

PRESS RELEASE
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PRESIDENT OF RUSSIA DMITRY MEDVEDEV VISITS KRASNODARSKAYA CHPP

During his trip to Krasnodar, President of Russia Dmitry Medvedev visited Krasnodarskaya Combined Heat and Power Plant (CHPP), a major production facility of OOO LUKOIL-Kubanenergo.

Accompanied by President of OAO LUKOIL Vagit Alekperov and Krasnodar Territory Governor Alexander Tkachev, the President of Russia inspected a new 410 MW combined-cycle gas turbine (CCGT-410).

The CCGT-410 construction has been completed. The turbine is being prepared for start-up.

The new unit will increase the installed electric capacity of Krasnodarskaya CHPP by 50% to 1,090 MW.

The efficiency factor of CCGT-410 is 57%, which is 1.5-times higher compared to the existing steam turbine units installed at the vast majority of Russian thermal power plants (TPP) and combined heat power plants. The new turbine consumes 350 million cubic meters per year less natural gas than conventional steam turbine units with a similar capacity.

State-of-the-art natural gas combustion technologies used by CCGT-410 reduce NOx emissions to 50 mg per cubic meter or less, which is considerably lower than emissions from typical steam boilers.

CCGT-410 will cover up to 10-15% of electric load in the region and improve energy supply reliability in Krasnodar Territory, which is especially important in light of the upcoming 2014 Winter Olympics.

CCGT-410 is the second project implemented by LUKOIL in the south of Russia as part of its obligations for electric power supply to the wholesale electricity and capacity market. In April of 2011, LUKOIL commissioned a 110 MW CCGT at Astrakhanskaya TPP.