

Abu Dhabi plans \$25bn gas investment

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SURGING DEMAND: Gasco is to build two major gas-processing plants and around 10 new onshore pipelines over five years.(Getty Images)

State-controlled Abu Dhabi Gas Industries Ltd (Gasco) said on Monday it is investing about \$25 billion in gas-processing plants and pipelines as it develops more fields to meet surging demand.

"Two major gas-processing plants and around 10 new onshore gas pipelines covering a total of 1500 km are being built in and around Abu Dhabi over five to six years," Abdullah al-Darei, maintenance superintendant for the pipelines division at Gasco, said at an oil and gas conference in Abu Dhabi on Monday.

"The total cost will be approximately \$25 billion," he said in the United Arab Emirates capital.

Gasco is 68% owned by Abu Dhabi National Oil Co (Adnoc), 15% by each of Royal Dutch Shell and Total, and 2% by Partex.

Gasco can process as much as 5.3 billion cubic feet per day of natural gas, though it is only operating at two-thirds capacity, Darei said, without explaining why.

The two planned gas-processing plants will be built at Habshan and Maqta, he said, without giving more details.

"New gas fields, like the Shah, with huge sour gas reserves, are being developed and additional gas-processing will be undertaken by Gasco," he said. "Rapidly growing demand for gas from industrial and other users has to be met."

Gasco operates 2,500 km of pipelines, moving gas and related products such as crude oil, condensates, natural gas liquids and water. (Reuters)