

LNG WRAP-UP

NARUC LNG GROUP

Friday, October 02, 2015

The LNG Working Group will be sponsoring a presentation during the Annual Meetings in Austin, TX. The LNG Group-sponsored presentation will take place on Sunday November 8, 2015 and will be part of the Staff Subcommittee on Gas' schedule. Details in the next issue of the Wrap-Up.

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)

(9/2) Excelerate Liquefaction Solutions filed a **Notice of Withdrawal of Applications** in Dockets: CP14-71-000, CP14-72-000 and CP14-73-000. Excelerate determined that it will no longer pursue the FLNG project at Port Lavaca-Point Comfort, TX.
<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13976691>

(9/4) Venture Global Calcasieu Pass, LLC and TransCameron Pipeline, LLC filed an application for authorization to construct, install, own, operate and maintain certain pipeline and liquefied natural gas (LNG) export facilities, in Cameron Parish, LA.
<http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=13980067>

(9/9) FERC releases its Project Update for the Alaska LNG Project.
<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13982011>

(9/10) The three Brownsville, TX-based proposed LNG projects are facing local citizen opposition. Comments can be found in [FERC's eLibrary](#) under dockets: Texas LNG Brownsville: PF15-14, Annova LNG Brownsville: PF15-15 and Rio Grande LNG: PF15-20

(9/16) According to Dominion Cove Point LNG, LP's Monthly Status Report, Engineering is 94% complete, Procurement is 78% complete and construction ins 10% complete.

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13988729>

(9/17) The FERC approves Columbia Gulf Transmission's application to construct pipeline facilities feeding the Cameron LNG terminal.
<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13989031>

(9/21) Cheniere's Sabine Pass Liquefaction LLC submitted a request with the FERC for authority to introduce fuel gas to Train 1 and Outside Battery Limits.
<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13991573>

(9/23) FERC grants Sabine Pass' request to introduce fuel gas in certain areas for the commissioning of Train 1 and Stage 1 Outside Battery Limits in Cameron Parish, LA.
<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13993983>

(9/25) Oregon Senators Wyden & Markey and Rep. Bonamici asked FERC, via letter, how it handles land rights-related concerns. <http://elibrary-backup.ferc.gov/idmws/common/opennat.asp?fileID=13999713>

(9/25) Port Dolphin Energy, LLC filed a motion to vacate the FERC the certificates and waivers to import regasified LNG from its proposed deepwater project.

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13995891>

(9/28) Cameron LNG, LLC filed an application to increase the facility's export capability by 9.97 tpa.

<http://elibrary.ferc.gov/idmws/common/OpenNat.asp?fileID=13997664>

(9/30) Jordan Cove LNG received FERC Staff's final EIS. FERC Staff concluded that the limited environmental impacts "would be reduced to less-than-significant levels with the implementation of the applicants' proposed mitigation measures."

<http://elibrary-backup.ferc.gov/idmws/common/OpenNat.asp?fileID=13999648>

Jordan Cove Press release:

<http://jordancovelng.com/wp-content/uploads/2015/09/NR-JCLNG-Receives-FEIS-FINAL-30-SEPT-15.pdf>

(9/30) FERC will prepare an EIS for the Mississippi River LNG Project in Plaquemines Parish, LA.

<http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=14000790>

Des Plaines, IL (9/1) The GTI in conjunction with the Florida State College at Jacksonville Fire Academy trained more than 150 stakeholders and first responders in LNG awareness.

<http://www.gastechnology.org/news/Pages/LNG-Awareness-Training-Jacksonville-First-Responders.aspx>

Portland, OR (9/1) U.S. District Court Judge Anna Brown granted the U.S. Army Corps of Engineers motion to dismiss Oregon LNG's lawsuit on the grounds that the lawsuit was filed outside the 12-year statute of limitations deadline to bring such a claim under federal law.

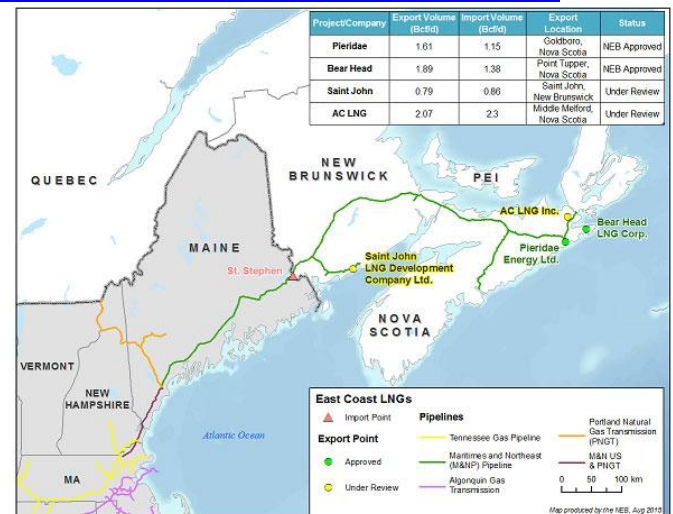
<http://www.dailyastorian.com/Free/20150901/federal-judge-accepts-ruling-on-oregon-lng/3>

Vancouver, B.C. (9/1) Steelhead LNG, announces its plans and preliminary agreements for its proposed Malahat LNG project in Vancouver Island. <http://www.steelheadlng.com/steelhead-lng-corp-announces-island-gas-connector-project-for-its-proposed-malahat-lng-facility-on-vancouver-island/>

Houston, TX (9/3) With plans to begin production by year's end, Cheniere's Souki, envisions a global spot market for LNG.

<http://www.ft.com/cms/s/0/70931a66-5238-11e5-8642-453585f2cfcf.html#axzz3kgGchCUe>

Calgary, AB (9/3) Canada's NEB granted St. John LNG Development, a dual 25-year license to (a) import a maximum of 312.77 Bcf/year of natural gas from the U.S. and (b) export a maximum of 286.8 Bcf/year. [https://docs.neb-one.gc.ca/ll-eng/llisapi.dll/fetch/2000/90466/94153/552726/2680218/2679691/2813352/Letter Decision - Saint John LNG Development Company Ltd. - Application for a Licence to Export Natural Gas and a Licence to Import Natural Gas - A4T1H8.pdf?nodeid=2813891&vernum=1](https://docs.neb-one.gc.ca/ll-eng/llisapi.dll/fetch/2000/90466/94153/552726/2680218/2679691/2813352/Letter%20Decision%20-%20Saint%20John%20LNG%20Development%20Company%20Ltd.%20-%20Application%20for%20a%20Licence%20to%20Export%20Natural%20Gas%20and%20a%20Licence%20to%20Import%20Natural%20Gas%20-%20A4T1H8.pdf?nodeid=2813891&vernum=1)



(Click on map for a larger image)

Juneau, AK (9/7) Alaska Gov. Bill Walker has identified several significant issues that need to be addressed before the Alaska LNG Project receives legislative approval.

<http://peninsulaclarion.com/news/2015-09-07/walker-significant-issues-must-be-resolved-before-gasline-session>

Austin, TX (9/9) According to the Texas Natural Gas Foundation (TXNG), as natural gas vehicle use continues to climb in Texas, the associated fuel tax revenue (LNG & CNG) has more than quadrupled. http://us11.campaign-archive2.com/?u=649a0bff83dadce3cb41655a&id=1df9c8c581&utm_content=buffer9e265&utm

Houston, TX (9/10) Natural Gas Pipeline of America (a Kinder Morgan subsidiary) entered into a 20-year agreement with Corpus Christi Liquefaction (a Cheniere subsidiary) for the delivery of 385,000 Dth/d. <http://news.kindermorgan.com/press-release/all/natural-gas-pipeline-company-america-and-cheniere-agree-natural-gas-transportation>

Anchorage, AK (9/11) Alaska Governor Walker visited Japan to promote the Alaska LNG project at the 2015 LNG Producer-Consumer Conference in Tokyo. <http://www.ktva.com/governor-walker-headed-to-tokyo-to-pitch-alaska-lng-520/>

Miami, FL, (9/15) Carnival Corporation announced its 2020 sustainability goals. Among the goals is the acquisition of 4 LNG-powered next-generation cruise ships. <http://phx.corporate-ir.net/phoenix.zhtml?c=200767&p=irol-newsArticle&ID=2087885>

Houston, TX (9/21) Cheniere Marketing enters into an additional agreement with Électricité de France (EDF) for up to 24 cargoes. The price for cargoes, originating from the Sabine Pass terminal, will be tied to the Dutch Title Transfer Index (TTF). <http://phx.corporate-ir.net/phoenix.zhtml?c=101667&p=irol-newsArticle&ID=2089074>

New York, N.Y. (9/23) Price volatility of fuel oil and emission reduction goals drive shippers to LNG-powered vessels. <http://www.bloomberg.com/news/articles/2015-09-23/lng-powered-ships-gain-as-rising-output-answers-oil-price-tumult>

Houston, TX (9/24) According to Zin Smati, President and CEO of Engie's GDF SUEZ Energy North America, the oil price crash has made sending US fuel abroad unprofitable. <http://www.bloomberg.com/news/articles/2015-09-24/engie-executive-says-nobody-is-making-money-off-u-s-gas-exports>

Washington, D.C. (9/24) The U.S. DOE denied a request by the Sierra Club to rehear the orders granting Cameron LNG LLC multi-year authorization to export LNG to non-FTA nations. <http://energy.gov/sites/prod/files/2015/09/f26/ord3391-B.pdf>

Washington, D.C. (9/24) The U.S. DOE granted Texas LNG Brownsville LLC a 25 export license to export LNG to FTA nations. <http://energy.gov/sites/prod/files/2015/09/f26/ord3716.pdf>

Tulsa, OK/Dallas, TX (9/28) Tulsa-based Williams Companies announced that it accepted a \$37.7 billion acquisition offer from Dallas-based Energy Transfer Equity. <http://investor.williams.com/press-release/williams/energy-transfer-equity-combine-williams>

New Delhi, India (9/30) India's largest LNG importer risks penalties by breaking its Qatar contract and buying spot LNG. <http://www.livemint.com/Companies/Lk2NOm5DvuqeqxTCcKD19J/Petronet-LNG-breaks-Qatar-contract-to-gain-from-low-spot-pri.html>

Houston, TX (9/30) Cheniere Energy urged S. Africa to consider U.S. supplies in its energy mix. <http://www.bloomberg.com/news/articles/2015-09-30/cheniere-urges-south-africa-to-consider-u-s-lng-for-gas-push>

Port Arthur, TX (9/30) The Coast Guard's Liquefied Gas Carrier National Center of Expertise released a notice titled LNG Bunkering Recommendation "... to help ensure the safety of marine LNG bunkering operations." <http://www.uscg.mil/hq/cg5/lgcncoe/docs/15-009%20LGC%20NCOE%20Field%20Notice%201-2015%20-%20LNG%20Bunkering%20Recommendations.pdf>

INTERNATIONAL NEWS

New Delhi, India (9/2) As of September 2nd, India's Ministry of Shipping has relaxed its cabotage restrictions. The change in policy also has a positive effect on LNG.

<http://shipping.gov.in/showfile.php?lid=2083>

Moscow, Russia (9/4) Russia's Gazprom enters into several agreements in Europe despite the Ukraine-related sanctions to construct the Nord Stream II project.

<http://www.gazprom.com/press/news/2015/september/article245837/>

Dubai, U.A.E. (9/7) Bijan Namdar Zanganeh, Iran's Petroleum Minister, sees LNG as a feasible option for delivery of Iranian natural gas to Europe, via Spain.

<http://uk.reuters.com/article/2015/09/07/iran-lng-spain-idUKL5N11D1KV20150907>

Cape Town, South Africa (9/8) Saldanha Bay on the west coast of South Africa is a prime candidate for that country's first LNG import terminal. South Africa currently imports 76% of its natural gas needs from neighboring Mozambique.

<http://af.reuters.com/article/topNews/idAFKCN0R81ET20150908?sp=true>

Tokyo, Japan (9/9) The average spot price for LNG delivered to Japan in August 2015 rose by 20 cents/MMbtu (compared to July 2015) to \$8.10/MMbtu.

<http://www.meti.go.jp/english/statistics/sho/slng/result/pdf/201508-e.pdf>

Tokyo, Japan & Chicago, IL (9/9) Chicago-based CME Group and Tokyo-based Rim Intelligence entered into an agreement that would allow CME to develop and provide clearing services for energy derivatives based on "DES" Japan prices.

<http://cmegroup.mediaroom.com/2015-09-09-CME-Group-and-Rim-Intelligence-sign-exclusive-license-agreement-for-DES-Japan-LNG?pagetemplate=article>

Tokyo, Japan (9/9) Chubu Electric Power Co. and NYK have entered into agreements for new LNG carriers for the Freeport LNG project.

<http://www.nyk.com/english/release/3710/004063.html>

Nicosia, Cyprus (9/10) The new discovery by Eni has again put the island nation of Cyprus in a strategically advantageous position in regards to natural gas & LNG exports. <http://upi.com/6089622>

Turku, Finland (9/11) Finland-based Deltamarin introduces a new "compact ferry" design with an LNG-based propulsion system.

<http://www.deltamarin.com/2015/09/deltamarin-introduces-a-compact-ferry-design/>



Port Moresby, Papua New Guinea (9/14) Oil Search Limited rejected an \$8 billion takeover proposal from Australia's Woodside Petroleum.

<http://www.oilsearch.com/Media/docs/150914%20Oil%20Search%20rejects%20Woodside%20non%20binding%20conditional%20indicative%20proposal%20v6%20-%20clean-5976d74e-aefa-4655-8de1-9df1ead22d47-0.pdf>

Rabat, Morocco (9/14) According to Morocco's state-owned power utility, ONEE, the N. African kingdom has launched an international tender seeking advisors for its plan to increase LNG imports. Currently, according to the I.E.A., Morocco produces only about 7% of the natural gas it consumes (contrary to the claim in the article) based on the most recent statistics available.
<https://en-maktoob.news.yahoo.com/morocco-launches-tender-seeking-advisors-lng-import-plan-094209169--business.html>

Paris, France (9/15) France's Engie (formerly GDF-Suez) has signed an 18-month 8,000 tonnes LNG agreement with Britain's FLOGAS – a first contract in the U.K.
<http://www.engie.com/en/journalists/press-releases/first-lng-contract-united-kingdom/>

Rome, Italy (9/16) Eni's off-shore Egypt discovery in conjunction with other finds in the East Mediterranean region will help European countries diversify their energy portfolio.
http://www.upi.com/Business_News/Energy-Industry/2015/09/16/Eni-sees-larger-European-gas-role/3271442404445/

Tokyo, Japan (9/16) Fatih Birol, the IEA director cautions that paying attention to the short-term as a result of low prices may negatively impact on the market.
http://www.upi.com/Business_News/Energy-Industry/2015/09/16/IEA-Age-of-LNG-in-question/4761442407085/

New Delhi, India (9/16) A recent LNG e-auction, in India, will provide fuel to "revive" 13 power plants, to generate app. 8,260 MW.
<http://economictimes.indiatimes.com/industry/energy/power/13-gas-based-power-plants-to-be-revived-after-lng-e-auction/articleshow/48978867.cms>

Canberra, Australia (9/17) The agreement reached between Royal Dutch Shell and the BG Group faced its first regulatory hurdle. Australia's Competition and Consumer Commission delayed its decision on granting approval until May 2015.
<https://www.accc.gov.au/media-release/accc-releases-statement-of-issues-on-proposed-acquisition-of-bq-by-shell>

Tokyo, Japan (9/18) LNG buyers are looking for more flexibility to manage the current supply glut. Destination clauses, take-or-pay provisions are two of the contract terms ripe for change.
<http://www.platts.com/latest-news/natural-gas/singapore/lng-buyers-call-for-more-delivery-flexibility-27817357?hootpostid=9366d0fc2528a5038029aeb0d36e5a67>

Brussels, Belgium (9/22) The European Commission has approved Finland's plans to contribute up to 30% of the total investment costs towards the construction of that country's first bunkering facility in Pori, on Finland's west coast.
http://europa.eu/rapid/press-release_IP-15-5689_en.htm

Beijing, China (9/23) Beijing Gas Group, China's largest private LNG importer is expected to receive the first LNG delivery in late November 2015.
<http://af.reuters.com/article/commoditiesNews/idAF L4N11S2AQ20150923?sp=true>

Brisbane, Australia (9/24) Santos announced that the Gladstone LNG project started LNG production on schedule and within budget.
<http://www.santoslng.com/media-centre/media-releases/glng-starts-lng-production-on-schedule.aspx>

Jakarta, Indonesia (9/25) Perusahaan Listrik Negara, Indonesia's state-run utility continues to pursue small-scale LNG development on 32 locations.
<http://www.businesstimes.com.sg/energy-commodities/small-scale-lng-taking-off-in-indonesia>

Amsterdam, the Netherlands (9/29) Royal Dutch Shell opened its 3rd LNG fueling station in the Netherlands.
<http://www.transportengineer.org.uk/transport-engineer-news/shell-opens-third-lng-truck-refuelling-station/107821/>

Islamabad, Pakistan (10/1) According to Pakistani government officials, China will construct a \$2.5 billion LNG terminal and an Iran-Pakistan pipeline.

<http://economictimes.indiatimes.com/news/international/business/china-to-build-2-5-billion-worth-lng-terminal-gas-pipeline-in-pakistan/articleshow/49182218.cms>

Analysis-Opinion-OTHER

Burnaby, B.C. (8/21) “LNG and what B.C. can learn from Norway” An article comparing how Norway structured its LNG& energy-related tax system to how British Columbia and Canada in general is proceeding. By Andrew Findlay at BCBusiness. <http://www.bcbusiness.ca/natural-resources/lng-and-what-bc-can-learn-from-norway>

Melbourne, Australia (8/31) “LNG’s huge role in national economy” a discussion by James Dunn in the *Financial Review* of the benefits of Australia’s investment in LNG exports.

<http://www.afr.com/news/special-reports/australia-energy-future/lngs-huge-role-in-national-economy-20150831-gjbdpr>

Washington, D.C. (9/2) “Energy Project is Rising From a Louisiana Bayou” a description of Chenier’s Sabine Pass facility in Louisiana by Matthew Philips at Bloomberg.

<http://www.bloomberg.com/news/features/2015-09-02/america-s-most-unlikely-energy-project-is-rising-from-a-louisiana-bayou>

New York, NY (9/3) According to Citygroup analysts, a potential increase in natural gas/LNG supply from Iran and Egypt may exacerbate a worldwide glut, reshape the global market and threaten U.S. export ambitions.

<http://www.bloomberg.com/news/articles/2015-09-03/citi-says-watch-out-u-s-as-iran-egypt-threaten-gas-exports>

Edinburgh, Scotland/Houston, TX (9/3) “Where are all the LNG project postponements?” a Wood Mackenzie analysis found that despite the expected oversupply of LNG few export projects are scrapped. <http://www.woodmac.com/public/media-centre/12529174>

Houston, TX (9/11) Baker-Hughes’ U.S. rotary rig count shows fell to the lowest level since January 17, 2013. Natural gas rigs in the U.S. and Canada were down by 210 from a year ago.

<http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9NTk0ODM0fENoaWxkSUQ9MzA0NDE1fFR5cGU9MQ==&t=1>

London, U.K. (9/15) “The Hottest Commodity Asset Right Now is a 35,000-Ton Steel Ship” By Anna Shiryayevskaya of Bloomberg Business on the emergence of FSRUs as an alternative to land facilities.

<http://www.bloomberg.com/news/articles/2015-09-15/the-hottest-commodity-asset-right-now-is-a-35-000-ton-steel-ship>

Newark, DE (9/19) “Natural gas as a marine fuel” Study by prof. J. Corbett, U. of Delaware and J. Winebrake of RTI and Dr. H. Thomson which concludes that while using natural gas will reduce emissions in the marine sector, the implications for greenhouse gases depends on how the natural gas is extracted, processed, distributed and used.

<http://www.sciencedirect.com/science/article/pii/S0301421515300665>

Washington, D.C. (9/23) According to API, the Oil and Gas Industry leads on emissions reduction investment.

<http://www.api.org/~media/files/ehs/climate-change/2015-t2-key-investments-in-ghg-mitigation.pdf>

Links to some entities mentioned in this issue

| | |
|------------------------|---|
| Australian C&CC | https://www.accc.gov.au/ |
| Cameron LNG | http://www.cameronlng.com/ |
| CME Group | http://www.cmegroup.com/ |
| Deltamarin | http://www.deltamarin.com/ |
| Intern’l Energy Agency | http://www.iea.org/ |
| NYK Line | http://www2.nykline.com/ |