



26.10.2007

## OIL



## State back in fuel distribution business

**Date** : 20.10.2007**Source** : Today's Zaman<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=125094>

The Turkish Petroleum International Company (TPIC), a subsidiary of the state-owned Turkish Petroleum Corporation (TPAO), is opening its first gas station in Yozgat today with an official ceremony to be attended by Energy and Natural Resources Minister Hilmi Güler.

The station and future ones opened by the TPIC will be named TP. The actors of the gas distribution market had clearly objected to the return of the state to the sector after it had left in 2001 by privatizing Petrol Ofisi. However, despite all the criticism toward the state's move, TPAO stepped back into the gas station business. In a written statement yesterday TPAO noted that it has long been in the competition since it was founded in 1968. *"Our company, which has on its own conducted all the risky work like oil exploration and production, has now entered the distribution business with full confidence,"* the statement said, without providing further details about their near-term plans.

## GAS



## Zorlu to bid for gas network in Ankara

**Date** : 24.10.2007**Source** : Turkish Daily News<http://www.turkishdailynews.com.tr/article.php?enewsid=86742>

Zorlu Group will bid for the capital's natural-gas grid in a sale that may be worth as much as \$3 billion. Zorlu will compete with companies including OAO Gazprom, the world's biggest gas provider, when Ankara sells its network by the end of next month.

Zorlu is also considering a bid for electricity networks the government plans to sell, Murat Sungur Bursa, chief executive officer of Zorlu Group's energy unit, Zorlu Energy, said in an interview. Natural-gas consumption in Ankara is expected to more than double to 7.5 billion cubic meters a year in the next decade. *"It's one of Turkey's first big gas privatizations and the potential for growth is large as Ankara undergoes an urban transformation,"* Bursa said, declining to estimate how much the grid would cost.

Zorlu is building natural-gas networks in Gaziantep and Tekirdağ and has 30-year licenses to distribute gas in the two cities. The company is also exploring for gas in Turkey and has reserves of as much as 100 million cubic meters of the fuel in the northwest region of Thrace.



## Sudan considers oil cooperation with Turkey

**Date** : 25.10.2007

**Source** : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=125471>

Speaking to the Anatolia news agency in Konya, Sudan Public Enterprises Turkey representative and Sinkad Mastir General Manager Hisham Taha said they were using only around 10 percent of their 600,000 barrel daily production capacity, which they plan to increase to 1 million next year.

*"We can cooperate with Turkey as it is experiencing difficult times with one of its oil providers, Iraq," he said. Taha stated that Sudan does not have enough oil refineries and that if Turkey can handle the refinement process either in Turkey or Sudan it would be easy for them to deal with Turkey in oil. "We can process only 50,000 barrels out of 600,000 every day. China has oil refineries in Sudan, but we would prefer to work with Turkey," he said.*



## Turkey and Israel move forward with multipurpose pipeline

**Date** : 24.10.2007

**Source** : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=125390>

Turkey and Israel voiced their mutual resolve on Tuesday in Ankara for moving ahead with plans for construction of a multipurpose pipeline that will stretch from southern Turkey to Israel, with the Turkish energy minister announcing that preliminary feasibility studies concerning the plans have been finalized.

*"It will supply oil, natural gas, water and electricity to them. We talked about the feasibility studies of this project. We are still committed to continuing with the project", Energy Minister Hilmi Güler said following a meeting with his visiting Israeli counterpart, Binyamin Ben-Eliezer, referring to the multipurpose pipeline connecting oil, natural gas, water and fiber optic lines between Turkey, Israel and their neighbors. The oil shipments to Israel would be delivered through an extension of either an existing Iraqi oil pipeline to Ceyhan or one that Turkey is planning to build from Samsun to Ceyhan to export Caspian oil, the minister said.*

Noting that the project under discussion would be an extension of the Samsun-Ceyhan pipeline project, Güler stressed that they have already drafted a schedule for carrying out the project. In response to a question concerning plans for finding a supplier of natural gas for the planned project, Güler said negotiations with Russia have been under way and that they have been waiting for Russia's response. Using Iraqi and Azeri natural gas is also possible, he added. *"May be we can also use our own gas if our explorations yield positive results."*



## Ecuador back to OPEC as active member

**Date** : 25.10.2007

**Source** : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=125477>

The Organization of Petroleum Exporting Countries (OPEC) has accepted Ecuador back as an active member, Energy Minister Galo Chiriboga said. OPEC sent a letter to Ecuadorean authorities dated Oct. 23, two weeks after the Andean country officially asked to regain its active membership status.

Ecuador stopped paying OPEC dues in 1992, although it never formally quit the organization. *"We'll do everything necessary to be at the November meeting in Saudi Arabia as active members,"* Chiriboga said. OPEC countries' heads-of-state meet Nov. 17 in S. Arabia, and Ecuador's President Rafael Correa has said he wants to participate. Ecuador is a marginal oil producer, with 507,000 barrels a day in private and state production. Chief among those requirements is the payment of about \$5 million Ecuador owes in OPEC dues.



## Qatar Energy Minister: Price should top \$100

**Date** : 21.10.2007

**Source** : Oil & Gas News

<http://www.oilandgasnewsworldwide.com/Articles.asp?Article=23255>

Qatar Energy Minister Abdullah bin Hamad Al Attiyah said crude oil prices, which have surged recently to record levels above \$80 a barrel, should be more than \$100. *"If we take into account inflation from 1972 to the present day, the real and fair price for oil should be more than \$100,"* Al Attiyah said.

According to reports, he also said such a price was justified by rising inflation, a fall in purchasing power and the weakness of the dollar, which has dropped about 10 per cent in value against the euro over the past year. His comments contradict those of OPEC chief Abdalla Salem Al Badri who said in September that current prices around \$80 did not reflect fundamentals and were unlikely to last long at that level.

OPEC decided last month to increase its output by 500,000 barrels from November 1 to help ease prices and send a signal that the cartel cared about consumer countries. Al Attiyah said the dollar could remain the unit of reference for oil despite its slump. *"But I cannot predict what will happen in future. Anything is possible."*



## Russia says EU energy plan ‘discriminatory’

**Date** : 25.10.2007

**Source** : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=125472>

Russia attacked as “*discriminatory*” European Union proposals to restrict its ability to buy up pipelines and power grids. The plans could hurt competition and lead to a “*serious*” rise in gas prices, Sergei Yastrzhembsky, the Kremlin's top adviser on EU issues, said.

The European Commission proposed last month stopping non-EU firms from buying energy transmission networks if their home countries did not have a prior agreement with Brussels, a move regarded as targeting Gazprom, Russia's state gas giant. Yastrzhembsky told Reuters in an interview that the proposals “*could become the basis for a discriminatory approach to, say, Gazprom, which could restrict the principle of free competition.*”

Russia, one of the EU's main energy suppliers, pumps oil and gas west through its pipeline systems across Belarus and Ukraine into central and western Europe. President Vladimir Putin will discuss the proposals with EU Commission President Jose Manuel Barroso at a summit between the European Union and Russia in Portugal on Friday.

Yastrzhembsky said the EU draft rules, which would break up big European utilities controlling power supply, generation and transmission, could also force up prices for consumers. “*We think... carrying out the proposal on liquidating vertically-integrated energy companies... could lead to a serious increase in the price of gas,*” he told Reuters.

European diplomats say Russia does not allow foreign companies to buy its pipelines and electricity grids so there is no question of unfairness, an argument dismissed by Yastrzhembsky. If European countries did not want to depend on Russian energy, he said, “*we ask them to tell us starting from what year and in what volume of oil and gas these European partners are ready to turn down... so that we can be ready and redirect these resources, say to the Far East, to our other partners.*”

Opposition to the EU draft proposals from large integrated EU energy firms such as Eon, Gaz de France and ENI, as well as the Union's own slow decision-making, meant a rapid decision on the issue was unlikely, he said. Earlier, Yastrzhembsky said Russia and the European Union had agreed to set up an early warning system to flag up any disruptions to gas and oil supplies through Russian pipelines. “*We have been able to reach an agreement on the creation of a mechanism for early warning which is being created... to notify in good time about any problems arising with supply and demand,*” Yastrzhembsky told a news briefing.

## Liquefied Petroleum Gases (LPG) Market Law and Amending Law To Electricity Market Law

Source : EMRA  
 Weblink : <http://www.epdk.org.tr/english/regulations/lpg.htm>

**PETFORM**  
**UPCOMING EVENTS**

## Developing European Gas Supply Infrastructure

Date : November 5 – 6, 2007  
 Place : Vienna – Austria  
 Website : <http://www.platts.com/Events/pc778/>  
 Contact : Sophie Adams (+44 (0) 20 7176 66 58)



## World Energy Congress

Date : November 11 – 15, 2007  
 Place : Rome – Italy  
 Website : [www.rome2007.it](http://www.rome2007.it)  
 Contact : Erica La Venuta (+06 420 45423)



## TIOGE 2007 (Turkmenistan Oil & Gas Conference)

Date : November 14 – 15, 2007  
 Place : Ashgabat – Turkmenistan  
 Website : [www.tioge.com](http://www.tioge.com)  
 Contact : ITE Group Plc. Turkey (212 – 291 83 10)



## Creating Value in European Oil Storage

Date : November 26 – 27, 2007  
 Place : Budapest – Hungary  
 Website : <http://www.platts.com/Events/pc779/>  
 Contact : Sophie Adams (+44 (0) 20 7176 66 58)

