

## LNG WORLD MARKET UPDATE

June 09, 2017

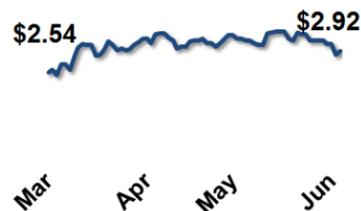
Qatargas ensures Japanese joint venture that its LNG supply to Japan will not diminish in spite of the political isolation, Australian officials will be setting controls on LNG exports as a result of domestic gas shortages, the Philippines plan an LNG import facility in the face of a rapidly depleting Malampaya gas field, Russian producer Novatek secures a 27 year license for exploration and production on the Gydan Peninsula. 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

**HH Spot Price**  
\$2.92 (\$/MMBtu)  
June 5 close

**Weekly Change**  
↓\$0.18 (5.81%)

**Trend**

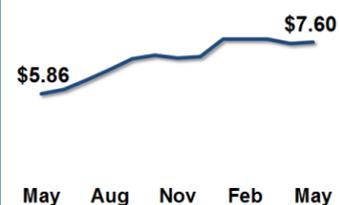


Source: EIA

### LNG Import Price

**Japan**  
\$7.60 (\$/MMBtu)  
May 2017

**Trend**



Source: World Bank

### Qatargas' LNG Supplies to JERA Unaffected By Rift

(LNG World News; June 7) - Japanese energy joint venture, JERA, brings in 40 MTPA of LNG, and is currently the world's largest importer of LNG. JERA relies on Qatargas to supply 7.2 MTPA (18%) of its LNG demands. Qatargas has reassured the Japanese company that its supply of LNG will not diminish despite its recent political isolation from surrounding Arab nations. [Read more.](#)

### Australia Curbs LNG Exports Amid Domestic Gas Shortage

(Financial Times; June 7) - Australian officials are set to enact a "gas security mechanism" in order to control LNG exports and ensure domestic natural gas demands are met. The controls are to be implemented July 1 in the hopes that they will rein in LNG exporting companies amidst power outages and increasing domestic energy costs. Australia is set to become the world's leading LNG exporter by the year 2020. Although LNG production has tripled along Australia's east coast, producing companies are still falling behind targeted production rates required to fill their long-term LNG contracts. [Read more.](#)

### Philippines Plans \$2B LNG Import Hub To Replace Depleting Gas Field

(OilPrice.com; June 9) - With the depletion of the Malampaya gas field looming near, the Philippines are looking to build an LNG import facility in order to meet their ever-increasing energy demand. Natural gas from the Malampaya field currently fuels three power plants which generate 30 percent of the country's power. With the country's power consumption expected to triple by the year 2040, a 200 MW natural gas power plant is included in the LNG plant's infrastructure plan in order to help fill the potential energy supply gap. [Read more.](#)

### Novatek Secures Another Gydan Peninsula Exploration License

(LNG World News; June 9) - Russia's largest independent natural gas producer, Novatek, has paid \$39.7 million in exchange for a geological survey as well as an exploration and production license in the Gydanskiy subsoil for the next 27 years. Novatek is the developer of the massive Yamal LNG Project located on the Yamal Peninsula, just across from the Gydan Peninsula. Novatek will use the newly acquired area on the Gydan Peninsula to develop an additional LNG production facility, Arctic LNG-2. Expansion of Novatek's LNG production capacity will allow them to seek out potential long-term LNG contracts. [Read more.](#)