Algeria-Europe Gas Pipeline, via Spain

A major engineering project
A great multidisciplinary team

Engineers, Economists, Mathematicians, IT Engineers, Lawyers, Biologists. A gathering of talent in which the large figures provide relief to the details.
The natural gas deposits in the Saharan desert of Algeria have been well known for years. In order to take advantage of their possibilities, the idea arose in the 1970s to build a gas pipeline directly between Algeria and Europe. Its feasibility was studied through geotechnical analyses and oceanographic studies. However, the technical limitations of deepwater construction capability at that time prevented the construction of an ultra deepwater gas pipeline.

Today, spurred on by the large increase in the demand for natural gas, the technological progress and the availability of new construction materials and seabed survey technology, make the materialisation of this dream possible.

We are making a dream come true

Today, at last, it is possible to develop this emblematic energy project that will allow a continuous, regular, and safe supply of natural gas to the Iberian Peninsula.

The new gas pipeline, that is being built and will be managed by MEDGAZ, is a direct link that will contribute to direct integration of Algerian network with the Spanish and European systems.
MEDGAZ, an international project

MEDGAZ, S.A., the company constituted to design, build and operate the Algeria-Europe gas pipeline, via Spain, is an international co-operation project.

MEDGAZ is a consortium of five companies with a rich and varied experience: Sonatrach, CEPSA, Iberdrola, Endesa and Gaz de France. Its goal is to transport Algerian natural gas to Europe in order to facilitate the commercialisation and regular distribution of this clean, reliable, and efficient source of power.

<table>
<thead>
<tr>
<th>Company</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Sonatrach</td>
<td>36%</td>
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<tr>
<td>CEPSA</td>
<td>20%</td>
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<tr>
<td>Iberdrola</td>
<td>20%</td>
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<td>Endesa</td>
<td>12%</td>
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<tr>
<td>Gaz de France</td>
<td>12%</td>
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A thoroughly researched project

In order to determine the most suitable route, MEDGAZ has carried out exhaustive undersea survey campaigns and numerous conceptual and detail engineering tasks (FEED)*

Between 2002 and 2004, several specialised companies assessed the geotechnical aspects of the area, analysed the variations of the sea floor, studied the best way to lay the pipeline, and catalogued all the species of flora and fauna on the coasts of Algeria and Spain. The results were included in the Environmental Impact Assessment (EIA).

MEDGAZ is committed to develop the project in a way that assures utmost respect towards the environment. Concern for the environment is reflected in the design of all the project’s infrastructures and components, ranging from the pipeline route to the technology deployed in the compression and reception terminals.

* Front End Engineering & Design
A safe, economic supply of natural gas

The use of natural gas helps to decrease factors of atmospheric contamination, such as acid rain, deterioration of the ozone layer, or the greenhouse effect.

International analysts, such as "L’Observatoire Méditerranéen de l’Énergie" and "Wood Mackenzie", have highlighted the benefits of the new gas pipeline. MEDGAZ is the most direct and, thus, the most economic route to supply natural gas to the south of Europe.

Benefits of a new gas pipeline
- Guarantees security of supply.
- Is the most economical way to provide natural gas to the southern Europe.
- Satisfies the growing demand for natural gas.
- Complies with the Kyoto Protocol.

A project for only the best

A project of this scope has the best technical and human resources.

All the contractors are top level specialists in such infrastructures, use advanced technologies and have recognised international stature.

Line pipe supply and coating
- Mitsui and Sumitomo

Turbo-compressors supply
- Rolls-Royce PLC

Sub-sea pipeline engineering, construction, and pre-commissioning
- Saipem, I&p A

Compression Station and Reception Terminal
- Técnicas Reunidas-Amec Spie Joint Venture
A strategic project of European dimension

The Algeria-Europe Gas Pipeline, via Spain, is a strategic project for Algeria, Spain and Europe, and it has wide institutional support.

In Spain, MEDGAZ is classified as a priority project, (A Urgent) within the document “Planning the Electricity and Gas Sectors. Development of the Transport Networks 2002-2011”, drafted by the Spanish Ministry of Industry.

In Europe, it has been approved by the European Commission as a “Project of common interest within the guidelines for trans-European energy networks” (Decision 1229-2003/EC) and it is classified for “Quick Start” (immediate start-up) by the European Commission. After having obtained all regulatory approvals within the scheduled timeframe, MEDGAZ is currently in the construction phase.