

Imbert bids to allay fears over Train 1

IF for some reason BP decides to change the terms for the commercialisation and continuation of Train 1, the gas will not "rotten" and it can be put to productive use.

This according to Finance Minister Colm Imbert as he wrapped up the marathon debate of the mid-year budget review at the Parliament sitting on Monday.

The Finance (Supplementary Appropriation) (Financial Year 2019) Bill, 2019 was then read a third time by Imbert and then passed. Debate begins in the Senate today from 10 a.m.

Imbert assured that there is nothing to panic about, adding that the announcement by BPTT of an unproductive well does not mean that the economy will collapse.

The minister noted that the announcement came after discussions were concluded on the new commercial terms for the continuation of Train 1.

"If for some reason BP decides that the terms for the commercialisation and continuation of Train 1 are not in their advantage well the gas will be used for something else, the gas ain't go rotten, it's not going to evaporate. It can be used for new industries, it can be used to allow current petrochemical industries to operate 100 per cent capacity," he said.

"It can be used to allow two, three and four trains in Atlantic LNG to operate at 100 per cent whereas if Train 1 was operating may-



NO ECONOMIC COLLAPSE
Colm Imbert

be it would operate at 90 per cent. It really makes no difference because if the gas doesn't go to Train 1 it will go to 2, 3 and 4 or it will go to the other users of natural gas," he added.

However, he said discussions with BP informed that all of the projections for gas production for 2019 remain intact and therefore the estimate for the average gas production for this year of 3.8 billion cubic feet per day stays.

He said the country is dealing with a situation where one well has been plugged and abandoned and the other is producing but a little below the projected level.

No reason for alarm

The minister said BP is not the only player in the country.

"Yes, it is the largest producer of gas that is true. So it currently produces just over two billion cubic feet out of the more or less four billion that we produce as a country, so BP is producing

a little over 50 per cent of all gas produced in Trinidad and Tobago, but it is not the only player," he said.

He noted that other players include Shell, EOG and BHP Billiton.

He said any responsible Government will look at the entire situation, all the options available and "press on".

"And therefore, Madam Speaker, there is no reason for panic, there is no reason for alarm," he said.

He said each train has a different matrix of shareholders.

Imbert said BP is not the majority shareholder in Atlantic LNG at this time, adding that Shell is the major shareholder having acquired British Gas and Repsol.

"So you have tensions between shareholders; you have complex negotiations taking place and there are other players involved. My understanding of this situation is that there may be a fall-off in gas production in 2020 of maybe 100 million cubic feet per day, which represents at this point in time less than five per cent of our national production.

"Our national production is right up there close to four billion standard cubic feet per day, so 100 million cubic feet per day is less than five per cent and that is certainly not going to collapse the economy and it is certainly not going to cause any major damaging effect on Government revenues and the growth momentum that is apparent in our economy," he said.

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