

# LNG WRAP-UP

NARUC LNG GROUP

Wednesday, June 1, 2016

The Gas Committee and the International Relations Committee will sponsor a joint panel on LNG, titled: “*United States Gas Exports - The Implications for the Economy, Trade and Geopolitics*” The panelists include Commissioners Westbrook (MA) and Pickett (AK) of NARUC’s LNG Working Group. The discussion will take place on Sunday July 24<sup>th</sup> at 3:45 pm.

Previous issues of the Wrap-Up are found here: <http://www.naruc.org/our-programs/resources/lng-newsletters/> (the link shown in previous issues is **not** valid anymore)

## **NORTH AMERICA**

### **FERC-Related (2016)**

(5/5) FERC issues an order denying Comité Diálogo Ambiental, Inc.’s request for rehearing of its July 24, 2015 order approving Aguirre Offshore GasPort LLC’s proposal to construct and operate an LNG import terminal .

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14240240>

(5/5) FERC issues an order granting Cameron LNG authorization to construct and operate additional facilities at the existing LNG terminal in Cameron and Calcasieu Parishes, LA.

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14240776>

(5/5) Rio Grande LNG files an application to site construct and operate a 6 train LNG export terminal in Cameron County, TX.

<http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=14240616>

(5/5) NextDecade announced that it filed its application at the FERC to construct and operate the Rio Bravo pipeline and the Rio Grande LNG export terminal.

<http://next-decade.com/2016/05/nextdecade-files-ferc/>

(5/9) The FERC issues a tolling order extending, indefinitely, the time by which it must act on requests for rehearing of its order rejecting the Jordan Cove (Veresen) project.

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14242826>

(5/11) Tellurian Investments’ subsidiary Driftwood LNG, filed a request to initiate the prefiling review process for a terminal to be located at the Calcasieu Parish, LA.

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14246067>

(5/24) Cheniere’s Corpus Christi filed its monthly Construction Status Report through April 2016 indicating that the whole project is 33.5% complete.

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14255076>

(5/24) Alaska LNG filed a report of the pre-filing environmental review activities for the proposed LNG export facility at Nikiski, AK.

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14254846>

(5/31) Magnolia LNG filed Monthly Status Report #1 covering construction activities for the period 4/28/2016- 5/31/2016.

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14262879>

The newsletter is compiled for NARUC’s LNG Working Group using open-source resources, by Andreas Thanos. The information provided is for situational awareness and neither represents nor reflects any particular views of the LNG Working Group, NARUC, or its members. Mentions are not endorsements. For comments/corrections please email [andreas.thanos@state.ma.us](mailto:andreas.thanos@state.ma.us)

(6/1) Cheniere filed a letter stating that Sabine Train 1 was placed in service.  
<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14263758>

**Newport Beach, CA** (5/2) Clean Energy has entered into an agreement to provide LNG to Hawaii Gas  
<http://www.businesswire.com/news/home/20160502005409/en/Clean-Energy-Secures-Contract-Provide-LNG-Hawaii>

**Washington, D.C.** (5/3) Venture Global LNG, which proposes to develop 2 LNG export terminals in Louisiana, announced the successful closing of the 4<sup>th</sup> round of equity financing.  
<http://www.prnewswire.com/news-releases/venture-global-lng-announces-capital-raise-300261440.html>

**Vancouver, B.C.** (5/5) TransCanada announced that it received all the necessary permits for the feeder pipeline to the proposed LNG Canada facility near Kitimat, B.C.  
<http://transcanada.mwnewsroom.com/Files/17/17eff544-d42e-48f4-8230-0a76da1733b5.pdf>

**San Antonio, TX** (5/6) According to news reports, environmentalists and their allies have flooded FERC with motions to intervene and comments of opposition regarding the Texas LNG project.  
<http://www.bizjournals.com/sanantonio/blog/eagle-ford-shale-insight/2016/05/enviros-flood-ferc-with-motions-to-intervene.html>

**Vancouver, B.C.** (5/9) Woodfibre LNG has signed a 25-year-1 mtpa Heads of Agreement with China's Guangzhou Gas Group, bringing the project closer to fruition.  
<http://www.woodfibrelng.ca/woodfibre-lng-export-guangzhou-gas-group-sign-lng-agreement/>

**Calgary, AB** (5/9) Veresen announced it was granted a tolling order by the FERC.  
<http://jordancovelng.com/wp-content/uploads/2016/05/Jordan-Cove-LNG-and-PCGP-Tolling-Order-May-9-16.pdf>

**Washington, D.C.** (5/11) The U.S. maritime Administration granted Port Dolphin Energy's request to surrender and terminate the license to own construct and operate facilities off Manatee County, FL.  
<https://www.gpo.gov/fdsys/pkg/FR-2016-05-11/pdf/2016-11079.pdf>

**Washington, D.C.** (5/13) The U.S. DOE released its 1<sup>st</sup> Quarter LNG Import/Export report for 2016. Cheniere exported LNG to Brazil, India and the UAE.  
[http://energy.gov/sites/prod/files/2016/05/f31/LNG%202016\\_7.pdf](http://energy.gov/sites/prod/files/2016/05/f31/LNG%202016_7.pdf)

**Jacksonville, FL** (5/17) Eagle LNG announced that it has begun the construction phase of the 200,000 gallons/day LNG plant in Jacksonville, FL. The facility will provide fuel for the new LNG-powered vessels of Crowley Maritime that serve Puerto Rico and the Caribbean.  
<http://www.marketwatch.com/story/eagle-lng-begins-construction-of-lng-plant-in-west-jacksonville-fl-2016-05-17-161604140>

**Robbinston, ME** (5/18) Downeast LNG sponsor of a proposed LNG export facility announced that the company will be put up for sale by July 1, 2016.  
<http://news.sys-con.com/node/3820308>

**St. John's, Newfoundland** (5/19) Fortis announced that its Fortis Hawaii subsidiary entered into an agreement with Hawaiian Electric to export LNG to Hawaii for use in local power generation.  
<https://www.fortisinc.com/News/Pages/Fortis-enters-in-Liquefied-Natural-Gas-Supply-Agreement-with-Hawaiian-Electric-.aspx>

**Washington, D.C.** (5/20) The US Department of Energy issued a decision granting Flint Hill Resources LP a 20-year license to export LNG in ISO containers from the George West, TX facility to non-FTA nations.  
<http://energy.gov/sites/prod/files/2016/05/f31/ord3829.pdf>

**Savannah, GA** (5/26) A personal injury attorney with a facebook page, raises concerns about the Elba Island project.  
<http://wsav.com/2016/05/26/kinder-morgans-latest-plan-for-elba-island-comes-under-fire/>

**Washington, D.C.** (5/26) The US DOE denies Sierra Club's request for rehearing of its order granting Cheniere & Corpus Christi Liquefaction authorization to export LNG to non-FTA nations.

<http://energy.gov/sites/prod/files/2016/05/f32/ord3638-A.pdf>

**Washington, D.C.** (5/26) The US DOE denies Sierra Club's request for rehearing of its order granting Sabine Pass Liquefaction authorization to export LNG to non-FTA nations.

<http://energy.gov/sites/prod/files/2016/05/f32/Ord3669-A.pdf>

**Ottawa, ON** (5/26) A group of about 90 international climate change scientists from Canada, the US, Spain and Australia, sent a letter to Canada's PM and Canada's Environment Minister, requesting that she reject the proposed Pacific Northwest LNG project because of the adverse effect from greenhouse gases.

[http://media.wix.com/ugd/f85bab\\_86eaddc3c8f04f5f967f0a5ccb333cda.pdf](http://media.wix.com/ugd/f85bab_86eaddc3c8f04f5f967f0a5ccb333cda.pdf)

**Chicago, IL** (5/27) Proprietary GTI technology converting landfill biomethane to LNG won merit award.

<http://www.gastechnology.org/Pages/75-Day-Countdown-GTI-Anniversary.aspx#Day8>

**Vancouver, B.C.** (5/30) Pacific Northwest LNG's Senior Adviser of Corporate Affairs, rejects the climate experts' environmental concerns.

<http://www.theglobeandmail.com/news/british-columbia/pacific-northwest-lng-rejects-climate-experts-environmental-concerns/article30215769/>

**Houston, TX** (5/31) Having achieved substantial completion of Train 1 of the Sabine Pass liquefaction project, Bechtel turns over control of Train 1 to Cheniere.

<http://phx.corporate-ir.net/phoenix.zhtml?c=101667&p=irol-newsArticle&ID=2173453>

## **INTERNATIONAL NEWS**

**Beijing, China** (5/1) Chinese media reports that Chinese equipment has been shipped to Russia's Yamal LNG project.

<http://english.cctv.com/2016/05/01/VIDEq0avEt2vsXohpPbgvYCY160501.shtml>

**Tokyo, Japan** (5/2) According to Japan's METI Japan is aiming to develop an LNG trading hub by early 2020s. The announcement was made at the G7 Energy Ministerial meeting.

[http://www.meti.go.jp/english/press/2016/0502\\_01.html](http://www.meti.go.jp/english/press/2016/0502_01.html)

**New Delhi, India** (5/3) India's Oil Minister announced that as a result of the country's renegotiations of the LNG prices, the new price to be paid for imported LNG has been reduced by more than half.

[http://articles.economictimes.indiatimes.com/2016-05-03/news/72804314\\_1\\_qatar-lng-mmbtu-natural-gas](http://articles.economictimes.indiatimes.com/2016-05-03/news/72804314_1_qatar-lng-mmbtu-natural-gas)

**The Hague, Netherlands** (5/4) Shell's Q1 2016 gas realization slump 36% on year; LNG volumes increase.

[http://www.shell.com/investors/financial-reporting/quarterly-results/2016/q1-2016/jcr\\_content/par/textimage\\_400875472.file/1462373680465/8ed0485d42576a5423da722a5ef16400/q1-2016-results-presentation-transcript.pdf](http://www.shell.com/investors/financial-reporting/quarterly-results/2016/q1-2016/jcr_content/par/textimage_400875472.file/1462373680465/8ed0485d42576a5423da722a5ef16400/q1-2016-results-presentation-transcript.pdf)

**Hama, Algiers** (5/4) Sonatrach's deputy manager anticipates that Algerian LNG exports to the EU will increase by 15% in 2016.

<http://www.reuters.com/article/us-algeria-energy-idUSKCN0XV0UG>

**Brussels, Belgium** (5/5) According to a recent report published by the European Commission's Joint Research Center, LNG and methanol are the most promising alternatives to the current bunker fuels.

[http://publications.jrc.ec.europa.eu/repository/bitstream/JRC100405/inland%20and%20marine%20waterways%20exploratory%20work%20on%20alternative%20fuels\\_kamaljit%20moirangthem\\_final.pdf](http://publications.jrc.ec.europa.eu/repository/bitstream/JRC100405/inland%20and%20marine%20waterways%20exploratory%20work%20on%20alternative%20fuels_kamaljit%20moirangthem_final.pdf)



**Moscow, Russia** (5/6) Rosneft Trading SA made its first LNG delivery to Egypt pursuant to an agreement signed on August 27, 2015.  
<http://www.rosneft.com/news/pressrelease/06052016.html>

**London, U.K.** (5/6) Continuing low prices are expected to cause an increase in demand for LNG.  
<http://www.reuters.com/article/global-lng-idUSL5N1834M9>

**Hong Kong** (5/9) Hong Kong-based CLP Holdings Limited sees a floating LNG (FLNG) facility as the most viable alternative for importing LNG into the mainland (pg. 2)  
[https://www.clpgroup.com/en/Investors-Information-site/Announcements%20and%20Circulars/2016/e\\_1st%20Quarterly%20Statement%20\(announcement%20version\)%20\(20160506\).pdf](https://www.clpgroup.com/en/Investors-Information-site/Announcements%20and%20Circulars/2016/e_1st%20Quarterly%20Statement%20(announcement%20version)%20(20160506).pdf)

**Doha, Qatar** (5/9) The Qatar Petroleum Corporation loaded its 10,000<sup>th</sup> LNG cargo from the Ras Laffan Port. The 260,000 m<sup>3</sup> cargo is destined for the UK.  
<https://www.qp.com.qa/en/MediaCentre/Pages/ViewNews.aspx?NType=News>

**Tokyo, Japan** (5/10) Japanese Oil refiner Idemitsu Kosan Co., announced that its joint venture to develop an LNG export project with AltaGas, to develop the proposed Triton LNG export facility in Canada, is being suspended. (pg. 7 of linked document). [http://v4.eir-parts.net/v4Contents/View.aspx?template=ir\\_material&sid=52436&code=5019](http://v4.eir-parts.net/v4Contents/View.aspx?template=ir_material&sid=52436&code=5019)

**Islamabad, Pakistan** (5/10) According to Pakistani resources, Italy's Eni will enter into an agreement with Pakistan for the sale of LNG.  
<http://tribune.com.pk/story/1100254/agreement-on-the-cards-pakistan-italy-likely-to-sign-lng-supply-deal/>

**Paris, France** (5/10) France's Ecology Minister is investigating how imports of "fracked" gas in the form of LNG can be blocked in France.  
[http://www.lepoint.fr/societe/gaz-de-schiste-segolene-royal-veut-bloquer-l-importation-10-05-2016-2038265\\_23.php](http://www.lepoint.fr/societe/gaz-de-schiste-segolene-royal-veut-bloquer-l-importation-10-05-2016-2038265_23.php)

**Kuala Lumpur, Malaysia** (5/10) Despite rumors of delays, Petronas announces that it launched the hull of its second FLNG at the Samsung shipyard in S. Korea.  
<http://www.petronas.com.my/media-relations/media-releases/Pages/article/PETRONAS-LAUNCHES-HULL-FOR-ITS-SECOND-FLOATING-LNG-FACILITY,-PFLNG2.aspx>

**Hamburg, Germany** (5/10) AIDA Cruises, Carnival Cruises' German affiliate, welcomed its newest ship with the christening of AIDAprima. AIDAprima launched as the corporation's most environmentally friendly ship with a dual-fuel engine that can be powered by Liquefied Natural Gas while in port and at sea. <http://phx.corporate-ir.net/phoenix.zhtml?c=200767&p=irol-newsArticle&ID=2167000>

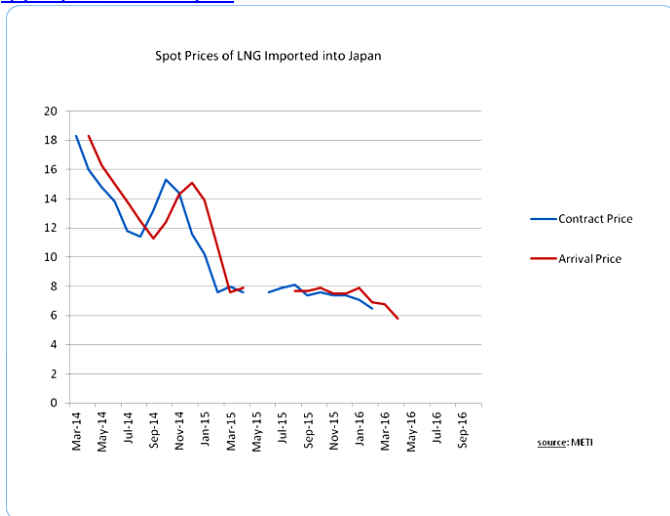


**Houston, TX** (5/12) Cheniere Energy's Board of Directors appoints Jack A. Fusco as President & CEO.  
<http://phx.corporate-ir.net/phoenix.zhtml?c=101667&p=irol-newsArticle&ID=2167858>

**Singapore** (5/13) With the release of its Q1 2016 results, InterOil announced that construction of the Papua LNG export project is set to begin in 2018.  
<http://www.interoil.com/iocfiles/documents/investorrelations/newsandpressreleases/2016/2016-05-13%20IOC%20media%20release%20-%20InterOil%20Announces%20Q1%202016%20Results.pdf>

**Tokyo, Japan** (5/13) LNG prices in Japan have reached a 4-year low.

<http://www.meti.go.jp/english/statistics/sho/slng/result/pdf/201604-e.pdf>



**Beijing, China** (5/17) The JOVO Group and SCT&E LNG Inc., entered into a long-term multibillion dollar agreement for the sale of LNG to JOVO. The LNG which will originate from the proposed Cameron Parish facility is intended to serve markets in S. China.

<http://www.marketwired.com/press-release/jovo-group-sct-e-lng-sign-historic-agreement-support-chinas-clean-energy-initiatives-2125622.htm>

**Colombo, Sri Lanka** (5/18) Sri Lanka's Petroleum Minister announced that the country will cancel its plans for a coal plant in favor of LNG.

<http://in.reuters.com/article/sri-lanka-india-coal-idINKCN0Y90R8>

**Melbourne, Australia** (5/20) Australia's Oil Search Ltd has entered into a \$2.2 billion agreement to acquire InterOil Corp.

<http://www.openbriefing.com/OB/2163.aspx>

**Tokyo, Japan** (5/26) Jera Co. announced that it entered into an agreement with EDF Trading for the sale of up to 1.5 million tons of LNG. Pricing is tied to the European gas market prices.

[http://www.jera.co.jp/english/information/20160526\\_01.html](http://www.jera.co.jp/english/information/20160526_01.html)

**Barcelona, Spain** (5/27) Platts reports that Spain is scheduled to receive 15 LNG cargoes in July 2016. None of the cargoes is slated for export.

<http://www.platts.com/latest-news/shipping/barcelona/spain-to-receive-15-lng-cargoes-in-july-reload-26452140>

**Buenos Aires, Argentina** (5/31) As a result of strikes that affected the unloading of LNG, Argentina's Ministerio de Energia y Minería (Energy & Minerals Ministry) orders gas rationing by industrial customers.

<https://www.minem.gob.ar/www/706/24761/articulo/noticias/1237/alteraciones-en-el-suministro-de-gas-natural.html> (in Spanish; right-click on the page and select translate to ...)

**Moscow, Russia** (5/31) According to Gazprom's Alexander Medvedev, despite its efforts, Poland will not be able to replace all the Russia natural gas it receives with US LNG.

<http://www.bloomberg.com/news/articles/2016-05-31/gazprom-says-u-s-lng-is-no-panacea-as-poland-shuns-russian-gas>

**Islamabad, Pakistan** (6/1) According to Pakistani media, consistent with the government's efforts to ensure reliable electricity service in Pakistan Engro Corp. plans to expand its power generation business and build a 2<sup>nd</sup> LNG terminal with a capacity of 400-600 mcf/day.

<http://nation.com.pk/business/01-Jun-2016/engro-to-build-second-lng-terminal>



### **Analysis-Opinion-OTHER**

**Pittsburg, PA** (5/4) “Will Algeria Be Able To Export More Natural Gas And LNG?” by Jude Clemente at Forbes.  
<http://www.forbes.com/sites/judeclemente/2016/05/04/will-algeria-be-able-to-export-more-natural-gas-and-lng/#1d9ab3766147>

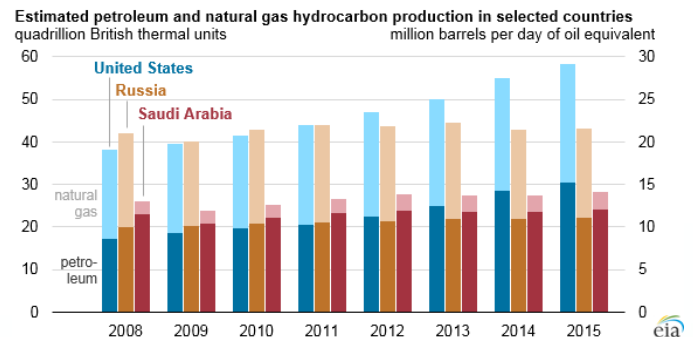
**Ottawa, ON** (5/3) “Canadian LNG prospects keep getting worse as prices tank and red tape delays projects” article, by Kyle Bakx, casting doubt on the future of the Western Canadian LNG projects on CBC News. <http://www.cbc.ca/news/business/lng-bc-firstenergy-ken-medlock-1.3564280>

**New York, N.Y.** (5/9) “LNG Industry Looks to Emerging Markets for Growth” article by Miriam Malek in The Wall Street Journal. <http://www.wsj.com/articles/lng-industry-looks-to-emerging-markets-for-growth-1462830421>

**Washington, D.C.** (5/12) In its world energy consumption forecast, the Energy Information Administration predicts that Natural Gas & Renewables will experience the highest growth rates.  
<http://www.eia.gov/todayinenergy/detail.cfm?id=26212&src>

**Port Moresby, Papua New Guinea** (5/16) “Papua New Guinea expands LNG potential” an update of the energy & LNG developments in PNG.  
<http://www.onepng.com/2016/05/papua-new-guinea-expands-lng-potential.html>

**Washington, D.C.** (5/23) “United States remains largest producer of petroleum and natural gas hydrocarbons” Report by the U.S. DOE EIA.  
<http://www.eia.gov/todayinenergy/detail.cfm?id=26352&src>



**Launceston, Australia** (5/26) “LNG industry tension to rise as price breaks link to crude oil” Opinion by Clyde Russell, presented by Reuters.  
<http://www.reuters.com/article/us-column-russell-lng-asia-idUSKCN0YH0ZE>

**Vancouver, B.C.** (5/27) “LNG deals good for jobs, economy, climate” Opinion piece by Greg D ‘Avignon of the Vancouver Sun.  
<http://vancouversun.com/opinion/opinion-lng-deals-good-for-jobs-economy-climate>

Links to some entities mentioned in this issue	
CLP Holdings Ltd	<a href="https://www.clpgroup.com/en">https://www.clpgroup.com/en</a>
Tellurian Investments	<a href="http://tellurianinvestments.com/">http://tellurianinvestments.com/</a>
InterOil Corporation	<a href="http://www.interoil.com/">http://www.interoil.com/</a>
SCT&E LNG	<a href="http://www.sctelng.com/">http://www.sctelng.com/</a>
Oil Search	<a href="http://www.oilsearch.com/">http://www.oilsearch.com/</a>
Fortis	<a href="https://www.fortisinc.com/">https://www.fortisinc.com/</a>
JERA	<a href="http://www.jera.co.jp/english/index.html">http://www.jera.co.jp/english/index.html</a>
GTI	<a href="http://www.gastechnology.org/">http://www.gastechnology.org/</a>