



## The 26<sup>th</sup> Annual Middle East Petroleum & Gas Conference

22 April - 24 April 2018  
Jumeirah @ Etihad Towers

### PRESS CLIPPING

#### ***Platts (Abu Dhabi) – 23 April 2018***

*Adal Mirza*

### **Kuwait aims to generate 100% of its power from gas**

Kuwait is aiming to switch to gas for power generation from crude and fuel oil, through a combination of increased domestic production, LNG imports and piped gas from Iraq, the CEO of state-owned Kuwait Petroleum Corp. said Monday.

"The decision has been taken for 100% gas", Nizar al-Adsani told delegates at the Middle East Petroleum and Gas conference in Abu Dhabi.

Despite increasing LNG imports last year, Kuwait's crude burn for power generation more than doubled to 23,000 b/d, a three-year high and up from 10,000 b/d, according to recent data from Riyadh-based Joint Organizations Data Initiative.

If it moves to 100% gas power, those volumes would be freed up for export or refining.

Some of the new gas production will come from Kuwait's no-associated Jurassic gas fields in the north of the country.

The development of these technically challenging resources has been delayed for years. KPC has set out plans for this to reach 1 Bcf/d in 2022 and 2.5 Bcf/d in 2040, equivalent to 25.9 Bcm per year.

"We will achieve 500 MMcf/d of free gas [non-associated gas] production this year. KOC [Kuwait Oil Co.] has issued a tender [for the construction of new production facilities], which will take this to 1 Bcf/d in 2022," Adsani said.

Kuwait gas production in 2016 was 1.7 Bcf/day, according to a BP statistical review. KPC signed a 15-year LNG import deal with Shell last December which will start in 2020.

Even once this is completed, Adsani said Kuwait was likely to keep the FSRU to maintain flexibility in supplies. Another layer of security will come from KPC's new 615,000 b/d Al-Zour refinery, due to be completed in 2020. The refinery will include one train dedicated to the production of low sulfur fuel oil in case of disruptions to gas supplies.

Kuwait is also still in talks with neighboring Iraq over gas imports. "We are still talking to Iraq for imports and finalizing the price. But it will take 3-4 years to implement the pipeline," Adsani said.

Iraq began exporting small volumes of natural gas by pipeline to Kuwait in the 1980s, through a 40-inch, 170 kilometer pipeline but exports came to a halt with the Iraqi invasion in 1990. The old pipeline between the two Persian Gulf countries is relatively small, and had been used to transfer products over the years.

So, if a deal was agreed with Iraq, the pair will build a new pipeline to ensure the reliability of supplies, Adsani said.