



Prospect of Iran Natural Gas Export Projects

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Iran LNG Project

Introduction:

Iran LNG project aiming at establishing a liquefaction plant for natural gas is well underway in Tombak 50 Km NW of Asaluyeh and 15 km SE of Kangan-pars 2 (Tombak) . This project comprises two phases those of feasibility and execution. The latter phase is underway

within two trains each of which has one liquefaction unit.

The capacity of each liquefaction unit is nearly 5.5 million tons annually. South Pars Gas Field, Phase 12 provides the feed gas for this plant and the German Linde Co. undertakes the liquefaction technology.

Current Shareholders		Future Shareholders	
NIGEC	49%	NIGC & Saving	
Saving, Welfare & Pension Funds Of petroleum Industry	10%	Welfare & pension Funds of Petroleum Industry	20%
Petroleum Industry	1%	Investors	80%
Pension Fund			
Ready for Investors	40%		

Upstream Responsible : POGC

Applicant investor companies :

Midstream Responsible: NIGEC

OMV, Eon , Enel,Enbw,Econgas and

Main Train Figures:

Feed gas	27MM ³ /Day
LNG Production	5.5MTPA
Propane Production	0.26MTPA
Butane Production	0.196MTPA
Condensate Production	0.21MTPA
Sulphur Production	0.133MTPA

Plant Main Characteristics:

Liquefaction Technology	Linde
Mercaptan Removal	Gas Phase (Molecular Sieve &Lurgi Purisol)
Compressor Driver	Electric Motor
Sulphur Recovery	Lurgi Oel-Gas-Chemie GmbH(Claus Provens)
Acid Gas Removal	BASF (AMDEA) through Lurgi Oel-Gas-Chemie GmbH
Cooling Medium	Hybrid-Sea Water&Air
Heating Medium	Steam
Power Generation	Combined Cycle Power Plant(1000MW)
LNG Tanks	3Full Containment Tanks,Each,140.000m ³
LPG Tanks	2Full Containment Tanks,Each30.000m ³

Pars LNG Project

Introduction:

This Project is deemed to annually produce 10 million tons of LNG for which the daily input gas of the plant is nearly 46 million tons of sour gas supplied by South Pars Gas Field, phase 11. There are two 32-inch pipelines through molecular sieve and demercurization, it will get refrigerated and liquefied by Axens technology. Afterwards, the product will be stored in

two tanks each of which to 155000 m³ of capacity and then marketed by LNG ships from the jetty.

It is noteworthy that, a 1000 MW power plant utilizing gas turbines with the method that of combined cycle will provide the power required for the project.

Current Shareholders	
NIGEC	50%
TOTAL	40%
PETRONAS	10%

Project Specification:

Location	50 km North West Assaluyeh, Tombak Village
Feed Stock	Supplied From South pars field-Phase11
Liquefaction Units	2
Production	10MT/Year by 2 Train
Executing Agency	Pars LNG
Liquefaction Technology	Axen

Plant Main Characteristics/Train:

Feed gas	46 MM / Day	H ₂ S Content:0.4%-0.9%
		Nitrogen:3.5%-4.5%
		Mercaptan:400ppm
		Co ₂ Content:2.3%-2.5%
		Other Hydrocarbons:8%
LNG Production	5 MTPA/Train	
Propane Production	179 KTPA/Train	
Butane Production	212 KTPA/Train	
Condensate Production	3400 BODP/Train	
Sulphur Production	77 KTPA/Train	
Project Start up	2001	
LNG Delivery Start Date	2013	
The Iranian Local Content for construction of NIOC LNG Project Shall not be Less than 51%		

Persian LNG Project

Introduction:

Persian LNG Project in pursuit of the establishment of a liquefaction plant for natural gas, is well underway in Tombak region, 50 km NW of Asaluyeh and 15km SE of Kangan-Pars 2(Tombad). This project is made up of

two phases. The first phase includes two units for sweetening and condensation extraction and one unit for LNG production. In the second phase, one more unit that of sweetening and condensation extraction and one more for LNG Production will be added. Each LNG production unit is expected to annually meet 8.1

MT of production (16.2MT in total). South Pars Gas project which will daily totaling 78 MM3.
 Field, phases 13 and 14 will provide the feed gas of the

Current Shareholders	
NIGEC	50%
SHELL	25%
REPSOL	25%

North Pars Project

Introduction:

This Project based upon a barter and a counter purchase with a 7-year refund is after developing North Pars phase with 52 TCF of gas reserves in SE of Boushehr. The would-be gas from this phase will be put to use for LNG production in a plant to be constructed by Chinese CNOOC co. in Tombak region in 2013. This

plant comprises 4 trains each of which is 5 MT of capacity totaling 20 MT. Half of the product belongs to NIOC for a 25-year term and CNOOC will pay NIOC the cost of the remaining gas upon the agreement concluded.

NIGEC is to sell CNOOC the feed gas on behalf of NIOC. All the equipment will be ceded to NIOC after this 25-year term.

Current Shareholders	
CNOOC	100%
<ul style="list-style-type: none"> Based on agreements instead of tolling fee half of LNG production belongs to NIOC Plant ownership will be delivered to NIOC after 25-year time 	
Location	Tombak Port ,South East Bushehr
Gas Field	North Pars Gas Field
No trains	4
Production MT/Year	20
Agreement Duration (Between Iran &China)	25 Years
Feed Gas Amount MM ³ /Day	113.3
Project Start Date(Negotiation)	2006
Production Start Date	2014

Golshan & Ferdowsi Projects

Introduction:

This project, based upon buy back with a 7-year refund through the sale of the fields gas and by – products is firstly intended to develop Golshan and Ferdousi Gas Fields in SE of Boushehr . Secondly this project is expected to bring an LNG plant into being through the investment of Malaysian Petrofield Company so as to produce two trains each of which gas 5 MT of annual capacity. Half of the product belongs to NIOC for a 25-year term, and Petrofield will pay NIOC the cost of the remaining gas upon the agreement concluded.

NIGEC is to sell Petrofield the feed gas on behalf of NIOC. All the equipment will be ceded to NIOC after this 25-year term.

Current Shareholders	
SKS	100%
<ul style="list-style-type: none"> Based on agreements instead of tolling fee half of LNG production belongs to NIOC Plant ownership will be delivered to NIOC often 25-year time 	
Location	Tombak Port South East Bushehr
Gas Field	Golshan & Ferdowsi Gas Field
No trains	2
Production MT/Year	10
Agreement Duration (Between Iran & Malaysia)	25years
Feed Gas Amount MM³/Day	56.7
Project Start Date	2007
Production Start Date	2015

Gas export projects via pipeline

Overview of pipeline projects

No	Projects Title	Requested Gas Volume or Transmitting Lines Capacity	The Latest Status	Commencement Date	
Gas-Sale Contracts	1	Turkey	7-10	Gas export has been launched since 2001 and has annually reached nearly 10 BCM from 2007	2001
	2	Azerbaijan gas swap with Nakhchivan	0/3-0/35	Exchange Operation is underway	2005
	3	Iranian gas-Armenian electricity barter	1/1-2/3	The contract has been signed and the national Gas Company undertook the executive operations	2007
Gas-Purchase Contracts	1	Turkmenistan-Phase1	2-8	In progress	-
	2	Turkmenistan-Phase2	To 14	In progress	Since 2007
Concluded contracts and subject to be exported	1	Pakistan	21/5	Gas Sale and Purchase Agreement signed	2013-2014
	2	Swiss EGL	0/3-1/5 within phase1 2-4 within phase2	Gas Sale and Purchase Agreement signed operation Agreement signed	2010-2009 2012-2011
e i n g e n	1		30	The negotiations adjourned by Indian	2013-2014

			party	
2		13/7	Term Sheet signed	2011
3		28	Term Sheet signed	2013
4		28	MOU initialed and confirmed FA signed and Term Shett proposed	2013
5		8/6	Term sheet submitted by the ministers entourage to Kuwaiti party	3years ever since the contract
6		----	MOU signed by the Iranian and Turkish ministers of oil andt Gas in Ankara, The preliminary feasibility studies carried out	-----
7		----	Under consideration	-----
8		5/5-13/7	MOU&CA signed	2015

Persian pipeline project (Exporting gas to Europe IGAT9)

Introduction:

So as to posses a more contributive and participatory role in potential markets those of European countries and more potently carry out transactions in the realm of energy as one of the major suppliers of gas in this continent the construction of this gas in this continent the construction of this gas pipeline under the name of IGAT9 was brought into being. This pipeline extends 1863 km from Asaluyeh (South Pars Gas Field) to Bazargan border and the other pipeline routes namely Nabucco Pipeline and Persian pipeline can potentially export Iranian gas from there on.

Given some anticipation into account this pipeline is to annually export 30-35 BM3 . To sell this amount of gas

Project Specifications:

Gas Feed	South Pars Gas Field-IGAT9
Requested Volume	Phase 1:0/3-1 BCM/Y Phase 2:4 BCM/Y
Delivery Location	Bazargan Border
GAS Export Duration	25 Years

Pipeline project of gas transfer to Austria

Introduction:

The project is to export gas to Austria via pipeline. This project intends to step inside the Northern ' and

some negotiations are underway with countries namely Greece , Austria , Italy, Germany , Switzerland and so are talks with France and Spain in the coming future . In view of the policies made, this Project is set to be designed and executed using the foreign investors capabilities and the domestic contactors.

Pipeline project of gas transfer to Switzerland

Introduction:

This pipeline is after exporting gas to EGL Company in Romania, Italy and Switzerland within 2 phases totaling 5.5 BCM in one hand and consolidating Iran's presence in European markets.

This project was launched in 2006 and it was ordained that the contract be concluded after the condition of feasibility study within the framework of the following table.

Western market of Europe as well as to contribute Nobbaco Consortium.

This project was launched in 2006 and the gas is to be delivered to Econgass Company after the

execution of phases those of studies and pipeline

construction

Project Specifications:

Gas Feed	South Pars Gas Field-IGAT9
Requested Volume	5BCM/Y
Delivery Location	Bazargan Bordre or Hub BaumGarten
GAS Export Duration	25Years

Pipeline project of gas transfer to Pakistan and India (IPI)

Introduction:

The issue of exporting gas to India and Pakistan dates back to 1990. The tensions in between India and Pakistan made the project fail to noticeably proceed till early of the decade. National Iranian Oil Company embarked upon some studies backed by International companies so as to have a pipe construction route that best fits either through onshore, offshore, littoral lands or deep waters recognized. In so doing, Australian B.H.P Company conducted the feasibility studies and upgrading in 2003 and the former in 2001 out of which onshore pipe construction was picked up as the superior alternative. Pursuant to

that, National Iranian Gas Export Company announced its readiness to deliver gas in Pakistan and Pakistan-India border. The second course of tri-lateral talks chasing the gas export to India and Pakistan commenced in 2003. three companies partook in the talks those of National Iranian Gas Export Company representing iran, Inter State Gas Systems Limited representing Pakistan , Indian Oil Company Limited and Gas Authority India Limited representing India. Manifold trilateral meetings have been run on the level of the counterpart deputies of the ministries of oil and energy accompanied

with some work teams from the three countries which helped them get the price formulae finalized.

Gas Feed	Assalouyeh
Requested Volume(Pakistan)	7/8BCM/Y
Requested Volume(India)	10/9 BCM/Y
Delivery Location	Border of Iran & Pakistan
Commencement Date	2013-2014

Pipeline project of as transfer to Kuwait

Introduction:

The agreement signed by the ministers of the two countries in 2000 gave birth to a contract concluded to export gas to Kuwait via pipeline. Accordingly, having several course of talks concerned with the allocated gas fields, methods of investment, and the administration of feasibility studies held, the draft of the contract and buy-sell Term Sheet for the year 2004 got signed by the two parties. The two sides - kept pursuing the talks in order to get all the articles of the contract finalized. However, in view of the events those of the drastic changes in the structure of energy global price, disputes over the price formulae, governing rules, price

revision mechanism and finally Kuwait's refusal to stay on course I; led the talks to be left dormant.

In view of the correspondence between the two countries and Kuwait's letter issued on NIGEC's comments over the agreed-upon Term Sheet, the second course of talks got started. In the second run of talks, while reconsidering the new formulae of gas price, Kuwaiti party was provided with the amended draft of the Term Sheet. The aforementioned talks are to be pursued.

Design and refine consultant Engineers Co. was in charge of conducting studies for the transition of Iranian gas to Kuwait. As agreed upon, Iranian gas is to be delivered to a consortium comprising Iranian and Kuwaiti international companies, an investment

company, and an operator as a transition company in Genaveh region. In accordance with the contract, the aforementioned consortium will FW deliver gas to Pipeline project of gas transfer to Oman

Introduction:

This project aiming at exporting gas to Oman via pipeline dates back to almost six years and became the subject of consideration for both countries ever since. There after, three agreements were signed by the two parties in 2005 and 2006. These talks paralleled with the negotiations concerned with the expansion of Kish and Hengam gas fields by Iranian offshore Company (I.O.O.C) and NIGEC with Omani oil company regarding the feasibility studies so as to transform mm3

Project Specifications:

Gas Feed	Kish Gas Field
Requested Volume	10/2BCM/Y
Delivery Location	Sea Border of two countries
Gas Export Duration	2013

Pipeline project of gas transfer to Bahrain

Introduction:

After visits paid by the oil ministries of the two countries, an agreement was made to get a team to conduct a feasibility study for exporting gas to Bahrain and the Bahraini investment on Iranian oil and gas fields. The first official meeting in 2007 in Bahrain helped the two parties reach general agreements.

Project Specifications:

Gas Feed	South Pars Phases 15-16
Requested Volume	10/2BCM/Y
Delivery Location	Sea Border of Iran & Bahrain
Gas Export Duration	2013

Savex Project

Savex project standing for Save To Export project, was brought into being so as to optimize fuel consumption and increase the efficiency of thermal power plants. This project also aims at exporting the saved gas and absorbing investment utilizing foreign investors' resources.

Kuwait KPC Co. in Rasoזור in Kuwait. The consortium's framework of activity based on B.O.O is to be devised.

of export gas to LNG. 30% of the liquefied gas belongs to Iran in return of the processing fee. Due to some agreements over the price of the export gas and the Kuwaiti's low price proposal made the talks dormant and then the second course of talks began to reach a reasonable price for both parties. The issues namely Oman's investment plan in Kish fields, transformation of Iranian gas to LNG, the establishment of a Iranian-Omani joint company, price and the formulae of Iranian gas are all on the table in these on-going talks.

Thereafter, in the second official meetings in 2007 in Tehran. The two parties agreed upon the finalization of MOU which was signed by the two countries' oil ministers. Some joint meetings ended in conclusions at which the two parties had the FWA signed in 2008. Bahrain will receive nearly 28 mm3/day and will invest nearly 4 billion dollar in phases 15 and 16 South Pars gas fields in return.

Domestic necessities for the execution of Savex

- 1-The ever-decreasing volume of hydrocarbon resources and the importance of it's optimum consumption
- 2-The technology transference of modern power plants
- 3-Reducing ecological contaminations and green house gases
- 4-The mounting energy crisis and the growing global demand for gas and LNG

5-Prognosticating the ascending trend of the added value of natural gas resources as compared to oil in the decades ahead

6-The negative balance of power production and consumption in view of the growing domestic consumption.

The anticipation of annual revenue of savex (Quote in 200\$)

1-Intensifying the efficiency of the power plants resulting in saving 36 MM3 of gas per day

2-Every million BTU of gas is priced at \$12 and the convergence coefficient every cubic meter to thousand BTU equals 36.

36 MM3 of the gas saved x 365 days x 36 coefficient x \$12 = \$ 5.6billion

Methods to increase output performance and reduce loss

1-Using Turbo expanders and producing electrical energy in pressure reduction stations

2-Optimizing gas turbines within gas-boosting stations at distribution and export gas pipelines

3-Optimizing the design and the equipment of steam and gas turbines in non-power plant industries

4-Replacing the thermal power plants with modern cycle combination and steam power plants.

Activities carried out in Savex project

An agreement has been concluded and a joint group has been formed with some European companies so as to have arrangement made to initiate feasibility studies. The study phase of the project is expected to last 9 months. Once the study phase of the project gets terminated, the operational phase will get started.