



## GAS



## EPDK President Günay departs from top energy post

**Date** : 19.11.2007

**Source** : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=127367>

Energy Market Regulatory Agency (EPDK) President Yusuf Günay, who has held the post for six years, stepped down from the post today. By law, an EPDK member can hold the leadership post for only six years; thus Günay's term had expired.

Cengiz Kiral and Muzaffer Keleş, two other members of the EPDK board, are also leaving the institution because their terms have ended. Deputy President Yusuf Tülek will preside over the EPDK until the Cabinet appoints a new president.

According to Electricity Market Law No. 4628, the Cabinet has to identify three new members to fill the vacated posts within one month. The same law says that the EPDK comprises nine members, including a president, a deputy president and seven regular members. A member must have graduated from a four-year program in political science, law, administrative sciences, public management, economics, engineering, business or accounting, from a nationally recognized university. The candidate must also have at least 10 years' experience in either the private or public sector.

## GAS



## Greece and Turkey open gas pipeline

**Date** : 20.11.2007

**Source** : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=127431>

Greece and Turkey opened a \$300 million pipeline on Sunday. The 178-mile pipeline also solidifies improved ties between Greece and Turkey, linking two countries through a project that will give Caspian gas its first direct Western outlet and help ease Russia's energy dominance as oil and gas prices soar.

The pipeline, which will use natural gas pumped into Turkey from the Shah Deniz field in Azerbaijan, will initially carry 250 million cubic meters of gas a year to Komotini, in northeastern Greece, from Karacabey, in western Turkey. Its capacity is expected to triple by 2012, when Poseidon, a 132-mile undersea Greece-Italy pipeline begins operation, forming the Southern Europe Gas Ring project.

## GAS



## Signing energy deal with Iran, Ankara vows to defy US pressure

**Date** : 21.11.2007

**Source** : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=127590>

Turkish Energy Minister Hilmi Güler and his Iranian counterpart, Parviz Fattah, signed the \$1.5 billion accord in Ankara for the upgrade of existing power transmission lines and construction of a new line between the two nations.

Speaking at a joint press conference with Fattah after signing the deal, Güler described it as beneficial for the region as well as for Turkey and Iran. *"We will continue to sign agreements with Iran, including ones for natural gas,"* Güler said. *"Most naturally, we are prepared; we know of these,"* Güler briefly responded, when reminded by reporters of the fact that deals between third countries and Iran are subject to US sanction. *"At this point, interests of our country are above everything. These efforts should by no means be considered a reaction, this is an action,"* he noted.

Under the deal, Ankara plans to import between 3 and 6 billion kilowatt hours (kWh) of electricity and envisages completion of construction within a year. Shrugging off US opposition, Turkey signed a preliminary transmission line agreement with Iran in August. The agreement includes construction of three natural gas-fired power stations with a total of 6,000 megawatt capacity and a 10,000 megawatt-capacity hydropower station. Güler said Turkish contractors would build the hydropower station. Iran currently exports electricity to energy-hungry Turkey via two transmission lines with a combined capacity of 250 megawatts. Güler said the public sector would conduct the work on the transmission lines, while the private sector would carry out construction of the power stations and dams.

## OIL



## TPAO signed alliance agreement with Medco Energi International

**Date** : 09.11.2007

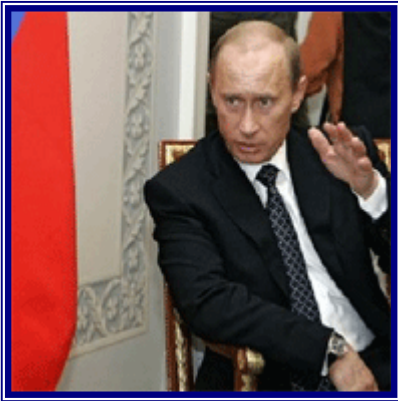
**Source** : TPAO

<http://www.tpao.gov.tr/v1.4/index.php?lng=en>

Mr. Hilmi Panigoro, CEO of Medco Energi International, Indonesia visited TPAO and signed an alliance agreement. With this agreement, both companies will cooperate and pursue business opportunities and projects in Turkey, Indonesia, Middle East, and North Africa (esp. Libya).

Mr. Panigoro also visited International Projects and Exploration Departments, and Research Center, and obtained information about TPAO's activities.

## GAS



# Duo push ahead with South Stream

**Date** : 22.11.2007

**Source** : Upstream Online

<http://www.upstreamonline.com/live/article144663.ece>

Russia and Italy took a major step towards building the €10 billion South Stream gas export pipeline today, agreeing to set up a joint venture to operate the planned link. Russian Gazprom and Italy's Eni will form a joint venture to operate South Stream, which would take 30 billion cubic metres of Russian gas to Europe per year.

*“We are open to other partners joining the project,”* Eni boss Paolo Scaroni told a press briefing in Moscow before both companies signed the agreement. *“We use this opportunity to have a political blessing for our commercial agreement with Gazprom,”* added Scaroni, who joined Italian Prime Minister Romano Prodi on a state visit to President Vladimir Putin.

Analysts told Reuters the South Stream project poses a challenge to the rival Nabucco pipeline project, which would take gas from Azerbaijan to southern Europe via Turkey in a European attempt to diversify its sources of energy away from reliance on Russia. Russian gas will go from the Novorossiisk port, travel 900 kilometres under the Black Sea, re-emerge on the Bulgarian coast and then continue through one of two onshore routes. If it goes south, it would then pass Greece and hit Italy's southern Puglia region. Going north, gas would pass through Romania, Hungary, the Czech Republic and Austria before arriving in Italy.

## OIL



# Iran working on design of Caspian oil export pipeline

**Date** : 19.11.2007

**Source** : Platts

<http://www.platts.com/Oil/News/8366092.xml?p=Oil/News&sub=Oil>

Iran hopes to finish basic design work by the middle of next year on a planned 1 million b/d pipeline which could help export crude from Kazakhstan's giant Kashagan field to world markets, a senior official from the National Iranian Oil Engineering and Construction Co official said Saturday.

Iran is expected to seek foreign investors for the 1,515-km pipeline from Neka on the Caspian Sea to Jask on Iran's southern coast, whose costs are currently estimated at around \$2 billion, NIOEC's director of engineering and construction, M.A.A. Sajedi, told Platts. *“Basic design is already ready and will be finished within eight months from now,”* he said. *“The crude oil from Neka will be sent to Jask. At first stage it is supposed to provide a single buoy mooring for exporting crude to huge vessels,”* Sajedi said, adding the new Jask terminal would provide a safer and more accessible facility for tankers than is currently available.

*“The Neka-Jask (route) was selected because it is a very safe area, because it is outside of the Persian Gulf and also because it is close to the free sea,” Sajedi said. “It is an easier way for ships to take crude oil from Jask, safe, easier and a shorter line also for the ships,” he added. The crude, Sajedi said, will be gathered from Russia, Turkmenistan, Kazakhstan and Azerbaijan, with the pipeline's main objective to transport oil produced from Kazakhstan's Kashagan field.*

Italy's Eni, operator of the Kashagan project, said in 2005 that a pipeline through Iran made more sense technically than any other option to get the field's oil to world markets, but that political considerations meant that the Iranian route was not being considered for the time being. Investors for the Neka-Jask project are already being sought, Sajedi said, with interest having already come from the Caspian Sea states, as well as Total, which has an 18.52% stake in Kashagan.

Oil produced in the Caspian Sea will be transported to the Neka terminal on board a new fleet of ships, Sajedi added. *“We have ordered already six ships with 63,000 dwt...existing ships in the Caspian Sea are small ones, around 5000 dwt,”* Sajedi said.



## Güler: Liberalization of energy sector is not easy

**Date** : 21.11.2007

**Source** : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=127579>

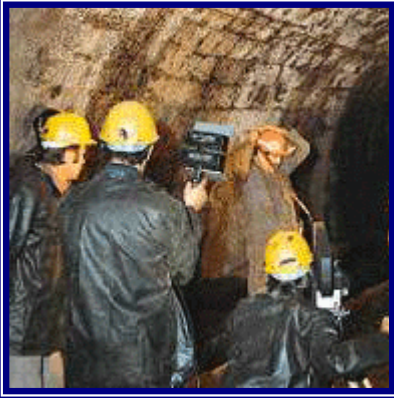
Energy and Natural Resources Minister Hilmi Güler has said the liberalization of the domestic energy market is not an easy task because of continuously clashing interests and entrenched habits. Güler spoke during a reception organized for the 6th anniversary of the Energy Market Regulatory Agency's (EPDK) foundation.

Güler stated that despite all the hurdles, including clashing interests and entrenched habits, they are trying to liberalize the energy market, which is constantly evolving. *“A working company always has to have access to a number of pathways as it tries to succeed in its business. But the paths are not always paved. We are taking serious steps to pave the way for them, to make their jobs easier,”* the minister said. Güler noted that Turkey has made strategic moves to be able to become a major energy actor in the region. *“We may face the challenges of rapid changes in our region in the near future but we are preparing ourselves by taking big steps with oil and natural gas pipelines. What we are trying to achieve is to render our country an indispensable element of the global energy equation. The EPDK has a vital role in this and it will continue to carry out this mission.”*

Güler also said goodbye to Yusuf Günay, the former head of the EPDK who left the post after serving six years. The minister thanked Günay for the service he had done the state. *“I don't think Günay will leave the business entirely, and we will always benefit from his knowledge and experience.”* he stated.



## GAS



## Zonguldak gas enough for 20-year demand

**Date** : 21.11.2007

**Source** : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=127586>

A group of Turkish scientists announced yesterday that the natural gas reserves in Zonguldak, a coal mining city in the Black Sea region, are large enough to meet Turkey's demand for the coming 10 to 20 years.

The director of the Earth and Marine Sciences Department of the Technological and Scientific Research Council of Turkey-Marmara Center of Research (TÜBİTAK-MAM), Associate Professor Dr. Sedat İnan, the vice president of TÜBİTAK-MAM, Dr. Mehmet Demirel, and the head of the business development unit, Dr. Sibel Sain, held a press conference yesterday in Kocaeli.

İnan said their research had revealed that the amount of natural gas in the Zonguldak coal mine fields is estimated to be between 300 billion and 600 billion cubic meters. The necessary technological studies that must be done prior to extracting these reserves are still in progress, he noted, adding that the Turkish Coal Institute (TTK) has put the gas production rights up for auction. The production of gas from coal fields is a well-known method, İnan also explained, citing the US, which has been exploiting this method for 30 years. Turkey is spending nearly \$7.5 billion on gas imports per year.

## OIL



## Brazil to consider joining OPEC

**Date** : 17.11.2007

**Source** : Today's Zaman (AP)

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=127307>

Brazil is to consider joining OPEC after it has gauged the impact on its oil exports from its newly discovered giant offshore Tupi oil field, Isnard Penha Brasil, the country's ambassador to Saudi Arabia, said Friday. Last week, Brazil confirmed a monster offshore oil discovery and promising fields near the find which could help the country join the ranks of the world's major oil exporters.

Brasil told Dow Jones Newswires on the sidelines of an Organization of Petroleum Exporting Countries summit that he was here to talk with OPEC officials and that *"a membership decision will come after we know what our export capacity will be and we think this will be good."*



## Oil prices steady after flirting with \$100

**Date** : 23.11.2007

**Source** : Turkish Daily News (Agence France-Presse)  
<http://www.turkishdailynews.com.tr/article.php?newsid=89379>

World oil prices paused yesterday, one day after striking a record peak near \$100 per barrel in New York on concerns over weak crude supplies and the falling dollar. Investors took a cautious stance to protect their positions since U.S. financial markets were closed yesterday for the Thanksgiving holiday, analysts said.

New York's main contract, light sweet crude for January delivery, eased six cents to \$97.23 per barrel. The contract had hit an historic \$99.29 on Wednesday. *"The markets are likely to be fairly quiet because of the Thanksgiving holiday in the United States,"* said Sucden analyst Andrey Kryuchenkov in London. Prices had failed to top \$100 on Wednesday, despite official data which showed that U.S. energy stockpiles fell more heavily than expected last week.

David Moore, a commodity strategist with the Commonwealth Bank of Australia, said he had expected prices to rise after the disappointing U.S. energy report. *"I thought the inventory data would be supportive of the market,"* Moore said. *"It may have been investors were cautious ahead of the Thanksgiving holiday."*

The U.S. Department of Energy (DoE) announced Wednesday that reserves of U.S. crude oil had sunk by 1.1 million barrels in the week ending November 16. Analysts' consensus forecast had been for a gain of 750,000 barrels.



## PetroChina boosts fuel production

**Date** : 17.11.2007

**Source** : Today's Zaman (AP)  
<http://www.todayzaman.com/tz-web/detaylar.do?load=detay&link=127308>

China's biggest oil company, PetroChina, is increasing its refining capacity by %12 to combat fuel shortages that have disrupted trucking and caused long lines at filling stations, state media reported. The company will raise refining volume to 2.4 million barrels a day, up from last year's daily level of 2.15 million barrels.

They cited comments by PetroChina vice president Liu Hongbin on Thursday. *"PetroChina will soon increase its refining capacity to ensure a stable domestic market in response to the situation of diesel shortages in some areas,"* Xinhua said, citing Liu.



## Iraqi Kurds to continue oil deals despite government 'threats'

**Date** : 21.11.2007

**Source** : Platts

<http://www.platts.com/Oil/News/8371538.xml?p=Oil/News&sub=Oil>

The Kurdish Regional Government in northern Iraq issued a statement Tuesday telling the Iraqi central government it will not “*accept threats, sanctions and punishments*” for going ahead and signing contracts with international oil companies to work in the region.

*“The Kurdistan Alliance List [electoral alliance of key Kurdish political parties in Iraqi parliament] is a partner in Iraq, not a rogue region to be threatened or punished for exercising its constitutional rights and power and for its willingness to contribute to the country's security, stability and revenue,”* the KRG statement said.

Last week, Iraqi oil minister Hussein al-Shahristani said oil companies that sign production sharing contracts with the KRG will be banned from future oil deals with the federal government and prevented from exporting the oil they produce.

This month the KRG has awarded 12 PSCs to companies that include TNK-BP affiliate Norbest, a Korean consortium headed by KNOC, Hillwood International Energy's HKN Energy, Denver-based Aspect Energy, subsidiaries of UK-listed Sterling Energy, Austria's OMV, India's Reliance and a consortium of the UK's Gulf Keystone, Texas Keystone and Kalegran, a subsidiary of Hungary's MOL.



## Russia confirms China pipeline delays

**Date** : 23.11.2007

**Source** : Gulf News (Reuters)

[http://www.gulfnews.com/business/Oil\\_and\\_Gas/10169652.html](http://www.gulfnews.com/business/Oil_and_Gas/10169652.html)

Russian Trans-neft said recent inspection had confirmed construction delays on a pipeline to China but did not say if the start-up would be delayed as well. “*The board highlighted that construction work was falling seriously behind schedule and that there was no construction work at all on a 704-km section,*” Transneft said.

The company said the delays were mainly due to a lack of qualified workers to work on the project. The newly appointed head of Transneft, Nikolai Tokarev, has already said that his company was three to four months behind schedule in constructing Russia's first pipeline to Asia, as some contractors had failed to deliver work on time.

Tokarev, a close ally of President Vladimir Putin, took office as president of Transneft last month after Putin dismissed the previous long-serving head, Semyon Vainshtok. Tokarev's statement about delays came as a surprise. Vainshtok had been seen as one of Russia's most effective state managers because he never delayed a project and had said the \$11 billion Asian pipeline would begin on schedule.

The statement comes at a time when the expected main user of the new route, state-controlled Rosneft, struggles to find a pricing compromise with China and says it will not supply its crude cheaply. The first 600,000-barrel-per-day section of the pipeline is due to be commissioned by the end of 2008 and Tokarev has said supplies to China would begin on time. On Thursday the company said the first phase pipe-line was 41 per cent complete instead of a projected 60 per cent, while pumping stations were 24 per cent ready instead of 56 per cent.



## US, Turkmenistan cast doubt on Nabucco gas link

**Date** : 21.11.2007

**Source** : Today's Zaman (Reuters)

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=127595>

US Energy Secretary Sam Bodman questioned Turkmenistan's support for a US-backed gas pipeline to Europe passing through Turkey and skirting Russia, while the Turkmen leader also suggested he favored another route supported by Moscow.

Bodman, who met with Turkmenistan's President Kurbanguly Berdimukhamedov last week in Ashgabat, said that he was not convinced that the Caspian country would fully support the project that would take gas to Europe without crossing Russian territory. "*I came away with question marks,*" Bodman told a British-US business group in London.

Berdymukhamedov was meanwhile quoted in Turkmenistan as saying he was committed to a Moscow-backed pipeline project that would send gas to Europe across Russian territory. "*Honoring its obligations, Turkmenistan will continue its efforts to promote the Caspian Gas Pipeline project,*" state media quoted him as saying. Turkmenistan plans to more than triple its gas production by 2030 from this year's planned 80 billion cubic meters of gas. A trans-Caspian pipeline would get Turkmen gas to Europe through Azerbaijan, Georgia and Turkey. The gas would then flow through another non-Russian pipeline -- Nabucco -- across Bulgaria, Romania, Hungary and into Austria.

Turkmenistan's support for the Russian-backed scheme has appeared to be on hold due to disagreements over gas prices. Russia and Turkmenistan, Central Asia's top gas supplier, had been due to finalize the deal in September, but have so far failed to agree on the price of supplies. The proposed pipeline would have a capacity of 10 to 20 billion cubic meters a year. A source close to the negotiations told Reuters the pipeline issue would dominate Berdimukhamedov's talks on Thursday and Friday with Russian Prime Minister Viktor Zubkov, who is due to visit the country.



PETFORM **ANNOUNCEMENTS & REPORTS**

✚ OPEC World Oil Outlook – 2007

Source : OPEC  
Weblink : <http://www.opec.org/library/World%20Oil%20Outlook/pdf/WorldOilOutlook.pdf>

PETFORM **UPCOMING EVENTS**

✚ 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)



✚ 6th Annual Gas Storage Outlook

**Date** : January 16 – 17, 2008  
**Place** : Houston – USA  
**Website** : <http://www.platts.com/Events/2008/pc806/>  
**Contact** : James Gillies (781 – 430 – 21 10)



✚ 2nd Annual European Gas Storage

**Date** : February 11 – 12, 2008  
**Place** : Budapest – Hungary  
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