



Energising Qatar

The Barzan Gas Project is a powerful symbol of the continued growth and ambition of Qatar's energy sector, and an important milestone for Qatar. When the two Barzan gas-processing trains come on stream, in 2014 and 2015, the domestic gas output will help fuel the country's future.

The Barzan Gas Project has its origins back in 2007, when Qatar Petroleum and ExxonMobil signed a memorandum of understanding on the development of a major new gas-processing plant. As Qatar's growth continued to accelerate, the demand for energy was also rising fast and it was clear that the country needed greater processing capacity to produce gas for the domestic market. Without this increased production, Qatar's economic and social development would be constrained.

Work began immediately. An offshore data and appraisal well marine survey was carried out (as the first step in a rigorous environmental, socio-economic and health impact assessment, or ESHIA), and an initial environmental application was made to Ras Laffan Industrial City. The ESHIA, which set new standards for environmental impact assessments in Qatar, was completed in 2009. Then in early 2010 a multi-disciplinary team – staffed by representatives of RasGas' Venture, Subsurface, Operations and Finance Groups, and the RasGas Legal department – was assembled to work with shareholders to develop detailed plans for the project.

This hard work culminated, on 6 January 2011, in the signing by Qatar Petroleum and Exxon Mobil Corporation of agreements that formally confirmed the historic venture.

Qatar: the next steps

Over the next decade a range of factors will drive growth in the demand for energy in Qatar. A new airport and seaport will be built, for example, and major initiatives will take place in the transport, health and education sectors. A host of new facilities will be built in readiness for the FIFA World Cup in 2022.

When its two trains enter production, Barzan will supply gas to generate the power needed to drive the next phase of Qatar's physical and economic development. So the project is much more than an important business partnership: it is a giant step forward, in line with Qatar's National Vision 2030, in Qatar's overall industrial and human development.

The Barzan Gas Project is also an exciting development for RasGas. Not only will RasGas manage the construction of the two trains and associated infrastructure, but it will operate the plant once the construction phase is complete. Qatar Petroleum, RasGas' majority shareholder selected RasGas as result of the company's proven ability to complete projects to the highest standards of safety and quality, within budget and on schedule.

At the signing in January 2011, Hamad Rashid Al Mohannadi, RasGas Managing Director, expressed his satisfaction at this recognition of the company's achievements. "I'm extremely proud that RasGas has been entrusted with this project," he said, "as it reflects our high standing in Qatar's energy sector. I'm confident that the professionalism, commitment and dedication from RasGas in the development and operation of our Trains 1 to 7 and Al Khaleej Gas 1 and 2 will once again be demonstrated to the highest standards as we execute and operate this strategic project."

From construction to production

During the construction phase RasGas will work with two principal contractors: JGC of Japan for the onshore plant, and Hyundai Heavy Industries (HHI) of South Korea for all offshore facilities. The drilling platform will be situated 80 kilometres north-east of Ras Laffan Industrial City.

The Barzan Gas Project will have two development phases, with Barzan Gas Processing Train 1 producing its first gas in 2014, and Barzan Gas Processing Train 2 beginning production in 2015. The two trains will together produce approximately 1.4 billion standard cubic feet per day of sales gas, or the equivalent of 300,000 barrels of oil per day. A high proportion of the Barzan trains' output will be used by Qatar's power and water sectors.

When Barzan Gas Processing Trains 1 and 2 are fully operational, the total offshore production from all RasGas operated facilities will reach around 11 billion standard cubic feet per day. This figure, which equates to almost 2 million barrels of oil, will make RasGas the largest single gas processor in the world.