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Studies finalised to import 700m cubic feet of gas daily from Cyprus: Abdel Badie

By Mohamed Adel

The Engineering for the Petroleum and Process Industries (Enppi) has completed technical and financial studies for importing gas from Cyprus.

The study results are being revised by the Egyptian Natural Gas Holding Company (EGAS), to start implementing the marine line necessary for importing.

In a statement to Daily News Egypt, EGAS Chairman Khaled Abdel Badie said the technical and financial studies include standards and costs for establishing the marine line. This will link Egyptian lands to the Aphrodite gas field in Cyprus.

A total of 700m cubic feet of gas will be imported daily from the Aphrodite gas field by 2018.

According to Abdel Badie, during the Economic Summit held last March, EGAS signed a memorandum of understanding (MoU) with Hydrocarbons Cyprus to exchange information on which to expand the

line for importing gas from Cyprus by 400 km.

A Ministry of Petroleum official expected that the sector will enter an import deal with Cyprus which will be cheaper, since the gas price will not exceed \$6 per 1m thermal units. This is compared to the approximately \$10 for liquefied gas, without calculating costs of receiving and transferring it to the gasification ship.

On the other hand, the official said that regulations are being finalised to establish a separate body to organise natural gas consumption. This will liberalise the energy market and give the private sector the ability to provide its own fuel needs.

The official said the rules and regulations of organising gas consumption will allow the private sector to send a request to import its fuel needs directly to the new body and gain necessary approvals accordingly.

He added that the state will receive money in return for transferring gas to the national grid, until it reaches the final



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consumer. In case it is imported in its liquefied state, the consumer will bear the costs of receiving and transferring it through the gasification ship of EGAS. Procedures for launching the new body

will begin before this October.

The official also said the government is liberalising the energy market and has allowed the private sector to provide its energy needs by itself. This has occurred

following the country's decline in natural gas production to 4.3bn cubic feet daily during this fiscal year (FY) 2015/2016, compared to 6.06bn cubic feet in FY 2009/2010.