

# LNG WRAP-UP

NARUC LNG GROUP

Tuesday, June 02, 2015

**Washington, D.C.** (5/7/15) The U.S. Energy Department, authorizes Dominion's Cove Point LNG facility to export LNG to non-FTA nations. <http://energy.gov/sites/prod/files/2015/05/f22/ord3331-A.pdf>

Previous issues of the LNG Wrap-Up can be found on the LNG Working Group's page at the following link: <http://www.naruc.org/Grants/programs.cfm?page=60>

## DOMESTIC NEWS (NORTH AMERICA)

### FERC-Related (2015)

(4/30) The FERC has issued the Notice of Schedule for Environmental Review for the Magnolia LNG and Lake Charles Expansion projects.

<http://www.magnoliang.com/IRM/Company/ShowPage.aspx/PDFs/2115-66033100/FERCNoticeofScheduleForEnvironmentalReviewReceived>

(5/4) The FERC denied request for rehearing and motions for stay of its order approving Cove Point's LNG Export Project.

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13867118>

(5/5) Port Arthur LNG files Draft Resource Reports 1 & 10 as part of the pre-filing Environmental Review process for the proposed export terminal near Port Arthur, TX.

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13868723>

(5/6) The FERC grants Corpus Christi LNG, LLC's 3/31 request to commence all remaining site preparation activities for the proposed export project in San Patricio County, TX.

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13869363>

(5/6) The FERC denies the Sierra Club's request for rehearing of its order granting authorization to construct the Corpus Christi LNG facility.

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13869599>

(5/8) Hamilton, Bermuda-based CE FLNG submits status report for the floating LNG export terminal in Plaquemines Parish, La.

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13872144>

(5/14) Texas Brownsville LLC filed Draft Resource Reports 1 & 10 as part of the pre-filing Environmental Review process for the proposed terminal in Cameron County, TX. <https://elibrary-backup.ferc.gov/IDMWS/common/opennat.asp?fileID=13876362>

(5/18) Freeport LNG Development L.P. filed a request to initiate the pre-filing Environmental Review process for the construction of the 4<sup>th</sup> train <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13879021>

(5/19) Dominion Cove Point filed its monthly status and progress report for the period ending April '15. Engineering is 82% complete; procurement is 75% complete; construction is 3.5% complete.

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13879986>

(May) The FERC released its Project Update for the Calcasieu Pass Project.

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13876506>

**Houston, TX** (5/1/15) According to Oregon LNG's CEO, Peter Hansen, the \$6.3 billion project plans to move forward despite an unfavorable pipeline-related decision by Oregon's Land Use Board of Appeals. <http://www.platts.com/latest-news/natural-gas/houston/oregon-lng-to-move-ahead-despite-adverse-pipeline-21383693>

**Victoria, B.C.** (5/1/15) Malaysia's Petronas made an offer of \$1 billion over 40 years to B.C.'s First Nations in an effort to reduce opposition to the Pacific NorthWest LNG project. <http://www.theglobeandmail.com/report-on-business/industry-news/energy-and-resources/pacific-northwest-lng-venture-offers-1-billion-for-aboriginal-consent/article24203113/>

**Atlanta, GA** (5/5/15) By entering into an agreement for renewable natural gas with Clean Energy fuels, UPS becomes the US' largest user of renewable natural gas in the shipping industry. [http://www.ups.com/pressroom/us/press\\_releases/press\\_release/Press+Releases/Homepage+Press+Releases/ci.UPS+Becomes+Nation%27s+Largest+User+of+Renewable+Natural+Gas+in+Shipping+Industry.syndication](http://www.ups.com/pressroom/us/press_releases/press_release/Press+Releases/Homepage+Press+Releases/ci.UPS+Becomes+Nation%27s+Largest+User+of+Renewable+Natural+Gas+in+Shipping+Industry.syndication)

**Washington, D.C.** (5/6/15) Tampa, Florida-based Strom Inc. filed an application, with the US DOE, to export up to 56.42 Billion Standard Cubic Feet of LNG produced from modular scalable systems to non-FTA nations. [http://energy.gov/sites/prod/files/2015/05/f22/15\\_78\\_lng.pdf](http://energy.gov/sites/prod/files/2015/05/f22/15_78_lng.pdf)

**Washington, D.C.** (5/7/15) The U.S. Maritime Administration, issued a policy statement indicating its intention to apply the existing Deepwater Port regulations to Deepwater Port applications for exports of oil and gas. <http://www.gpo.gov/fdsys/pkg/FR-2015-05-07/pdf/2015-10619.pdf>

**Washington, D.C.** (5/7/15) The Pipeline and hazardous Materials Safety Administration has revised its fees paid by LNG facility operators to "... align these rates with the actual allocation of PHMSA resources to LNG program costs." <http://www.gpo.gov/fdsys/pkg/FR-2015-05-07/pdf/2015-10614.pdf>

**Washington, D.C.** (5/7/15) The Natural Gas Suppliers Association and the Center for Liquefied Natural Gas announced their intent to merge. <http://www.lngfacts.org/recent-news/ngsa-and-clng-announce-intended-combination/>

**Calgary, AB** (5/8/15) The National Energy Board has approved WesPac Midstream LLC's application to export up to 116 billion cubic meters of LNG over a 25 year period. [http://news.gc.ca/web/article-en.do?mthd=tp&crtr.page=1&nid=972719&crtr.tp1D=1&\\_ga=1.195336164.931706767.1430766172](http://news.gc.ca/web/article-en.do?mthd=tp&crtr.page=1&nid=972719&crtr.tp1D=1&_ga=1.195336164.931706767.1430766172)

**Montreal, QC** (5/8/15) Gaz Métro will provide LNG from its existing facility to TransCanada Energy's Bécancour plant for the equivalent of 100 hours per year. [http://www.corporatif.gazmetro.com/corporatif/comunique/en/html/4543357\\_en.aspx?culture=en-ca](http://www.corporatif.gazmetro.com/corporatif/comunique/en/html/4543357_en.aspx?culture=en-ca)

**Houston, TX** (5/11/15) Delfin LNG LLC announced that on May 8 2015, it submitted an application with the US Maritime Administration (MARAD) and the US Coast Guard to construct, own and operate the Delfin LNG Project to be located approximately 50 miles off the coast of Cameron Parish, Louisiana. <http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9Mjg1OTM4fENoaWxkSUQ9LTF8VHlwZT0z&t=1>

**Houston, TX** (5/11/15) LNG America announced that it has signed a joint marketing agreement, with Scandrill, to provide a comprehensive solution for LNG-fueled drilling operations in the Gulf Coast region. [http://www.lngamerica.com/Scandrill\\_Press\\_Release](http://www.lngamerica.com/Scandrill_Press_Release)

**Washington, D.C.** (5/12/15) The US DOE issues a final order authorizing Cheniere to export LNG from the Corpus Christi LNG project to non-FTA nations. <http://energy.gov/sites/prod/files/2015/05/f22/ord3638.pdf>

**Houston, TX** (5/13/15) Cheniere announced that its Board of Directors has made a positive Final Investment Decision with respect to its liquefaction project near Corpus Christi, Texas and has issued a notice to proceed to Bechtel Oil, Gas and Chemicals, Inc. to construct the first two natural gas liquefaction trains. <http://phx.corporate-ir.net/phoenix.zhtml?c=101667&p=irol-newsArticle&ID=2047762>

**Austin, TX** (5/13/15) According to Dr. Paula Gant, Deputy Assistant Secretary at the DOE, re-exports of natural gas processed to LNG, will require DOE approval if they are to be exported to non-FTA nations. <http://www.platts.com/latest-news/natural-gas/austin/re-export-of-us-gas-from-canada-mexico-will-likely-21438528>

**Lax Kw'alaams, B.C.** (5/13/15) British Columbia's First Nations Band Lax Kw'alaams has, after three votes, unanimously rejected a US \$820 million offer to support the Pacific NorthWest LNG export terminal near Prince Rupert, B.C. <http://laxkwaams.ca/wp-content/uploads/2015/05/Lax-Kwalaams-Press-Release-May-13-2015-2.pdf>

**Houston, TX & Perth, Australia** (5/14/15) Woodside Petroleum announced that as the conditions precedent to the LNG sales and purchase agreement with Cheniere's Corpus Christi Liquefaction have been satisfied, it will purchase approximately 20 cargoes a year for 20 years from the facility. The agreed upon price is 115% of Henry Hub plus \$3.50 per MMBtu. <http://www.woodside.com.au/Investors-Media/announcements/Documents/14.05.2015%20Corpus%20Christi%20Liquefaction%20LLC%20Conditions%20Satisfied.pdf>

**Philadelphia, PA** (5/15/15) UGI Energy Services announced its plans to build a 120,000-gallon/day liquefaction facility in Wyoming county, PA. [http://www.philly.com/philly/news/breaking/20150516\\_UGI\\_plans\\_to\\_double\\_LNG\\_production\\_capacity\\_with\\_new\\_60M\\_plant.html](http://www.philly.com/philly/news/breaking/20150516_UGI_plans_to_double_LNG_production_capacity_with_new_60M_plant.html)

**Washington, D.C.** (5/18/15) The US House of Representatives passed "H.R.1987 - Coast Guard Authorization Act of 2015." The bill authorizes, among other things, the Sec'y of Transportation to "develop guidelines to promote the use of U.S. flag ships and U.S. mariners in the imminent export of Natural Gas." <https://www.congress.gov/bill/114th-congress/house-bill/1987/text?q=%7B%22search%22%3A%5B%22hr+1987%22%5D%7D>  
Press Release: <http://garamendi.house.gov/press-release/coast-guard-bill-garamendi-co-authored-passes-house-representatives>

**Houston, TX** (5/20/15) Perth, Australia-based Liquefied Natural Gas Limited has raised A\$ 174 million to be applied to the commencement of and early works program at the Magnolia LNG terminal in Lake Charles, LA, and towards Bear Head LNG's (Nova Scotia) pipeline infrastructure <http://www.lnglimited.com.au/IRM/Company/ShowPage.aspx/PDFs/2340-10000000/LNGLRaisesA174mtoAccelerateNorthAmericanLNGProjects>

**Victoria, B.C.** (5/20/15) According to The Globe and Mail, the government of British Columbia signed a project development agreement with Pacific Northwest LNG – a Petronas-led joint venture. However, the tax regime of the agreement is being criticized. <http://www.theglobeandmail.com/report-on-business/industry-news/energy-and-resources/bc-signs-development-deal-with-petronas-lng-venture/article24513133/>

**Prince Rupert, B.C.** (5/21/15) Beginning in June 2015, ExxonMobil and Imperial Oil will begin discussions with First Nations regarding the proposed WWC LNG export facility. <http://www.thenorthernview.com/news/304575801.html>

**Houston, TX** (5/21/15) SCT&E LNG has signed an MOU with a "sizable U.S. upstream natural gas supplier for its world-scale liquefied natural gas (LNG) project on Monkey Island, Cameron Parish, Louisiana." <http://finance.yahoo.com/news/sct-e-lng-secures-long-121500569.html>; ylt=AwXgylzMF5VuA4AgHfQtDMD; ylu=X3oDMTByb2lvbXVubGNvbG8DZ3ExBH BvcwMxBHZ0aWQDBHNIYwNzcq--

**Lusby, MD** (5/22/15) Despite some communications concerns between the county and residents, the first heavy haul operation of a 15,300 ft3 heat recovery steam generator for Dominion's Cove Point export facility went smoothly. <http://www.somdnews.com/article/20150522/NEWS/150529600/1057/dominion-spokesman-first-heavy-haul-a-smooth-run&template=southernMaryland>

**Washington, D.C.** (5/22/15) The US DOE has granted Pieridae Energy USA's application to export natural gas for end-use in Canada to be used as feedstock for LNG exports to other FTA nations.. <http://energy.gov/sites/prod/files/2015/05/f22/ord3639.pdf>

**Washington, D.C.** The US DOE granted the Alaska LNG Project, LLC, conditional authorization to export LNG from the proposed Nikiski, AK terminal to non-FTA nations. <http://www.energy.gov/sites/prod/files/2015/05/f22/ord3643.pdf>

**Washington, D.C.** (5/29/15) The US DOE authorizes American LNG Marketing LLC to export up to 600,000 metric tons of LNG over a 20 year period to FTA nations. LNG will be loaded in ISO containers and exported by vessel. <http://energy.gov/sites/prod/files/2015/05/f22/ord3656.pdf>

## INTERNATIONAL NEWS

**Milano, Italy** (4/30/15) The combination of slightly improved demand and unrest in Yemen has led to a slight increase on LNG prices internationally. <http://in.reuters.com/article/2015/04/30/markets-lng-idINKBN0NL29X20150430>

**Tokyo, Japan** (5/1/15) According to Japan's Federation of Electric Power Companies, March 2015 consumption of natural gas by generators in the island nation was 2% than what was consumed on March 2014. <http://af.reuters.com/article/energyOilNews/idAFENNF4A0S120150501>

**New Delhi, India** (5/3/15) Inadequate protection during the monsoon season forces India's Gail to suspend LNG imports at the Dabhol receiving terminal until October 2015. <http://www.livemint.com/Companies/HykMYQrxAuZeCh57XBQpuN/Gail-to-stop-LNG-imports-at-Dabhol-till-October.html>

**Cairo, Egypt** (5/4/15) 8 International companies have received a tender from Egypt for a 5-year lease of a second LNG import terminal. <http://www.reuters.com/article/2015/05/04/egypt-lng-idUSL5N0XV1SG20150504>

**Hamburg, Germany** (5/5/15) Germany's VTG and U.S.' Chart Industries unveiled a tank wagon for the transport of LNG by rail. <http://www.vtg.com/v/s/content/1560/226872;jsessionid=BDEC4FC729E75297C0EFF162DD6045C0>

**Hamburg, Germany** (5/5/15) Bomin Linde LNG, a provider of LNG for the marine market, announced that it successfully completed the test fueling of a 94 meter (app. 310 ft) German-flagged LNG-powered passenger and car ferry. [http://bominlinde.com/upl/de/d/150505\\_pr\\_bllng\\_erstbetankung\\_eng.pdf](http://bominlinde.com/upl/de/d/150505_pr_bllng_erstbetankung_eng.pdf)

**Tokyo, Japan** (5/8/15) Japan's Mitsui, with a 20% interest in the LNG project off the coast of Mozambique, announced that it has no plans to divest. <http://www.reuters.com/article/2015/05/08/lng-mozambique-mitsui-idUSL4N0XZ36Z20150508>

**Dar Es Salaam, Tanzania** (5/9/15) In a move that is raising hopes that construction of Tanzania's LNG terminal will proceed with an investment of \$6 million to assess and compensate individuals near the area where the terminal will be built.

<http://www.reuters.com/article/2015/05/09/us-tanzania-gas-idUSKBN0NU0BV20150509>

**Hamburg, Germany** (5/11/15) The G-7 countries' energy ministers will likely agree on a mechanism to exchange LNG-related information in cooperation with the International Energy Agency.

<http://www.the-japan-news.com/news/article/0002145267>

**Perth, Australia & Houston, TX** (5/14/15)

Woodside Petroleum announced that it will purchase approximately 20 cargoes a year for 20 years from the facility. The agreed upon price is 115% of Henry Hub plus \$3.50 per MMBtu.

<http://www.woodside.com.au/Investors-Media/announcements/Documents/14.05.2015%20Corpus%20Christi%20Liquefaction%20LLC%20Conditions%20Satisfied.pdf>

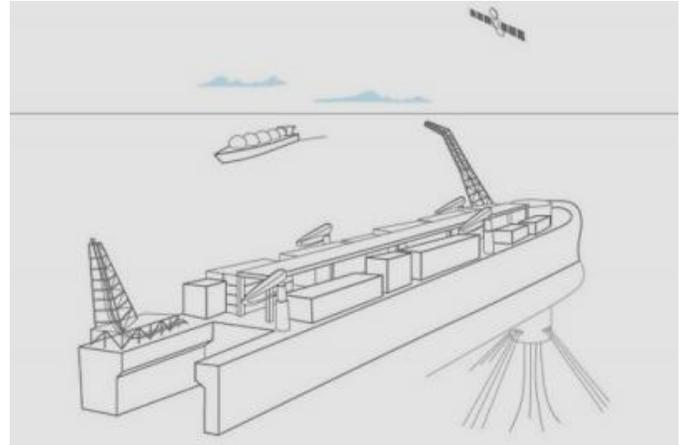
**Tokyo, Japan** (5/14/15) Although the contract-based price for LNG deliveries to Japan dropped 4 cents for April 2015 (reverting to February '15 levels), the spot-based price inched up 3 cents to \$7.9 per MMBtu.

<http://www.meti.go.jp/english/statistics/sho/slng/result/pdf/201504-e.pdf>

**Tokyo, Japan** (5/14/15) Mitsubishi Heavy Industries has received an order for 2 LNG carriers for delivery to Tokyo-based NYK Line – one of the largest shipping companies. The carriers will transport LNG from the Cameron LNG project in Louisiana. <https://www.mhi-global.com/news/story/150514-2.html>

**Kuala Lumpur, Malaysia** (5/18/15) According to Reuters, Tokyo Gas - Japan's largest gas LDC - is looking to expand its investments in the U.S. Tokyo Gas, which has already signed LNG contracts for over 3 million tons per year is looking to invest in shale gas production.

<http://in.reuters.com/article/2015/05/18/asia-oil-tokyogas-idINL3N0Y92WI20150518>



**Oslo, Norway** (5/18/15) DNV GL has unveiled an unmanned FLNG concept dubbed solitude for use in remote offshore gas fields.

<https://www.dnvgl.com/technology-innovation/flng/index.html>

<https://www.dnvgl.com/news/dnv-gl-s-unmanned-flng-concept-boosts-safety-and-reduces-costs-24193>

**Beijing, China/Houston, TX** (5/19/15) According to Nicholas Zanen of Cheniere Marketing Pte Ltd, Chinese buyers are looking to secure LNG supplies from the United States.

<http://www.reuters.com/article/2015/05/19/asia-oil-cheniere-idUSL3N0YA2GQ20150519>

**Reading, Berkshire, U.K.** (5/21/15) The BG Group announced that its Australian subsidiary, QGC, took operational control of Train 1 and Queensland Curtis LNG plant in Australia. [http://www.bg-group.com/~/\\_/tiles/?tiletype=pressrelease&id=789#opentile](http://www.bg-group.com/~/_/tiles/?tiletype=pressrelease&id=789#opentile)

**Beijing, China/Singapore** (5/22/15) As China allows third parties to use idle capacity at LNG import terminals and allows building of independent facilities, independent buyers are receiving their first cargoes.

<http://in.reuters.com/article/2015/05/22/china-lng-independents-idINL3N0YD48P20150522>

**Oslo, Norway** (5/27/15) Höegh LNG announced has entered into a 20 year agreement with Chile's Octopus LNG SpA for a Floating Storage and Regasification Unit. The startup date for the project is in the second quarter of 2018.

<http://www.hoeghlng.com/Pages/NewsArticle.aspx?artId=http://cws.huginonline.com/H/143849/PR/201505/1924078.xml>

**New Delhi, India** (5/29/15) Indian Oil Corp has signed a 20-year LNG agreement with Mitsubishi Corp. for 0.7 million tons annually. The Cameron LNG project will provide Brent crude-indexed LNG beginning in the first quarter of 2018.

<http://economictimes.indiatimes.com/industry/energy/oil-gas/indian-oil-corporation-signs-agreement-to-buy-0-7-mt-lng-a-year-from-us/articleshow/47475484.cms>

**Vilnius, Lithuania** (5/29/15) in December 2014, Lithuania's Klaipeda LNG terminal opened. However, the costs associated with the country's effort to free itself from Russia's gas grip are raising concerns whether the project makes economic sense.

<http://www.baltic-course.com/eng/energy/?doc=106846>

**Tokyo, Japan** (6/1/15) A controversial plan to ramp-up nuclear generation to 20-22% (pre-Fukushima nuclear generated 30%) in Japan will become available for comment on 6/2.

<http://www.reuters.com/article/2015/06/01/us-japan-nuclear-mix-idUSKBN0OH1PH20150601>

## **ANALYSIS-OPINION-OTHER**

**Columbus, OH** (5/1/15) Lawmakers in the state of Ohio introduced legislation that would offer tax breaks for the purchase on natural gas vehicles.

<http://www.the-daily-record.com/local%20news/2015/05/01/proposed-ohio-law-would-offer-tax-breaks-for-natural-gas-vehicle-purchasers>

**Tokyo, Japan** (5/3/15) "*Broader Panama Canal set to help energy-hungry Japan.*" A discussion of the benefits of the Panama Canal's expansion to the Japanese economy.

<http://www.japantimes.co.jp/news/2015/05/03/national/broader-panama-canal-set-to-help-energy-hungry-japan/#.VU0AIfIVhBc>

**Corpus Christi, TX** (5/5/15) "*LNG terminal expected to have huge impact on San Patricio County.*" A discussion on Cheniere's impact on the local economy. By Bart Bedsole.

<http://www.kristv.com/story/28979937/lng-terminal-expected-to-have-huge-impact-on-san-patricio-county>

**Philadelphia, PA** (5/20/15) "*Let's increase LNG exports*" Commentary by Dan Eberhart, managing partner of Eberhart Capital and CEO of Denver-based Canary LLC, an oil field services company.

[http://www.philly.com/philly/opinion/20150520\\_Let\\_s\\_increase\\_LNG\\_exports.html](http://www.philly.com/philly/opinion/20150520_Let_s_increase_LNG_exports.html)

**Victoria, B.C.** (5/25/15) "*The cleanest LNG facilities in the world*" Editorial by British Columbia's Minister of Environment.

[http://www.newsroom.gov.bc.ca/2015/05/the-cleanest-lng-facilities-in-the-world.html?WT.mc\\_id=b8a8d1c84b542127fa871586b920977c&WT.cg\\_n=Hootsuite](http://www.newsroom.gov.bc.ca/2015/05/the-cleanest-lng-facilities-in-the-world.html?WT.mc_id=b8a8d1c84b542127fa871586b920977c&WT.cg_n=Hootsuite)

### **Links to some companies mentioned in this issue**

VTG AG	<a href="http://vtg.com/">http://vtg.com/</a>
Chart Industries	<a href="http://www.chartindustries.com/">http://www.chartindustries.com/</a>
Bomin Linde LNG	<a href="http://bominlinde.com/">http://bominlinde.com/</a>
Clean Energy	<a href="https://www.cleanenergyfuels.com/">https://www.cleanenergyfuels.com/</a>
Center for Liquefied Natural Gas	<a href="http://www.lngfacts.org/">http://www.lngfacts.org/</a>
LNG America	<a href="http://www.lngamerica.com/">http://www.lngamerica.com/</a>
Scandriil Inc.	<a href="http://www.scandriil.com/">http://www.scandriil.com/</a>
WCC LNG Ltd	<a href="http://corporate.exxonmobil.com/en/engineering/liquefied-natural-gas/operations/western-canada-lng-project">http://corporate.exxonmobil.com/en/engineering/liquefied-natural-gas/operations/western-canada-lng-project</a>