

LNG WRAP-UP

NARUC LNG GROUP

Thursday, July 28, 2016

Previous issues of the Wrap-Up are found here: <http://www.naruc.org/our-programs/resources/lng-newsletters/>

NORTH AMERICA

(6/30) FERC issued an order denying the rehearing request filed by the Sierra Club on FERC's decision to authorize the Lake Charles LNG export terminal
<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14293846>

(July) FERC released a Project Update for the Alaska LNG Project.
<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14294297>

(7/6) Driftwood LNG and Driftwood LNG Pipeline filed Resource Reports 1 and 10 as part of the environmental review of the proposed facility in Calcasieu Pass, LA.
<http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=14298513>

(7/7) FERC issued an order amending Freeport Liquefaction's authorization, effectively authorizing an increase of the maximum peak day LNG production by 19%.
<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14299325>

(7/13) The Annova LNG affiliates filed an application to construct and operate an LNG export terminal in the Brownsville Ship Channel in Cameron County, TX.
<http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=14308720>

(7/14) FERC released a Project Update for the Port Arthur Liquefaction and Port Arthur Pipeline Projects.
<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14308671>

(7/22) Cheniere's Corpus Christi Liquefaction Project filed its construction status report through June 2016.
<http://elibrary-backup.ferc.gov/idmws/common/opennat.asp?fileID=14314166>

Juneau, AK (6/29) The uncertainty of the Alaska LNG Project was discussed at a state legislature hearing.
http://www.alaskajournal.com/2016-06-29/new-agdc-president-gets-grilled-resource-committees#.V3abd_krJpi

Houston, TX (7/5) Platts reports that a second LNG cargo is heading to the Iberian Peninsula.
<http://www.platts.com/latest-news/natural-gas/london/second-us-lng-cargo-heads-to-europe-set-to-reach-21888018>

Washington, D.C. (7/10) The United States Department of Energy grants Sempra Energy's Cameron LNG authorizations to export LNG to non-FTA nations from Trains 4 & 5.
<http://energy.gov/sites/prod/files/2016/07/f33/ord3846.pdf>

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

Halifax, N.S. (7/12) Bear Head LNG received approval of its greenhouse gas management plan of the proposed Strait of Casno facility.

<http://www.lnglimited.com.au/irm/PDF/3907/BearHeadLNGGreenhouseGasManagementPlanApproved>

Washington, D.C. (7/15) The U.S. Maritime Administration releases its Draft Environmental Impact Statement on Delfin LNG's proposal to construct and operate a deepwater LNG export terminal.

<https://www.regulations.gov/contentStreamer?documentId=USCG-2015-0472-0086&attachmentNumber=1&disposition=attachment&contentType=pdf> (**Caution – Very large file**)

Press Release <http://phx.corporate-ir.net/external.file?t=2&item=o8hHt16027g9XhJTr8+weNRYaV9bFc2rMd0Q/AXw4zsFWaDkBQ+WOoakE9BrDuqzIFPGohfOK+bdNG32wyzNuNNvcshuyPbi369YIJaYxIS/e0nbnhNhtQoqko7PZKVBjCKanWxjaCoqSKK7KieaZw==&cb=636041896621477507>

Washington, D.C. (7/15) The U.S. Court of Appeals for the District of Columbia Circuit remands BP Energy appeal of Cove Point LNG capacity allocation.

[https://www.cadc.uscourts.gov/internet/opinions.nsf/5D6B27E972535F7E85257FF100520217/\\$file/15-1205-1624931.pdf](https://www.cadc.uscourts.gov/internet/opinions.nsf/5D6B27E972535F7E85257FF100520217/$file/15-1205-1624931.pdf)

Washington, D.C. (7/15) The U.S. Court of Appeals for the District of Columbia Circuit dealt another blow to the opponents of the Dominion Cove Point export facility.

[https://www.cadc.uscourts.gov/internet/opinions.nsf/6D0EA77728EE24F85257FF100520203/\\$file/15-1127-1624926.pdf](https://www.cadc.uscourts.gov/internet/opinions.nsf/6D0EA77728EE24F85257FF100520203/$file/15-1127-1624926.pdf)

Honolulu, HI/Austin, TX (7/18) The rejection of the Nextera-Hawaiian Electric Company by the Hawaii PUC, will have a negative impact on the ability of the electric utility to use LNG for generation.

<http://www.platts.com/latest-news/natural-gas/austin-texas/hawaii-lng-import-boost-uncertain-after-merger-21010163>

Hawaii PUC Decision: https://puc.hawaii.gov/wp-content/uploads/2016/07/FINAL.ORDER_33795.Docket.2015-0022.pdf

Honolulu, HI (7/19) As a result of the Hawaii PUC's decision to dismiss the HECO- NextEra merger, Hawaiian Electric withdraws its application for approval of an LNG supply contract. (According to [media](#), LNG would have saved consumers app. \$2 billion over 15 years) <https://www.hawaiianelectric.com/hawaiian-electric-withdraws-request-for-approval-of-lng-contract-and-generation-upgrades>

San Ramon, CA (7/20) Chevron Corp. and a subsidiary of China-based JOVO subsidiary entered into a 5-year agreement for the delivery of 0.5 mtpa of LNG.

<https://www.chevron.com/stories/chevron-and-jovo-sign-lng-agreement>

Washington, D.C. (7/21) The US Department of Energy issued an order granting Venture Global Plaquemines a 25-year authorization to export LNG to FTA nations.

<http://energy.gov/sites/prod/files/2016/07/f33/ord3866.pdf>

Washington, D.C. (7/21) The US Department of Energy, issued an order granting Eagle LNG Partners Jacksonville, LLC a 20-year authorization to export LNG to FTA nations.

<http://energy.gov/sites/prod/files/2016/07/f33/ord3867.pdf>

Irving, TX/Port Moresby, PNG (7/21) ExxonMobil's, \$2.5 billion, acquisition of InterOil Corp., establishes the Texas company as a major player in the LNG chain.

<http://news.exxonmobil.com/press-release/exxonmobil-acquire-interoil-transaction-worth-more-25-billion>

Houston, TX/London, U.K. (7/22) The second cargo with LNG produced in the United States landed in Spain.

<http://www.platts.com/latest-news/natural-gas/london/second-us-lng-cargo-lands-in-europe-as-tanker-26498748>

Hamilton, Bermuda (7/25) Golar LNG and Houston-based Schlumberger form a joint venture to develop low cost gas reserves to LNG.

http://www.golarlng.com/index.php?name=seksjon/Stock_Exchange_Releases/Press_Releases.html&pressrelease=2030413.html

Panama City, Panama (7/26) The first LNG vessel carrying liquid from the Sabine Pass terminal, crossed the expanded Panama Canal on July 26.
<https://www.ajot.com/news/first-ever-lng-vessel-transits-the-expanded-panama-canal>

INTERNATIONAL NEWS

Doha, Qatar (6/30) Qatargas enters into a 20-year 1.3 mtpa agreement with GEIL to provide LNG to Pakistan.
<http://www.qatargas.com/English/MediaCenter/news/Pages/pakistanGEILSPA.aspx>

London, U.K. (7/1) BP announced that it made a final investment decision and will proceed with the Tangguh LNG facility's expansion project in Indonesia.
<http://www.bp.com/en/global/corporate/press/press-releases/bp-final-investment-decision-to-expand-indonesia-lng-facility.html>

Moscow, Russia (7/7) Novatek enters the LNG spot market shipping its first LNG cargo from Trinidad & Tobago to Chile.
http://www.novatek.ru/en/press/releases/index.php?id_4=1255

Doha, Qatar/Essen, Germany (7/2) Essen-based RWE Supply & Trading entered into a 7+-year agreement with Qatargas for the delivery of up to 1.1mtpa of LNG for delivery to European electricity producer.
<http://www.rwe.com/web/cms/en/113648/rwe/press-news/press-release/?pmid=4015048>

Oslo, Norway (7/6) DNV-GL issued an opinion to assist the European Union in promoting LNG as a marine fuel.
<https://www.dnvgl.com/news/dnv-gl-advises-eu-on-elements-needed-for-wider-adoption-of-lng-as-marine-fuel-in-europe-69987>

New Delhi, India (7/7) India's Petronet LNG plans to expand its LNG operations and develop storage facilities in neighboring Bangladesh and Sri Lanka.
<http://in.reuters.com/article/india-petronet-plans-lng-idINKCN0ZR1HZ>

Paris, France (7/8) EDF's Dunkerque LNG terminal received its first commissioning cargo on July 8, 2016.
<https://www.edf.fr/en/the-edf-group/industrial-provider/production-map/dunkerque-lng-terminal/news/the-dunkerque-lng-terminal-receives-its-first-lng-cargo>



Pori, Finland (7/10) The first LNG cargo was delivered to the Skangas LNG import facility in Pori, Finland.
http://www.gasum.com/Corporate_info/News/2016/In_gship_finland/
 video: <https://youtu.be/QAPgyVI-mfY>



(Image Courtesy: Gasum)

Tokyo, Japan (7/9) Tokyo Gas plans to officially set-up an LNG joint venture in Vietnam with Vietnam Oil and Gas Group.
<http://asia.nikkei.com/Business/Deals/Tokyo-Gas-to-set-up-LNG-joint-venture-in-Vietnam>

Calgary, AB (7/11) Citing global industry challenges, Shell Canada announced the delay of a final investment decision on the Kitimat export project.

<http://www.shell.com/media/news-and-media-releases/2016/lng-canadas-joint-venture-participants-delay-timing-of-final-investment-decision.html>

New Delhi, India (7/11) Reuters reports that India's Petronet LNG will invest up to \$3 billion setting up terminals in Bangladesh and Sri Lanka.

<http://in.reuters.com/article/india-petronet-plans-lng-idINKCN0ZR1HZ>

Milano, Italy (7/12) Production at the Gorgon LNG facility, a joint venture of Chevron, Shell & ExxonMobil, remains suspended due to a leak.

<http://finance.yahoo.com/news/chevron-says-gorgon-lng-export-105959175.html>

Buenos Aires, Argentina (7/13) Mauricio Macri, Argentina's president expects that as domestic natural gas production increases, LNG imports will end in 5-6 years. <http://www.platts.com/latest-news/natural-gas/buenosaires/argentina-president-vows-to-end-lng-imports-in-21971729>

Helsinki, Finland (7/13) SEA/LNG is a coalition comprising Wärtsilä, the Carnival Corporation, DNV-GL, ENGIE, ENN Group, GE Marine, GTT, Lloyds Register, Mitsubishi, NYK Line, Port of Rotterdam, Qatargas, Shell Downstream and Tote whose goal is the promotion of LNG as a marine fuel.

<http://www.wartsila.com/media/news/13-07-2016-wartsila-in-coalition-to-promote-lng-as-a-marine-fuel>

Tokyo, Japan (7/19) The, currently, low LNG prices provide an incentive for Japan to look into developing a new LNG trading hub.

<http://asia.nikkei.com/Markets/Commodities/Japan-racing-to-create-LNG-benchmark-for-Asia?page=1>

Dhaka, Bangladesh/The Woodlands, TX (7/19)

TX-based Exceleerate and Bangladesh's Petrobangla, entered into an agreement for an FSRU that will be able to handle and Bangladesh with up to 500 MMcf/day.

<http://exceleerateenergy.com/exceleerate-energy-and-petrobangla-sign-final-agreements-for-bangladeshs-first-lng-import-terminal/>

not sure but this looks like the official announcement from Petrobangla:

<http://www.petrobangla.org.bd/admin/Files/0MnLjdDIAQAgreement%20LNG-2016.pdf>

Tokyo, Japan (7/22) Mitsui O.S.K. Lines and Gas Sayago of Uruguay have entered into a 20 year agreement for the operation of a FSRU off the coast of Uruguay. The FSRU will have a capacity of 263,000 m³ (9.2 million cubic feet).

<http://www.mol.co.jp/en/pr/2016/16042.html>

Paris, France (7/22) France's Total has entered into a 17-year agreement with Hiroshima-based Chugoku Electric for the supply of up to 0.4 mtpa of LNG.

<http://www.total.com/en/media/news/press-releases/total-signs-long-term-agreement-supply-lng-japans-chugoku-electric>

Milano, Italy (7/22) Global market uncertainties and production shut-ins are fuelling an LNG price rally.

<http://www.reuters.com/article/global-lng-idUSL8N1A84VL>

Zagreb, Croatia (7/22) Croatia's president, Kolinda Grabar-Kitarovic, hopes that the proposed Krk LNG terminal will be of strategic significance and benefit many countries in the region.

<https://aboutcroatia.net/news/croatia/president-krk-lng-terminal-could-be-regional-strategic-project-30153>

Dhaka, Bangladesh (7/25) Exceleerate Energy executed agreements with Petrobangla, and the Government of Bangladesh for the construction and operation of Bangladesh's first LNG import terminal.

Washington, D.C. (7/25) The United States Geological Survey in cooperation with the governments of India and Japan have discovered large amounts of potentially recoverable gas hydrates in India.

<https://www.usgs.gov/news/large-deposits-potentially-producible-gas-hydrate-found-indian-ocean>

Tokyo, Japan (7/25) Platts cites a METI report forecasting an increase in the price of LNG delivered to Japan for 2017. <http://www.platts.com/latest-news/natural-gas/tokyo/japans-lng-import-price-to-average-660mmbtu-cif-27633304>

New Delhi, India (7/26) India's GAIL is seeking to renegotiate a 20-year agreement with Gazprom for the provision of LNG. The Indian company took advantage of inconsistencies in its agreement with Gazprom that was initially entered into for LNG sourced at the now cancelled Shtockman LNG facility. http://www.gailonline.com/final_site/pdf/2016/GAIL-26Jul.pdf

Nicosia, Cyprus (7/27) The government of Cyprus announces that several majors are interested in the exploration of offshore blocks. <http://uk.reuters.com/article/uk-cyprus-gas-bids-idUKKCN1071AH>

London, U.K. (7/28) In a live webcast, in conjunction with the Q2 dividend announcement, Simon Henry, CFO and executive Director of Royal Dutch Shell announces that the Company is deferring a final investment decision on the Lake Charles LNG project. (pg. 4, of attached). http://www.shell.com/investors/financial-reporting/quarterly-results/2016/q2-2016-results/_jcr_content/par/textimage_400875472.stream/1469712572077/e7be938101828850033efe6936fcf2de65c1cf3f64d96e5796b30826ab17da1c/q2-2016-results-webcast-presentation-transcript.pdf

Analysis-Opinion-OTHER

Washington, D.C. (6/30) *"Expanded Panama Canal reduces travel time for shipments of U.S. LNG to Asian markets"* Analysis of the U.S. Energy Information Administration on the economic benefits, to U.S. producers, of the Panama Canal expansion. <http://www.eia.gov/todayinenergy/detail.cfm?id=26892>

London, U.K. (7/1) *"Brexit may alter trade flows in LNG market"* by Eric Yep of Lloyd's List on the impact of Brexit on the LNG market. <https://www.lloydslist.com/ll/sector/tankers/article529461.ece>

Washington, D.C. (7/1) *"Fossil fuels still dominate U.S. energy consumption despite recent market share decline"* the U.S. Energy Information Administration forecasts that although natural gas consumption continues to grow, the share of oil, gas and coal in the energy mix declines to 76.6% by the year 2040. <http://www.eia.gov/todayinenergy/detail.cfm?id=26912>

Norway (7/5) *"World's Most Northern LNG Plant"* a description of Statoil's Snøhvit LNG facilities based on a visit by University of Western Australia professor Dr. Kevin Li. <http://www.fsr.ecm.uwa.edu.au/latest-news/worlds-most-northern-lng-plant/>

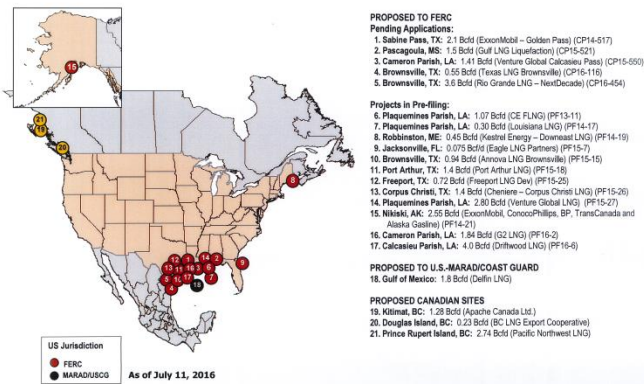


(image courtesy: Statoil)

Nicosia, Cyprus (7/7) Cyprus' DEFA has been tasked with investigating the possibility of importing LNG for the purposes of generation and industrial use. <http://cyprus-mail.com/2016/07/07/cyprus-looks-importing-lng/>

Washington, D.C. (7/11) FERC updated its map of proposed LNG Export Terminals in the U.S.

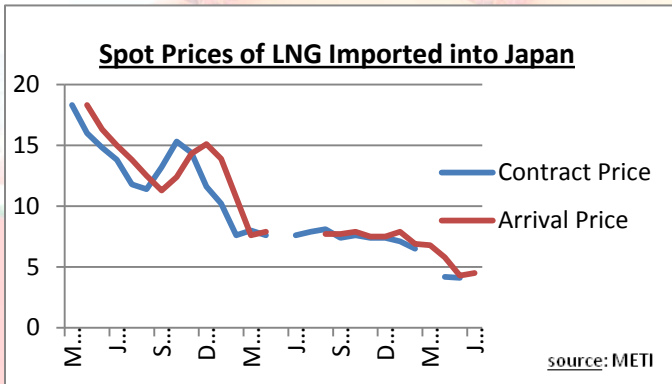
North American LNG Export Terminals Proposed



(image courtesy: FERC)

Tokyo, Japan(7/11) The June 2016 spot price for LNG delivered to Japan rises for the first time since January 2016.

<http://www.meti.go.jp/english/statistics/sho/slng/result/pdf/201606-e.pdf>



Edinburgh, U.K. (7/11) “LNG growth in Asia: What does it mean for Europe?” opinion of Richard Mason at Gastech News. <http://www.gastechnews.com/lng/lng-growth-in-asia-what-does-it-mean-for-europe/>

Boston, MA (7/12) “Loneliest Natural Gas Terminal in U.S. Bucks Pipeline Trend” A discussion about the Engie LNG import facility in Everett, MA. By Naureen Malik at Bloomberg.

<http://www.bloomberg.com/news/articles/2016-07-12/pipeline-phobia-keeps-new-england-s-unlikely-trade-route-open>

New York, N.Y. (7/15) Citi Group analysts predict delayed access of the Asian markets for U.S. LNG despite the Panama Canal expansion.

<http://www.hellenicshippingnews.com/citi-sees-u-s-lng-eluding-asia-as-low-prices-trump-panama-canal/>

Links to some entities mentioned in this issue	
RWE	http://www.rwe.com
Statoil	http://www.statoil.com/en/
Driftwood LNG	http://driftwoodlng.com/
Petronet LNG	http://www.petronetlng.com
GASUM	http://www.gasum.com/
Port Arthur LNG	http://portarthurlng.com/
Annova LNG	http://annovalng.com/
CameronLNG	http://www.cameronlng.com/
ExxonMobil	http://corporate.exxonmobil.com/
Schlumberger	http://www.slb.com/