



MEIDP: Game Changer For India



‘Build the new roads and redefine the old path’ is the new mantra of the current government. Make in India, an initiative by Prime Minister, Shri Narendra Modi that envisions million dreams for India, but in the course, few country men bought out projects that will prove as game changer for India. One of the respected country men, Mr Subodh Kumar Jain, Chairman, SAGE/ Part of Siddhomal Group, talks about the MEIDP, the prestigious project for India and Iran, challenges surrounding the project and in the end bringing out a successful project to reduce the import dependency for oil and gas.

By- Namrata Nikale Tanna, Editorial Manager, Oil Asia Journal.

Could you please brief us about Siddhomal Group?

Mr Jain: Siddhomal Group was established almost 50 years ago and since 25 years it has been working on project development segment in the Oil and Gas industry, with a special focus in the Middle East and Gulf region.

The Indian joint venture South Asia Gas Enterprise Pvt Ltd (SAGE) is working towards front end engineering and design (FEED) for its deepwater transnational gas pipeline called Middle-East to India Deepwater Pipeline (MEIDP) to import gas from Iran into India, Request you to explain us about the project?

Mr Jain: SAGE’s the undersea Gas pipeline Project from Iran / Oman to India will transport Gas from Chabahar / Kuh-e-Mobarak Iran to India, directly or via Oman route. The MEIDP Project is envisaged as transmission pipeline Infrastructure project allowing transportation of Middle East Gas to the West Coast of India. The pipeline will be laid as a “Common Carrier” pipeline whereby SAGE will be the Gas Transporter and will be paid a Tariff for pipeline use. MEIDP 1 will be the first one in a series of pipelines that will supply gas to the Gujarat coast of India, from the vast available resources in the Middle East, by the safest, most economic and reliable means of mode. The Pre- FEED work is

completed and the detailed Front End Engineering & Design (FEED) Study is likely to be done in the next 12 / 15 months.

Request you to inform whether MEIDP has synced with International players in order to overcome the technology challenges circulating the project?

Mr Jain: The MEIDP Project is technically feasible and commercially viable. Though the project is technically challenging, International players have confirmed that they can lay the pipeline in very deep water, economically, under EPC Contract.

Q- May we request you to address the current challenges surrounding the project?

Mr Jain: The current challenges revolved around various parameters such as:

- Ultra Deep Water 3400m - 3600m depending on-Route
- Wall Thickness on limit of Mill Capacity
- Mill Qualification
- Active Fault crossing (Seismic Design)
- Indus Fan channel crossings up to 200m deep and
- 30 degree slopes
- High pressure 400barg system
- Anti- Flooding system required for Installation
- Hydrotest dispensation required
- Steep Slopes and geo hazards on shelf breaks in Iran and India (Seismic Design)

SAGE has performed detailed assessments to ensure that these challenges can all be met by design methods and equipment now available in the Offshore Pipeline industry.

Q- Building the deepest pipeline in the world to supply gas from Qatar, Iraq, Iran and Turkmenistan to India will require highly efficient pipelines which will sustain the critical operations, kindly share with us the various new pipeline technologies incorporated for the smooth operation of the project?

Mr Jain: The pipeline will be made using thick steel pipe. It will be laid by International pipe laying Contractors who have built their New Generation Pipe Lay Barges, which can lay pipelines in ultra deep water.

Q- Could you address the main regulatory and fiscal challenges revolving around the project and also share with us the strategy to overcome the challenges pertaining to the project?

Mr Jain: There are no regulatory and fiscal challenges involved in the project.

Q- Despite having our own reserves along with on – going offshore fields developments on the east and west coast of India, we run with shortage of gas supply, do you think this project will fulfil the country's energy thirst?

Mr Jain: India has been facing the oil and gas crisis since a long time and it needs several transnational gas pipelines which can supply gas for good 20 / 25 years, at reasonable prices, especially for our gas starved power & fertilizer industry, who cannot afford LNG.

According to PNGRB vision 2030 study Indian gas demand and supply balance deficit will continue to increase from 100 mmscmd in 2014 to 270 mmscmd in 2030. India is heavily dependent on costly LNG and thus the issue needed immediate attention.

SAGE gas pipeline from Iran can generate power at prices similar to clean coal; potentially each SAGE gas pipeline of 31.1 mmscmd will be able to save India's almost a billion dollars annually compared to Spot/ Term LNG imports / price, eventually making the gas available at reasonable rate.

Q -The Government of India is pushing towards the gas based economy, in such circumstances, how will the MEIDP project assist government to achieve the goals?

Mr Jain: MEIDP is ideal for moving the country to gas based economy but it needs Government's diplomatic and political support, as well as commitment from Gas Buyers to buy the Gas on long term basis. There is an intense competition / rivalry from International Oil companies and International LNG suppliers, to access the Gas resources in Gulf / Middle East region.

Q- Request you to elaborate on how MEIDP can become a key piece in India's energy security puzzle?

Mr Jain: In MEIDP Project SAGE plan to lay 2/3 Gas pipelines in the next 10 / 12 years, each supplying 31.1 mmscmd of Gas from Iran / Oman to Gujarat Coast. Gas from Qatar & Turkmenistan can also feed this pipeline/s in future (including through gas swaps).