

Meeting the Need for LNG

An Interview with Hamad Rashid Al Mohannadi,
Managing Director, RasGas Company Limited

EDITORS' NOTE Hamad Rashid Al Mohannadi has over 25 years' experience in the energy industry, having worked for companies such as the National Oil Distribution Company and Qatar Petrochemical Company (QAPCO), as well as managing expansion projects for Qatar Vinyl Company, QAPCO Ethylene expansion project, and Ras Laffan Olefin project. He joined RasGas Company Limited as Managing Director (CEO) in 2007, and has been a board member of Ras Laffan Liquefied



Hamad Rashid Al Mohannadi

Natural Gas Company Limited since 1993. Prior to joining RasGas, he held the position of General Manager at QAPCO, where he was responsible for its growth and expansion. In addition to his role as QAPCO General Manager, from 2005, he assumed the responsibilities of General Manager of QATOFIN – a joint venture partnership. Hamad Rashid Al Mohannadi holds a bachelor's degree in applied engineering science (general science) from Portland State University in the United States.

COMPANY BRIEF RasGas Company Limited (www.rasgas.com) is one of the premier integrated liquefied natural gas (LNG) enterprises in the world. RasGas has developed world-class facilities for the extraction, storage, processing, and export of LNG and entered into long-term agreements to supply customers around the globe, including Korea, India, Italy, Spain, Taiwan, Belgium, and the United States. RasGas currently operates five LNG trains with 20.7 million tons per annum (Mta) of production capacity. It is expected that this production will be in the region of 37 Mta by 2009 with the completion of seven trains. RasGas acts as the operating company for and on behalf of the project owners. Its personnel manage and supervise the design, construction, and operation of various facilities under the terms of a services agreement for operation and maintenance signed in 2002. The company employs more than 1,400 staff members who work on a variety of projects. In 2003, RasGas was designated to manage and supervise the design, construction, and operation of a helium facility on behalf of Ras Laffan, Ras Laffan (II), and Qatargas. The Central Helium Recovery unit (HeRu) project at Ras Laffan extracts helium from RasGas – Ras Laffan and Ras Laffan (II) – and Qatargas (QG1) LNG trains,

and puts Qatar on the map as the provider of 10 percent of the world's helium. RasGas has also signed a technical services agreement to manage and supervise activities related to Qatargas (II)'s drilling program in addition to its own drilling programs.

Ras Gas began production in 1999 and is now operating five natural gas liquefaction trains, with two more coming on line in 2009. This has helped to make Qatar the world's leader in LNG production. How would you best describe why

RasGas calls LNG “the energy to transform” economies in an environmentally safe way?

The RasGas corporate policy is to continue to comply with or exceed all State regulations; protect human health; reduce emissions and waste; prevent pollution; and implement projects of corporate social responsibility as well as reduce the environmental footprint of our operations. Several prudent state-of-the-art initiatives have been undertaken with respect to the above items. These best practices include, but are not limited to, flare minimization; the reduction of oxides of nitrogen emissions; boil-off gas

reduction; leak detection and repair to control emissions of volatile organic compounds [VOC]; and VOC reduction from condensate loading. Several steps have been undertaken to ensure that RasGas facilities comply with application regulations. These best practices include, but are not limited to, the following: Sanitary and process water are fully treated and routinely checked for compliance with standards; to the largest extent possible, treated wastewater is further used for ecological landscaping; acid gas from Trains 4, 5, and AKG1 is injected down-hole thereby controlling the release of sulfur dioxide; and continuous emission monitors fitted on stacks are being upgraded. In the meantime, these stacks are also regularly tested using portable monitors. There is a continuous effort to be a world-class leader in industry by minimizing waste generation, and to recycle or reuse waste to the maximum extent possible. Several projects have been taken up to reduce RasGas's environmental footprint. These best practices include, but are not limited to, the following: surveying the turtle nesting areas in Ras Laffan; the scientific study and installation of an artificial reef near Ras Laffan; and the development of a master plan for a nature reserve in Al-Dhakira.

By 2010, most industry experts predict



H.E. Abdullah Bin Hamad Al-Attiyah, Deputy Premier Minister of Energy and Industry, with the the Qatar Delegation at the World Energy Congress and RasGas MD (CEO) Hamad Rashid Al Mohannadi on his right side.



Hamad Rashid Al Mobannadi at the World Liquefied Natural Gas Summit in Rome

that Qatar will supply 30 percent of the world's LNG, with RasGas shipping half of that. Which global markets will RasGas be serving in coming years?

The initial shift in energy use has involved a growing world demand for natural gas to be supplied to the international market. RasGas, with its large gas resources, is poised to supply a substantial part of this growing world demand with its LNG. The RasGas marketing team is responsible for developing RasGas's global export market. LNG found its way to Korea after Korea Gas was first established as an importer of LNG in 1986. Similarly, the Indian market displayed a potentially large demand for LNG. Consequently, we were able to prudently negotiate our way into the Indian market by signing a 7.5 Mta contract with Petronet. The decline

in European gas production, accompanied by a growing demand for natural gas in Europe, represented another exciting challenge for RasGas. In this regard, we were able to attract European customers: Edison Gas in Italy, Endesa in Spain, and Distrigas in Belgium. However, the increased demand for LNG in the U.S. market was met through long-term contracts with ExxonMobil. Trains 6 and 7 represent the first entry of Qatari LNG to the U.S. gas market, in addition to its expansion into the Asian market. This is considered a sizeable proportion of Qatar's target of 77 Mta by 2012.

RasGas's corporate citizenship activities are quite extensive. Which of RasGas's corporate and charitable programs are you especially proud of and why?

RasGas Company Limited has a well-

established and long-standing commitment to the local community in the State of Qatar, and in many other countries, when it comes to charity. RasGas has its own program for corporate citizenship activities, called "Corporate Social Responsibility Program," through which RasGas has joined hands with numerous charities. RasGas sponsored many charity events last year, including a donation to the Qatar Orphan Foundation [Dhreima] to produce a unique series of Eid greeting cards using the imaginative drawings of the children at Dhreima; a donation to Qatar Red Crescent [QRC] to provide much needed assistance to families living in Lebanese refugee camps, including clothes, food, household items, toys, and gifts, a QAR 3 million donation to QRC for the QRC Al Khor branch community building; a QAR 500,000 donation to assist a group of young Qatari students learning English in the U.K.; a QAR 30,000 donation to the Qatar Diabetes Association to purchase 250 glucometer monitoring devices to monitor the blood sugar of patients easily and discreetly; a generous donation to the Ebad Al Rahman Holy Qu'ran Centre to support 10 Qatari students attending the Madinah Monawara gathering of the Gulf Cooperation Council and overseas students for 50 days as they developed their Quranic study skills; a QAR 150,000 sponsorship to the Commercial Bank Qatar Masters 2008; QAR 600,000 raised for one of its nominated charities as a result of the generosity of guests, employees, and golf professionals who participated in the 2008 RasGas Charity Gala Dinner and Pro Am Golf Tournament in February 2008; and a donation to the Qatar Center for Voluntary Activities to support its awareness campaign promoting the value and benefit of voluntary work. These are but a few examples of RasGas's contributions to society, and we are always pushing ourselves and our RasGas family members for more participation in charitable social causes to help brighten the Qatari future. ●



Construction in a RasGas facility (above); a RasGas Plant (left)