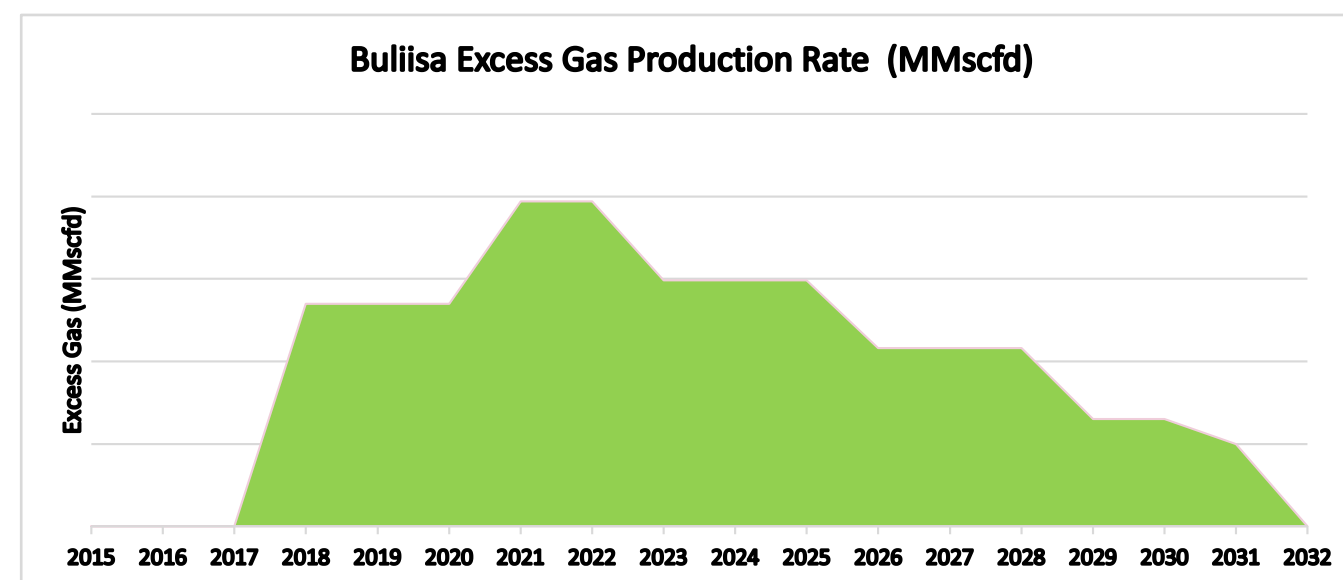


Background

- Limited (time & size) volume of excess associated gas exists at oil production peak.
- Several Field Development Plans (FDPs) have been submitted but their approval requires establishment of a commercially viable disposal method for the excess associated gas.



Objective

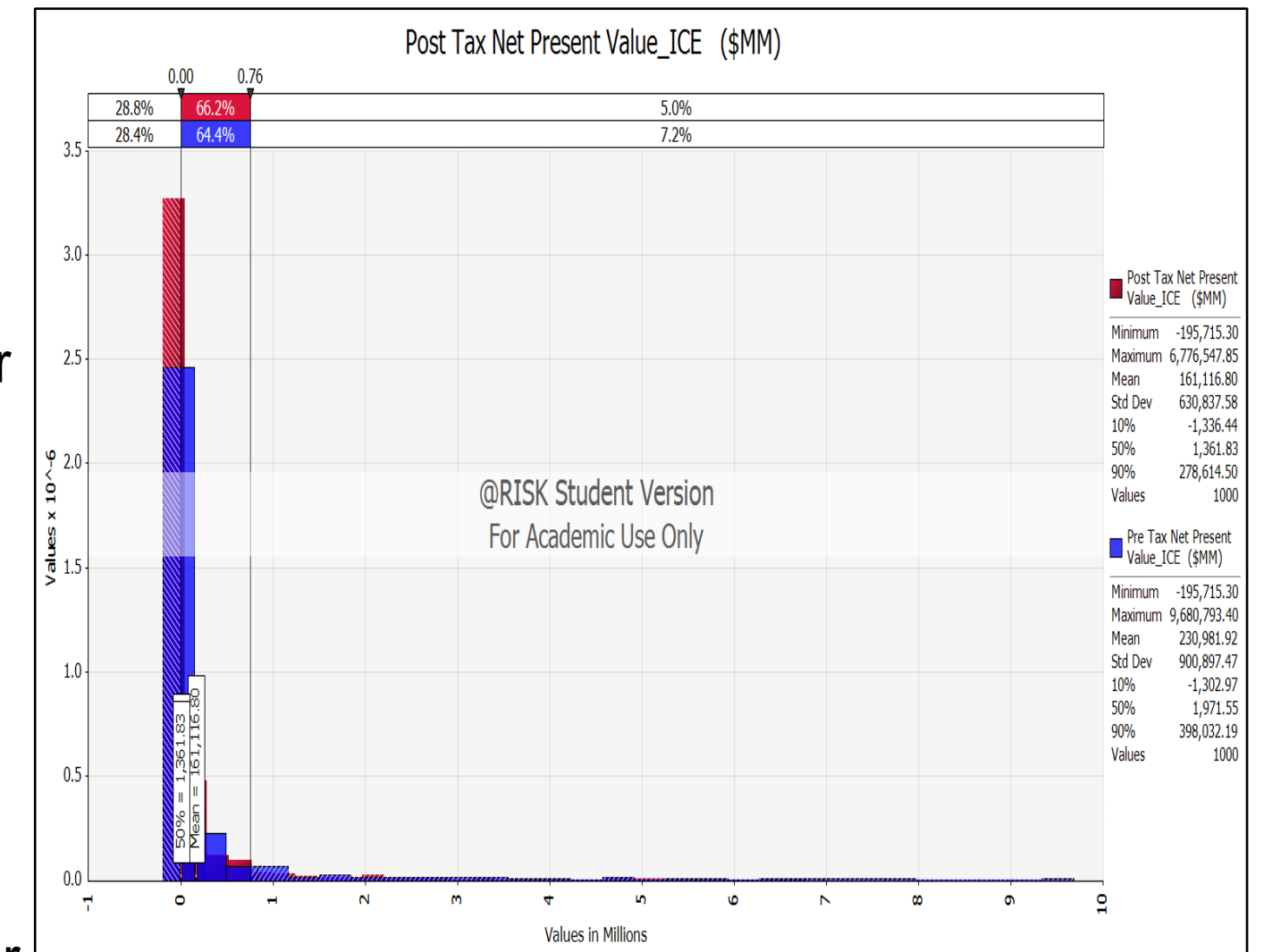
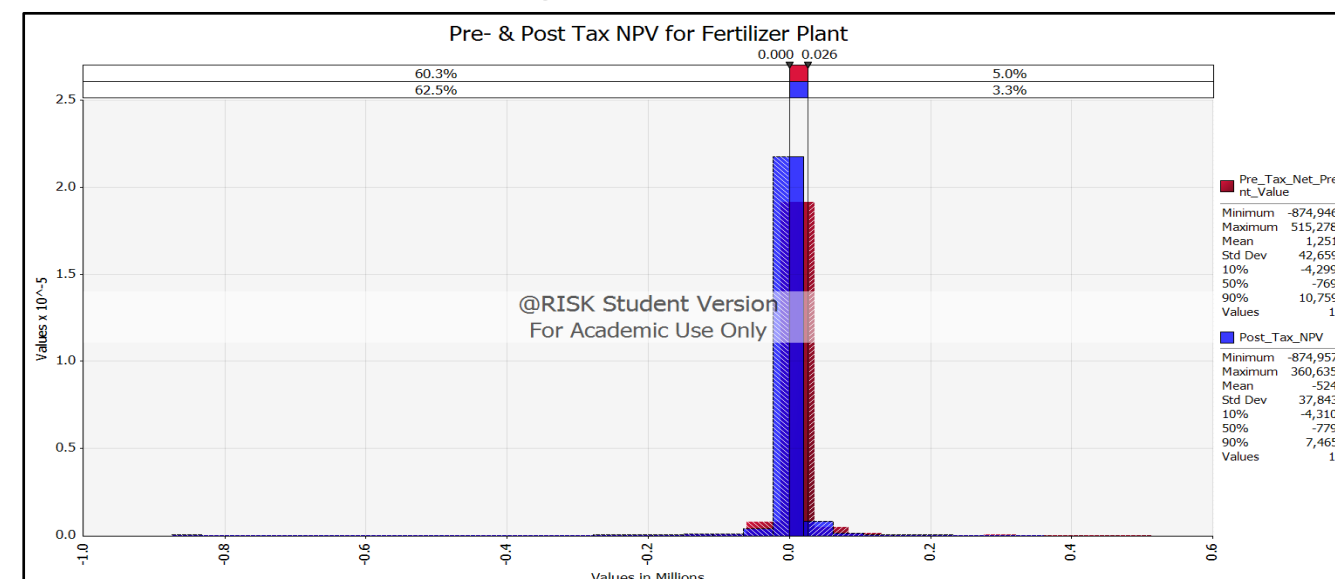
Establish a commercially viable disposal method for Excess Associated Gas from the Buliisa CPF in Uganda

Methodology

- Literature review to screen technically feasible options
- Ranking the options and selecting top two for economic analysis
- Methods reviewed
 - Direct use
 - Conversion to NGLs

Results

- Only conversion of gas to fertilizers and power provided the desired flexibility.
- Of the two options Gas-to-Power provided the least market risk
- Gas-to-fertilizer project is non commercially viable pre- & post-tax
- Internal combustion engines (ICE) yield the best economic results among the Gas-to-Power technologies



Recommendation

- Given the superior technical flexibility and economic results, ICEs should be adopted as the technology for converting the Buliisa Excess Associated Gas to power.
- Further detailed engineering studies should be undertaken to narrow the uncertainty in the project costs.
- Project economics very sensitive to electricity price. Price stabilization clauses should be included in the contracts.