

# Qatar's Win-Win Energy Project

An Interview with Adel Ahmed Albuainain, General Manager, Qatar, Dolphin Energy Limited



Adel Ahmed Albuainain

**EDITORS' NOTE** Prior to assuming his current position, Adel Ahmed Albuainain served as Vice President – Projects in Abu Dhabi Polymers Company (Borouge), seconded from Abu Dhabi National Oil Company (ADNOC) with more than 30 years in the oil and gas industry. Albuainain has held various project, engineering, safety, operations, and senior management positions. He served in a number of senior operational positions in ADNOC refineries between 1980 and 1998.

**COMPANY BRIEF** Dolphin Energy Limited (www.dolphinenergy.com) of Abu Dhabi, United Arab Emirates (UAE), began gas production in July 2007. This unique strategic energy initiative involves the production and processing of natural gas from Qatar's North Field and the transportation of the refined gas by a subsea pipeline across joint UAE-Qatari waters to the UAE. The overall investment in constructing the entire Dolphin Gas Project - wells, sea lines, processing plant, export pipeline, and receiving facilities – has made it one of the largest energyrelated ventures ever undertaken in the Middle East. Dolphin Energy was established as a development company in Abu Dhabi to implement the Dolphin Gas Project and to undertake other important energy-related developments, such as the Al Ain-Fujairah gas pipeline. This was completed in December 2003 and commissioned in January 2004, creating the first ever cross-border refined natural gas transmission in the history

of the Gulf Cooperation Council (GCC). Dolphin Energy will be a leading and reliable supplier of clean energy in a socially responsible manner. Dolphin Energy will support the development of substantial long term new industries throughout the region creating sustainable wealth, economic growth and employment opportunities for the citizens of the region far into the future.

## What is the strategic vision for Dolphin Energy, and what are its plans for the future?

Our policy involves every step of the Dolphin value chain: gas production offshore from Qatar, in our 24 wells; processing of the gas onshore at Qatar's Ras Laffan; extraction and sale of valuable by-products, such as condensate and liquefied petroleum gas; transport of the processed gas through our export pipeline across the southern Gulf; and the distribution of this gas to our customers across the UAE – and starting in September, to Oman.

Our strategic vision has been initially fulfilled by the completion of the construction and commissioning of the Dolphin Gas Project. The remaining element of our vision is the plan to expand our pipeline throughput to 3.2 billion standard cubic feet per day in the future, which is a potential increase in gas flow of 60 percent. However, this is only possible with the support and cooperation of Qatar government and the Emirate of Abu Dhabi. We are in a strategic alliance with Qatar Petroleum, acting on behalf of the government of Qatar, thanks to detailed production agreements between us. We also have agreements with Oman Oil Company, through which we first bought gas from Oman for Fujairah, and we will shortly be reversing the flow by supplying it.

Dolphin Energy's policy is very much based on working with Qatar as our supplier and with each of the seven UAE emirates and Oman, as our customers. The total cost of the seven-year Dolphin Project is just under \$5 billion.

#### Was Dolphin Energy's May 12th inauguration ceremony at Ras Laffan a success?

We were delighted with the number of our distinguished peers and friends who joined us to celebrate at this event. We were honored by HH Sheikh Tamim bin Hamad Al-Thani, Qatar Heir Apparent, who officially inaugurated our new plant, and his counterpart HH Sheikh Hamdan Bin Zayed Al-Nahyan, the Crown Prince of Abu Dhabi. We also want to acknowledge, for their support and constant encouragement, His

Highness Sheikh Hamad bin Khalifa Al-Thani, the Emir of Qatar; His Highness Sheikh Khalifa bin Zayed Al-Nahayan, President of the UAE and ruler of Abu Dhabi; His Highness Sheikh Mohammed bin Zayed Al-Nahayan, the Crown Prince of Abu Dhabi; and His Highness Sheikh Hamdan bin Zayed Al-Nahayan, Deputy UAE Prime Minister and Dolphin Chairman. Many senior ministers of the Qatar government, and representatives of Qatar Petroleum and our shareholders, Mubadala Development Company, Total, and Occidental Petroleum, were also present.

### Upon completion, how will the Dolphin Gas Project impact the economies of Qatar, UAE, and Oman?

The Dolphin Gas Project was created in 1999, when senior officials of the UAE emirate of Abu Dhabi began to discuss with the State of Qatar the possible joint development of Qatar's extensive offshore gas reserves. Qatar's role was, and remains, essential - as the sovereign owner of the gas that we process and export and of the land and much of the sea area where we operate. The cooperation has been outstanding; otherwise such a complex international project could never have been launched. The project is seen as a win-win opportunity for both parties: Oatar receives substantial revenues from Dolphin's purchase of its gas, as well as from world spot market sales of the valuable byproducts that are separated from the raw gas at the processing stage, and the entire construction of the project has been funded by Abu Dhabi, which receives substantial quantities of natural gas to support its planned new industries and residential communities, at a highly competitive intergovernmental price.

## Which of Dolphin Energy's generous charitable contributions and community service work in Qatar and the UAE are you especially proud of, and why?

As a marine company, we have taken important initiatives over many years to protect our environment and to help preserve the unique maritime resources of the region. This is the area where we have engaged most heavily and where we are most proud of our achievements. Our pipeline route, for example, twists and turns. This route was designed to avoid turtle breeding, seabird nesting, and rare coral areas. We have made a modest donation to the World Wide Fund for Nature to conduct the first ever study of coral reefs across the southern Gulf from 2005 to 2007.