

# Temporary shut down of Soku gas plant in Rivers State, Nigeria

At the end of November 2008, the Shell Petroleum Development Company (SPDC) temporarily shut down the Soku gas plant in Rivers State, Nigeria, to carry out urgently needed repairs to pipelines damaged by thieves stealing condensate - a natural gas liquid. The repairs are essential to protect the lives of staff, contractors and the community, to clean up the environmental damage caused by the thefts and to make the facility safe.

The Soku gas plant was commissioned in 1999 and employs around 150 people. It is located 40 kilometres (km) southwest of Port Harcourt and has three main host communities nearby – Soku, Elem Sangama, and Oluasiri. It produces gas and condensate, which drops out as a liquid in the gas plant. Soku supplies 40% of the gas required by Nigeria Liquefied Natural Gas Ltd (NLNG). SPDC has declared force majeure on these supplies until the repair work is complete and the plant can resume production safely.

Thieves steal condensate by drilling into the pipeline - about 10 inches in diameter - and attaching a hose to syphon it away. This is called hot tapping. It is highly dangerous. It can cause explosions, fires and spills that damage the environment. Unfortunately there is a ready local market driving this lethal activity: condensate can be used as an alternative to petrol in vehicles.





Damage to pipelines causes spills and environmental damage around the Soku gas plant.



In the past, illegal taps around Soku were fewer and located kilometres away from the plant. In 2007 we removed around 150 taps. In recent months the number of illegal taps has risen rapidly and they are getting much closer to the gas plant. In August 2008 alone we removed more than 50 connections less than 1 km from the gas plant - some right up to the perimeter fence where thieves can take advantage of higher pipeline pressure to steal more condensate. On average there is now one fire a week caused by thefts. Several thieves have died from the fires, though we cannot confirm exactly how many.

As a result, the risks have become too great and we are taking emergency action to ensure the safety of our staff, contractors, the surrounding community and the gas plant. Over the next few weeks, SPDC will assess the integrity of the condensate export pipeline, undertake repairs and clean up the environmental damage the thieves have caused. To do this safely, the plant must be shut down. It will reopen when it is safe to start operations again.

> The Shell Petroleum Development Company (SPDC) operates the joint venture on behalf of the joint-venture partners: Nigerian National Petroleum Company (55%), Shell (30%), Total (10%) and Agip (5%).