Grossmann's remarks, but said the EU would meet its energy policy goals with another option under two conditions: if the pipeline could be expanded and if there is a certain legal framework. However, the commission reiterated Monday that its goal can also be met by using other pipeline

"In case it is decided that it is another pipeline, we welcome that and we would like these two conditions to be met," said Marlene Holzner, spokeswoman for Energy Commissioner Guenther Oettinger.

The recent Areri-Turkish proposal has "fundamentally changed the Southern Corridor landscape," said Jennifer Coolidge, Executive Director, CMX Caspian and Gulf Consultants Ltd. "A significantly shortened Nabucco, starting at the Turkish-Bulgarian border, is simply no longer a financially advantageous prospect for RWE, given the company's concerns mentioned by CEO Grossman," she added.

Grossman's remarks on the Nabucco project follow an annus horribilis last year for German utilities--including RWE and its main domestic competitor E.ON AG (EOAN.XE)--after the government's nuclear retreat and a tax on nuclear fuel worsened an already grim business climate amid weak wholesale power and gas prices. The nuclear policy reversal triggered billions of euros in extra charges for the utilities, which cut investment and pledged to conserve cash in response.

Scrapping its plans to participate in the multibillion-euro Nabucco project could help RWE to save a significant amount of cash.

Nabucco was named for a Verdi opera after the founding members of the Nabucco consortium listened to Verdi's Nabucco opera at the Vienna State Opera in 2002. Other members of the consortium declined comment or couldn't be reached Tuesday.

Whether the pipeline is called "Nabucco or Turandot doesn't really matter to us," Grossmann said in reference to the operas by Italian composers Giuseppe Verdi and Giacomo Puccini.

-By Jan Hromadko and Klaus Hinkel, Dow Jones Newswires; +49 69 29 725 503; jan.hromadko@dowjones.com; [klaus.hinkel@dowjones.com](mailto:klaus.hinkel@dowjones.com)

-By Alessandro Torello, Dow Jones Newswires; +32 2 741 14 88; [alessandro.torello@dowjones.com](mailto:alessandro.torello@dowjones.com) [

01-17-12 1408ET ]

Document DJON000020120117e81h00091



# RWE CEO Says Might Scrap Plans For Nabucco Gas Pipeline

By Jan Hromadko and Klaus Hinkel Of DOW JONES NEWSWIRES

961 words

17 January 2012

11:14

Dow Jones Business News DJON

English

(c) 2012 Dow Jones & Company, Inc.

BERLIN -(Dow Jones)- RWE AG (RWE.XE) could scrap its plans for the proposed Nabucco pipeline that aims to transport natural gas from the Caspian region to central Europe via Turkey, the German energy giant's chief executive officer told The Wall Street Journal Deutschland in an interview.

RWE's main priority is to source gas with as little investment as possible, as the power and gas utility seeks to reduce debt after Germany's shift in nuclear energy policy in 2011 hit the company's finances, CEO Juergen Grossmann said.

RWE may sell fewer assets than previously planned, however, partially because some parts of its power generation business have developed better than anticipated, Grossmann said.

Grossmann's comments Monday are the first concrete signal from a member of the Nabucco consortium that the pipeline may not be built, despite years of preparation.

The CEO's remarks on the Nabucco project also follow an annus horribilis last year for German

utilities--including RWE and its main domestic competitor E.ON AG (EOAN.XE)--after the government's nuclear retreat and a tax on nuclear fuel worsened an already grim business climate amid weak wholesale power and gas prices. The nuclear policy reversal triggered billions of euros in extra charges for the utilities, which cut investment and pledged to conserve cash in response.

Scrapping its plans to participate in the multibillion-euro Nabucco project could help RWE to save a significant amount of cash.

"The important thing is that Caspian gas flows to Europe and that it arrives in the quantities, and where, we need it," said Grossmann, adding that RWE would be happy to source gas via other pipelines.

Whether the pipeline is called "Nabucco or Turandot doesn't really matter to us," Grossmann said in reference to the operas by Italian composers Giuseppe Verdi and Giacomo Puccini.

The founding members of the Nabucco project had formed the consortium at a meeting in Vienna and subsequently listened to Verdi's Nabucco opera at the Vienna State Opera in 2002.

"On the contrary, we are pleased about all solutions [to ship Caspian gas to Europe] that keep our own financial exposure limited," Grossmann said.

RWE and six other European energy companies--including Austria's OMV AG (OMV.VI)--have been planning to build the Nabucco pipeline for years and have had strong political support for the project from the European Union, which considered the project key to diversify gas sources away from its presently dominant supplier, Russia.

However, the costs for Nabucco are enormous--officially EUR7.9 billion, with some industry observers expecting the price tag to rise considerably. A recent agreement between Turkey and Azerbaijan to build a pipeline from the Caspian Sea to Turkey's western border, with the aim of exporting gas from Azerbaijan to Europe, has also raised fresh doubt over the Nabucco project.

Grossmann said that RWE's involvement in Nabucco has already paid off for the company.

"We have exploration licenses in Azerbaijan and Turkmenistan that have certainly increased in value," he said, adding that these concessions were gained in talks related to the Nabucco project.

Grossmann also said that RWE may not need to sell as many assets as it had expected in August, when the company said it planned to dispose of assets worth "up to EUR11 billion" as part of its effort to repair its balance sheet.

Grossmann said he would now stress the wording "up to," more than the figure EUR11 billion, declining to detail a new target.

"For some of our operating businesses, we are now more optimistic and have better results contributions than we had anticipated at the time [of announcing the target]," he said.

For instance, the company's lignite-fired power plants are generating solid profit margins, helped by relatively low fuel costs and weak prices for carbon dioxide emissions allowances. RWE operates opencast lignite mines in western Germany that supply its power plants.

So far, RWE has sold assets worth some EUR1.5 billion, including its German gas and power transmission networks Thyssengas and Amprion.

Grossmann added that RWE could sell minority stakes in its German power distribution networks, possibly to municipalities. In a similar transaction, RWE last year sold 75% of its electricity grid business Amprion to a group of financial investors, including insurance companies.

At present, RWE is in talks with German municipalities to sell stakes in three regional energy

suppliers--Suewag, Kevag and VSE--with Suewag alone expected to generate proceeds of around EUR800 million, according to people familiar with the matter.

Grossmann ruled out that RWE could sell interests in other regional energy suppliers, however.

The company's asset-disposal program is part of its broader effort to reduce debt and protect its credit ratings after the German nuclear policy reversal. RWE also raised EUR2.1 billion in a capital increase in December and previously pledged to reduce investment and increase savings.

Grossmann ruled out that the company's savings measures could include massive layoffs, as currently planned by its competitor E.ON.

RWE has a wide range of instruments at its disposal to avoid layoffs, Grossmann said. He declined to detail the measures, adding that the company is in talks with workers' representatives.

Concrete decisions about new savings targets and a reduction of jobs, but without mandatory layoffs, will be made at a supervisory board meeting in February before being announced at the company's annual earnings press conference March 6, Grossmann said.

-By Jan Hromadko and Klaus Hinkel, Dow Jones Newswires; +49 69 29 725 503; jan.hromadko@dowjones.com; [klaus.hinkel@dowjones.com](mailto:klaus.hinkel@dowjones.com) [ 01-17-12 0514ET ]

Document DJON000020120117e81h0003r



# Austrian Minister Opposed To Shale Gas Drilling - Report

130 words

24 November 2011

10:53

Dow Jones Business News DJON

English

(c) 2011 Dow Jones & Company, Inc.

FRANKFURT -(Dow Jones)- Austrian Environment Minister Nikolaus Berlakovich said he is opposed to shale gas drilling for environmental reasons, the daily Der Standard reports Thursday.

"I am absolutely opposed to shale gas drilling, and experiences in the U.S. show that the effects on the environment can be detrimental," Berlakovich told Der Standard.

Renewable energies, energy efficiency and saving energy should be favored over fossil energy, Berlakovich said according to the article.

Berlakovich's sentiment could result in companies like Austria's OMV AG (OMV.VI) being denied permission to extract the country's shale gas deposits.

Article website: <http://derstandard.at/1319183622511/Minister-Gas-soll-im-Gestein-bleiben>

-Frankfurt Bureau, Dow Jones Newswires; 49-69-29725-500. [ 11-24-11 0453ET ] Document DJON000020111124e7bo0001z



# OMV: Made "Promising" Oil Discovery In Kurdish Region Of Iraq

167 words

3 June 2011

18:06

Dow Jones Emerging Markets Report EM

English

(c) 2011 Dow Jones & Company, Inc.

LONDON (Dow Jones)--Austrian oil company OMV AG (OMV.VI) said Friday it has made a "promising" oil discovery at the Bina Bawi oil well in the Kurdish region of Iraq, although the company gave no information about the size of the discovery.

"It seems good quality oil and it was flowing to surface following a draw down test," Jaap Huijskes, OMV's head of Exploration and Production, said in a statement. "We are now going to continue drilling but I am confident that the final results will be promising," he said.

The well encountered hydrocarbons in one of the primary reservoir targets, but is still being drilled toward deeper potential targets, the statement said. OMV said it will divulge the full potential as soon as more information is available.

Company website: [http://www.omv.com](http://www.omv.com/)

-By James Herron, Dow Jones Newswires; +44 (0)20 7842 9317; [james.herron@dowjones.com](mailto:james.herron@dowjones.com) [ 03-06-11 1611GMT ]

Document EM00000020110603e763000b7



# EU Energy Chief Sees Possible Reactor Shut Downs On Stress Tests-Report

300 words

18 May 2011

11:57

Dow Jones International News DJI

English

(c) 2011 Dow Jones & Company, Inc.

FRANKFURT (Dow Jones)--European Union Energy Commissioner Guenther Oettinger expect that the stress tests of Europe's nuclear power plants could result in some shut-downs, if the safety review that was initiated after Fukushima finds deficiencies, German weekly newspaper Die Zeit reports ahead of publication Thursday.

"Yes, I can imagine that the new [safety] requirements could include considerable retrofitting and in individual cases lead to the shut-down" of nuclear reactors, Oettinger is quoted as saying.

Nuclear authorities of EU member states are currently trying to set up criteria for checking the safety of Europe's 143 nuclear plants. So far, however, the EU has failed to come to an agreement, and Oettinger tells Die Zeit that there continues to be differences of opinions on the issue.

Countries that rely heavily on nuclear energy are reluctant to transfer controlling functions to the EU level, he said.

With regard to more conventional forms of energy, Oettinger also said high costs for the planned Nabucco gas pipeline, which is slated to transport gas from the Caspian region to central Europe, could pose a problem for the project.

"Nabucco costs billions [of euros] and it isn't very easy to convince banks and investors that the project makes sense," Oettinger is quoted as saying.

Oettinger last week said Nabucco could cost up to EUR15 billion, which would be considerably more than the present official cost estimate of EUR7.9 billion.

The Nabucco consortium comprises German utility RWE AG (RWE.XE), Austria's OMV AG (OMV.VI), Turkey's Botas, Bulgaria's Bulgargaz, Hungary's MOL Nyrt (MOL.BU), and Romania's Transgaz.

Newspaper website: [www.zeit.de](http://www.zeit.de/)

-Frankfurt Bureau, Dow Jones Newswires; 49-69-29725-500. [ 18-05-11 0957GMT ] Document DJI0000020110518e75i000rz

# Search Summary

|  |  |
| --- | --- |
| Text |  |
| Date | 05/04/2011 to 04/04/2012 |
| Source | Major News and Business Sources Or Reuters Newswires |
| Author | All Authors |
| Company | OMV AG |
| Subject | Environmental Pollution Or Corporate Social Responsibility Or Natural Environment Or Sustainable Development/Sustainability Or Natural Disasters/Catastrophes |
| Industry | All Industries |
| Region | All Regions |
| Language | English |
| Results Found | 12 |
| Timestamp | 29 November 2018 15:35 |