

May 3, 2007

Ian Craig
Chief Executive Officer
Sakhalin Energy Investment Company, Ltd.
Sakhalin Island, Russia

CC: Mr. Yuri Trutnev, Minister of Natural Resources, Russian Federation
Mr. Alexey Miller, Chief Executive Officer, Gazprom
Mr. Jeroen van der Veer, Chief Executive Officer, Royal Dutch Shell
Mr. Yorihiro Kojima, Chief Executive Officer, Mitsubishi Corporation
Mr. Shoei Utsuda, Chief Executive Officer, Mitsui Corporation
Mr. Shinozawa Kyosuke, Governor, Japanese Bank for International Cooperation
Mr. Patrick Crawford, Chief Executive, UK Export Credit Guarantee Department
Mr. James Lambright, Chief Executive, US Export-Import Bank

Mr. Craig,

The undersigned environmental organizations write to request again that the Sakhalin Energy Investment Company Ltd. (SEIC) disclose for public comment its draft oil spill prevention and response plans for all elements of the second phase of Sakhalin II.

For almost a decade our organizations have attempted to engage SEIC in good faith to obtain information on the potential impacts of Sakhalin II on the people and environment of Sakhalin Island and Northern Japan, on the critically endangered population of Western Gray Whales, on marine fisheries, and on the commons of international waters. Public participation in the environmental assessment process is a long-standing international norm and a requirement of many public and private banks that are considering support for Sakhalin II. Nothing could be more central to the environmental assessment of an oil project than analysis of risks and the adequacy of mitigation measures to prevent and respond to oil spills. Public disclosure of draft oil spill response plans, before they receive Russian Federation State Approval, is therefore necessary to ensure that the public's right to participate in one of the most environmentally significant aspects of Sakhalin II is respected. This will also help meet the key SEIC commitment to follow the best international environmental standards.

SEIC has repeatedly asserted that it cannot disclose the draft oil spill response plan until Russian authorities approve it. Yet, SEIC has decided to disclose the draft plan to several third parties. SEIC's argument that the potentially affected public cannot also review the draft plans is untenable.

In addition to financial liabilities, any significant oil spill associated with Sakhalin II will carry with it enormous reputational damage for SEIC, Gazprom, Royal Dutch Shell, Mitsui, Mitsubishi, and any finance institutions that may support the project. That damage will only be worsened when it is revealed that you repeatedly refused to publicly

disclose the draft plans. Public disclosure of draft oil spill response plans will result in suggestions for improvements in the plans, as well as broader public understanding of SEIC's activities.

We ask that you respond to this request by providing the draft oil spill prevention and response plans in a timely manner, and that you facilitate an adequate public comment period on them.

Sincerely,

Dmitry Lisitsyn
Chairman
Sakhalin Environment Watch
Russia

Grigory Tsidulko
Campaigner – Whales
International Fund for Animal
Welfare—IFAW
Russia

Michael Brune
Executive Director
Rainforest Action Network

Paul de Clerck
Coordinator—Corporate Campaign
FOE International/FOE Europe

Nicholas Hildyard
The Cornerhouse
United Kingdom

Petr Hlobil
Campaigns Director
CEE Bankwatch
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Volker Homes
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Aleksey Knizhnikov
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James Leaton
Senior Policy Advisor
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Mika Minio
PLATFORM
United Kingdom

Dr. Andreas Missbach
Private Finance Programme
Berne Declaration

Doug Norlen
Policy Director
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United States

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United Kingdom

Huub Scheele
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