

Tank Terminals

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Chemoil to Complete its Fujairah Storage Expansion in 23 Months

Marine fuel supplier Chemoil Energy Ltd. Thursday said it expects the construction and expansion of its storage facilities in Fujairah will be completed in 23 months.

Phase four of what would be Chemoil's largest global storage facility, is expected to be ready in time for the completion and operation of the Abu Dhabi Crude Oil Pipeline project, which will allow the United Arab Emirates to increase exports from its Fujairah terminal on the Gulf of Oman.

It's hoped the new 370 kilometer pipeline will lower shipping costs for the UAE's oil exports, as shippers charge a premium due to the higher perceived risk of entering the Straits of Hormuz. The pipeline will have a capacity of 1.5 million barrels per day when it is completed in late 2011.