
In the Name of God

The Merciful

The Compassionate

REGULATORY ENVIRONMENT IN IRANIAN GAS MARKET

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National Iranian Gas Company

PGCB,SG Regulation



Country Profile

- **Population** : 65.6 million
- **Location** : Middle East
- **Area** : 1.648 million Sq. Km
- **Capital** : Tehran
- **Currency** : Rial (R)



Oil and Gas Reserves : 270 bn boe 2004

- **Crude Oil : 37%, 100 Bn Boe**
- **Natural Gas : 63%, 28 TCM**



NIGC in Brief

- **Founded** 1966, State owned integrated gas company
- **Employees** 19,000
- **Sub-companies** 34
- **Paid up Capital** USD 698 Million
- **Assets** USD 9712 Million



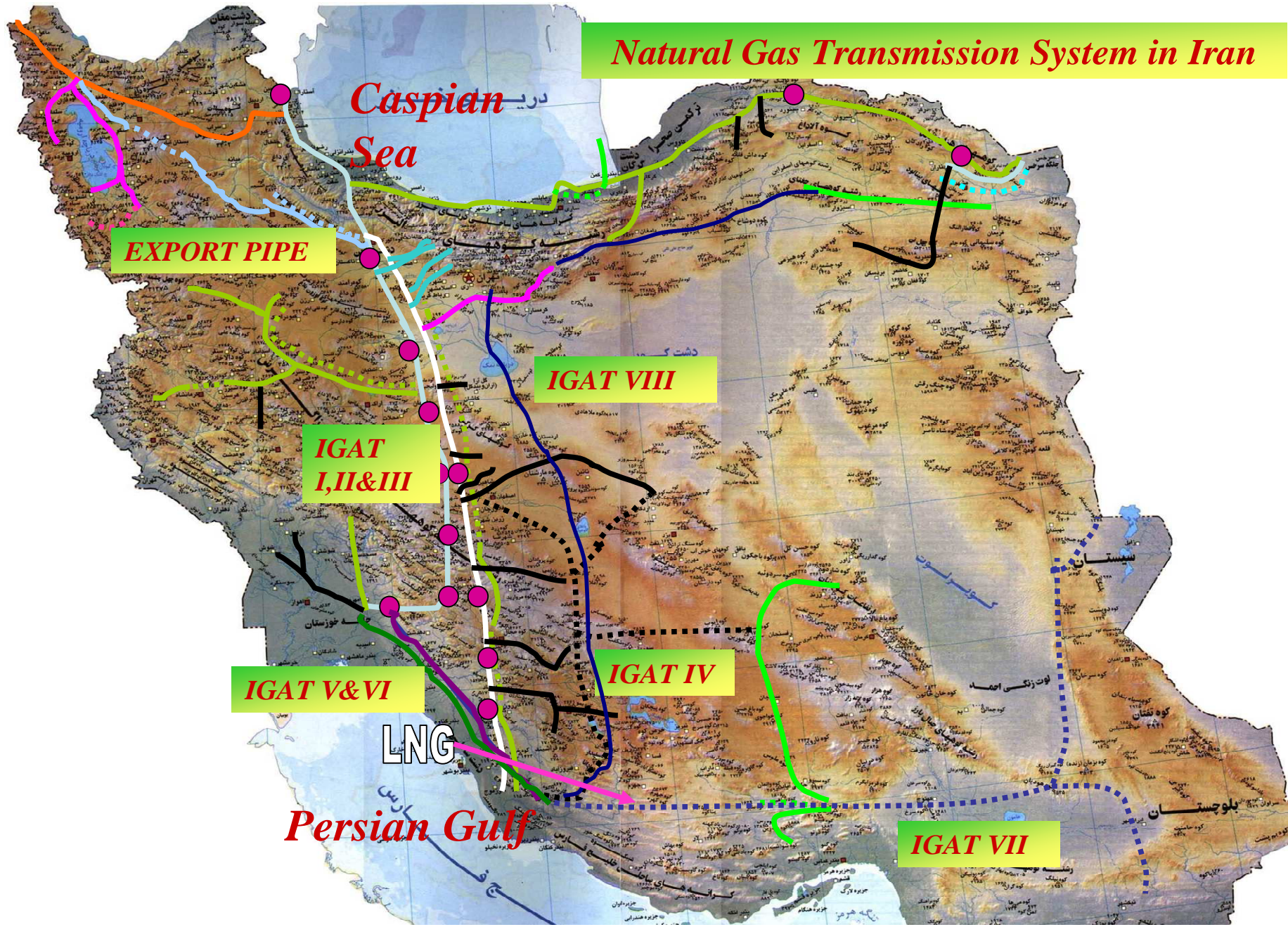
NIGC Main Activities

- **Gas Treatment**
- **Gas Transmission**
- **Gas Distribution**
- **Research & Development**
- **Engineering & Construction**
- **Gas Trade (Export & Import)**
- **Underground Storage**

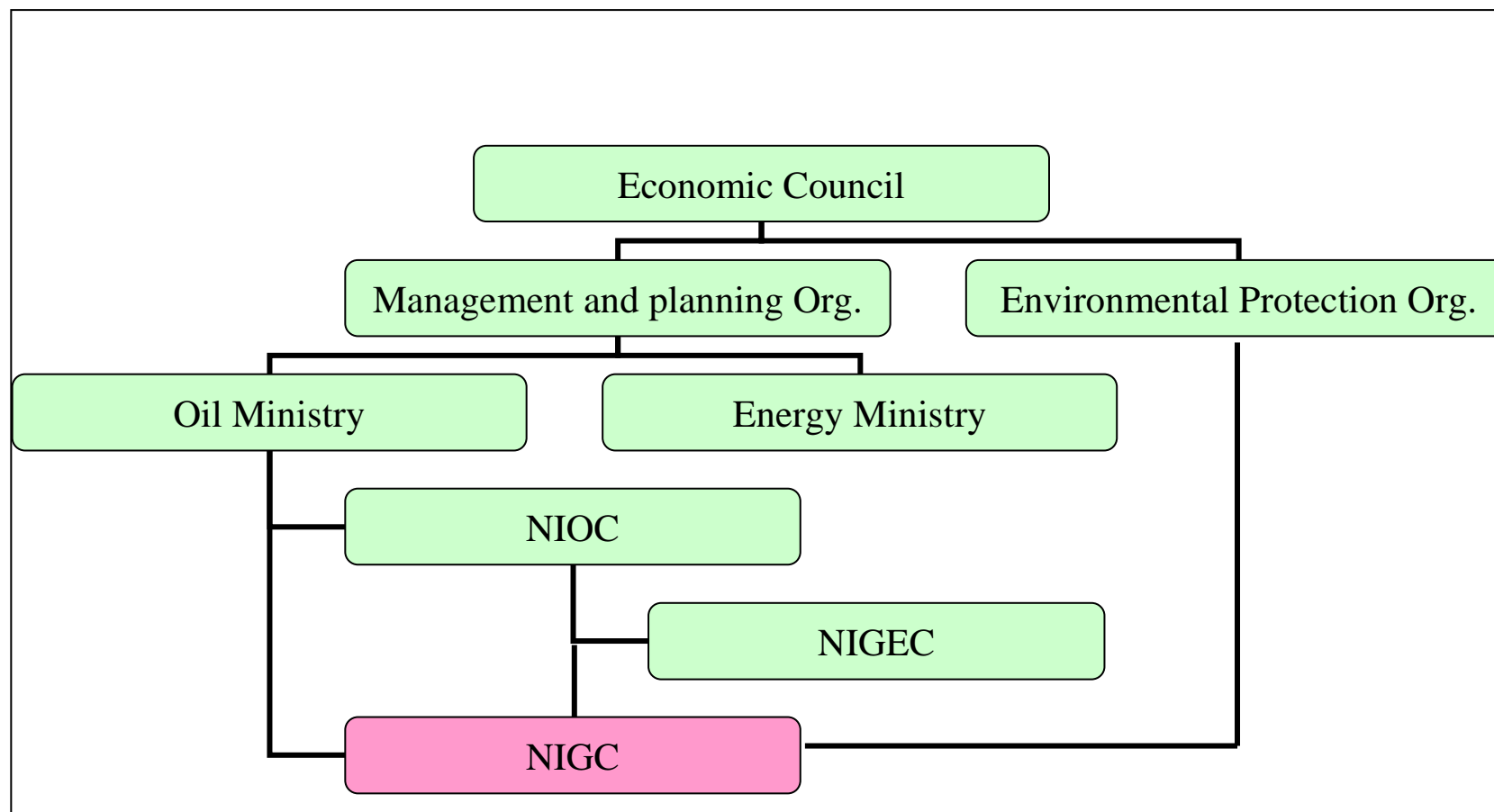
Natural Gas Main Figures in Iran

- 27,5 TCM Reserves
 - 22000 Km High pressure pipeline
 - 110000 Km Internal Network
 - 110 bcm Consumption
 - Export/Import Starting point
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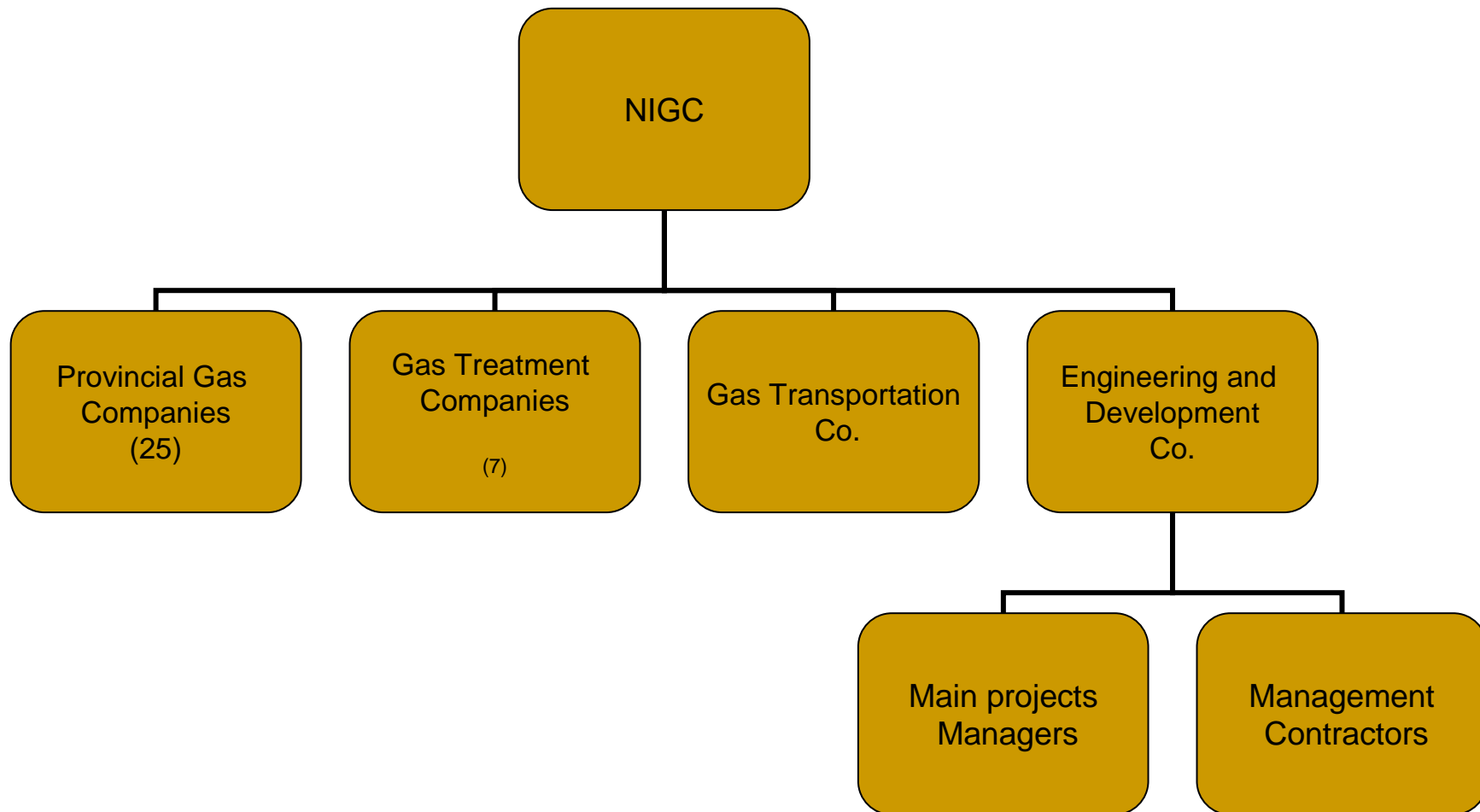
Natural Gas Transmission System in Iran



Regulatory Organizations in Iranian Gas Market



NIGC's Affiliated Companies



SECURITY OF SUPPLY IN SHORT, MID AND LONG TERM AT IRANIAN GAS MARKET

■ Short Term:

- line pack, seasonal injection, interruptible sales, spot and swaps

■ Mid Term:

- underground storage, loop lines, Flexible import and export and seasonal reinjection, National Regulation

■ Long Term:

- Diversification , shared infrastructure for export , capital , International regulation,

Two way natural gas market Oligopoly

2030 Prospective

- **Gas holders**
 - Russian Federation, Middle East, Africa, South East Asia
 - **Capital holders**
 - North America, EU, East Asia
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Recent Developments in Iranian Gas Market toward Globalization

- Establishment of affiliated Provincial Gas Companies
 - Restructuring the engineering and construction activities
 - Unbundling side activities in the whole gas chain areas
 - Taking responsibility UGS construction and operation
 - Adopting BOO, BOT, Buy Back and other mechanisms
 - Vertical Integration, Transmission – distribution
 - New formula for domestic natural gas pricing
 - Assigning a number of South Pars phases to LNG,GTL,..
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Iranian International Pipeline Gas Market

- Turkey 10 bcm/y, Pricing
 - Azerbaijan 1-2 bcm/y, SWAP, balance
 - Armenia 2-4 bcm/y, Capital
 - Pakistan 6-10 bcm/y, Capital, price
 - India 10-30 bcm/y, Capital, price
 - Afghanistan 1-2 bcm/y, Capital, price
 - Europe 40 bcm/y, Cost, price
 - Persian Golf Countries 30-40 bcm/y, Decision making
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**Thank you for your kind
attention**
