Natural Gas Industry in Iran

Hedayat Omidvar* National Iranian Gas Company, Tehran, Iran omidvar@nigc.ir

Gas industry in Iran now contributing in supplying energy by 60 percent share in fossil fuel basket has entered the developing stage after 40 years of Natural Gas emerging in energy sector.

The growing demand for Natural Gas in residential and industry section and supply pushing for covering this demand, are the reasons for such statement.

For responding to this phase of Natural Gas life, Iran needs investment especially in upstream development, technology transfer and facilitating in exports and imports. According to the annual report in long term Middle East will be the second exporter region and Iran which is the first holder of reserves and first producer and consumer in this area is a potential exporter for next decades.

The Islamic Republic of Iran is able to produce more than 400 millions cubic meters per day of Natural Gas from giant Pars field. Regarding internal demand a half of this production can be assigned to exports, inter regionally or worldwide.

Iran was the first country in the area to export Natural Gas to the ex. USSR through a 42 inches pipeline with a length of 1100 Km. The flow was 10 BCM/Y.

Pipeline to Turkey has completed and gas flow to this country has started from 3 BCM/Y. Also Armenia will have soon been able to receive Natural Gas from Iran. Importing gas from Turkmenistan implies that Iran is an interregional gas dealer.

The strategic role of Persian Gulf and the huge amount of gas reserves in this area has provided a very good opportunity for Iran to export gas to demanding countries through pipeline or in the form of LNG.

In energy sector the policy is substitution of oil products by Natural Gas .That is why gas consumption shows such as a high growth over the last decade.

Transmission pipelines with a length of 20000 Km takes gas from various sources to destinations in the whole country. Lines with diameter of 56, 48 and 42 inches have been employed to carry more than 500 millions cubic meters per day of Natural Gas.

In 21st century gas industry liberalization has been main program for government. Treatment units, distribution and service facilities are more introduced to private investors.

For overcoming the high seasonal difference of consumption installation of underground Natural Gas storage have been recognized as the best choice.

Three underground storage are understudy with some degree of progress to ensure Natural Gas supply to internal users and export destinations.