



GAS



Russia decides to opt out of Nabucco project

Date : 30.01.2009

Source : Today's Zaman (Servet Yanatma)

<http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=165457>

Russian Ambassador to Turkey Vladimir Ivanovsky said his country would not be participating in Nabucco project, stressing that Russia believes it will be impossible for Europe to meet its natural gas demand without the supply from Iran and Iraq.

Speaking at a meeting held by TURKSAM in Ankara on Wednesday, he said Turkey could have been on the winners' side and the gas problems of the Balkan countries would be solved had the construction of a second Blue Stream line, which Russia proposed in 2004, been realized. *"Turkey would have become the main bridge for natural gas delivery to Europe,"* he said.

Ivanovsky said Russia was not against the Nabucco project and that it would be successful if a healthy and durable infrastructure was established. He stated that Europe was currently having serious natural gas problems, but warned that Nabucco would not be a permanent solution for such problems. He explained that they had calculated that Europe's total gas need would reach 700 bcm per year by 2015 and that Nabucco is only expected to supply Europe with a total of 30 bcm of gas annually. He noted that Russia would be able to meet only one-third of this demand, reiterating that gas from Iran and Iraq was the key.

He said some ambassadors from the European Union in Russia told him recently that it would be hard for Nabucco to operate effectively without Russia; however, Ivanovsky noted that the primary aim of the project is to minimize Europe's dependence on Russian natural gas sources as much as possible and that it would contradict such a goal if Moscow took part in the project. He stated that Russia itself needed to use natural gas and that it also sells gas to China.

Representatives from six Nabucco partner countries -Turkey, Germany, Austria, Bulgaria, Romania and Hungary- met earlier this week in a conference in Hungary to discuss and decide on a road map for the project. Energy Minister Hilmi Güler said on Tuesday that an intergovernmental agreement regarding the project could be signed in Istanbul in the first half of this year.



Iran resumes gas supply to Turkey

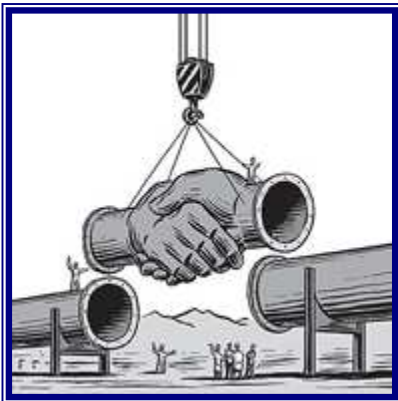
Date : 24.01.2009

Source : Hürriyet Daily News (AFP)

<http://arama.hurriyet.com.tr/arsivnews.aspx?id=10844082>

Iran resumed natural gas exports to Turkey on Thursday after pipeline repairs which caused deliveries to be halted for two days were completed on border facilities, the official IRNA news agency reported.

The supply was restarted at a low pressure and will reach normal volume gradually, said the National Iranian Gas Company's director for gas transportation, Mahmoud Loghmani.



Bulgaria to import Azeri gas from 2010

Date : 26.01.2009

Source : Rigzone (AFX News Limited)

http://www.rigzone.com/news/article.asp?a_id=72160

Bulgarian Prime Minister Sergei Stanishev reached an agreement with Azeri President Ilham Aliyev on Monday to import 1 bcm of Azeri gas a year from 2010. The agreement follows last year's MoU between Bulgaria and Azerbaijan, which is trying to ease its dependence on Russian gas.

"Next week, (Bulgaria's state gas monopoly) Bulgargaz and the Azeri gas company will start technical talks on the concrete parameters of the future agreement," the Bulgarian government said in a statement. Stanishev and Aliyev met in Budapest, where both will attend a conference on the Nabucco pipeline project on Tuesday.

But to import Caspian gas, Bulgaria will need to build a 250 million euro (\$328.6 million) 80-km stretch to link its gas network to an existing Turkey-Greece pipeline, which is already carrying Azeri gas to Europe. Sofia is yet to raise money for the plan and receive Athens' and Ankara's consent, which could take well over a year, industry officials have said.



EU includes Nabucco in energy fund

Date : 29.01.2009

Source : Hürriyet Daily News (Reuters)

<http://arama.hurriyet.com.tr/arsivnews.aspx?id=10878247>

The European Commission proposed on Wednesday some 3.5 billion euros (\$4.6 billion) of funding for energy projects after this winter's gas dispute, including 250 million euros for the Nabucco pipeline, Reuters reported.

Bolstering the reliability of energy supplies has soared to the top of the European Union's agenda since Russia invaded Georgia last summer, coming close to a key gas supply route. The EU received a further shock this month when a gas dispute between Russia and transit country Ukraine cut supplies to Europe. The Commission proposal includes a plan for funding worth 1 billion euros towards gas interconnectors to allow the EU's 27 states to help each other better during gas crises, plus over 500 million euros for wind power projects.



Iraq's oil exports exit 2008 at 56mm barrels

Date : 26.01.2009

Source : Rigzone (Xinhua News Agency)

http://www.rigzone.com/news/article.asp?a_id=72106

Iraq said that its oil exports reached 56.2 million barrels in December last year. 43.4 million barrels were exported through Basra terminals in the Gulf, while 12.8 million barrels were exported through Turkey's port of Ceyhan, adding the oil was purchased by 23 international oil companies.

The statement, meanwhile, showed that the month's revenues from the country's crude oil exports were about \$1.943 billion, with an average price of about \$34.57 per barrel. However, the revenues from December were fallen from \$2.299 billion in November, when the average of the oil price was about \$43.54 a barrel.



OPEC ready for further output cut

Date : 29.01.2009

Source : Rigzone (Xinhua News Agency)

http://www.rigzone.com/news/article.asp?a_id=72279

OPEC stands ready to make further cuts in oil supply if prices remain subdued, the cartel's Secretary General said. *"If we still have some downward problems, then OPEC will not hesitate to take some quantity out of the market,"* Abdalla Salem El-Badri told a panel at the World Economic Forum.

El-Badri said a price of \$40 per barrel, or even \$50 per barrel, was too low for oil producing countries to keep investing in the industry. The price of oil, which now stands at a little more than \$40, fell sharply in recent months due to weak demand concerns amid economic woes. It had peaked close to \$150 per barrel last July. El-Badri expressed hope that global oil demand would pick up *"by the end of this year or beginning of next year."*

OPEC announced a cut in daily production by 2 million barrels in December, following a similar reduction in October, but the moves have so far failed to push up oil prices.



ExxonMobil posts 33% profit drop

Date : 30.01.2009

Source : Upstream Online

<http://www.upstreamonline.com/live/article171059.ece>

ExxonMobil said today its fourth-quarter net income fell 33% as a steep drop in crude oil prices hurt results. Net profit in the quarter was \$7.8 billion, or \$1.55 per share, compared with \$11.7 billion, or \$2.13 per share, in the same period a year earlier.

Analysts on average had expected a profit of \$1.45 per share, according to Reuters Estimates. ExxonMobil and other energy companies have seen the record profits reaped in recent years vanish as average crude oil prices fell to about \$59 a barrel in the fourth quarter from about \$90 per barrel a year ago.

❖ **IEA Oil Market Report**

Source : International Energy Agency

Weblink : <http://omrpublic.iea.org/currentissues/full.pdf>