

# SEE NATURAL GAS

## Turkey

By

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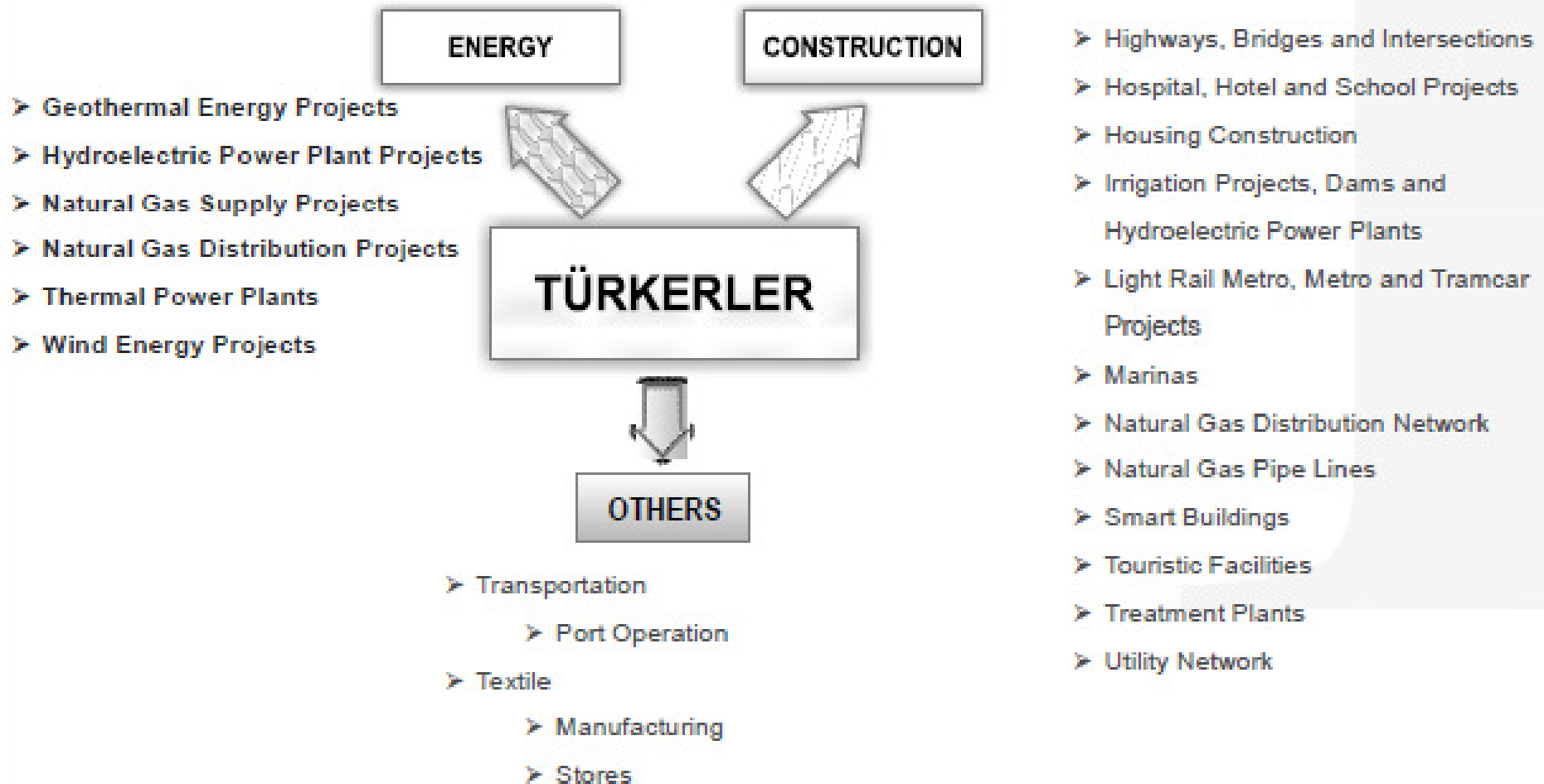
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# Fields of Activity

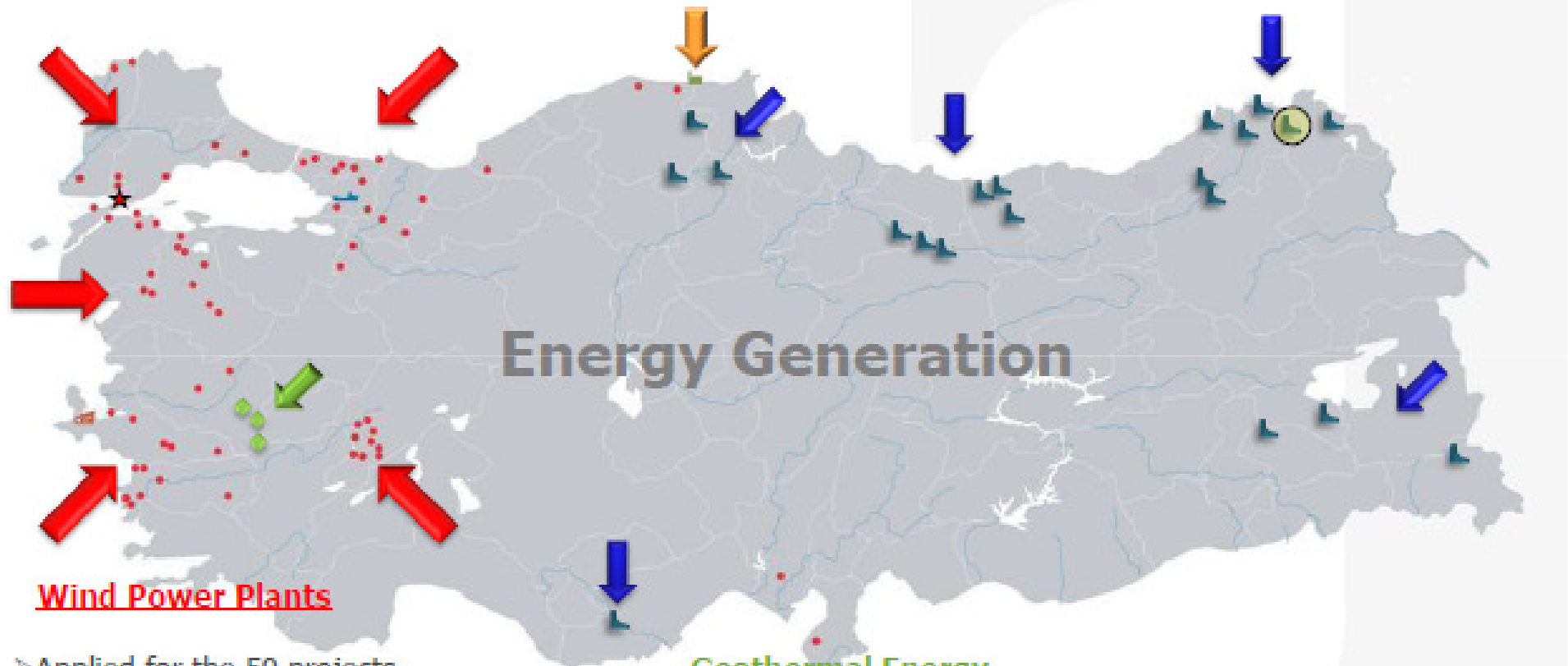


### Cayli (Sinop) Thermal Power Plant

- Projected Capacity: 600MW
- Estimated Investment Volume : 900 million \$

### Hydro Electric Power Plants

- Applied for 14 HEPP projects :  
1 operational + 7 licenced + 6 under process
- Total Projected Capacity : 428,2MW



### Wind Power Plants

- Applied for the 59 projects
- Total Projected Capacity : 3.432,5 MW
- Unique OFF-SHORE Wind Power Plant Project in Turkey
- Approximately 2.300 MW will be licensed directly in 2010, Türkerler is obtaining app. 1.000 MW

### Geothermal Energy Projects

- 3 Licenses in Gediz Graben with 10.000ha total area
- Total Projected Capacity: 150MW

- WIND ENERGY PROJECTS
- ▲ HEPP PROJECTS
- ▲ ÇAYLI THERMAL POWER PLANT
- ▲ DERİNCE PORT

## Natural Gas Supply Projects

### Pearl Pipeline Project Routes

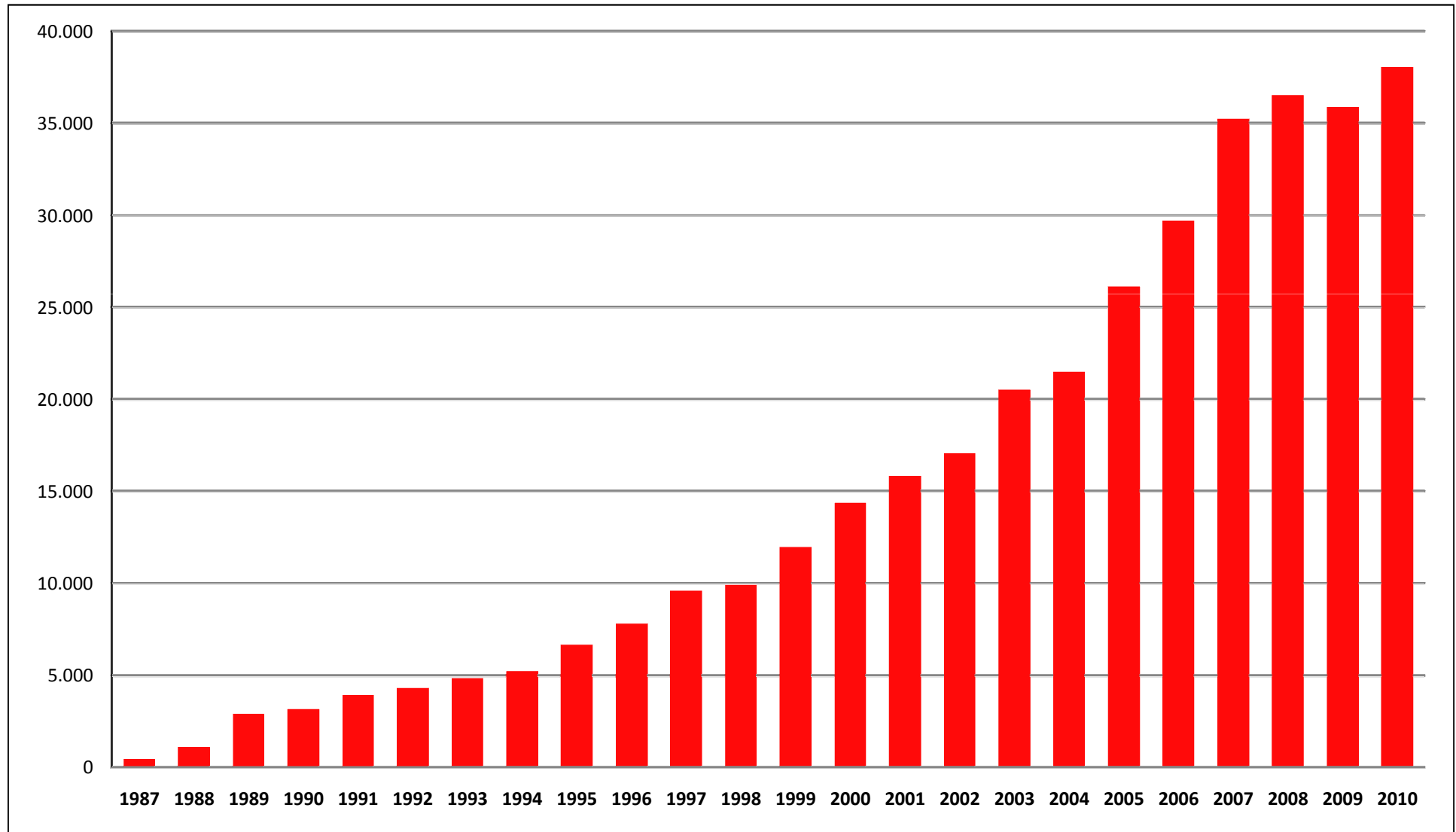


### Pearl Project Partners

50 % Türkerler + 50 % Crescent Petroleum

Aim is to bring Iraqi Natural gas from Khor Mor and Chemchamal fields where Crescent and Danagas have concessions for 30 years

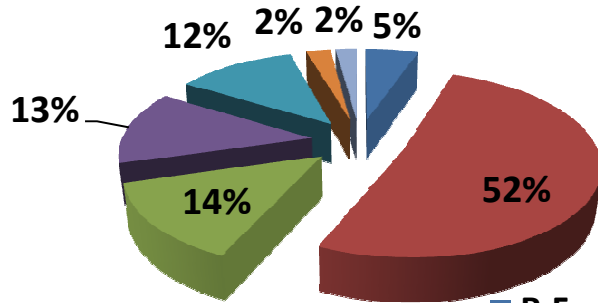
# Gas Imports, million m<sup>3</sup>



# Imports by Source

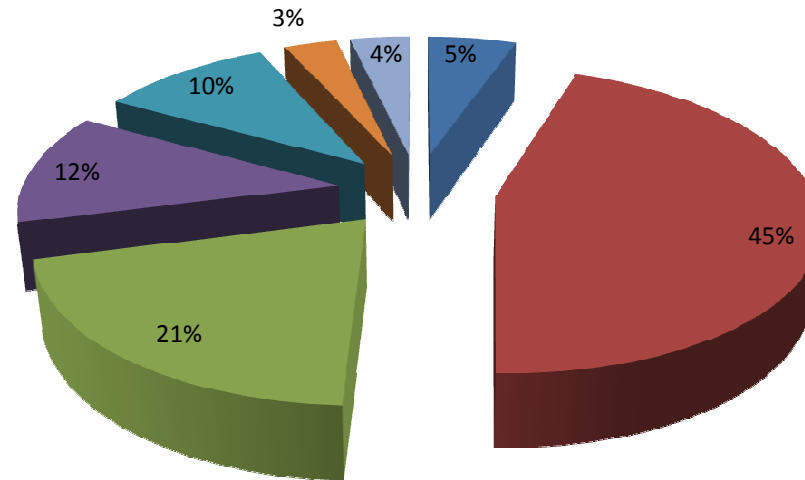
2009

R.F Iran Azerbaijan Algeria Nigeria Spot LNG

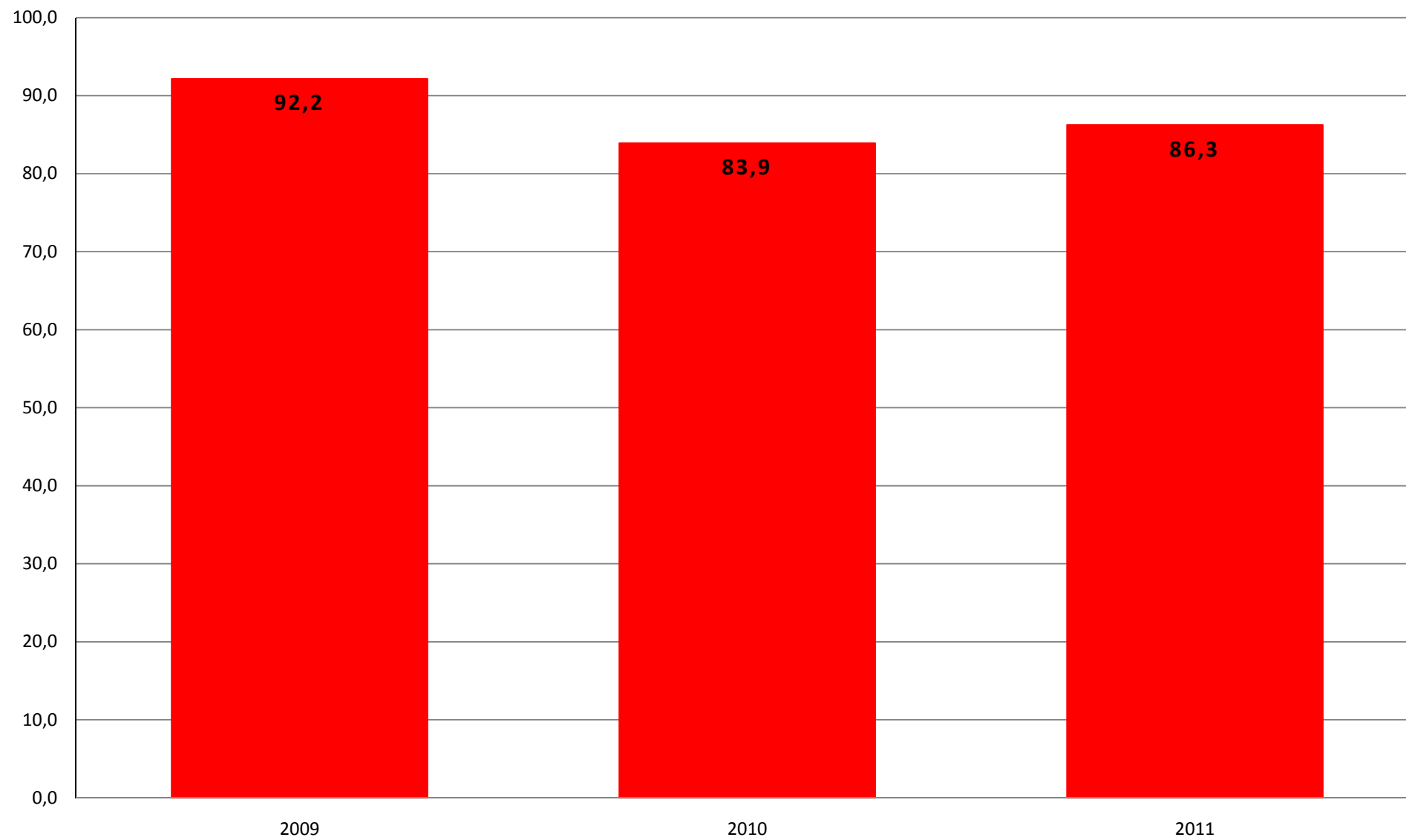


2010

R.F Iran Azerbaijan Algeria Nigeria Spot LNG



# Botas Market Share



## **Natural Gas Supply Projects by Pipeline in to the Region:**

- South Stream**
- Nabucco**
- ITGI**
- TAP**

**Last Three of them are rival Projects because Shah Deniz 2 Project is the only source at the moment.**

**The proposals are expected to be submitted until October 2011 if no delay occurs.**

**It is understood that the decision on the choice of route of export would be executed on basis of the commercial, technical and strategic importance.**



	<b>GAS BALANCE</b>		<b>billion m<sup>3</sup></b>
	<b>Total Capacity</b>		
<b>INPUT</b>	<b>Sure</b>	<b>Probably</b>	<b>Uncertain</b>
<b>Shah Deniz II</b>	<b>16</b>		
<b>Iraq</b>		<b>10</b>	<b>5</b>
<b>Egypt</b>		<b>4</b>	
<b>Israel, Levithan</b>		<b>10</b>	
<b>Turkmenistan</b>			<b>15</b>
<b>Iran</b>			<b>20</b>
<b>TOTAL</b>	<b>16</b>	<b>24</b>	<b>40</b>
<b>OUTPUT</b>			
<b>Turkey</b>	<b>6</b>		
<b>Greece</b>	<b>2</b>		
<b>Bulgaria</b>	<b>1</b>		
<b>Syria</b>	<b>1</b>		
<b>ITGI</b>	<b>10</b>		
<b>TAP</b>	<b>10</b>		
<b>Nabucco</b>	<b>31</b>		
<b>TOTAL</b>	<b>61</b>		

# Legal Status of the Projects

- Nabucco: Intergovernmental Agreement (ratified) ; PDA will be signed on 8th of June
- ITGI: Intergovernmental Agreement signed but not ratified, TGI is in Operation
- TAP: MOU Signed (not binding)
- Azerbaijan-Turkey Gas Transit IGA is under discussion

# Transmission through TURKEY

- Nabucco will build and use its own pipeline
- ITGI, TAP and Azerbaijan will use Turkish Natural Gas Transmission System which is operated by Botas in accordance with Transmission Network Operation Principles (NOP) that is a document prepared to set out specific rights and obligations of parties in the transportation of Natural Gas within Turkey and used Local Importers and wholesalers.

# NOP

This NOP has been prepared on the basis of the principles of;

1. Non-discrimination among equal parties, and
2. Economical, efficient and safe operation

NOP essentially covers the technical and operational matters regarding the Transmission Network

# Problems between Local and Foreign Shippers

- Additional Investment who will pay?
- Different problem solving mechanism Turkish Law and International Arbitration.
- Capacity reservation
- Getting Licence
- Licence fee and Export fee
- System unbalance fee
- Etc.

<b>1<sup>st</sup> Quart 2011</b>	<b>NET BACK CALCULATION</b>	<b>\$/1000 Sm<sup>3</sup></b>
<b>Germany Border Price</b>	<b>368</b>	<b>368</b>
<b>Turkey Transit, 10 Bcm</b>	<b>41</b>	<b>35</b>
<b>Other Transit</b>	<b>23</b>	<b>19</b>
<b>Netback</b>	<b>304</b>	<b>314</b>
<b>Azery Expectation</b>	<b>Good For S.D 1 Bad For S.D 2</b>	

THANK YOU.....

# SHAH DENIZ PROJECT

The contract for Shah Deniz field development was signed in Baku on 4 June 1996 and ratified by Milli Majlis on 17 October of the same year. The stakeholders in Shah Deniz project are BP (operator – 25.5%), Statoil (25.5%), SOCAR (10%), LUKOIL (10%), NICO (10%), Total (10%), and TPAO (9%).