
Saudi Arab to finalize giant gas plant project soon

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Reuters cited Mr Khalid al Falih CEO of Saudi Aramco as saying that Saudi Arabia will shortly finalize plans to build the largest ever gas plant in the kingdom to supply utilities and some industries.

Mr Falih said during an interview on the sidelines of a petrochemical plant inauguration that the new gas plant is expected to process more than 1.8 billion cubic feet per day of gas.

This plant will be the biggest gas plant we have ever built and this will go a long way to meet rising demand for utilities and some industries. It will process all offshore non associated dry gas and this will go a long way to meet rising demand for utilities and some industries.

The Wasit gas development program at Moneefa is split into several projects that include building gas processing facilities, 2 offshore gas platforms, one tie in platform, subsea power and communication links and pipelines.

Canada's SNC Lavalin said in September that it would provide engineering and design work and project management services for the project.

Saudi Arabia is short of gas to meet demand from power plants and industry. Energy consumption has risen in the world's top oil exporter in recent years as record oil export revenues fuelled an economic boom. Saudi Arabia is experiencing annual gas demand growth of 7%.

Mr Falih said that supplies from this gas plant will not be used as feedstock for the growing petrochemical sector in the kingdom. It will not have any NGL it will not address any petrochemical production needed for olefins. He said that Aramco expects to see gas production from the Karan gas field come onshore in 2011. Drilling at Karan began in 2008. The state oil firm is also planning to start drilling in deeper offshore frontiers in 2012.

He added that "These are new frontiers offshore Saudi Arabia. We hope to find some gas in the subsalt geology there. This is a new technical challenge the company is prepared to take on and we are optimistic."

Mr Ali al Naimi oil minister of Saudi said at the inauguration of the USD 10.3 billion Rabigh Refining and Petrochemical complex that the world's top oil exporter was looking to build more petrochemical facilities which relied on liquid hydrocarbons for feedstock.

(Sourced from Reuters)

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