

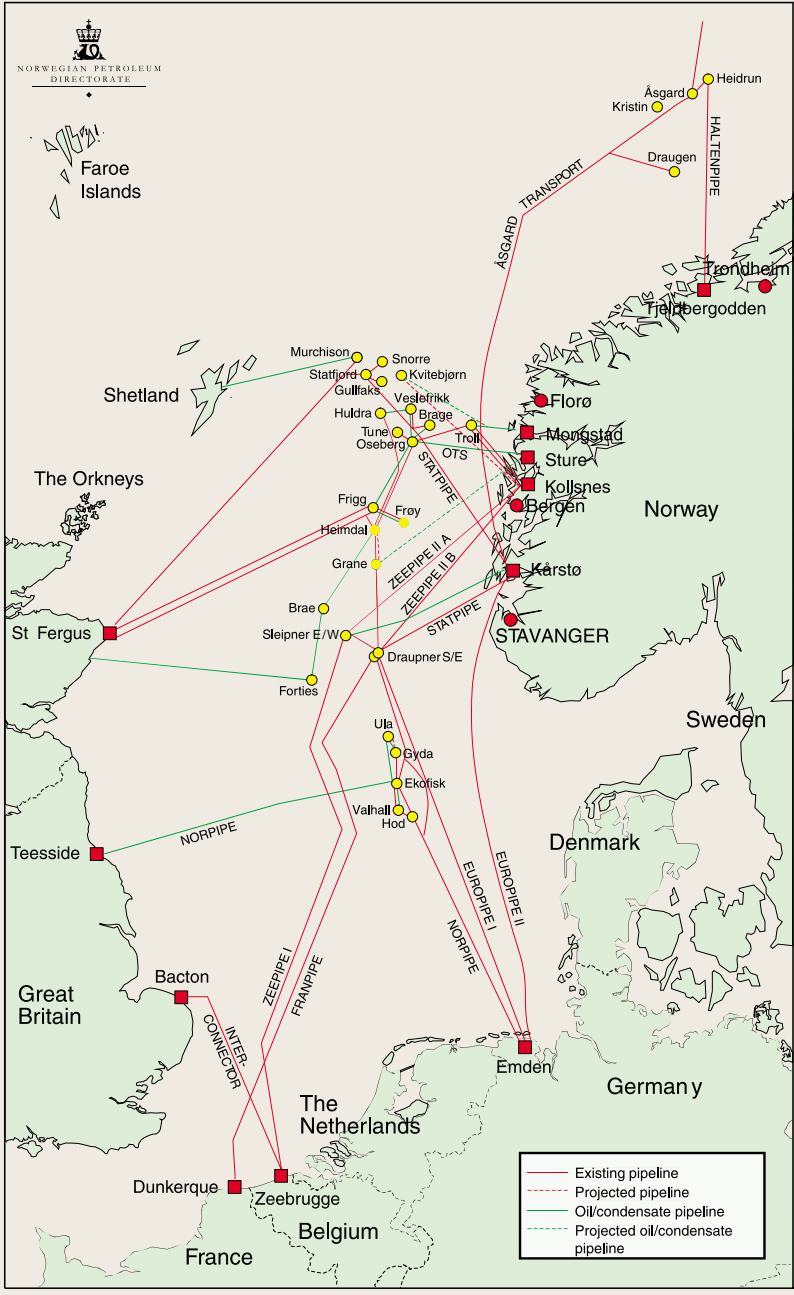
17 Pipelines and land facilities

Pipelines

Draugen Gas Export	154
Europipe I	154
Europipe II	155
Franpipe	155
Frostpipe	156
Grane Gas Pipeline	156
Grane Oil Pipeline	157
Haltenpipe	157
Heidrun Gas Export	158
Kvitebjørn Oil Pipeline	158
Norne Gas Transport System (NGTS)	159
Norpipe Oil AS	159
Norpipe, Norsea Gas A/S	160
Oseberg Gas Transport (OGT)	161
Oseberg Transport System (OTS)	161
Sleipner East condensate	162
Statpipe	162
Troll Oil Pipeline I	163
Troll Oil Pipeline II	164
Vesterled (formerly Frigg Transport)	164
Zeepipe	165
Åsgard Transport	166

Land facilities

Bygnes traffic control centre	167
Kollsnes gas treatment plant	167
Kårstø gas treatment and condensate complex	168
Kårstø metering and technology laboratory	168
Mongstad crude oil terminal	169
Sture terminal	169
Tjeldbergodden industrial complex	170
Vestprosess	170



The map shows existing and planned pipelines in the North and Norwegian Seas. This chapter provides a more detailed description of pipelines on the NCS. The transport capacities given are based on standard assumptions about pressure ratios, energy content of the gas, maintenance periods and operational flexibility.

Pipelines

Draugen Gas Export

Operator	A/S Norske Shell ²	
Licensees	Petoro AS ¹	57.88%
	BP Norge AS	18.36%
	A/S Norske Shell	16.20%
	Norsk Chevron AS	7.56%
Investment	Total investment is put at roughly NOK 0.39 bn (2002 value)	
Operating life	The technical operating life is about 50 years	
Capacity	About 2 bn scm/year	
Operating organisation	Kristiansund	

¹ Petoro AS serves as the licensee for the SDFI.

² The operatorship is due to be transferred to Gassco AS during 2002.

A plan for installation and operation of Draugen Gas Export was received by the MPE in May 1999 and approved in April 2000. The 16-inch pipeline from Draugen to Åsgard Transport is roughly 75 km long and provides opportunities for possible tie-ins of other fields in the area. The pipeline started up in November 2000.

Europipe I

Operator	Gassco AS	
Licensees	As for Zeepipe	
Investment	Total investment is likely to be about NOK 18.9 bn (2002 value), including land-based facilities in Germany	
Operating life	Europipe I is designed to operate for 50 years	
Capacity	Some 13 bn scm/year	
Operating organisation	Bygnes, Karmøy, and Kårstø, Tysvær	

This 40/42-inch pipeline starts at the Draupner E riser platform and runs for 660 km to the final delivery point at Emden in Germany. Owned by the Zeepipe group, Europipe I came into service in 1995.

Europipe II

Operator	Gassco AS	
Licensees	Petoro AS ¹	45.01%
(rounded off to two decimal places)	Norsk Hydro Produksjon a.s	15.36%
	Statoil ASA	15.00%
	Esso Expl & Prod Norway AS	7.68%
	TotalFinaElf Exploration Norge AS	5.92%
	Fortum Petroleum AS	3.66%
	Norske Conoco A/S	2.66%
	Norsk Agip A/S	2.36%
	A/S Norske Shell	1.18%
	Mobil Development Norway A/S	1.18%
Investment	Total investment is put at about NOK 8.6 bn (2002 value)	
Operating life	Technical operating life is 50 years. The licence expires in 2020	
Capacity	About 18 bn scm/year	
Operating organisation	Bygnes, Karmøy, and Kårstø,Tysvær	

¹ Petoro AS serves as the licensee for the SDFI.

The plan for installation and operation of a 42-inch pipeline running for 650 km from Kårstø north of Stavanger to Dornum in Germany was approved by the MPE in 1996. This line started up in 1999.

Franpipe

Operator	Gassco AS	
Licensees	Petoro AS ¹	60.00%
(rounded off to two decimal places)	Norsk Hydro Produksjon a.s	11.65%
	Statoil ASA	9.71%
	TotalFinaElf Exploration Norge AS	5.05%
	Esso Expl & Prod Norway AS	3.88%
	Mobil Development Norway A/S	3.88%
	Norsk Agip A/S	1.94%
	A/S Norske Shell	1.29%
	Fortum Petroleum AS	1.29%
	Norske Conoco A/S	1.29%
Investment	Total investment is put at roughly NOK 8.8 bn (2002 value), including a receiving facility in Dunkerque	
Operating life	Technical operating life is 50 years. The licence expires in 2020	
Capacity	About 15 bn scm/year	
Operating organisation	Bygnes, Karmøy, and Kårstø,Tysvær	

¹ Petoro AS serves as the licensee for the SDFI.

This 42-inch gas pipeline runs for 840 km from the Draupner E riser platform in the North Sea to a receiving terminal at Dunkerque in France. A separate partnership has been established for the terminal, with the Franpipe group holding 65 per cent and Gaz de France 35 per cent.

The system began operating in 1998. A 36-inch direct link – the Ekofisk bypass – between the Statpipe and Norpipe gas pipelines was also established at an estimated cost of NOK 400 mill. The bypass started up in 1998.

Frostpipe

Operator	TotalFinaElf Exploration Norge AS	
Licensees	TotalFinaElf Exploration Norge AS	36.25%
	Petoro AS ¹	30.00%
	Statoil ASA	20.00%
	Norsk Hydro Produksjon a.s	13.75%
Investment	Total investment is likely to be about NOK 0.9 bn (2002 value)	
Operating life	The licence expires in 2016	
Capacity	About 100 000 b/d	

¹ Petoro AS serves as the licensee for the SDFI.

This pipeline carries oil and condensate from Frigg to Oseberg. A plan for installation and operation of Frostpipe was approved by the Storting in April 1992. Providing a transport solution for liquids from Frøy, the system had the capacity to pipe volumes from new discoveries in the area. The 16-inch pipeline is about 82 km long. Liquids were piped on from Oseberg via the Oseberg Transport System (OTS). After Frøy had been shut down in March 2001, the line was filled with inhibited seawater and preserved for reuse by 2005. A cessation plan is due to be prepared by the summer of 2003.

Grane Gas Pipeline

Operator	Norsk Hydro Produksjon a.s	
Licensees	Petoro AS ¹	43.6%
	Esso Expl & Prod Norway AS	25.6%
	Norsk Hydro Produksjon a.s	24.4%
	Norske Conoco A/S	6.4%
Investment	Total investment is put at about NOK 0.4 bn (2002 value)	
Operating life	The technical operating life is 30 years	
Capacity	About 3.6 bn scm/year	

¹ Petoro AS serves as the licensee for the SDFI.

The plan for installation and operation of the Grane Gas Pipeline was approved in June 2000. This 18-inch pipeline from Grane to the Heimdal riser platform will be 50 km long. The licensees are planning to import gas through the line to meet injection requirements on Grane.

Grane Oil Pipeline

Operator	Norsk Hydro Produksjon a.s	
Licensees	Petoro AS ¹	43.6%
	Esso Expl & Prod Norway AS	25.6%
	Norsk Hydro Produksjon a.s	24.4%
	Norske Conoco A/S	6.4%
Investment	Total investment is put at about NOK 2.1 bn (2002 value)	
Operating life	The technical operating life is 30 years	
Capacity	34 000 scm/day of oil	

¹ Petoro AS serves as the licensee for the SDFI.

The plan for installation and operation of the Grane Oil Pipeline was approved in June 2000. This 29-inch pipeline from Grane to the Sture terminal will be 220 km long. It will start up simultaneously with the beginning of oil production from Grane, scheduled for the autumn of 2003.

Haltenpipe

Operator	Gassco AS	
Licensees	Petoro AS ¹	57.81%
	Statoil ASA	19.06%
	Norske Conoco A/S	18.13%
	Fortum Petroleum AS	5.00%
Investment	Total investment in pipeline and terminal is likely to be about NOK 2.5 bn (2002 value)	
Operating life	The licence expires on 31 December 2020	
Capacity	2.2 bn scm/year of gas	

¹ Petoro AS serves as the licensee for the SDFI.

This 16-inch gas pipeline runs for 250 km from Heidrun on the Halten Bank in the Norwegian Sea to Tjeldbergodden in mid-Norway, where Statoil ASA and Conoco have built a methanol plant. The latter uses Heidrun gas as feedstock. Annual gas supplies to the methanol plant total some 0.7 bn scm.

Heidrun Gas Export

Operator	Statoil ASA ²	
Licensee	Petoro AS ¹	64.16%
(rounded off to two decimal places)	Norske Conoco A/S	18.29%
	Statoil ASA	12.43%
	Fortum Petroleum AS	5.12%
Investment	Total investment is put at about NOK 0.8 billion (2002 value)	
Operating life	The technical operating life is 50 years	
Capacity	About 4 bn scm/year	

¹ Petoro AS serves as the licensee for the SDFI.

² The operatorship is due to be transferred to Gassco AS during 2002.

The authorities received a plan for installation and operation of Heidrun Gas Export in 1997, plus a supplement to this in March 1999. Approval of the proposals was given by the MPE in the spring of 2000. This 16-inch pipeline runs roughly 37 km from Heidrun to tie into the Åsgard Transport system. It became operational in February 2001.

Kvitebjørn Oil Pipeline (KOR)

Operator	Statoil ASA	
Licensees	Statoil ASA	50%
	Petoro AS ¹	30%
	Norsk Hydro Produksjon a.s	15%
	TotalFinaElf Exploration Norge AS	5%
Investment	Total investment is likely to be NOK 0.67 bn (2002 value)	
Operating life	The technical operating life is 25 years	
Capacity	About 11 mill scm per year	
Operating organisation	Bygnes, Karmøy	

¹ Petoro AS serves as the licensee for the SDFI.

Being built to transport condensate from Kvitebjørn to the Mongstad oil terminal, this 16-inch line will run for about 90 km to tie into an existing connection point on Troll Oil Pipeline II. A plan for installation and operation was submitted in December 1999. The KOR is due to be ready for making condensate deliveries on 1 October 2004.

Norne Gas Transport System (NGTS)

Operator	Gassco AS	
Licensees	Petoro AS ¹	54.0%
	Statoil ASA	25.0%
	Norsk Hydro Produksjon a.s	8.1%
	Norsk Agip A/S	6.9%
	Enterprise Oil Norge AS	6.0%
Investment	Total investment is put at roughly NOK 1 bn (2002 value)	
Operating life	The technical operating life is 50 years	
Capacity	About 3.6 bn scm/year	

¹ Petoro AS serves as the licensee for the SDFI.

The authorities received a plan for installation and operation of the NGTS in 1997, plus a supplement to this in April 1999. Approval of the proposals was given by the MPE in the spring of 2000. This 16-inch pipeline runs roughly 130 km from Norne to tie into the Åsgard Transport system. It became operational in February 2001.

Norpipe: Norpipe Oil AS

Operator	Phillips Petroleum Company Norway	
Licensees	Phillips Petroleum Company Norway	35.05%
	TotalFinaElf Exploration Norge AS	34.93%
	Statoil ASA	20.00%
	Norsk Agip A/S	6.52%
	Norsk Hydro Produksjon a.s	3.50%
Investment	Total investment is likely to be about NOK 14.4 bn (2002 value)	
Operating life	The pipeline has been designed for an operating life of at least 30 years. Extending its technical life is under constant review.	
Capacity	Design capacity is about 53 mill scm/year (900 000 b/day), including the use of friction-inhibiting chemicals. The receiving facilities restrict capacity to about 810 000 b/d. Plans call for pumping capacity on Ekofisk and stabilisation capacity at the receiving terminal in Teesside to be upgraded.	
Operating organisation	Stavanger	

Petoro AS will receive a five per cent interest in Norpipe Oil AS on 15 October 2005 through a similar reduction in the equity interest held by Statoil ASA in the company.

Owned by Norpipe Oil AS, the 34-inch Norpipe oil pipeline is about 354 km long and again starts at the Ekofisk Centre, where three pumps have been placed. It crosses the UK continental shelf to come ashore at Teesside. A tie-in point for UK fields is located about 50 km downstream of Ekofisk. Two riser platforms, each with three pumps, were previously tied to the pipeline, but were bypassed in 1991 and 1994 respectively.

Two British-registered companies, Norse Pipeline Ltd and Norpipe Petroleum UK Ltd, own the oil export port and fractionation plant for extracting NGL in Teesside, and are operated by Phillips Petroleum Company UK. The oil pipeline carries crude from the Ekofisk, Eldfisk, Embla and Tor fields as well as from Valhall, Hod, Ula, Gyda and Tambar. It also transports production from Britain's Fulmar, J block, Gannet, Auk, Clyde, Janice and Orion fields. From the spring of 2002, oil from Britain's Jade and Halley fields will also be piped through the line.

Norpipe: Norsesea Gas A/S

Operator	Phillips Petroleum Company Norway. Providing sufficient volumes are reserved under new transport contracts, Gassco AS can take over as operator.	
Licensees	Statoil ASA	25.00%
	Petoro AS ¹	25.00%
	TotalFinaElf Exploration Norge AS	20.86%
	Phillips Petroleum Company Norway	15.89%
	Norsk Agip A/S	8.62%
	Norsk Hydro Produksjon a.s	4.63%
	Petoro will receive a 35 per cent interest in Norsesea Gas A/S on 15 October 2005, and a further 45 per cent on 1 October 2007. The equity interest of Statoil ASA in Norsesea Gas A/S will be 25 per cent, while the other interests in the company will be reduced proportionally.	
Investment	Total investment is likely to be about NOK 23.4 bn (2002 value)	
Operating life	The pipeline has been designed for an operating life of at least 30 years. Extending its technical life is under constant review.	
Capacity	Design capacity is about 15 bn scm/year (43 mill scm/day).	
Operating organisation	Stavanger	

¹ Petoro AS serves as the licensee for the SDFI.

The Norpipe gas line belongs to Norpipe a.s, a wholly-owned subsidiary of Norsesea Gas A/S. Running roughly 440 km to Emden in Germany, this 36-inch line starts at the Ekofisk Centre, where two compressors are installed. Two riser platforms, each with three compressors, are positioned on the German continental shelf to pump the gas southwards. The compressors on one of these installations have now been shut down. Also owned by Norsesea Gas A/S, the Emden terminal cleans and dries the gas prior to onward distribution.

Operation of the gas line began in September 1977, and Statpipe was tied to it in 1986. Statpipe was tied directly to Norpipe downstream from Ekofisk with the aid of a bypass line as part of the redevelopment of Ekofisk in 1998.

Oseberg Gas Transport (OGT)

Operator	Gassco AS
Licensees	As for the Oseberg field.
Investment	Total investment is likely to be about NOK 1.6 bn (2002 value)
Operating life	The pipeline is designed to operate for 50 years
Capacity	34 mill scm/day
Operating organisation	Bergen

A plan for installation and operation of a gas pipeline from Oseberg, which ties into Statpipe at the Heimdal platform, was submitted by the field licensees in 1996. The authorities approved these proposals on 11 May 1999 and operation began in 2000. While this 36-inch line is primarily intended for gas from Oseberg, it will have spare capacity to transport supplies from other sources. It runs for about 109 km.

Oseberg Transport System (OTS)

Operator	Norsk Hydro Produksjon a.s
Licensees	As for the Oseberg field
Investment	Total investment is likely to be about NOK 7.9 bn (2002 value)
Capacity	121 000 scm/day (technical), 990 000 scm (storage)
Operating life	The pipeline is designed to operate for 40 years. This may be extended.
Operating organisation	Bergen

Oseberg oil is piped for 115 km through a 28-inch line from the field's A platform to the terminal at Sture near Bergen. The Oseberg group has established a separate partnership to operate the line.

This partnership has concluded agreements with the licensees for Veslefrikk, Brage, Oseberg South, Oseberg East, Tune and Huldra to transport oil from these fields via Oseberg A and the OTS to the Sture terminal. Oil and NGL from Frøy were piped through Frostpipe from the TCP2 platform on Frigg to Oseberg A. After Frøy was shut down in March 2001, Frostpipe was filled with inhibited seawater and preserved for reuse by 2005. The OTS partnership has concluded an agreement with the Grane shippers to receive, store and export oil from this field, starting in 2003.

Sleipner East condensate

Operator	Statoil ASA	
Licensees	Statoil ASA	49.6%
	Esso Expl & Prod Norway AS	30.4%
	Norsk Hydro Produksjon a.s	10.0%
	TotalFinaElf Exploration Norge AS	10.0%
Investment	Total investment is likely to be about NOK 1.4 bn (2002 value)	
Capacity	200 000 b/d	
Operating organisation	Bygnes, Karmøy	

The decision to land condensate from Sleipner East at Kårstø north of Stavanger rather than at Teesside in the UK meant that the field's licensees had to lay a 20-inch pipeline to the Norwegian coast and organise the required expansion of the Kårstø complex. The Storting approved the construction of this line in December 1989. Unprocessed condensate from Sleipner East began to flow through the 245-km pipeline in 1993. At Kårstø, it is fractionated into NGL and stabilised condensate for the market. This line also began carrying condensate from Sleipner West, Loke and Gungne in 1997.

Statpipe

Operator	Gassco AS	
Licensees	Petoro AS ¹	33.25%
	Statoil ASA	25.00%
	TotalFinaElf Exploration Norge AS	12.00%
	Norsk Hydro Produksjon a.s	10.00%
	Mobil Development Norway A/S	7.00%
	Esso Expl & Prod Norway AS	5.00%
	A/S Norske Shell	5.00%
	Norske Conoco A/S	2.75%
Investment	Total investment is likely to be about NOK 39.8 bn (2002 value) excl Kårstø	
Operating life	Designed to operate for 40 years	
Capacities	Rich gas pipeline Statfjord-Kårstø: 25-30 mill scm/day (about nine bn/year). Kårstø terminal: roughly 25 mill scm/day (about eight bn/year). Dry gas pipeline Draupner S-Ekofisk: 53 mill scm/day (about 17 bn scm/year). Capacities vary to a large extent in accordance with rich gas composition as well as the pressure in Statpipe and downstream of the line.	
Operating organisation	Bygnes, Karmøy, and Kårstø, Tysvær	

¹ Petoro AS serves as the licensee for the SDFI.

This 880-km pipeline system includes a riser platform and a receiving facility at Kårstø north of Stavanger. Statpipe is tied to the Statfjord, Statfjord North and East, Gullfaks, Borg, Snorre, Brage, Tordis, Veslefrikk and Heimdal fields.

Rich gas from fields in the northern part of Norway's North Sea sector - Statfjord, Gullfaks and the Oseberg area - is piped through a 30-inch line to Kårstø for separation and fractionation of the NGL into commercial products, which are exported by ship. The residual dry gas continues either in a 28-inch pipeline to the Draupner S riser platform and on to Emden via the Ekofisk bypass and Norpipe, or through Europipe II to Dornum near Emden.

Heimdal, Jotun and Balder are connected to Statpipe via a 36-inch line to Draupner S. Work on the project began in 1981. A 25-year licence was awarded from the start of operation in October 1985 to 1 January 2011.

Troll Oil Pipeline I

Operator	Statoil ASA	
Licensees	Petoro AS ¹	55.77%
(rounded off to two decimal places)	Statoil ASA	20.85%
	Norsk Hydro Produksjon a.s	9.73%
	A/S Norske Shell	8.29%
	TotalFinaElf Exploration Norge AS	3.70%
	Norske Conoco A/S	1.66%
Investment	Total investment is likely to be about NOK 1 bn (2002 value)	
Operating life	Troll Oil Pipeline I is designed to operate for 35 years	
Capacity	42 500 scm/day of oil with the use of friction inhibitors	
Operating organisation	Kårstø, Tysvær	

¹ Petoro AS serves as the licensee for the SDFI.

This 85-km facility transports oil from the Troll B platform to the terminal at Mongstad near Bergen. With its plan for installation and operation approved in December 1993, the 16-inch line was ready in September 1995 and is licensed to 2023. The Troll licensees have established a separate partnership to handle operation of the line.

Troll Oil Pipeline II

Operator	Statoil ASA	
Licensees (rounded off to two decimal places)	Petoro AS ¹	55.77%
	Statoil ASA	20.85%
	Norsk Hydro Produksjon a.s	9.73%
	A/S Norske Shell	8.29%
	TotalFinaElf Exploration Norge AS	3.70%
	Norske Conoco A/S	1.66%
Investment	About NOK 0.9 bn (2002 value)	
Operating life	Troll Oil Pipeline II is designed for a lifetime of 35 years	
Capacity	Current capacity is 40 000 scm/day of oil. The hydraulic capacity of the line is 47 500 scm/d (without the use of friction inhibitors)	
Operating organisation	Kårstø, Tysvær	

¹ Petoro AS serves as the licensee for the SDFI.

This 20-inch pipeline has been built to carry oil over the 80 km from Troll C to the terminal at Mongstad near Bergen. The plan for installation and operation received government approval in March 1998, and Troll Oil Pipeline II was ready to begin operation when Troll C started production on 1 November 1999. This line is licensed to 2023. Oil from Fram West will be piped through this line when the field comes on stream, probably in October 2003.

Vesterled (formerly Frigg Transport)

Operator	Gassco AS	
Licensees	Petoro AS ¹	60.00%
	Norsk Hydro Produksjon a.s	13.86%
	Statoil ASA	12.28%
	TotalFinaElf Exploration Norge AS	11.48%
	Mobil Development Norway A/S	2.38%
Investment	Total investment in the Norwegian Frigg pipeline and the Norwegian share of MCP01 is about NOK 27.8 bn (2002 value). Total investment in Vesterled is NOK 968 mill (2002 value).	
Operating life	The licence expires in 2020	
Capacity	35 mill scm/day. At present limited to 18 mill scm/day because of Frigg deliveries (British pipeline: 33 mill scm/day).	
Operating organisation	Bygnes and Kårstø	

¹ Petoro AS serves as the licensee for the SDFI.

The Frigg Norwegian Pipeline (FNP) gas transport system from Frigg to St Fergus in Scotland comprises a 32-inch pipeline and a receiving terminal on land, but not the field processing and compression facilities on Frigg. The FNP runs for about 350 km, and currently carries gas from Frigg and Britain's Galley field. While the 32-inch UK pipeline from Frigg to St Fergus was completed in the summer of 1976, the FNP was ready the following year and came into service in August 1978.

A plan for installation and operation (PIO) for Vesterled was received by the MPE in December 1999 from the licensees in Oseberg, who currently form the Vesterled partnership. The plan embraces installation of a new pipeline from Heimdal with a tie-in to the FNP about 50 km downstream from Frigg, as well as changes to the FNP operatorship and future operation of this system.

With a total length of roughly 54 km, the new 32-inch line has a capacity corresponding to the FNP - in other words, about 11 bn cu.m/year. Vesterled began operating on 1 October 2001.

Zeepipe

Operator	Gassco AS	
Licensees	Petoro AS ¹	55.00%
(rounded off to two decimal places)	Statoil ASA	15.00%
	Norsk Hydro Produksjon a.s	11.00%
	A/S Norske Shell	7.00%
	Esso Expl & Prod Norway AS	6.00%
	TotalFinaElf Exploration Norge AS	4.60%
	Norske Conoco A/S	1.40%
Investment	Total investment is likely to be about NOK 21.5 bn (2002 value)	
Operating life	Zeepipe is designed for a technical operating life of 50 years	
Capacity	Some 13 bn scm/year for the Sleipner-Zeebrugge line	
Operating organisation	Bygnes, Karmøy, and Kårstø, Tysvær	

¹ Petoro AS serves as the licensee for the SDFI.

A staged development was adopted for Zeepipe. Phase I comprises a 40-inch pipeline running for 814 km from Sleipner East to Zeebrugge in Belgium and a 30-inch line running 30 km from Sleipner East to the Draupner S riser platform in the Statpipe system. It came into service in 1993.

Phase II consists of two pipelines from the Troll Gas treatment plant at Kollsnes near Bergen. The 40-inch Phase IIA line runs for 303 km to Sleipner East and began operating in 1996. Phase IIB, which is 40 inches in diameter and runs for 304 km to the Draupner E riser platform, came into service in the following year.

The gas receiving terminal in Zeebrugge belongs to a separate partnership, with the Zeepipe group holding 49 per cent and Distrigaz 51 per cent. This facility is built and operated as an integral part of Zeepipe.

Åsgard Transport

Operator	Gassco AS	
Licensees	Petoro AS ¹	46.95%
	Statoil ASA	13.55%
	Norsk Hydro Produksjon a.s	11.60%
	Norsk Agip A/S	7.90%
	TotalFinaElf Exploration Norge AS	7.65%
	Mobil Development Norway A/S	7.35%
	Fortum Petroleum AS	5.00%
Investment	Total investment is likely to be about NOK 9.4 bn (2002 value)	
Operating life	Technical operating life is 50 years. The licence expires on 31 December 2020	
Capacity	About 20.5 bn scm/year	

¹ Petoro AS serves as the licensee for the SDFI.

Installation and operation of a 42-inch pipeline running from Åsgard in the Norwegian Sea to Kårstø north of Stavanger received approval from the MPE in 1998. This line became operational in October 2000. In addition to Åsgard gas, this 730-km system also carries gas from other fields off mid-Norway.

Land facilities

Bygnes traffic control centre

Interests	Owned by Statpipe
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The traffic control centre at Bygnes north of Stavanger coordinates gas transport and deliveries through the pipeline network from producers on the NCS to buyers in continental Europe. It controls gas flows through some 5 500 km of pipelines which transport about 90 per cent of Norwegian gas flowing to European customers.

Kollsnes gas treatment plant

Interests	Interests in the Kollsnes gas treatment plant are the same as for the Troll field.
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The Kollsnes gas treatment plant near Bergen is part of the Troll Gas facilities, which also include Troll A and the pipelines linking this platform with the treatment plant. Construction work began at Kollsnes in 1991 and was completed by 1 October 1996, the deadline for starting contractual gas deliveries to continental Europe.

Wellstreams from Troll East are carried through two pipelines to the Kollsnes treatment plant for separation into dry gas and condensate. The gas is dried and compressed before being piped through Zeepipe to Zeebrugge, Statpipe/Norpipe to Emden and Franpipe to Dunkerque. Condensate is piped on to the Vestprosess facility at Mongstad.

The gas treatment plant can handle up to 120 mill scm of gas and 3 500 scm of condensate per day. Full utilisation of this capacity requires the installation of compressors on Troll A. Current plans call for the compressors to begin operation in 2005 or 2006. It has been resolved to construct an NGL extraction facility at Kollsnes to treat rich gas from such fields as Kvitebjørn.

Kårstø gas treatment and condensate complex

Interests	The Kårstø gas treatment and condensate facilities form part of Statpipe, and are owned by the same partnership
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The Kårstø complex north of Stavanger receives rich gas from Statfjord, Statfjord North and East, Gullfaks I and II, Borg/Tordis East, Snorre, Brage, Tordis and Veslefrikk through the Statpipe rich gas leg. These facilities also receive rich gas from Åsgard, Heidrun, Norne and Draugen through Åsgard Transport, as well as unstabilised condensate from Sleipner East and West.

Rich gas is separated at Kårstø and fractionated to methane, ethane, propane, iso-butane, normal butane, naphtha and stabilised condensate. Dry gas – methane and some of the ethane – is piped either through Statpipe to the Draupner S riser platform and on to Emden in Germany, Zeebrugge in Belgium or Dunkerque in France, or through Europipe II from Kårstø to Dornum near Emden.

The rest of the ethane as well as iso-butane and normal butane are stored in refrigerated tanks, while naphtha and condensate are held in tanks at ambient temperature. Propane is stored in large refrigerated rock caverns. These products are exported in liquid form by ship. The complex received 571 vessel calls in 2001 and shipped out 7.8 million tonnes of liquids.

Treatment facilities at Kårstø comprise four fractionation/distillation trains for methane, ethane, propane, butanes and naphtha, plus a fractionation line for stabilising condensate. The gas treatment facilities have a capacity of 64 mill scm per day, while the condensate and ethane plants can process roughly 3.6 mill and 620 000 tonnes per year respectively. Plans are being drawn up to expand capacity at Kårstø.

Kårstø metering and technology laboratory

Ownership	Statoil ASA	100%
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The Kårstø metering and technology laboratory (K-Lab) offers services relating to the calibration of all types of gas flow meters for pressures from 20-150 bar, testing and qualification of equipment, capacity testing of control valves, and research projects. Investment in this facility, which opened in 1988, totalled NOK 265 mill at 31 December 2001.

Mongstad crude oil terminal

Ownership	Statoil ASA	65%
	Petoro AS ¹	35%

¹ Petoro AS serves as the licensee for the SDFI.

The terminal at Mongstad embraces two jetties able to accept vessels up to 400 000 tonnes, as well as six caverns excavated from the bedrock 50 metres below ground. These caverns have a total storage capacity of 1.5 mill cu.m of oil. Just over 2 000 ship calls are handled annually.

This facility was constructed to support the marketing of crude oil loaded offshore on Gullfaks, Draugen, Norne, Åsgard, Heidrun and other fields. These consignments are loaded into shuttle tankers, which have a sailing range confined to north-west Europe. By storing and transshipping crude at Mongstad, however, Statoil can sell the oil to more distant destinations. Mongstad is also the receiving terminal for the oil pipelines from Troll B and C.

Sture crude oil terminal

Interests	Interests in the Sture terminal are the same as for Oseberg, with the exception of the LPG export facilities. These are owned by Norsk Hydro Produksjon a.s (the refrigerated LPG store and transfer system to ships) and Vestprosess DA (the transfer system to the Vestprosess pipeline).
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The crude oil terminal at Sture near Bergen receives production from Oseberg, Veslefrikk, Brage, Oseberg South, Oseberg East, Tune and Huldra. This oil is carried in a 115-km pipeline from Oseberg A. From the autumn of 2003, the terminal will also receive Grane oil through the Grane Oil Pipeline.

The terminal began operating in December 1988. It incorporates two jetties able to berth oil tankers up to 300 000 tonnes, five rock caverns stores for crude oil with a combined capacity of one million scm, a 60 000-cu.m rock cavern store for LPG and a 200 000-cu.m ballast water cavern. A separate unit for recovering volatile organic compounds given off from tankers has been installed.

The MPE approved an upgrading of the facility in March 1998. A fractionation plant which came on line in December 1999 processes unstabilised crude from Oseberg into stabilised oil and an LPG mix. The latter can either be exported by ship or piped through the Vestprosess line to the Mongstad refinery.

Tjeldbergodden industrial complex

Ownership of the Tjeldbergodden plants	Statoil Metanol ANS:	
	Statoil ASA	81.7%
	Norske Conoco A/S	18.3%

Plans to utilise gas from Heidrun as feedstock for methanol production at Tjeldbergodden in mid-Norway were approved by the Storting in 1992. The methanol plant began production on 5 June 1997. Gas deliveries through the Haltenpipe line total 700 mill scm per year, which yields 830 000 tonnes of methanol.

An air separation plant - Tjeldbergodden Luftgassfabrikk DA - has been built in association with the methanol facility. This partnership has also constructed a small gas fractionation and liquefaction plant with an annual capacity of 35 mill scm.

Norferm a.s, owned by Statoil ASA, produces bioproteins at Tjeldbergodden. With an annual design capacity of 10 000 tonnes, this plant can consume up to 25 mill scm of methane per year. That corresponds to three per cent of the gas received from Heidrun.

Vestprosess

Ownership	Petoro AS ¹	41%
	Statoil ASA	17%
	Norsk Hydro Produksjon a.s	17%
	Mobil Development Norway A/S	10%
	A/S Norske Shell	8%
	TotalFinaElf Exploration Norge AS	5%
	Norske Conoco A/S	2%

¹ Petoro AS serves as the licensee for the SDFI.

The Vestprosess DA partnership was established in October 1997 with the aim of building, operating and owning a system to transport NGL from Kollsnes and Sture to Mongstad as well as a fractionisation plant for NGL at the Mongstad refinery. These facilities came on stream in December 1999 and will initially carry Troll condensate from Kollsnes and Oseberg NGL from Sture to Mongstad for further processing.

The first step involves separating naphtha from the LPG to serve as refinery feedstock, while the LPG is fractionated into propane and butane in the new Vestprosess plant. Propane and butane are stored in rock caverns before export. The Vestprosess plant utilises waste energy and utilities from the refinery.

