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Project expected to spark greater gas utilisation

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HATYAI, Wed: The US\$800 million (US\$1 = RM3.74) Trans-Thailand-Malaysia (TTM) pipeline and gas separation plant project represents the step towards integrating the pipeline grids of the two countries to create new opportunities for downstream gas utilisation projects, especially in northern Malaysia and southern Thailand.

Speaking at the signing ceremony for two Joint Development Area (JDA) agreements here today, Thailand's Ministry of Industry Permanent Secretary, Mr Pricha Attavipach, said over the past four years some US\$300 million has been invested to drill 28 exploration and appraisal wells.

The Malaysia-Thailand Joint Authority (MTJA) was founded under a memorandum of understanding in 1979, to act on behalf of the two governments for the exploration and exploitation of natural resources, in the continental shelf of the Gulf of Thailand.

Two agreements were signed today, witnessed by Prime Minister Datuk Seri Dr Mahathir Mohamad and his Thai counterpart, Mr Chuan Leekpai.

The first was between MTJA and the contractors of Block A18, consisting of Petronas Carigali and Triton Oil Co of Thailand as the joint sellers, and Petronas and the Petroleum Authority of Thailand (PTT) as the joint buyers.

It calls for the first phase gas production from Block A18 to come onstream and be delivered to the buyers during the first half of 2001.

The second agreement was between MTJA and its contractors of Blocks B17 and C19 - Petronas Carigali and PTTEP International Ltd as the joint sellers, and Petronas and PTT as the joint buyers.

This agreement calls for the first phase gas production from Blocks B17 and C19 to come onstream and delivered to the buyers of the JDA during the third quarter of 2002, at a potential maximum flow of 250 million cu ft a day.

The signatories were PTTEP International managing director Dr Priya Phinyawat, PTT governor Pala Sookawesh, Petronas president and chief executive Tan Sri Mohd Hassan Merican, MTJA chief executive Ismail Sulaiman, Petronas Carigali managing director Datuk Mohd Idris Mansor, and Triton chairman and chief executive officer Thomas G. Finck.

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