

Russia's Novatek announces launch of huge Arctic gas project

September 5 2019



Novatek has experience working in the Arctic with its LNG project on the Yamal peninsula

Russia's Novatek on Thursday announced the launch of a major liquefied natural gas project in the Arctic with Chinese, French and Japanese partners.

The privately owned company said that a "final investment decision" had

been made on financing the \$21 billion Arctic LNG 2 project with partners including France's Total, CNPC and CNOOC of China, and a Japanese consortium.

The announcement came during Russia's Eastern Economic Forum in Vladivostok, where President Vladimir Putin is hosting Asian leaders including Japanese Prime Minister Shinzo Abe and Indian Prime Minister Narendra Modi.

The Arctic LNG 2 will see the development of the Utrenneye field and the building of a natural gas liquefaction plant on the Gydan Peninsula in Russia's Arctic.

The plant will have a capacity of 19.8 million metric tonnes and its first exports are expected in 2023.

"Today we have taken another step forward in our goal to become one of the largest LNG producers in the world," Novatek CEO Leonid Mikhelson said in a statement.

Novatek became Russia's largest independent natural gas producer following the launch two years ago of its first Arctic LNG plant in the Yamal Peninsula.

Russia, already the world's biggest gas exporter, is keen to develop its LNG potential in the Arctic, in particular for Asian markets.

Novatek, founded in 1994 and traded on the Moscow and London stock exchanges, owns 60 percent of the Arctic LNG 2 project.

Total holds 10 percent, CNPC and CNOOC Limited each 10 percent and the Japanese consortium of Mitsui & Co and JOGMEC another 10 percent.

© 2019 AFP

Citation: Russia's Novatek announces launch of huge Arctic gas project (2019, September 5)
retrieved 12 May 2024 from <https://phys.org/news/2019-09-russia-novatek-huge-arctic-gas.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.