



Moving to Norway

By Mark Blacklock

Two years ago at the Council meeting in Tianjin, China, delegates voted for Hydro of Norway as the next host of the Secretariat. Since then the boards of Hydro and Statoil have announced the merger of their oil and gas activities and the creation of a new company with effect from October 1. Initially to be known as StatoilHydro, this company will be the new host of the Secretariat.

The Norwegian candidate for Secretary General is Torstein Indrebø, who will be standing for election for a six-year term at the Council meeting in St Petersburg on October 24. He declares himself "proud to have been nominated by the Norwegian Petroleum Society as the new candidate for the important position of Secretary General of IGU when Norway takes over the host responsibilities of the Secretariat".



Torstein Indrebø: IGU has a key role to play.

A graduate of the Norwegian School of Economics and Business Administration and the University of Bergen, Mr Indrebø has spent most of his career in the oil and gas industry. He joined Norsk Hydro in 1980 and represented the company in negotiations with large gas buyers in Europe as the Troll gas field was being developed.

"It is interesting to note that the agreements we signed back in the 1980s are still in place and have survived the structural changes that have taken place in the market since then," says Mr Indrebø. "The long-term and close relationship between sellers and buyers has proved important for both parties in a period with many tough challenges both upstream and downstream."

With deregulation on the European agenda, Mr Indrebø went on to develop Hydro's downstream business activities out of a new office in Brussels. These activities included direct gas sales to industrial end-users as well as short-term trading based on new hubs in the UK and on the Continent. "It has been interesting to see how short-term trading at the hubs has now become an important and integrated part of gas companies' operations," he says.

Meanwhile, Mr Indrebø was becoming involved in IGU's activities and joined his first Working Committee (for gas distribution) in 1994. His committee work since then has also covered the areas of strategy and LNG, while he served as Norway's representative on the Council between 2001 and 2005. This involvement has given him first-hand experience of the value that IGU brings to members.

"The professional network has been of particular value for me in my work with international projects," says Mr Indrebø. "To give just a few examples, a former US Chairman of the Working Committee for distribution assisted me in setting up meetings with US gas companies while, more recently, my Korean and Japanese friends helped me with Asian LNG issues."



The IGU Secretariat will be based at Hydro's former headquarters in Oslo.

● Challenges ahead

Torstein Indrebø points out that natural gas has experienced continuous growth and increased market share over the years thanks to its competitive pricing, easy access, user friendliness and environmental benefits. However, he stresses that the industry must work hard to ensure that natural gas continues to be the fuel of choice. "IGU is the only global organisation with its focus on natural gas, and has a key role to play as the spokesman for the gas industry," he says. "The Argentine Presidency has established an excellent working programme for this Triennium to ensure that IGU addresses and develops solutions for the challenges ahead."

Looking forward to continued expansion of the international gas trade, Mr Indrebø feels that the importance of IGU as a global clearing house for know-how and contact point for gas experts will only increase.

● The move

Immediately after the Council meeting it will be all hands on deck to pack up the Secretariat in

Hørsholm, say goodbye to Dong Energy and move to Oslo. The target date to have the new offices in operation is November 1.

Mark Blacklock is the Editor-in-Chief of International Systems and Communications.



Torstein Indrebø travelled to Buenos Aires in June to meet IGU President, Ernesto López Anadón. To the left of Mr Indrebø is Hans Riddervold, who represents Norway on the Executive Committee. To the right of the President are Roberto Brandt, Chairman of the Coordination Committee, Andrés Kidd, CC Secretary, and Graciela Ortolá, Secretary of the National Organising Committee for WGC2009.



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IGM: Intergas Marketing Activities Go Global as IGU Marketing Committee

By Marc Hall

Since Intergas Marketing came under the wing of IGU, the main focus of what is now the IGU Marketing Committee is broadening the geographical reach of its activities. The old IGM was focused on Europe; now the exchange of experience and research work is going global.

During the last two IGM Sessions in Budapest (September 2006) and Hamburg (March 2007), the members of the Committee and the Chairman agreed on their working programme up to the next World Gas Conference in Argentina in 2009.

The Committee and its two Study Groups are still open for new delegates and country representatives. Any IGU member can participate in IGM's activities and there are good reasons to join in:

- Key issues for gas companies in a competitive market are customer satisfaction and public image. IGM lets you debate these.
- Gas companies must develop new product and service offerings with an efficient marketing approach to satisfy their customers' needs. IGM is a forum for ideas and dialogue.
- IGM gives marketers the opportunity to improve their skills through the exchange of experiences and best practices.
- IGM gives you friendly relations with marketing and commercial managers in gas companies.
- IGM offers you the opportunity to meet specialists for direct exchanges and relationship building.

● Study Groups

IGM has established two Study Groups to deal with important questions surrounding the marketing of natural gas.

Study Group M1: Natural Gas and Renewables (A Marketing Approach)

Leader: Lars Møller Jørgensen (Denmark)
lmjoe@dongenergy.dk

Co-Leader: Anne Sypkens-Smits
(The Netherlands)

The main topics of investigation are the position for gas and renewables in future energy markets, the creation of tools for marketing both natural gas and renewables as complementary products and services, and the design of the IGM Country Matrix 1 with marketing recommendations on winning rather than losing market share. The Study Group is collaborating with WOC 5 and the two have agreed a working programme. Basically, WOC 5 will support M1 with the technical aspects of the study.

Study Group M2: How Can Marketing Contribute to Promoting Natural Gas in New Areas and New Technologies

Leader: Khaled Abu Bakr (Egypt)
k.abubakr@taqa.com.eg

Co-Leader: Alexander Moiseev (Russia)

The Study Group deals with marketing strategies aimed at penetrating new markets and expanding gas utilisation with regard to regional regulation models. In the IGM Country Matrix 2 the impact of new technologies in emerging and mature markets will be translated into marketing recommendations.

While both Study Groups have nominated members from Africa, Asia and Europe, the current membership spread means that M1 tends to be a more trans-European Study Group and M2 a trans-Afro-Asian Study Group. But both are open for global views. Hence the

working programme up to 2009 is constantly evolving. New members are most welcome!

● **Plenary sessions**

In the IGM plenary sessions we ensure that there is sufficient time for country presentations to give delegates the chance to exchange experiences in particular natural gas markets, and to see how marketing questions can be turned into marketing campaigns and other solutions. Despite the increasingly competitive environment there are still many issues in marketing activities that can be discussed on common ground.

In autumn 2008 IGM envisages organising a summit for senior gas marketing managers.

● **Meetings**

The next IGM Plenary Sessions and Study Group meetings are scheduled for:

October 4-5, 2007	Zürich, Switzerland
March 2008	Cairo, Egypt
Autumn 2008	Europe, exact venue to be decided
Spring 2009	Teheran, Iran

If delegates from IGU members are interested in attending the meetings and taking part in the Study Groups please contact the IGU/IGM Secretariat or one of the chairmen.

Marc Hall is the Chairman of the IGU Marketing Committee and can be contacted at Marc.Hall@rwe.com.



IGM delegates pose for a group photo during the March session in Hamburg. The Chairman, Marc Hall, is on the right of the front row.



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News from Organisations Affiliated to IGU

There are currently seven organisations affiliated to IGU: the European Gas Research Group (GERG), Gas Infrastructure Europe (GIE), the International Association for Natural Gas Vehicles (IANGV) including its Asia-Pacific and European sections (ANGVA and ENGVA), the International Gas Research Conference Foundation (which is separate from IGU's internal IGRC Committee), Marcogaz, Pipeline Research Council International, Inc. (PRCI) and the National Gas Vehicle Association of Russia (NGVRUS). In this issue we have articles from the Secretary General of IANGV and from the President and General Secretary of GERG.

● **The Harmonisation of Regulations, Codes and Standards for the Gaseous Transport Fuels Industry**

By Dr Garth Harris

For several years, IANGV and ENGVA have been working to initiate a process of harmonisation of standards. The first really significant event was an ISO (International Organisation for Standardisation) Roundtable, which was held on January 10 in Geneva. This was attended by decision makers and experts from vehicle manufacturers, standards organisations, regulators, gaseous fuels associations and gas companies.

As the gaseous transport fuels industry and technologies have matured over the past two decades, many standards have been developed to support commercialisation. Standards have been developed to ensure minimum safety requirements for equipment, testing, installation and use in both refuelling and vehicles. The standards have been developed by international and national organisations or those representing specific industry stakeholders.

These include the United Nations (which creates enforceable regulations based upon standards)

and ISO at the international level; regional standards institutions such as the European Committee for Standardisation (CEN); national standards associations; and organisations specialising in equipment and components, such as the Society for Automotive Engineers and the Compressed Gas Association in the United States.

Though there are some similarities and even compatibility in the various standards, there remains a complex system of confusing and diverse technical requirements covering natural gas vehicle (NGV) and hydrogen (H₂) equipment development, performance requirements and testing. This diversity presents a major challenge to the national and international market expansion of NGV/H₂ technologies. The more diverse the standards and regulations are, the more expensive and challenging it is to sell different equipment worldwide. This results in higher prices for equipment suppliers and consumers and it takes longer for products to be altered for different market requirements.

The Roundtable objective was to bring out the real issues associated with the use of existing standards, codes and regulations, and the process of preparing and updating them. The Roundtable covered natural gas and hydrogen since both these fuels have similar issues related to codes and standards. Some issues are particular to natural gas, some are particular to hydrogen and there are some common issues. Harmonisation has been a consistent theme at recent meetings of the top executives of the world's major automakers.

The Roundtable was opened by the ISO Secretary General, Alan Bryden. The morning session was on perspectives of harmonisation with two presenters from the UN Economic Commission for Europe (UNECE); George Kowalski discussed sustainable energy and Christoph Albus talked about hydrogen. John Lyon, President of IANGV, discussed the place of natural gas in the world energy scene. Jeff Seisler, Executive Director of ENGVA, presented the *Gap Analysis of Inter-*

national NGV Standards and Regulations. Frederic Barth of Air Liquide and Randy Dey of CCS Global Group discussed hydrogen technology and the place of hydrogen. Peter Boisen, Chairman of ENGVA, and Reiner Wurster of Ludwig Bölkow Systemtechnik spoke on the automotive aspects, natural gas and hydrogen respectively. In the afternoon, delegates had the choice of two panel sessions: one dealt with automotive issues and the other with energy and infrastructure issues.

One of the more important inputs to the Roundtable was the Gap Analysis undertaken by Dr Hien Ly (www.iangv.org/content/view/96/113/), which indicates the need for NGV standards in certain areas, particularly LNG. Another input was the results of a survey of readers of NGVGlobal (www.ngvglobal.com), the weekly electronic magazine of IANGV. This survey showed amongst other things support for some form of coordination group whose job would be to minimise the opportunities for disharmony between standards and regulations.

The presentations and the reports of the panel sessions are available for download from the ISO website (www.iso.org/iso/en/commcentre/events/2006/roundtable.html).

The link with UNECE is important because one of the functions of this organisation is to formulate Global Technical Regulations (GTR) for vehicles. A number of countries are signatories to two treaties, signed in 1958 and 1998, which effectively require those countries to legally adopt the GTRs. Within the UNECE the Group for Pollution and Energy (GRPE) is responsible for the formulation of global motor vehicle regulations and was effectively one of the sponsors for the Roundtable.

● **Conclusions**

The reports of the panel sessions of the Roundtable indicate some of the areas in which follow up action is required and the general conclusions are:

- Harmonised standards and regulations are needed to facilitate market development and



Refuelling with CNG – harmonised standards will spur the development of the gaseous transport fuels industry.

reduce costs for the gaseous transport fuels industry and to provide an internationally accepted position which local regulators can confidently adopt.

- Performance based standards and regulations are preferred as they are less likely to inhibit innovation in new and developing industries or sectors.
- Better communication and sharing of information between the various standards and regulating bodies is needed. This could be achieved through a variety of means and should be investigated and implemented by ISO in collaboration with UNECE and other regulators.
- A database of international and national standards and regulations is needed. It should show existing standards and regulations, their status and work in progress.
- There is a need for new international standards in certain areas, particularly hydrogen, LNG and mixtures of hydrogen and natural gas.

The outcomes of the Roundtable were discussed in March by the Technical Management Board of ISO and a number of recommendations were



adopted. As a result, a series of management and procedural activities which facilitate harmonisation were adopted. Secondly, steps are being taken to commence the preparation of a number of standards identified in the Gap Analysis. These include standards for LNG containers on vehicles, connectors for refuelling vehicles with LNG and fuel quality. Of particular importance are moves to harmonise R110, the UNECE regulation for NGVs with various ISO standards.

The mere fact of having the event has probably resulted in some harmonisation because delegates holding influential positions in the NGV and hydrogen vehicle industries had opportunities to meet others and to discuss a wide range of issues. It is probably sufficient to say that with so many organisations and people involved in standards and regulations, the task of harmonising will be long and complicated. The Roundtable and subsequent actions are a good first step.

Dr Garth Harris is the Secretary General of IANGV (www.iangv.org).

● The Research Roadmap

By Marc Florette and Dave Pinchbeck

GERG, the European Gas Research Group, was founded in 1961 to strengthen the gas industry within the European Community. It achieves this by promoting research and technological innovation in all aspects of the gas chain. Established as a network to enable the exchange of information between members of a select group of specialist R&D centres to avoid duplication of effort, GERG has grown steadily to its current size whilst retaining and expanding its original aims. Its priorities are networking, technical information exchange and the promotion of collaborative R&D.

GERG membership currently stands at 19 members from 11 countries, each actively involved in natural gas R&D; it should be noted that despite, or maybe as a result of, the changes in the European natural gas landscape, GERG membership is growing steadily, with eight new members in recent years.

GERG is based in Brussels to benefit from proximity to the institutions of the European Union and great emphasis is placed on maintenance of links with the EU, working for recognition of the importance of natural gas-related R&D and providing support to members in setting up collaborative R&D projects under the European Union's R&D Framework Programmes.

The GERG vision

The world is facing energy and environmental challenges that are acute for the EU, which has the responsibility for securing competitive and clean energy for Europe against a backdrop of climate change, escalating global energy demand and future supply uncertainties.

At the same time, the European gas industry is going through a period of unprecedented change, with a growing demand for natural gas and increasing pressure to address the problems associated with energy efficiency and emissions, set against the requirement to deliver benefits to shareholders in newly privatised companies. Such



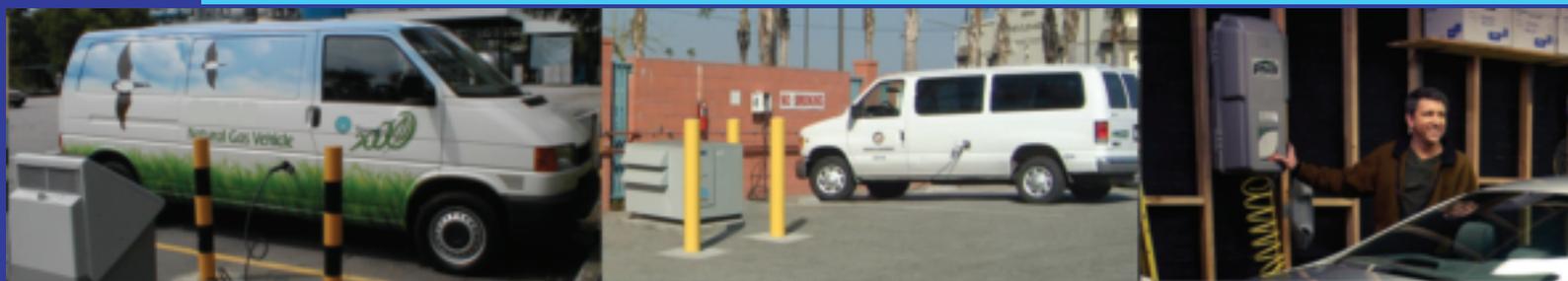
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Apart from their GERG roles, both Marc Florette (RIGHT) and Dave Pinchbeck (LEFT) are active in IGU work, serving respectively as the Chairman of the R&D Task Force and the deputy leader of the latter's working group 3. They are seen at the Task Force's April meeting in Tokyo.

requirements are clearly in conflict in that they imply cost savings and an emphasis on payback in the shorter term. Almost inevitably, this means significant reductions in R&D expenditure at a time when there remains a demand for high quality research and innovation.

In such a period, when short-term business thinking has become increasingly prevalent, it is absolutely vital to look ahead and to maintain involvement in organisations that promote collaboration in R&D.

GERG offers such a pragmatic solution; it is a research and development organisation with a unique role in Europe, in that it provides both support and stimulus for the technological innovation necessary to ensure that the European gas industry can rise to meet the challenges.

The GERG Research Roadmap

GERG is developing a Research Roadmap to take a strategic look at the issues that will face the European gas industry over the next 20 years. The aim is to develop a platform to frame and align the initiatives that will be necessary to realise the Euro-

pean gas industry vision and contribute to the strategic objectives of European gas companies. It is a framework based on current concrete collaborative actions and projects to stimulate longer-term research and mobilise gas researchers on key topics.

The roadmap necessarily takes account of the EU's recently cited energy objectives for European research and technological development (RTD) efforts to:

- Contribute to completing the internal gas market;
- Reinforce the security of supply and the prevention of breaks in energy supplies; and
- Prepare Europe for possible transitions towards a reduced CO₂ emission regime.

The roadmap is based on four orientations that will be necessary to meet the above challenges by 2030:

- Securing the European gas supply by the diversification of gas supply sources and routes, and the improvement of interoperability of European gas networks;
- Improving the safety and integrity of gas networks by increasing European gas network integrity, durability and the robustness of its management, and developing simulation tools;
- Developing smart gas uses / managing energy demand for the three energy markets (residential and commercial sector, industry and transportation); and
- Improving the sustainability of natural gas supply and use by reducing the gas industry's emissions of greenhouse gases, and by studying and validating future energy sources by assessing the feasibility and impacts of large-scale injection of biogas and "others" into existing natural gas networks and, in the longer term, hydrogen.

The roadmap is based on estimated energy use scenarios for the next 30 years and has developed a set of tentative RTD roadmaps to support and/or stimulate most of the options known today for the transmission, distribution and use of gas across



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Europe and beyond. These scenarios include a possible migration towards the hydrogen economy within the next 30 years.

When complete the roadmap will be used in consultation with the important stakeholders: gas pipeline and infrastructure operators; international gas organisations, including IGU; the elements of the European Union, both Commission and Parliament; and national authorities and providers of gas technology, including manufacturers. In addition, the roadmap will be compared to the approaches of gas companies and research organisations overseas.

Finally, the roadmap will form the basis of GERG's contribution to the European Strategic Energy Technology (SET) Plan, which is currently being prepared by the European Commission for approval by the EU Council in spring 2008.

Concluding remarks

GERG will have a key role to play if the European gas industry is to progress. To succeed it must,

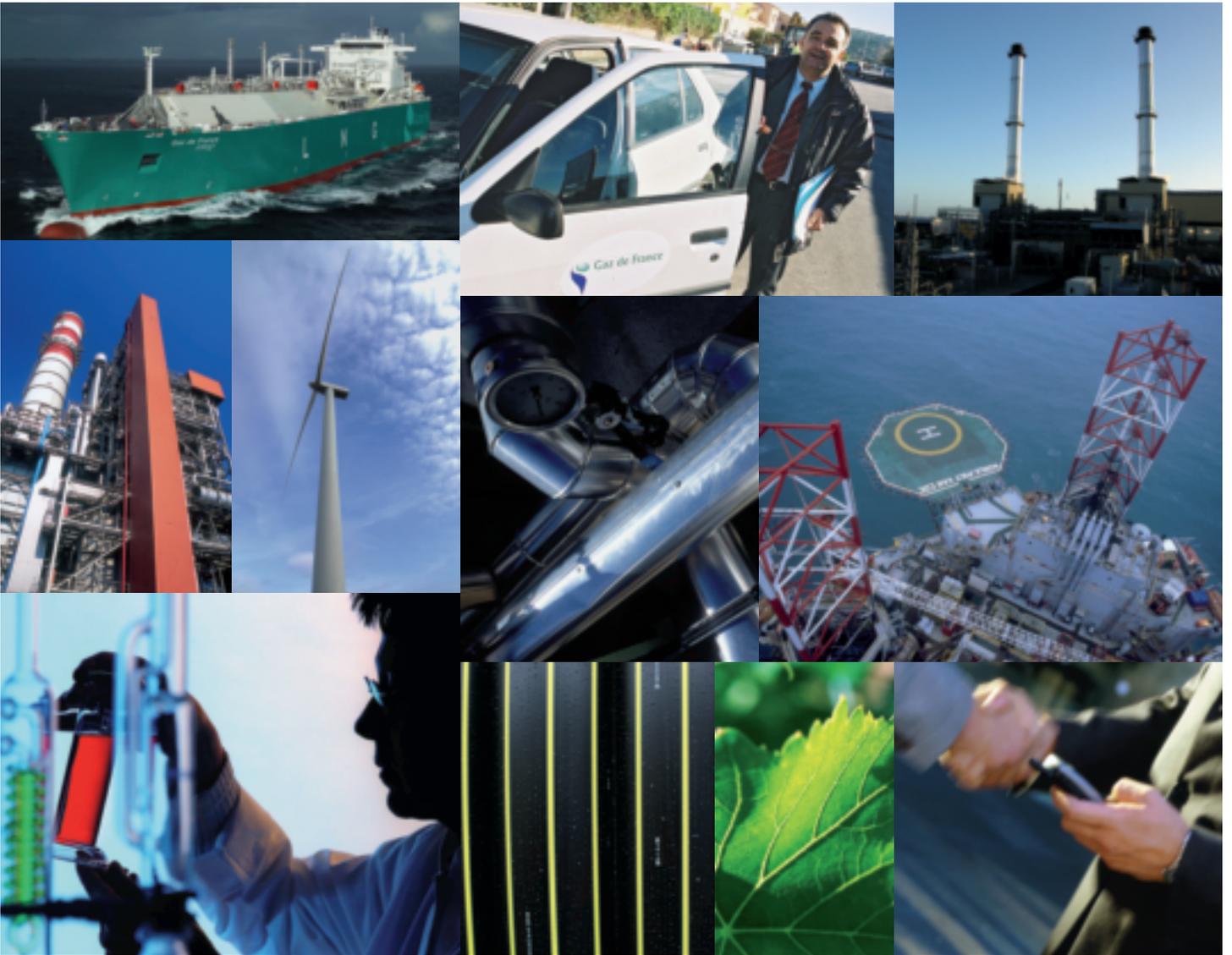
while working within the roadmap, continue to provide a forum for high quality information and exchange, to ensure that flexible mechanisms exist for shared cost and shared risk activities and to be the voice of natural gas R&D in Europe, and its interface beyond.

It is worth reinforcing the point that the members of GERG represent some of the most expert technical performers in the international natural gas R&D community, combining to contribute key skills and experience that would be impossible to resource at the purely national level. The combination makes for a very strong organisation, one that is significantly stronger than its individual parts and one that is, without doubt, very well-equipped to undertake energy sector research and technological development and to make a significant contribution into the 21st century.

Marc Florette, Head of R&D at Gaz de France, is the President of GERG. Dave Pinchbeck is GERG's General Secretary (www.gerg.info).



Roadmap scenarios include a possible migration towards the hydrogen economy.



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Call for Papers Now Open for IGRC 2008

By Rob Aptroot

Under the banner "New Technologies; Increasing Gas Competitiveness", the IGU Research Conference will be held in Paris, France, October 8-10, 2008.

This is an event you cannot afford to miss if you are interested in the latest developments in research and development for the gas industry and want to know about the emerging technologies that will boost your business.

The organisation this time is in the experienced hands of the Association Française du Gaz (AFG), which among many other activities is well known for staging the annual Congrès du Gaz. The venue will be the La Villette Conference Centre in the Cité des Sciences et de l'industrie (www.cite-sciences.fr). Please be aware that hotel accommodation close to the conference venue is already limited so early

booking is recommended (online booking is possible via www.igrc2008.com).

The conference will be centred around 300 poster presentations on R&D topics related to the total gas chain from well to burner tip. The call for papers for these poster presentations is now open and it is possible to submit online abstracts via the conference website (www.igrc2008.com) until December 1.

● Speakers, workshops and oral presentations

The organisers will invite keynote speakers from the gas industry and its stakeholders as well as from governmental organisations and the academic world.

Three workshops will be held on issues of prime importance to the gas industry to give delegates the opportunity of active debates on the implementation of R&D strategies.

During the conference 12 sessions of oral presentations are planned on the following issues where new technologies play a paramount role for the gas business:



IGRC2008 will be held in Paris at the Cité des Sciences et de l'industrie.



- How a changing gas market can benefit from R&D;
- Interaction between technology and marketing;
- The next generation LNG;
- Strategy issues addressing underground storage technology;
- Pipeline integrity challenges and solutions (high and low pressure);
- Next generation of gas transmission and distribution;
- Innovative and efficient use of natural gas;
- Addressing climate change;
- Working towards sustainable energy;
- E&P fit for the future;
- Increasing competitiveness of gas utilisation; and
- Facing gas quality issues in a liberalised market.

● **Support**

IGRC2008 is hosted by AFG and supported by many organisations from the gas business, not only in terms of their contribution to the organisation of the conference but also by direct funding:

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- Gasunie Engineering and Technology B.V., The Netherlands

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- Advantica, UK

General

- Petronas, Malaysia
- KiwaGastec, The Netherlands

There are still opportunities for you to promote your company or organisation at the conference. For more information on sponsorship possibilities please contact Robert Doets (see box for contact details).

● **Don't miss IGRC2008**

Don't miss this excellent event for only €950 excluding VAT, where you will have the chance to meet some 500 professionals from the gas business and talk with them about the latest developments and highlights of gas research in the world.

Rob Aptroot is the Secretary of the IGRC Technical Programme Committee. For more information please visit www.igrc2008.com.

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NIGC at a Glance

Strategically located along the Persian Gulf, Islamic Republic of Iran can play an important role in the global gas supply; acting as a bridge between the huge Middle-Eastern gas reserves and major demand centres in Europe and Asia. Iran holds the world's second largest natural gas resources with proven reserves of 28 tcm, half of which lies in the off-shore South Pars field in the Persian Gulf waters.

National Iranian Gas Company, NIGC, which was established 40 years ago, is responsible for treating, transmission and distribution of natural gas to consumers across the country as well as contributing in import and export policy making.

NIGC now covers 38 sub-companies which are under deregulation and privatization.

NIGC Highlights

At the end of the year 2006 NIGC has completed almost 25 thousand km of high pressure pipelines and over 131 thousand km of natural gas distribution network with over 6.2 million connections, covering 12.6 households (53.2 million populations).

Gas Supply

NIGC receives natural gas from National Iranian Oil Company, NIOC. A minor share of natural gas consumption is supplied by import from Turkmenistan. In 2006 the total received and imported gas has been 117.3 and 6.3 bcm respectively. Natural gas for domestic consumption and export is generally supplied from independent gas field while the associated gas is basically allocated for gas injection project.

Treating

NIGC treating and dehydration capacity during the period of 1997-2006 with average annual growth rate of 13.4 % has increased from 142 mmcm/d in 1997 to 440 mmcm/d in 2006.

Transmission

More than 14584 km of high pressure pipelines have been constructed by NIGC during the period of 1997- 2006, with an average annual rate of 1620.4 km. At the end of the year 2006, the total trunk lines exceeded 24900 km.

Distribution

NIGC has built over 89500 km domestic gas distribution network during 1997-2006. At the end of 2006, with an average annual growth rate of 20.6 %, the total length of country's gas network reached the figure of 131000 km.

Export

The contract of gas export to Turkey was signed with Botas Company in the year 1996, for a volume of 10 bcm/y. To realize this project, a 40 inch pipeline with a length of 253 km was constructed through the city of Tabriz towards the border of Bazargan.

Gas export to Turkey has commenced since December 2001, and the export rate in 2006 has risen up to 5.7 bcm.

Furthermore, a number of gas export pipeline project are under negotiation with regional and international investors.