

## LNG WORLD MARKET UPDATE

June 28, 2017

The dosing of UK's Rough facility could result in natural gas price volatility during the winter, LNG Croatia Project is expecting a financial decision on the proposed import facility by early 2018, Novatek has received approval on their plan to place a modular LNG export facility in Kola Bay, Dreifa Energy purchased a platform supply vessel with intentions of turning it into an FRU. 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](mailto:externalaffairs@agdc.us) with questions.

### Natural Gas



### LNG Import Price



### Closure of UK's Largest Gas Storage Site Could Mean Volatile Prices

(The Guardian; June 20) - British utilities company, Centrica, has announced the closure of its Rough facility off the Yorkshire coast. Since its opening in 1985, the Rough facility has been able to hold a nine day gas supply allowing the UK to rely on it for heat and power generation during winter cold snaps. The facility has since become unsafe to use and has been deemed uneconomical to revamp. The UK will now have to rely more heavily on LNG imports from Qatar, which has the potential to increase the volatility of domestic natural gas prices.

[Read more.](#)

### LNG Croatia Expects FID In Early 2018

(LNG World News; June 21) - LNG Croatia is expecting to make a final investment decision sometime in early 2018 that will determine the fate of the planned import facility on Krk Island off the coast of Croatia. The facility will include a receiving terminal, storage tanks, and a floating storage and regasification unit (FSRU) with the ability to process 2.6 billion cubic meters per annum. The FSRU will have the ability to expand its capacity as demand increases and be able to process upwards of 5 billion cubic meters per annum in the future. [Read more.](#)

### Russia Approves Novatek Plan To Reclaim Land To Build Arctic LNG Modules

(LNG World Shipping; June 22) - Novatek, Russia's largest independent gas producer, has just received approval from Moscow on their plan to place modular LNG equipment on the shore of Kola Bay, near the Russian city of Murmansk. The facility, Arctic LNG-II, will be Novatek's second LNG export venture and is aiming to start production between 2022 and 2025. Arctic LNG-II is designed to meet or exceed the output of Arctic LNG-I which has 16.5 MTPA capacity. [Read more.](#)

### Dreifa Buys Blue Betria For LNG FRU Conversion

(LNG World Shipping; June 23) - Oslo based Dreifa Energy has recently purchased the Blue Betria, a former platform supply vessel, with intentions to retrofit the vessel turning it into a floating regasification unit (FRU). Dreifa intends to team the FRU with a floating storage unit and will have the ability to process 1.5 MTPA. Dreifa has entered into a partnership with Bernhard Schulte Shipmanagement to develop several FRU projects. [Read more.](#)