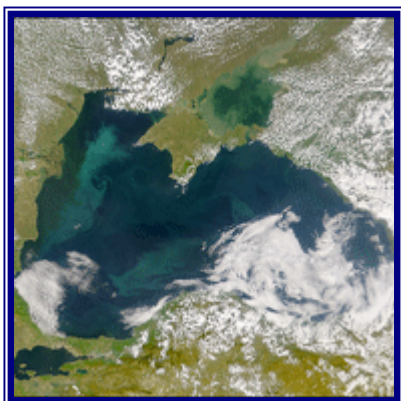




OIL



TPAO and Chevron to discuss oil and gas exploration in Black Sea

Date : 29.12.2008

Source : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=162573>

The Turkish Petroleum Corporation (TPAO) officials announced that they are currently in contact with Chevron on joint exploration for oil off the Black Sea coast and will initiate official negotiations in January.

Chevron had previously announced it was interested in conducting oil exploration off Turkey's Black Sea coast. TPAO estimates that the Black Sea may hold some 10 billion barrels of oil, enough to cover Turkey's oil needs for the next 50 years.

In the meantime, TPAO Vice President Yurdal Oztas said yesterday he looked forward to starting oil and natural gas exploration in Iraq and that he had met with interested Japanese companies. TPAO is one of 15 companies in the world to be granted a license to explore oil and natural gas in Iraq, he added. TPAO was also invited to tenders to explore and manage eight giant oil fields in Iraq.

GAS



Russia turns off Ukraine's gas

Date : 01.01.2009

Source : Upstream Online

<http://www.upstreamonline.com/live/article168938.ece>

Russia cut off the gas after a contract dispute but increased supplies to other European states to try to reassure customers worried about possible disruption. The European Union, which receives a fifth of its gas from pipelines crossing Ukraine, urged further negotiations to resolve the dispute and said all supply commitments must be met.

Energy companies in Germany, France, Romania, and Austria said they had not seen any drop in supply from the Russian cut-off. They said Europe has enough gas stockpiled to manage without Russian gas for several days, though not weeks.

Ukrainian President Viktor Yushchenko said in a statement he wanted to resume talks with Moscow to settle a row over payment arrears and gas prices for 2009. He said he was hopeful a compromise could be reached by 7 January. Signalling a possible way out of the stand-off, Ukraine's state energy player Naftogaz increased the amount it said it was prepared to pay for Russian gas to \$235 per 1000 cubic metres - \$15 short of the amount Russia has demanded.

The EU is keen to avoid a repeat of a January 2006 row when Moscow cut off supplies to Ukraine, causing a brief fall in gas deliveries to other parts of Europe in mid-winter. Russian gas export monopoly Gazprom halted supplies to Ukraine this morning after a failure to agree terms for supplying gas this year.

"We have fully cut off supplies to Ukraine as of 10:00 a.m. (0700 GMT) today," a Gazprom official told reporters at company headquarters in Moscow. "We continue supplying Europe in full." Ukraine's Naftogaz said it had seen a reduction of pressure in its pipelines, and was pumping gas from its stockpiles, which it says are sufficient to last it several months.

Naftogaz chief Oleh Dubyna said the firm was diverting 21 million cubic metres per day of Russian gas bound for Europe. He said the gas was needed to maintain sufficient pressure in the pipeline network to keep transit gas moving. Gazprom said it had stepped up volumes for European consumers beyond Ukraine to 326 MMcmd from the usual level of 300 MMcm - a step which may have been aimed at offsetting the gas Ukraine was diverting.

At the Texas ranch of US President George W. Bush, a White House spokesman urged Moscow and Kiev to bear in mind the possible humanitarian implications of supply disruptions. "We hope that Russia and Ukraine can resolve their dispute over the gas debt and the terms of their natural gas supply arrangements in a transparent, commercial manner," Reuters quoted Gordon Johndroe saying in a written statement.

Earlier, the EU urged more talks. "All existing commitments to supply and transit must be honoured," the Czech Republic - which took over the EU's rotating presidency today - said in a joint statement with the Commission, the bloc's executive. Pipelines that cross Ukraine are a major source of foreign currency revenue for Gazprom, Russia's biggest company.

The cut-off could tarnish Russia's reputation as a reliable energy supplier to Europe, five months after its war with Georgia damaged the Kremlin's standing in the West. Germany, France and Italy are among the biggest customers for Russian gas. If there is disruption, it could be some time before it is felt because of the large distances involved.



Sabanci CEO asks for more liberal energy market

Date : 30.12.2008

Source : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=162676>

Sabanci Holding CEO Ahmet Dördüncü has said a secure energy supply would only be possible with strong political determination to advance structural reforms that will in the end strengthen competition and investment opportunities.

Once the government succeeds in establishing such an environment, the private sector will flood the energy sector with investment, he added. Speaking yesterday at a press conference held in Istanbul to announce the Turkey section of the International Energy Agency's (IEA) World Energy Outlook report, Dördüncü stated that the liberalization of the sector and the presence of a competitive environment together carry utmost importance both domestically and internationally. With all these necessities, however, the steps to be taken for a secure energy supply have not been taken appropriately, he claimed.

Underlining that Turkey's growth rate projections for this year and for 2009 point to slow progress, if not recession, the CEO of Turkey's second-largest industrial conglomerate said this situation will have repercussions on the energy business, too. In addition, the scarcity of liquidity to transfer to investments on the global scale and the slowdown of the economy are other obstacles in the way of new investment in Turkey's energy sector. However, he asserted, once the economy returns to its positive track and things turn around, the energy demand will drastically rise and investment will increase again to match this demand with improved conditions for investment.

Dördüncü noted that estimates foresee energy consumption in Turkey increasing by more than the world average until 2020. He also cited capacity projections prepared by the Turkish Electricity Transmission Company (TEIAS) which state that the country will have no spare capacity in energy generation by 2013. "This clearly indicates the obligation of accelerating energy investments in the coming period. In line with this, the Energy Ministry is proposing increasing the current electricity generation capacity by 150 percent by 2020."

GAS



SOCAR President: Gas prices supplied from Azerbaijan to rise

Date : 30.12.2008

Source : Hürriyet Daily News

<http://arama.hurriyet.com.tr/arsivnews.aspx?id=10666200>

Talks about the sale of Azerbaijani gas, transported by the Baku-Tbilisi-Erzurum pipeline, to Turkey are underway, the website today.az quoted Azerbaijan's state oil company SOCAR President Rovnag Abdullayev as saying yesterday.

"Turkey is supplied with 13.6 million cubic meters per year. Volumes are expected to rise next year", he noted, adding that they were considering a rise in prices.

OIL



ALPET becomes market leader in Albania

Date : 30.12.2008

Source : Today's Zaman

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=162677>

ALPET became the biggest oil company in Albania in 2008 with a 30 percent market share. Started operating in Albania in January 2005, ALPET was announced as the company of the year in a consumer poll and its general manager, Ibrahim Aktoz, was chosen as businessman of the year.

Aktoz said ALPET had filling stations in 24 of Albania's 28 provinces, with a total of 100 stations throughout the country. "ALPET is eager to become a Balkan energy company based in Albania," he said, adding that all 510 staff members employed at their gas stations in the country are Albanian. Aktoz said his company has chosen Albania as its base for expanding into the rest of the region.

"We will enter other Balkan markets in 2009, and the first place we want to step into is Kosovo, because it was the Kosovars who knocked on our door and asked us to come and invest in their country, and we accepted gladly," he explained. With 50 million euros in annual turnover, ALPET was the seventh largest company in Albania in 2007.

Iraq opens second round bidding

Date : 31.12.2008

Source : Oil & Gas Journal (Eric Watkins)

http://www.ogj.com/display_article/349083/120/ARTCL/none/ExplD/1/Iraq-opens-second-round-bidding/



The Iraqi oil ministry has launched the second round of tenders to develop some of its oil and gas fields, hoping to add as much as 2.5 million b/d of oil production capacity. “In this bidding round, 11 groups of fields are included,” said Oil Minister Hussein Al Shahrstani.

“The second licensing round includes greenfields which means discovered but undeveloped, and fields of low production,” he said, adding that oil companies qualified to bid in the country’s first licensing round will be eligible to participate in the second bid round. The minister said conditions for new companies that want to be qualified for the second bidding round will be announced Jan. 4, 2009.

The fields on offer include the oil fields of Majnoon and West Qurna Phase 2, which each account for more than 12 billion bbl of reserves, according to the minister, as well as the Siba gas field, all in the Basra region.

The other fields being tendered are Halfaya in Missan province; Gharraf in Thi Qar province; Kifl, West Kifl, and Merjan in Najaf and Kerbala provinces; Badrah in Wasit; East Baghdad; Qayara and Najmah in Nineveh province; and Qamar, Gallabiyat, Naudoman, and Khashm Al Ahmar in Diyala province.

Contracts for the second bidding round are expected to be signed by yearend 2009 and will be service agreements. Iraq announced its first licensing round at the end of June, offering eight oil and gas fields to 35 prequalified international companies.



Iran seals Turkmen gas deal

Date : 02.01.2009

Source : Upstream Online

<http://www.upstreamonline.com/live/article168944.ece>

Iran and Turkmenistan have agreed on the price the Islamic Republic will pay for natural gas it imports from its north-eastern neighbour for the next six months. The Oil Ministry website Shana quoted the head of the National Iranian Gas Export Company, Reza Kasaizadeh, as saying the price would stay 'fixed' during the first half of 2009.

But Iranian media did not give details about the price and make clear whether it represented an increase or not from 2008. The announcement came as Russian gas export monopoly Gazprom said it had completely cut off gas supplies to Ukraine but was maintaining deliveries in full to customers in the European Union.

Iran sits on the world's second-largest gas reserves after Russia, but it has been slow to develop its resources, and faced a gas shortage last winter when Turkmenistan stopped supplies of up to 23 million cubic metres per day citing technical issues. Gas imports from Turkmenistan resumed in April. Iran has previously said Ashgabat wanted to be paid more for its gas.

"It was agreed that Turkmenistan's gas would be imported to the country (Iran) with a fixed price in the first six months of 2009," Kasaizadeh said. The Hamshari newspaper quoted him as saying: "In view of the goodwill by the Turkmen side and in view of the current market conditions, the two parties agreed the price of (exporting) gas from this country to Iran would remain unchanged for the next six months."

Iran uses the Turkmen gas to supply a northern region of the country that is difficult to reach from Iran's national gas grid and its huge reserves in the south. Iranian Oil Minister Gholamhossein Nozari last week said Iran could produce enough gas to meet domestic demand even without Turkmen imports and that Tehran had brought extra supplies onstream to prevent a repeat of last winter's shortage.



France and Spain to integrate gas markets

Date : 30.12.2008

Source : Oil & Gas Journal (Doris Leblond)

http://www.ogj.com/display_article/349046/120/ARTCL/none/GenIn/1/France.-Spain-build-gas-interconnections:-integrate-markets/

France's energy regulatory commission (CRE) and Spain's national energy commission (CNE) have endorsed the first coordinated gas capacity allocation, which are building interconnections to merge their gas markets.

The action constitutes an important step towards developing a regional gas system integrating French, Spanish, and Portuguese markets, with the ultimate aim of developing a single European market.

The priority objective of the South Gas Regional Initiative (S-GRI) created by the European Regulators Group for Electricity and Gas (ERGEG) involves the French and Spanish gas networks at Larrau.

Integrating the systems makes it possible to book exit capacity from one country in coordination with entry capacity on the adjacent network and in both directions, improving market fluidity. Total Infrastructure Gas France (TIGF) and Enagas jointly carried out the long and short term allocations through an open subscription period in October and November 2008.

The long-term capacity offered from April 2009 and March 2013 and the short term (2,600 Mwh/day) from France to Spain from April 2009 to March 2010, was fully subscribed, with demand largely exceeding offered capacity. Consequently the number of shippers at the Larrau interconnection will increase to 13 from 4 starting in April 2009. For Spain-to-France deliveries, the committed capacity is being developed and will become operational in November 2010.

CRE and CNE will review the allocation procedures with TIGF and Enagas to determine whether they need to be modified before the next joint capacity allocation, which will take place in November 2009 for short-term capacity in both directions over April 2010- March 2011.

❖ **Announcement on Natural Gas Market Wholesale Tariffs**

Source : EMRA

Weblink : <http://www.epdk.org.tr/tarife/dogalgaz/1902/1902.doc>

❖ **Announcement on Natural Gas Market Storage Tariffs**

Source : EMRA

Weblink : <http://www.epdk.org.tr/tarife/dogalgaz/1900/1900.doc>

❖ **Announcement on Costs of Certifications, Certificate Renewals, Certificate Amendments in Natural Gas Market**

Source : EMRA

Weblink : <http://www.epdk.org.tr/mevzuat/kurul/dogalgaz/1915/1915.doc>