



Trans Adriatic Pipeline

## US Albania Investment Forum

New York City, 19 September 2011

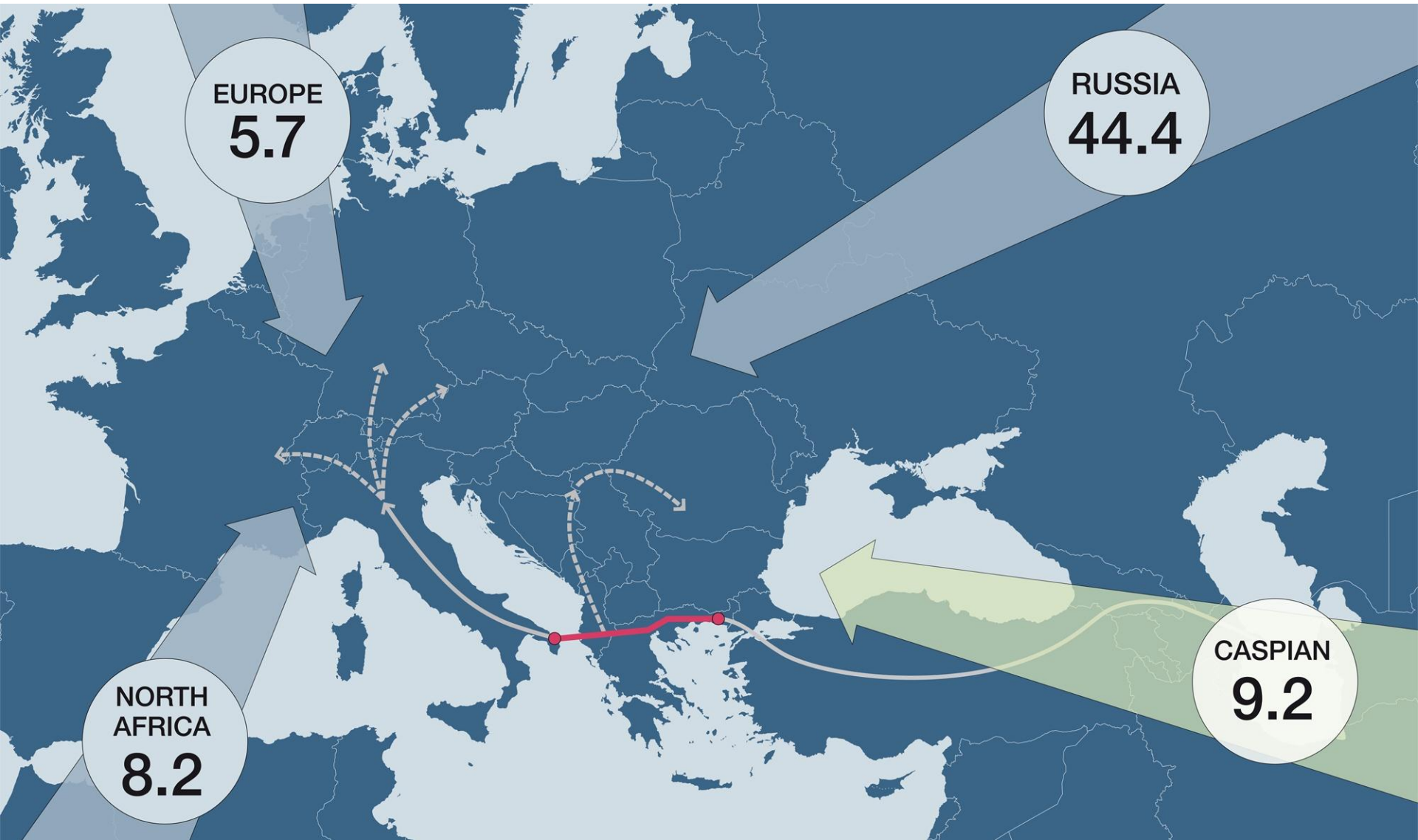
Per Lindberg, Country Manager Albania



# Opening the Southern Gas Corridor

# TAP – a strategic building block

*Connecting Europe to new gas reserves*

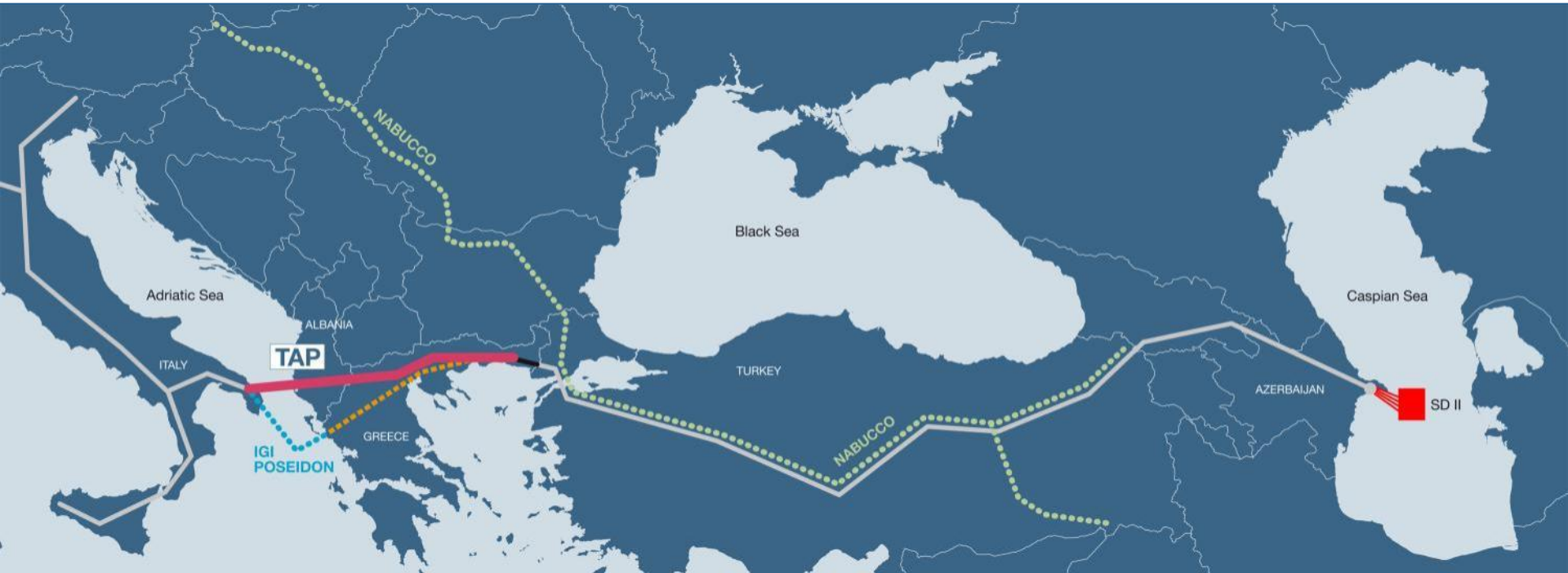


# Southern Gas Corridor Projects



## TAP - the shortest and most cost effective way to Europe

- TAP is a cost effective option (both CAPEX and OPEX)
- Existing infrastructure. Step by step. Offers Flexibility
- Shah Deniz II gas to fill TAP's initial capacity of 10 bcm per year
- No other volumes required for the pipeline at this stage



# TAP's Key Features



## Shortest pipeline in the Southern Gas Corridor

- Connects to existing networks in Greece and Italy
- Designed to expand from 10 to 20 bcm per year
- Gas storage option in Albania near Dumre
- Physical reverse flow up to 80 % of capacity
- Shallowest offshore section (820 m) compared to other pipelines
- Possibility to supply gas to other Balkan countries via interconnection with Ionian Adriatic Pipeline (IAP)



# Supported by Strong Partners



## TAP is a European project



### **EGL (42.5%):**

- European energy trading company with own assets in 16 countries
- Operates gas fired power plants in Italy

### **Statoil (42.5%):**

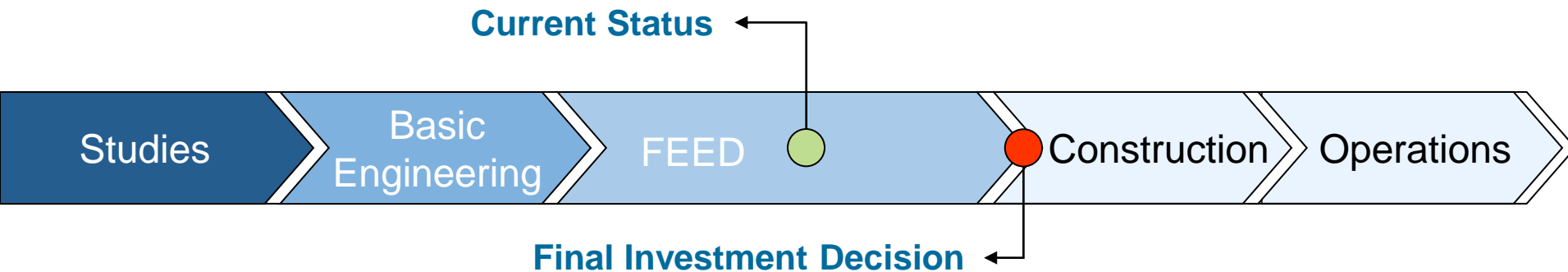
- Second largest gas supplier to Europe
- The world's largest deepwater operator (8,000 km of subsea pipelines)
- Partner and commercial operator of the Shah Deniz consortium

### **E.ON Ruhrgas (15%):**

- Europe's largest private utility supplying 53 billion m<sup>3</sup> of gas yearly
- Own supply system comprises 11,600 km of gas pipelines
- Operates gas fired power plants in Italy

# Project Status: Well Underway

## Ready for the start of production (Shah Deniz II)



- TAP's schedule is aligned with upstream developments in SDII
- Front-end engineering design stage (FEED) running
- Environmental and Social Impact Assessment (ESIA) under way as well as land acquisition/easement activities
- Strong technical teams - E.ON acting as Technical Service Provider on behalf of TAP in Albania and Greece. Statoil for offshore section and in Italy

# Route selection and ESIA Preparation **TAP**

Trans Adriatic Pipeline

## Extensive Routing Surveys Conducted

- Carried out extensive field studies to select ***the most optimum route*** in 2009-2010 in Albania and Italy – Route optimization in 2011
- Engaged in ***transparent*** and ***open dialogue*** with more than 2000 stakeholders on all levels to collect feedback on the best routing
- Selected route ***avoids natural reserves***, densely populated areas and cultural heritages sites
- Launched ESIA scoping document in early 2011 and started the formal detailed ESIA process in June in ***accordance with EU legislation and international best practice***

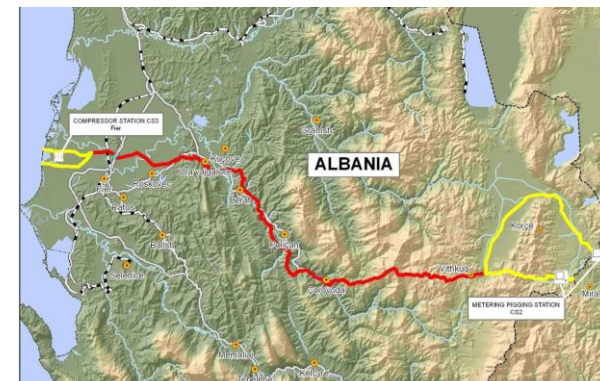
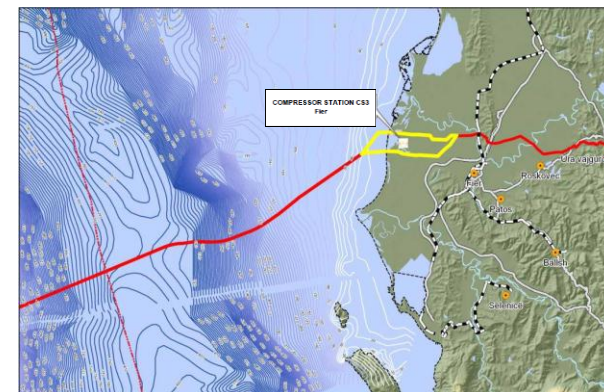


# Albania – in a TAP context



## *Technically/Commercially, Politically and Strategically Sound*

- Technical/Commercial
  - Shortest route to the market – distance = costs
  - Optimal offshore crossing – depth and shore approaches
  - Designed for initial Shah Deniz volume + low cost expansion
- Political
  - Strong and flexible political support for TAP in Albania
- Strategic
  - Integration of Albania in the European gas community
  - Reverse flow capability
  - Facilitation of supply to the domestic market – improved energy mix and security of supply
  - Provides for future supply to other Balkan markets – Ionian Adriatic Pipeline
  - Favourable geological conditions for future gas storage facility
- TAP's credibility confirmed publically by BP





# About TAP team



- HQ in Baar, Switzerland
- Branch offices in Athens, Rome, Tirana
- TAP Representative in Brussels
- Employs approximately 50 specialists and over 200 experts from contracted service companies



# Thank you!

Find out more about TAP at:

[www.trans-adriatic-pipeline.com](http://www.trans-adriatic-pipeline.com)