

Press release*Astana, December 13, 2023***The subsidiary organization of KazTransOil JSC completed the modernization of the main water pipeline "Astrakhan - Mangyshlak"**

In the Atyrau region "Main Waterline" LLP (100% share of participation JSC "KazTransOil") has completed the implementation of the project "Reconstruction and expansion of the main water pipeline "Astrakhan - Mangyshlak" 1st stage."

The connection of the facility took place with the participation of the Prime Minister of the Republic of Kazakhstan (RK) Alikhan Smailov, who launched the main water pipeline via video communication.

The official ceremony was also attended by First Deputy Prime Minister of the Republic of Kazakhstan Roman Sklyar, Akim of the Atyrau region Serik Shapkenov, Minister of Energy of the Republic of Kazakhstan Almasadam Satkaliev, Chairman of the Board of Samruk Kazyna JSC Nurlan Zhakupov, Chairman of the Board of NC KazMunayGas JSC Magzum Mirzagaliev, General Director (Chairman Board) of KazTransOil JSC Talgat Kurmanbaev, General Director of Magistralny Vodovod LLP Berik Salpek.

Construction and installation work began in the 4th quarter of 2022. As part of the project, two sections of the Astrakhan-Mangyshlak main water pipeline with a length of about 176 km were replaced. As a result of the project implementation "Main Waterline" LLP will provide the throughput capacity of the Astrakhan - Mangyshlak main water pipeline from 110 thousand m³ to 170 thousand m³ per day.

The main water pipeline "Astrakhan - Mangyshlak" is a strategically important object, it is the only centralized source of water supply for consumers of the Kurmangazy, Isatay and Zhylyoi districts of the Atyrau region, as well as for the city of Zhanaozen, Beineu, Mangystau, Karakiya and Tupkaragan districts of the Mangystau region. The population consuming water makes up more than 35% of the population of the Mangystau region and more than 28% of the population of the Atyrau region. Every year, water consumption by the population grows by 4-5%.

The functioning and development of oil and gas production and industrial enterprises, as well as petrochemical production projects located in the special economic zone "National Industrial Petrochemical Technopark" in the Atyrau region depends on the uninterrupted supply of Volga water.

Let us recall that by the decision of the State Commission on Modernization of the Economy of the Republic of Kazakhstan dated December 30, 2022, anti-crisis funds in the amount of 70 billion tenge were allocated from the National Fund of the Republic of Kazakhstan to JSC Samruk-Kazyna for the implementation of the project. These funds were raised by Magistralny Vodovod LLP in the form of bond loans from JSC NC KazMunayGas. In turn, NC KazMunayGas JSC, to finance the project, attracted similar bond loans from Samruk-Kazyna JSC for a total amount of 70 billion tenge.

To reimburse the costs of project implementation and the provision of regulated water supply services, "Main Waterline" LLP increased, from September 1, 2023, tariffs for regulated water supply services for oil and gas producing enterprises by 38.5% from 1,350.17 tenge/m³ to 1,870.55 tenge/m³, for industrial enterprises and other commercial organizations by 37.5% from 455.87 tenge/m³ to 626.66 tenge/m³. At the same time, the tariff for the population, budgetary and non-profit organizations, enterprises providing utilities to the population, budgetary and non-profit organizations in the amount of 18.04 tenge/m³, as well as the tariff for agricultural producers in the amount of 64.98 tenge/m³ remained at the same level.

The cost of the project, according to the results of design estimates, was 125 billion 751 million tenge, excluding VAT. Based on the results of optimization, the cost of the project was reduced to 100 billion 680 million tenge excluding VAT.

For reference:

KazTransOil JSC is the national oil pipeline operator with a diversified network of oil pipelines 5.4 thousand km in length. It is part of the NC KazMunayGas JSC group.

KazTransOil JSC owns 100% of the shares in the authorized capital of "Main Waterline" LLP. "Main Waterline" LLP is the owner of the Astrakhan - Mangyshlak main water pipeline.

“KazTransOil” JSC
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