



TANAP

Project Progress Update

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CEO

SGC Advisory Council, 4th Ministerial Meeting, 15.02.2018, Baku



Southern Gas Corridor and TANAP



Trans Adriatic Pipeline (TAP)

Total Length:
 870 km (Greece 545 km, Albania 211 km, Italy 8 km, Adriatic Sea 105 km)



Shareholders

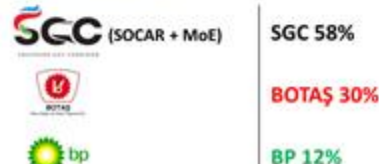


Trans Anatolian Natural Gas Pipeline (TANAP)

Total Length:
 1850 km (Turkey)



Shareholders



South Caucasus Pipeline Expansion (SCPx)

Total Length:
 691 km (Azerbaijan 443 km, Georgia 248 km)



Shareholders



Technical Operator – BP, Commercial Operator – SOCAR

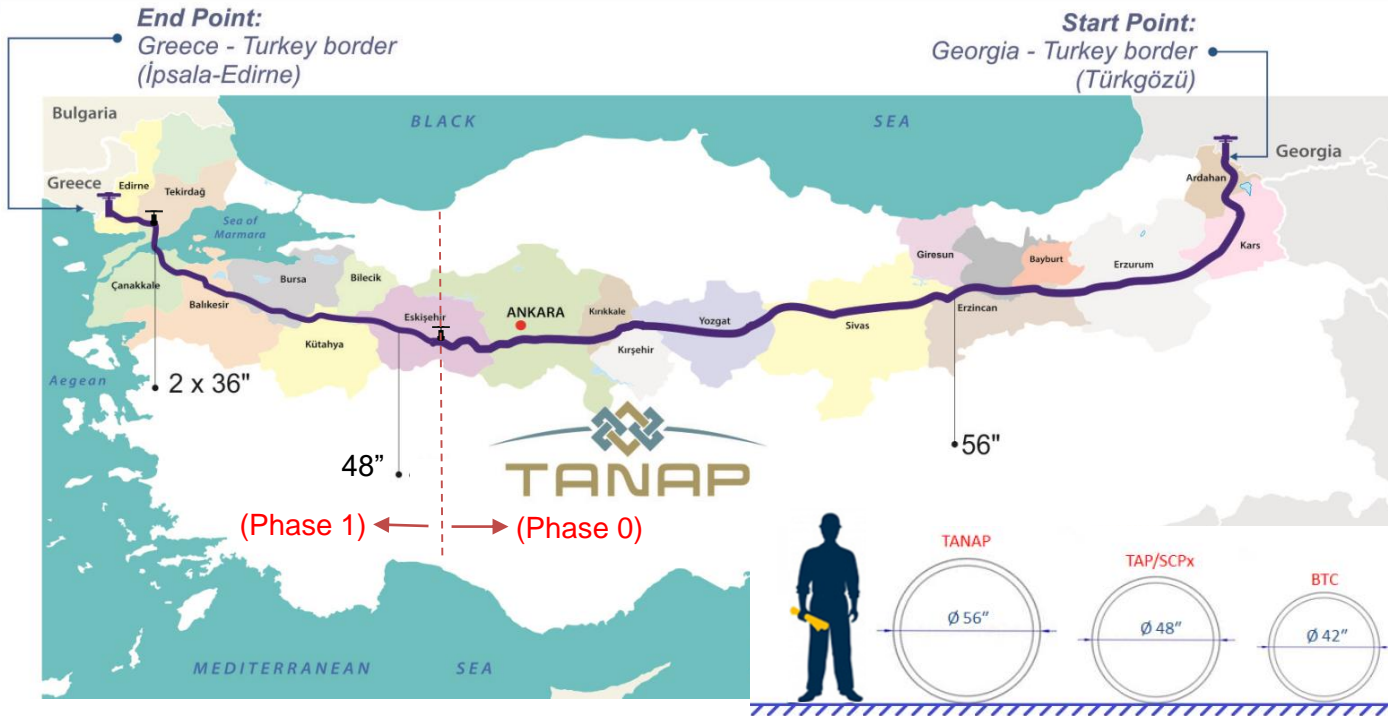
Shah Deniz Consortium (SHD II)

Reserves:
 1.4 trillion cubic meters (tcm)

Shareholders



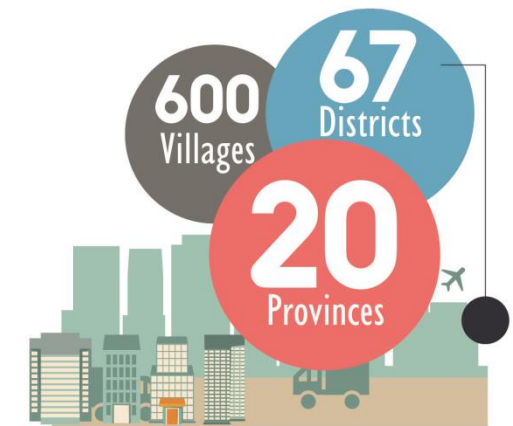
TANAP Project Scope



Gas Transmission Capacity



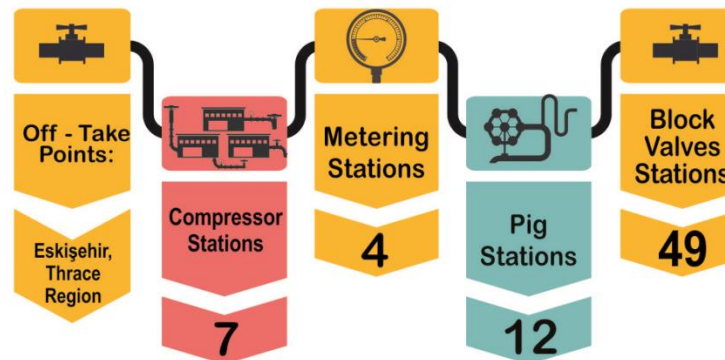
Pipeline Route



Pipeline (1.850 km)



Stations (for 31 bcma)

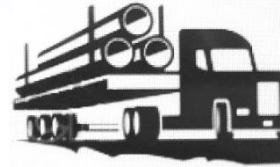




Man-hours worked:
77.262.490



Kilometers driven:
170.002.964



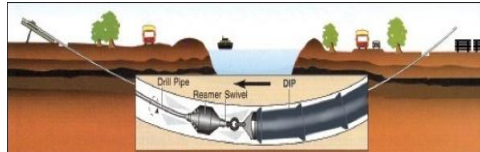
No of truck freights:
66.632



No of pipes welded:
131.620 (1,31 Mton)



Volume of soil excavations:
11.420.610 m³



No of crossings:
6.834



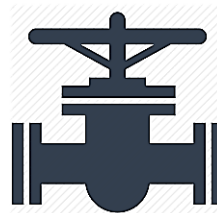
Highest Point on P/L:
2.760 m
KP 621(Red Mountain)



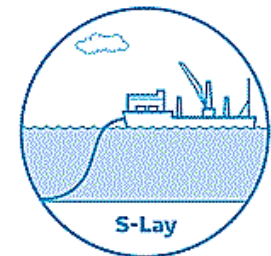
Deepest Point on P/L:
- 65 m (Dardanelle)



Highest Steep Slope:
30%
KP 14 (Ilgar Mountain)



Linefill started after the first pipe joint welded for 1.340 km 56" dia. P/L: **887 days**



2x36" (35,2 km) offshore pipe laying incl. above water tie-ins: **51 days**



Longest time achieved
without lost time incidents:
11.592.074 man-hours



Weld repair rate for 2.838
offshore pipe joints: **0.46%**



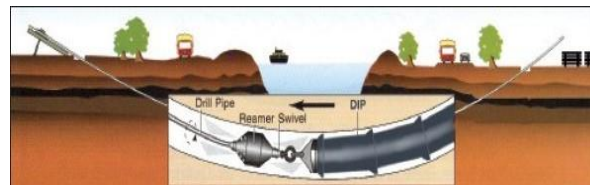
No of FOC installation
repairs for 70 km offshore
FOC installed: **None**



Total length of 56" P/L section
lowered-in in one month:
120 km



No of 36" offshore pipe
joints welded in one day:
136 joints (1.670 m/day)



Longest river crossing with
HDD in Europe:
1.100 m (Sakarya River)



Longest 56" P/L section
lowered-in in one day:
10 km



No of 56" pipe joints welded in
one day by one welding team:
145 joints (2.000 m/day)
(CRC World Record)



No of correspondences made:
125.500



No of opinion letters from State Authorities:
1.200



No of documents produced:
155.000



No of permits obtained:
350



No of acquired parcels:
20.722 private
7.496 public



% of amicable agreements:
46%



No of landowners:
103.099



No of land entry protocols signed:
20.821



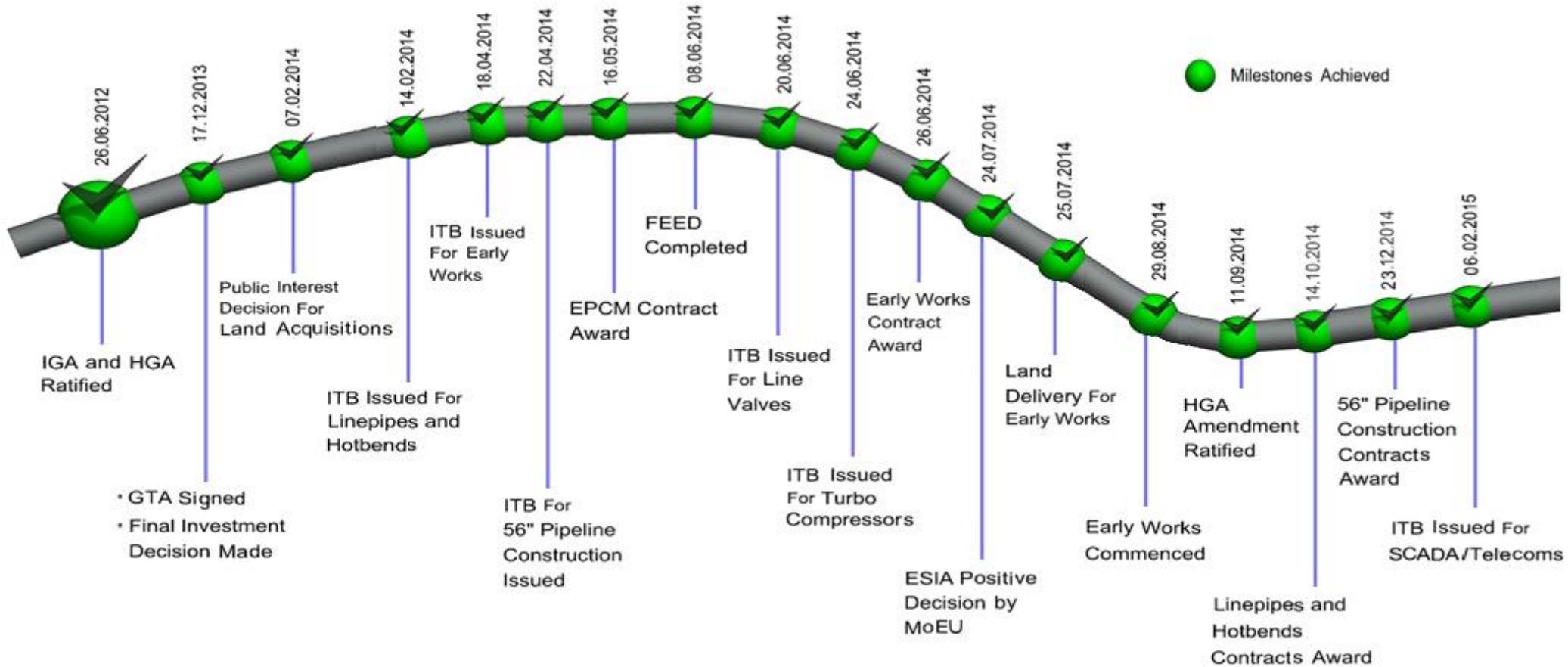
No of new species discovered:
9 fauna + 1 flora

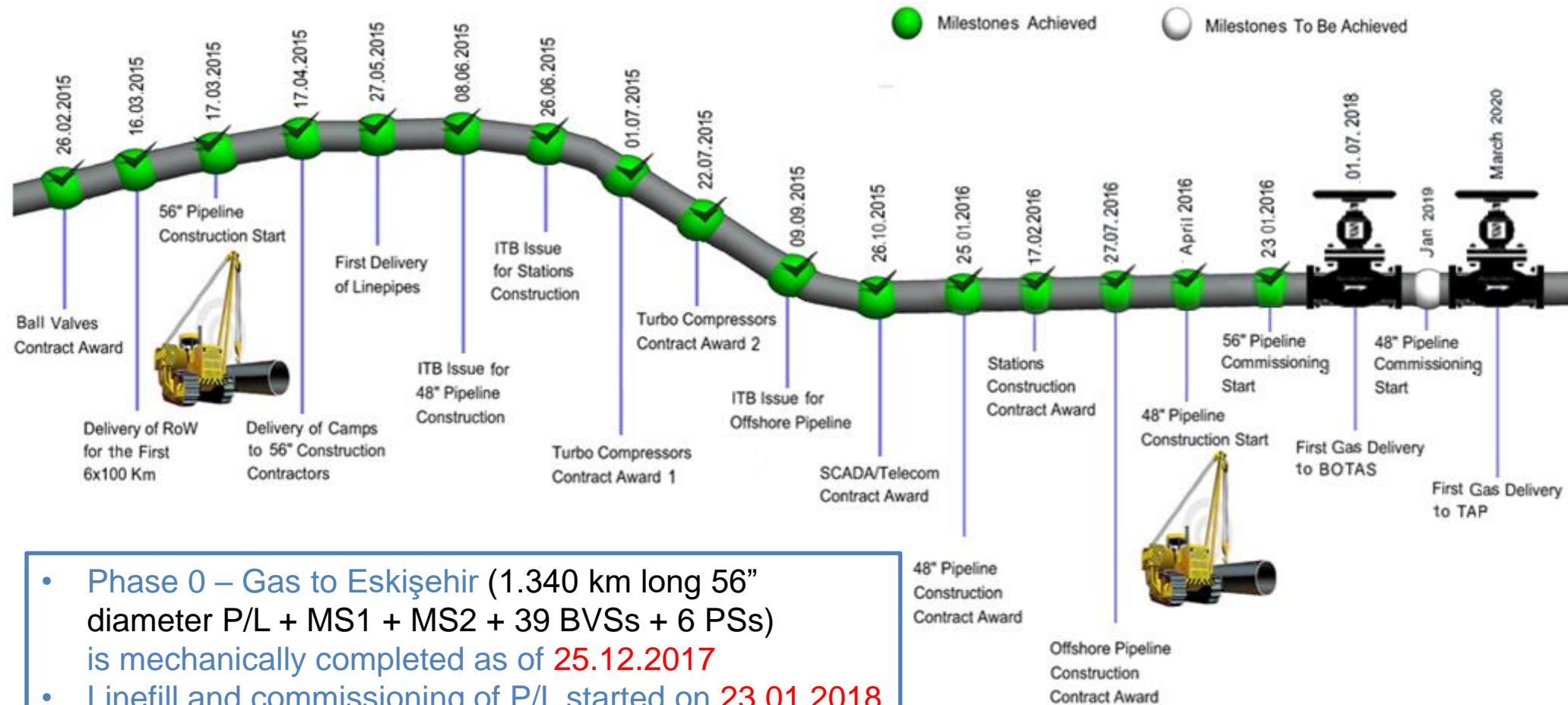


No of archaeological sites discovered:
154



Total value of contracts signed:
> USD 5 billion





- Phase 0 – Gas to Eskişehir (1.340 km long 56" diameter P/L + MS1 + MS2 + 39 BVSs + 6 PSs) is mechanically completed as of **25.12.2017**
- Linefill and commissioning of P/L started on **23.01.2018**
- Commercial operation date is **01.07.2018**

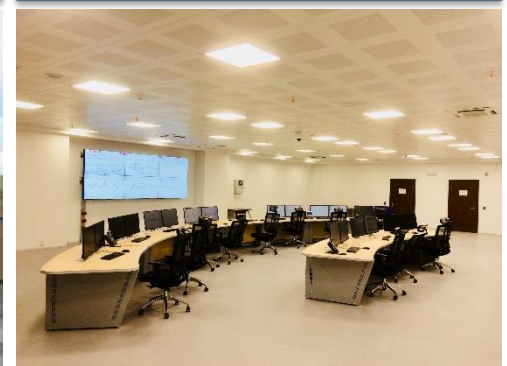
(As of 01.02.2018)

PIPELINE OVERALL		Earned
Gas to Eskisehir		99.9%
Gas to Europe		80.7%
OVERALL		96.1%
STATIONS OVERALL		Earned
Gas to Eskisehir		80.7%
Gas to Europe		64.5%
OVERALL		72.8%
TSC OVERALL		Earned
Gas to Eskisehir		89.6%
Gas to Europe		73.4%
OVERALL		85.4%
TANAP PROJECT OVERALL		Earned
Gas to Eskisehir		97.6%
Gas to Europe		76.8%
OVERALL		91.9%

MCC Main Building (Phase 0)



MCC Control Room

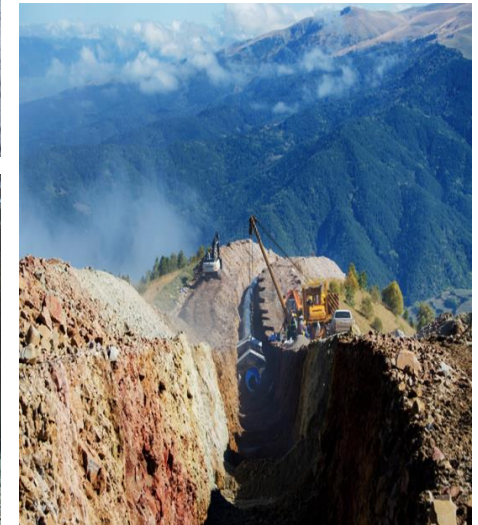


BVS 26 General View (Phase 0)





Project Progress Overview – Pipeline (Phase 0 & 1)



MS 1 (Posof) General View



MS 1 Interior View



MS 1 Administrative & Control Building



MS 2 (Eskişehir) General View



CS 5 Offtake (Eskişehir) General View



MS 2 & CS 5 Offtake General View



PS1 Receiver (48")



PS1 Launcher (56")



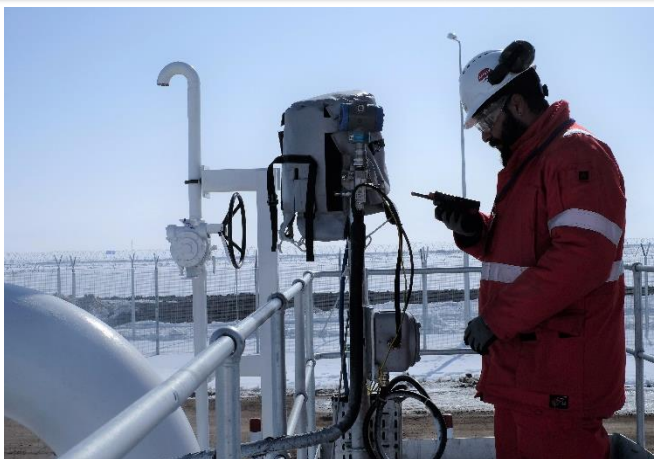
Receival of the first pig at PS1, Posof (KP 1) on 23.01.2018 from the South Caucasus Pipeline followed by the First Gas



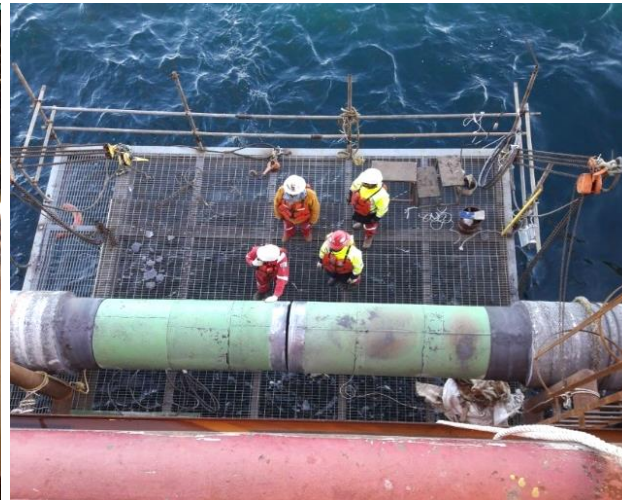
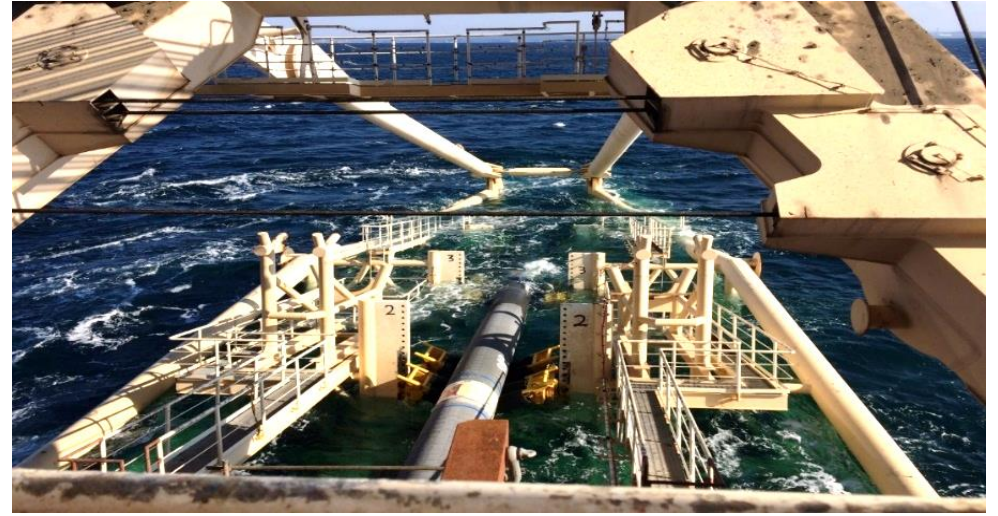
Receival of the first linefill pig at PS 3, Erzurum (KP 345) on 07.02.2018



Launching of linefill pigs from PS 3, Erzurum (KP 345) towards PS 4 , Sivas (KP 675) on 08.02.2018



Dardanelle Strait Crossing General View (Gas to Europe)





- Current CAPEX estimate is \$7,99 billion after 32% cost saving from initial CAPEX estimate of \$11,77 billion.



- TANAP shareholders already secured \$2,65 billion under the loan agreements with IFIs including IBRD, MIGA, AIIB and EBRD.



- Negotiations still continue for potential EIB loans. Total financing from IFIs including EIB might go up to \$3,75 billion.



- EU grants received under the PCI programme have reached €10,2 million.