



LNG IMPORT TERMINAL DEVELOPMENT IN EMERGING **NICHE MARKETS: BEST PRACTICES**

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- We have the largest LNG advisory team in the world covering the full natural gas & LNG value chain, for all major actors, across all functional disciplines.

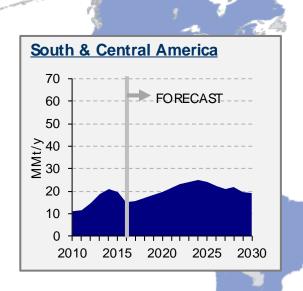


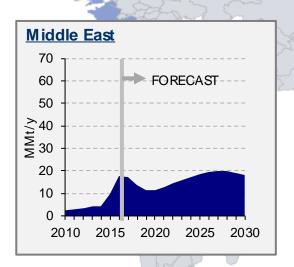
Poten can support clients across their full spectrum of needs, from reporting and data, single-client consulting studies, long-term support via retainer arrangements, to project and strategy execution.

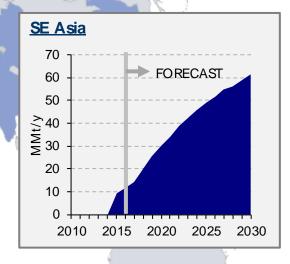


Taken separately, niche markets are small...

LNG demand forecast to 2030 by region

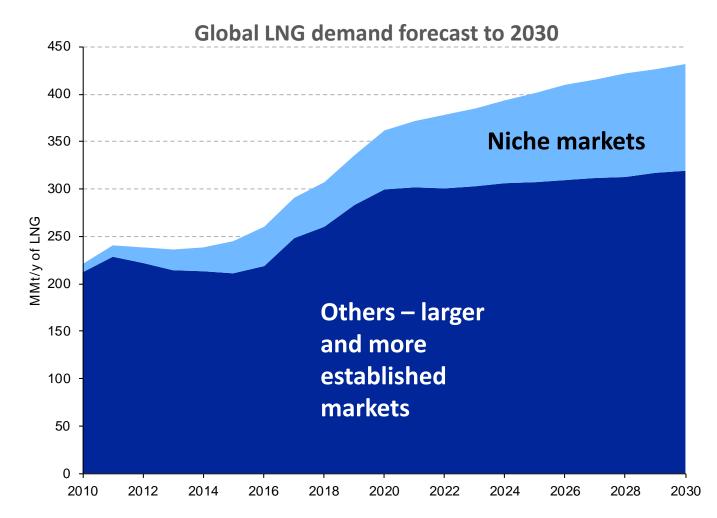








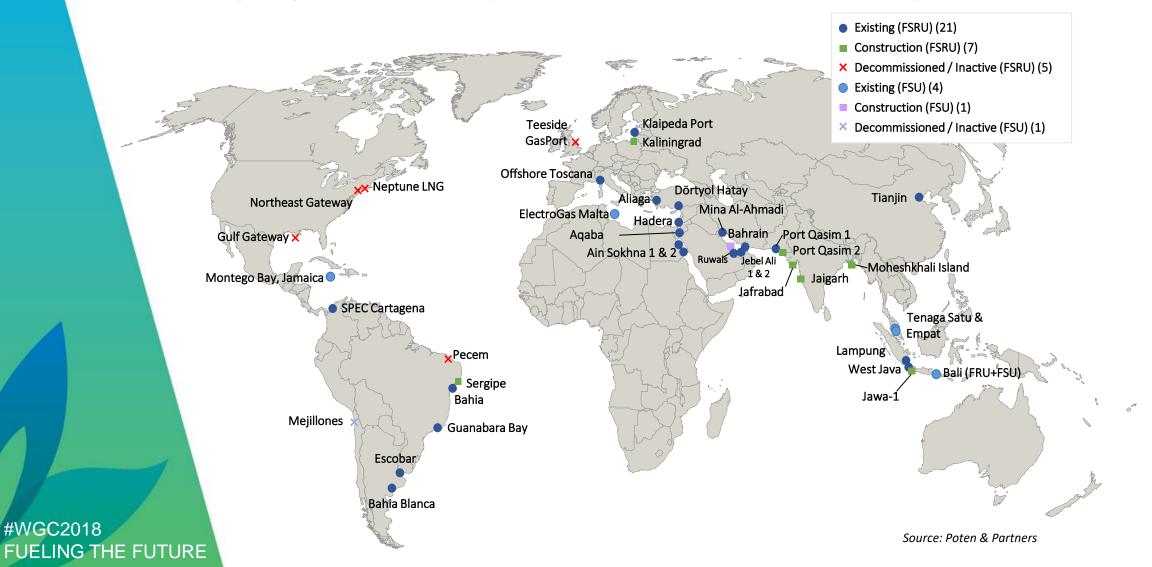
...but they are the growth engine of global LNG





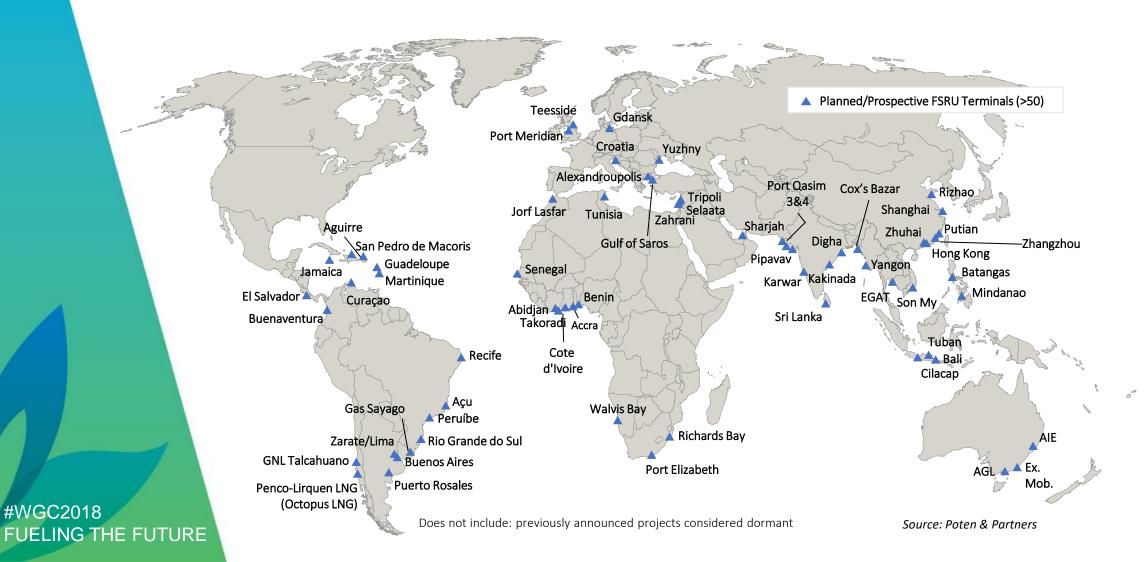


FSRU projects underpin niche market development





Success rate of future FSRUs key to LNG growth





Niche markets' early feasibility effort is critical

LNG import terminal early conceptual and pre-feasibility effort

Define Objectives Site & Technology Selection Regulatory & Env. Framework Determine Commercial Structure Establish Procurement Process



Defining objectives to better structure development

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Project structural objectives

LNG demand

Partnership objectives

Government objectives



Careful selection of site improves cost and feasibility

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Port

Availability

Bathymetry

Met-ocean

Geotechnical

Marine services

#WGC2018 FUELING THE FUTURE



Early consideration of regulatory environment allows for Government input/support

Define Objectives Site & Technology Selection Regulatory & Env. Framework

LNG industry codes and standards

Capacity development

Local content

Taxes, customs

Determine Commercial Structure Establish Procurement Process

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A commercial structure that best aligns goals and responsibilities

Define Objectives Site & Technology Selection Regulatory & Env. Framework Determine Commercial Structure Establish Procurement Process

Ownership of the value chain

Guarantees Sovereign, World

Sovereign, Worl

Commercial structure: integrated, tolling, proprietary



Procurement process within regulatory boundaries – while maintaining competitive tension

Define Objectives Site & Technology Selection Regulatory & Env. Framework Determine Commercial Structure Establish Procurement Process

Reflecting on existing laws & regulations

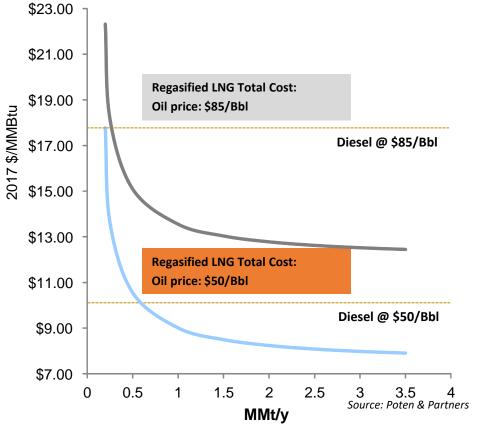
Creating & maintaining competitive tension

Tender vs. negotiations



A careful early process improves terminal economics

Economics of LNG (including commodity cost, shipping and regas**) against alternative fuel (example of diesel)



^{*} Total LNG cost (LNG commodity price + shipping + regas)

^{**}This is exclusive of pipeline cost from regas terminal to power plants



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