

LNG WORLD MARKET UPDATE

August 14, 2017

Saipem has secured a contract to complete engineering and development work in the Zohr gas field; Tokyo Gas has purchased a stake in PetroVietnam with intent to develop natural gas distribution infrastructure; Indian Oil commissioned its Ennore facility to expand its LNG import capabilities; Toshiba America has created a subsidiary to bring more US LNG to market. This weekly news blast is intended to provide relevant industry information to Alaskan stakeholders and inform audiences of the competitive landscape in the global LNG market. Subscription options for this report are available at the bottom of this email. Please contact AGDC External Affairs at externalaffairs@agdc.us with questions.

Natural Gas

HH Spot Price

\$2.76 (\$/MMBtu)

August 4 close

Weekly Change

↓ \$0.20 (6.76%)

Trend



Source: EIA

LNG Import Price

Japan

\$8.30 (\$/MMBtu)

July 2017

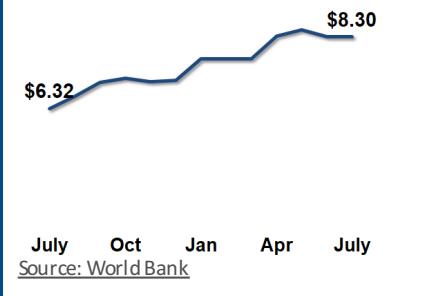
Trend

Saipem Secures \$900m Deal For Zohr Field, Offshore Egypt

(Offshore Technology.com; August 1) - Saipem, ENI's contracting subsidiary, has negotiated \$900 million in contract variations to complete engineering, procurement, construction, and installation operations for Petrobel. Petrobel, the ENI and Egyptian General Petroleum Corporation joint venture, will require a 30-inch export pipeline and an 8-inch service pipeline amongst other infrastructure. The operations are intended to optimize the development of the Zohr gas field in the Egyptian region of the Mediterranean Sea at depths of 1,700 meters. [Read more.](#)

Tokyo Gas Asia Buys Stake in PV Gas Subsidiary

(Vietnam Economic Times; August 2) - Tokyo Gas has purchased a 24.9% stake in the PetroVietnam Low Pressure Gas Distribution (PVGas D), a subsidiary of PetroVietnam Gas (PV Gas). In addition to an equity share in the company, Tokyo Gas has signed a strategic alliance agreement intended to facilitate the development of natural gas distribution throughout Vietnam. PV Gas will be expanding its reach into urban gas distribution and has taken steps to prevent future gas shortages which include building the Thi Vai LNG



terminal and completing the second phase of the Nam Con Son offshore pipeline. [Read more.](#)

Indian Oil Corp Boosting LNG Business, Plans To Launch Ennore Terminal in 2018-19

(LNG World News; August 3) - Indian Oil Corp is set to commission its Ennore LNG facility sometime within the next few years in an effort to expand its LNG import capabilities. The Ennore facility will be the first regasification plant on India's east coast and marks a major turning point in India's natural gas infrastructure development. During 2016 and 2017, Indian Oil imported 11 LNG cargoes, selling 1.92 MT to 55 consumers. With India's LNG imports expected to increase dramatically in the coming years, the Ennore facility will have the ability to import 5 MTPA. [Read more.](#)

Toshiba's New Unit To Facilitate US LNG Exports

(LNG World News; August 4) -Toshiba America LNG Corporation (TAL), a subsidiary of Toshiba America, has been tasked with coordinating the assembly of LNG supply chain infrastructure required to develop US LNG for the Toshiba Group to bring to market. To facilitate its role, TAL will become one of five tolling customers at Texas' Freeport LNG facility. TAL has engaged several ancillary US LNG service providers including an Enbridge Corporation affiliate to bring LNG to Freeport and Gulf LNG to supply tug services. [Read more.](#)