



## Yildiz: Natural gas prices will not increase in January

Date : 31.12.2009

Source: Hürriyet Daily News (AA)

<http://www.hurriyetdailynews.com/n.php?n=1231130137045-2009-12-31>

The Turkish government will not increase the natural gas prices in January, Energy and Natural Resources Minister Taner Yildiz announced Thursday.

“The price hike in natural gas in January will be 0 percent for households and the industrial sector. But that is until February. The automatic pricing mechanism will then decide the hike,” Yildiz said at a press conference. “No government wants to make price hikes, but the situation is completely dependent on foreign resources,” he added.



## Giant rig crosses Bosphorus Strait to begin oil exploration

Date : 31.12.2009

Source: Hürriyet Daily News (AP)

<http://www.hurriyetdailynews.com/n.php?n=giant-rig-crosses-narrow-istanbul-strait-to-begin-oil-2009-12-31>

A massive deepwater drilling rig is crossing the Istanbul’s narrow Bosphorus strait, forcing Turkey to temporarily shut down one of the world’s busiest waterways.

The Leiv Eiriksson, one of the world’s largest rigs, is making its way to the Black Sea to begin oil and gas explorations off Turkey’s coast in February. Energy Minister Taner Yildiz said that the platform’s tall towers were dismantled to allow it to pass beneath bridges on the Bosphorus. The platform will drill for possible oil and gas under a joint venture between Turkey’s state-run TPAO and Brazil’s Petrobras.



## Ankara and Ashgabat exchange messages on energy cooperation

Date : 28.12.2009

Source: Today's Zaman (Süleyman Kurt)

<http://www.todayszaman.com/tz-web/news-196832-ankara-ashgabat-exchange-messages-on-energy-cooperation.html>

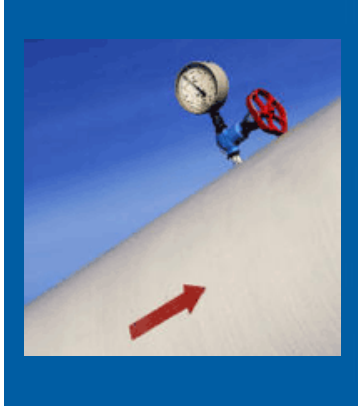
Turkish President Abdullah Gül recently sent a letter to his Turkmen counterpart, Gurbanguly Berdimuhamedov, in which he expressed support for Ashgabat's policy of diversifying energy transportation routes.

"Turkey supports the policy of the friendly and brotherly Turkmenistan on the diversification of energy transportation routes. I am confident that by pursuing this policy, Turkmenistan, with its abundant resources, will make a significant contribution to gas transit to Turkey and through Turkey to the West," Gül said. "There is no doubt that the Turkmenistan-China gas pipeline that took energy cooperation between Turkmenistan, Uzbekistan, Kazakhstan and China to a new level will also have a positive impact on regional development and stability," he also said.

Earlier this month, the leaders of China and three Central Asian nations gathered in Turkmenistan for the opening ceremony of the natural gas pipeline from the energy-rich region to China. The leaders assembled at the Samandepe gas field in eastern Turkmenistan to open the pipeline leading through Uzbekistan and Kazakhstan into China's far western Xinjiang region.

In his letter, Gül also highlighted Ankara's expectation that Turkmen gas will be transported to the West through Turkey, saying such a choice would strengthen Ashgabat's energy policy. Last month, Johann Gallistl, the vice president of the Nabucco pipeline consortium, said energy-rich Turkmenistan could become a top supplier to fill the pipeline..

Meanwhile, Berdimuhamedov initiated a telephone conversation with Prime Minister Recep Tayyip Erdogan on Friday and invited him to attend the opening ceremony of a new Turkmenistan-Iran gas pipeline designed to supplement the existing Korpezhe-Kurt Kui pipeline, which transports 8.4 billion cubic meters of Turkmen gas to Iran. The ceremony, expected to be attended by Iranian President Mahmoud Ahmadinejad, is scheduled to take place in the first week of January. On the occasion of the telephone conversation, Erdogan reiterated Turkey's expectation that Turkmenistan will support Nabucco.



## Russia plans gas price hike

Date : 30.12.2009

Source: Upstream Online

<http://www.upstreamonline.com/live/article202424.ece>

Ukrainian state gas company Naftogaz said it could pay more for Russian gas in the first quarter of next year, raising prices to \$305-306 per 1000 cubic metres from \$208.12 in the current quarter. The exact price would be determined at the beginning of next year, a Naftogaz official told.

Meanwhile, Belarus will also see a 12% increase in Russian gas to \$168 per 1000 cubic metres in the first quarter 2010, Russian gas export monopoly Gazprom said today. Belarus enjoys the largest discount on Russian gas in the region, paying \$150 per 1000 cubic metres of gas in 2009 on average.



## Ukrainian PM denies cash shortage for Russian gas bill

Date : 28.12.2009

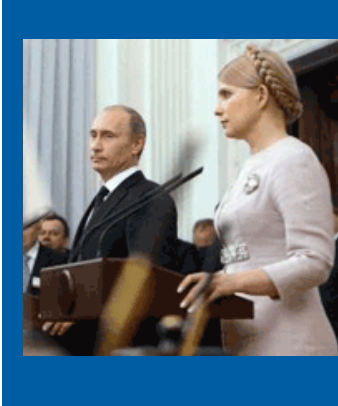
Source: Hürriyet Daily News

<http://www.hurriyetsdailynews.com/n.php?n=ukraine-pm-denies-cash-shortage-for-russian-gas-bill-2009-12-28>

Ukrainian Prime Minister Yulia Tymoshenko denied accusations by Russian gas export giant Gazprom that Kiev may not be able to pay its energy bill this month due to a cash crunch.

“We are clearly and confidently managing our financial life during the crisis,” the Interfax news agency quoted her as saying. Gazprom chief executive Alexei Miller said Friday that Ukraine had cut back on purchases of Russian gas since mid-December and appeared to be facing ‘serious problems with payment’. But Tymoshenko said “Such statements have been made at the end of every month for at least the last year.”

Ukraine has until Jan. 11 to pay for gas, according to Gazprom, which has cut off supplies to the country over unpaid bills repeatedly in the past. The International Monetary Fund extended a 16,4-billion-dollar credit in November 2008 to help Kiev cope with a severe slump amid the global financial crisis. But the fund is withholding the next tranche of its stand by credit due to concerns over political infighting in the run-up to the presidential election.



## Russia and Ukraine reach new deal on oil transit

Date : 29.12.2009

Source: Rigzone

[http://www.rigzone.com/NEWS/article.asp?a\\_id=84759](http://www.rigzone.com/NEWS/article.asp?a_id=84759)

Russia and Ukraine agreed new terms Tuesday for oil transit to Europe, averting the threat of another year-end energy crisis after Russian Prime Minister Vladimir Putin accused Kiev of 'abuse' on the deal.

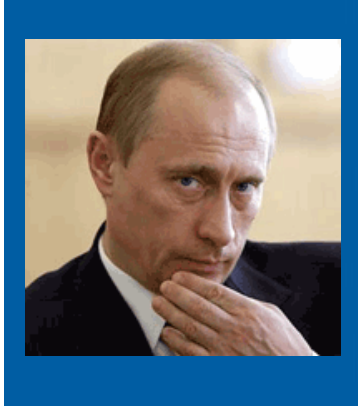
"Yesterday night, everything fell into place. An additional agreement has been signed," Valentyn Zemlyansky, spokesman for Ukrainian state energy firm Naftogaz, said in Kiev. A spokeswoman for the Russian Energy Ministry in Moscow confirmed that a new agreement had been concluded but declined to provide details. Officials in both countries said the agreement only covered 2010.

The agreement came a day after the European Union announced that Russia had triggered an 'early warning mechanism' advising European states of the possibility of disruption to Russian oil supply pumped via Ukraine. The Ukrainian state oil pipeline monopoly, which is owned by Naftogaz, acknowledged Monday that it was seeking changes to terms of its 2004 oil transit contract with Russia.

Earlier Tuesday, Putin accused Ukraine of 'abuse' on the Russian oil transit deal. "We are ready to deliver, we have a contract, but if any of the transit countries abuse, what can you do?" Putin said. Zemlyansky, the Naftogaz spokesman, told AFP the new deal foresaw a rise in transit fees of 30% in 2010 compared with this year.

The volume of oil to be shipped via the Druzhba pipeline will remain at the 2009 level of 15 million metric tons, he added. A source close to the talks told AFP that the tariffs had increased to EUR6.6 (\$9.5) a ton of oil from \$7,8 in 2009. End-of-year haggling over energy prices has become a familiar problem in bilateral ties between Russia and Ukraine, and the current dispute came amid intense campaigning for Ukraine's presidential election Jan. 17.

Alexei Miller, the head of the gas giant Gazprom, said in televised comments last week the ex-Soviet nation, hit hard by the economic crisis, faced 'very, very serious problems' in paying for Russian gas. Ukraine has until Jan. 11 to pay its gas bill. Ukrainian Prime Minister Yulia Tymoshenko, who is challenging Yushchenko for the presidency, denied her country would have any problem paying its Russia gas bills.



## Putin launches new oil route to Asia

Date : 28.12.2009

Source: Hürriyet Daily News

<http://www.hurriyetdailynews.com/n.php?n=putin-launches-new-russia-oil-route-to-energy-hungry-asia-2009-12-28>

Russian Prime Minister Vladimir Putin opens a new oil export terminal that will serve as a key gateway for Russian energy exports to energy-hungry Asian markets.

Putin pushed a button that initiated the first filling of an oil tanker bound for Hong Kong at a new oil terminal near the Russian Pacific port of Nakhodka, the projected terminus of the new Siberian oil pipeline. “This is a strategic project because it allows us to enter completely new, growing, promising markets of the Asian Pacific region,” he said.

Earlier this year, Transneft completed the construction of the first 2,694-kilometre section of the oil pipeline known as ESPO (Eastern Siberian Pacific Ocean) linking Taishet in eastern Siberia with Skovorodino in the Amur region. This portion of the project also included the construction of the Kozmino oil port inaugurated by Putin. The second portion, a 2,100-kilometre stretch of pipeline, will run from Skovorodino to the Kozmino port. Kozmino is the destination point of a new pipeline that will pump crude from huge oilfields in eastern Siberia.

The pipeline’s first 2,750-kilometer section linking Taishet in eastern Siberia with Skovorodino near the border with China was completed last month, but exports to China are expected to start in 2011 after the pipeline systems are linked. It cost about \$12 billion to build the Taishet-Skovorodino pipeline, which was completed quickly thanks to a deal with China in February that provided \$25 billion in loans to Russian state energy companies in exchange for oil supplies for the next 20 years.

For now, oil is being delivered by rail from Skovorodino to the Kozmino port where it is then to be pumped into tankers for shipment to markets in Asia. Putin said the state-of-the-art terminal, which he praised as ‘eye candy’, had cost 2 billion dollars to build. The first tanker, The Moscow University, was set to deliver the ESPO crude to Hong Kong, said Transneft President Nikolai Tokarev. “The pipeline’s launch will strengthen Russia’s energy security,” said Tokarev.

Russia has surpassed Saudi Arabia as the world’s top world oil exporter due to output quota cuts by the oil cartel OPEC and to new oil fields in Siberia coming on line. Transneft and the Chinese oil group CNPC in October 2008 signed an agreement on the construction of a 67-kilometre branch line to China which will initially carry 15 million tons of oil a year when it becomes operational.



## Gazprom signs on for Uzbek gas supplies

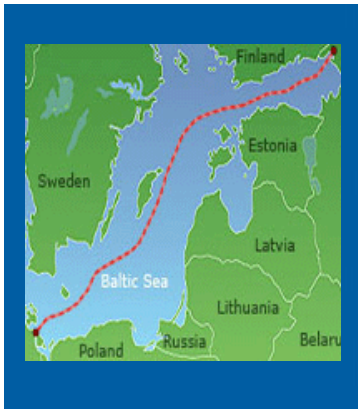
Date : 29.12.2009

Source: Rigzone

[http://www.rigzone.com/news/article.asp?a\\_id=84771](http://www.rigzone.com/news/article.asp?a_id=84771)

Led by Alexander Medvedev, a Gazprom delegation paid a working visit to the Republic of Uzbekistan on December 28, 2009. As part of the visit, Alexander Medvedev met with Ergash Shaismatov and Ulugbek Nazarov.

According to the negotiation results, a contract for Uzbek gas purchase and sale was inked between Gazprom export and Uztransgaz for 2010 in the amount of up to 4,25 billion cubic meters (bcm). Pursuant to the agreements reached, the price formula for the natural gas supplied from Uzbekistan will meet the European gas market conditions. Taking into account the contracts signed earlier, Gazprom's portfolio will additionally receive 15,5 bcm of Uzbek gas in 2010. "Having taken constructive positions, the parties agreed to enhance the level of mutually-beneficial cooperation and to start preparation of a long-term contract," said Alexander Medvedev.



## Nord Stream gets German nod

Date : 28.12.2009

Source: Upstream Online

<http://www.upstreamonline.com/live/article202362.ece>

The Nord Stream consortium said it received the permit to construct the 31 kilometre section of the natural gas pipeline in Germany's exclusive economic zone, after last week gaining approval for the underwater section construction in Germany.

"This second and final German permit leaves only the second Finnish permit outstanding" the consortium said in a statement. Nord Stream, a Russian-German consortium, plans to transport 55 bcm of gas per year from Russia to Germany when completed in 2012. From Germany, it will be connected to the European energy grid.

Nord Stream is a project involving Russian natural gas export monopoly Gazprom and Germany's BASF and E.ON. "We are firmly on schedule to start construction of the pipeline in spring 2010 and to start transporting gas in 2011," Nord Stream's managing director Matthias Warnig was quoted as saying



## Abdullayev: Azerbaijan may double Russian gas exports

Date : 28.12.2009

Source: Upstream Online

<http://www.upstreamonline.com/live/article202354.ece>

Azerbaijan may double natural gas supplies to Russia. "Talks were held. Azerbaijan has the possibility to increase gas supply, and in 2010 we will deliver 1 billion cubic metres of gas to Russia," SOCAR chief executive Rovnag Abdullayev told.

In October, Russian energy giant Gazprom secured a deal to import 500 million cubic metres a year of Azeri gas from next year. Europe is also counting on Azerbaijan to fill its proposed Nabucco pipeline, a rival to the Moscow-backed South Stream link. The initial supplies from Azerbaijan will be bought by state-run Gazprom from phase one of Shakh Deniz deposit, in which BP and StatoilHydro have heavily invested. Gazprom also wants to buy gas from the second phase of the Shakh Deniz deposit, which is due to come on stream in 2016, reported Reuters.



## Tüpraş targets \$15 billion turnover in 2010

Date : 29.12.2009

Source: Today's Zaman

<http://www.todayszaman.com/tz-web/news-196945-tupras-targets-15-billion-turnover-in-2010.html>

Tüpraş, Turkey's largest oil refining company with over 28 million ton crude processing capacity, targets a turnover of 15 billion USD in 2010, company's top executive said on Monday.

"Tüpraş expects to reach a turnover of 11,5 billion USD by the end of 2009. Our target is set as 15 billion USD for the next year. Figures may vary depending on crude oil prices," CEO Yavuz Erkut said in a statement. "2010 net profit is estimated to surpass this year's profit. We will also post a net profit in line with our expectations for the year 2009."

Erkut said Tüpraş estimates 10 percent rise in output in 2010, adding that exports are also expected to increase 35 percent. The company plans to make investments of some 300 million USD within a year, Erkut added.



## Lukoil and Statoil sign initial pact for West Qurna II

Date : 29.12.2009

Source: Rigzone

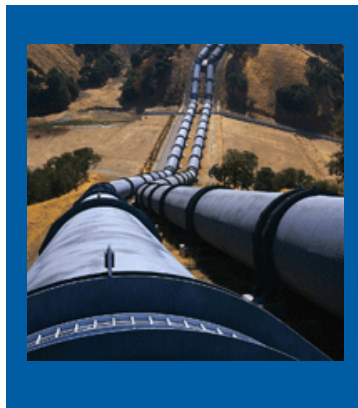
[http://www.rigzone.com/news/article.asp?a\\_id=84757](http://www.rigzone.com/news/article.asp?a_id=84757)

Russia's Lukoil and Norway's Statoil Tuesday signed an initial deal to develop the Iraqi West Qurna Phase 2 oil field, 16 days after the closure of the country's second postwar licensing auction, Iraqi oil ministry officials said.

The two companies won the field by pledging to lift crude oil production to 1.8 million barrels a day for a fee of \$1.15 a barrel. According to a separate statement from Statoil Tuesday, the companies have adjusted their shares in the field, with Statoil raising its stake to 25% of the field's development rights from 15% previously, and Lukoil's stake dropping to 75% from 85%.

The initial deal for West Qurna Phase 2 was signed in Baghdad by Iraq's deputy oil minister Abdul Kareem al-Luaby with executives from both companies. The deal still needs the approval of the Iraqi cabinet before its final signature, the officials said. "We hope that the agreement will be ratified by the cabinet as soon as possible," Luaby said.

"This contract is a major step toward developing our joint activities in Iraq," Dmitry Timoshenko, vice president for business development at Lukoil told reporters in Baghdad. Lukoil president Vagit Alekperov told that Lukoil aims to invest \$4.5 billion in the West Qurna Phase 2 project in the next three to five years. He said he believed that the project would be profitable and would have a rate of return of 15%.



## Arab gas exports increase by 54%, led by Qatar

Date : 30.12.2009

Source: Oil & Gas Journal (Eric Watkins)

<http://www.ogj.com/index/article-display/1399001148/articles/oil-gas-journal/drilling-production-2/2009/12/Arab-gas-exports-increase.html>

Arab exports of natural gas have increased by more than 50% over the past four years with the majority of the increase coming from Qatar, according to official data.



The Organization of Arab Petroleum Exporting Countries (OAPEC), in its 2009 statistical report, said the Arab region's total gas exports rose by 54.4% to 161.9 billion cu m in 2008 from 104.8 billion cubic metres (bcm) in 2004. Arab gas reserves stood at 53.7 tcm at yearend 2008, according to the OAPEC report, which said that Qatar has nearly half the Arab gas potential, with more than 25 tcm.

The OAPEC report said Algeria remained the leading Arab gas exporter in 2008, with its exports of 59.4 bcm accounting for more than a third of the total Arab gas sales. But the report also noted that Algeria's exports have remained static in 2004-08, while those of Qatar have rocketed to 56.8 bcm from 24.1 bcm during the same period. With 16.9 bcm in 2008, Egypt was the third-largest Arab gas exporter in 2008, followed by Oman 10.9 bcm, Libya 10.4 bcm, and the UAE 7.5 bcm.

The OAPEC report forecast that Qatar, which controls 15% of the world's proven gas resources, will dominate the gas export trade in the region due to new projects planned for the North Field, which has more than 900 tcf of proven gas resources. Qatar produced 30 million tonnes of LNG in 2008 and output could surpass 50 million tonnes in 2009. By yearend 2011, Qatar is forecast to produce 77 million tonnes of LNG.



❖ EMRA's Announcement on Fuel Price Notifications

Source : Energy Market Regulatory Authority  
Weblink : <http://www.epdk.org.tr/duyuru/petrol/acil/otvduzeltme.html>