LNG Unlimited

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LNG terminal for East Coast of India hires Philippines firm for project

Hindustan LNG and AG&P plan to site facility in Andhra Pradesh

Our Asia editor

Two companies plan to set up terminal for Andhra Pradesh

Atlantic, Gulf and Pacific Co. of the Philippines, the LNG infrastructure and modules supply company, has signed an accord to supply and import plant and cargoes for power stations in the East Godavari region of the state of Andhra Pradesh on the East Coast of India.

The agreement is between AG&P and Hindustan LNG, a Hyderabad-based LNG import terminal development company.

Under the memorandum of understanding AG&P will deliver regasified LNG to the new Indian terminal and will also design and build it at the port in Andhra Pradesh.

Package

AG&P will construct the terminal facilities, including a floating storage and mooring system, regasification equipment and related utilities.

"The MoU has launched a fully integrated solution for delivering tolled gas in India, including design, construction, financing, operations and maintenance of the new terminal, which will ensure a reliable and low-cost supply to power producers, fertilizer plants, cold storage and other industries in Andhra Pradesh and other markets along the east coast," the two companies said.

"Andhra Pradesh is the ideal place for developing an LNG import facility to serve the growing energy demands of the east coast of India where existing gas-fired power projects urgently need a reliable supply of LNG," said C. R. Prasad, Chairman of Hindustan LNG.

"The partnership with AG&P will provide a strong platform to develop a fast-track and low-cost LNG import solution that enables the region to continue on its growth trajectory," added Prasad.

Jose P. Leviste Jr., Chairman of AG&P, said it was a great privilege to help implement India's vision for clean, low-cost, flexible and reliable power.

"Andhra Pradesh is playing a critical role in manufacturing and trade. The state and its people are on a strong, upward trajectory," added Leviste.

"We see the provision of tolled gas to supply power and fuel to factories, homes and even transport in an environmentally clean way as crucial elements of Andhra Pradesh's future," he stated.

Among its other projects, AG&P is currently financing the design and construction of small-scale LNG carriers with capacities ranging from 4,000 cubic metres capacity to 8,000 cubic metres capacity, which will be available for sale or charter.

The Filipino company, based near the capital Manila, is also building its business on the break-bulk LNG concept whereby cargoes are broken into smaller shipments and transported using coastal tankers or specialized trucks for power generation or other industries.

AG&P is already known as an experienced maker of modules for the LNG production sector.

Its service offering spans fabrication, assembly and asset management services for the offshore and onshore oil and gas and power sectors.

AG&P recently signed an agreement with Singapore-based Risco Energy Group to form a joint venture for the development of small-scale and mid-scale LNG facilities in Indonesia.

Gaztransport and Technigaz (GTT), the French maritime storage tank technology company, in April 2016 signed a technical assistance and license agreement with AG&P for the construction of onshore LNG tanks and bunkering infrastructure.

That deal made AG&P only the third company in the world to be certified as a licensed outfitter and sub-contractor for GTT's LNG tank technologies. ■

UNLIMITED AGENDA

Marubeni of Japan advances with $1.8Bln LNG FSRU and power plant project in Indonesia

Our Asia-Pacific editor

Marubeni Corp., the Japanese trading house and liquefied natural gas player, said it was advancing with a gas-to-power project in Indonesia that will involve the deployment of a floating storage and regasification unit (FSRU) to ship in LNG.

Marubeni said the Jawa Satu Power project, valued at around $1.8 billion, also involves two other shareholders, the Indonesian energy company Pertamina and the Japanese conglomerate Sojitz Corp.

The LNG and power project is located at Cilamaya, about 65 kilometres south of the Indonesian capital, Jakarta.

Sales deal

Project company Jawa Satu Power has just entered into a long-term power purchase agreement with the Indonesian state-owned electricity utility, Perusahaan Listrik Negara (PLN) for the sale of electricity.

Gas joint venture is located at Cilamaya near Jakarta

The project will see the Jawa Satu Power project building, owning and operating a 1,760 megawatts gas-fired power plant and the FSRU that will enable the supply of regasified LNG to the plant.

"The project is the first of its kind in Indonesia," said Marubeni.

"Marubeni is committed to contributing to the development of infrastructure in Asian countries by utilizing its extensive experience and know-how.

"Also, as a new challenge, we will continue to develop 'gas-to-power' projects such as this, which include the energy chain of LNG storage and regasification to the production of electricity using the same," added Marubeni.

"The companies will proceed with the development of the Jawa Satu Power project by procuring financing, constructing the power plant, FSRU and associated facilities, and sell electricity to PLN for a 25-year term from its target completion date of 2021." stated Marubeni.

The Japanese company noted that the Government of Indonesia had set a target to provide an additional 35 gigawatts of power capacity by 2019.

The Marubeni-led consortium won the tender bidding after offering the lowest price of 5.5 US cents per kilowatt hour of electricity for PLN to purchase.

The consortium outbid a group consisting of Indonesian company Adaro Energy and Singapore's Sembcorp, and another group comprising local company Rukun Raharja and Japan's Mitsubishi Corp.

One of the other main issues is the LNG supplies that will be provided.

It is estimated that the power plant will need at least 20 cargoes for up to 70 percent of its generating capacity.

Japanese LNG engineering firm Chiyoda takes initial $335M hit from stake in subsea business

Chiyoda Corp. of Japan, one of the leading global liquefied natural gas engineering and construction companies, has taken a $335 million hit on the setting up of its first subsea business in 2016.

Emas Chiyoda Subsea was established in March 2016 as a procurement and construction service provider in the form of a 50-50 joint venture between Singapore-based Ezra Holdings, the offshore contractor, and Chiyoda.

Under the deal to launch EMAS Chiyoda Subsea, the Japanese company also subsequently brought in Japanese shipping and offshore project company Nippon Yusen Kabushiki Kaisha (NYK Line) as an additional shareholder.

Chiyoda has now informed the Tokyo Stock Exchange that "due to the current harsh business environment" in subsea construction work a review of operating strategy was taking place.

"It is anticipated that current and future profitability of this affiliate will be much lower than planned," said Chiyoda, whose headquarters are in the Japanese port of Yokohama.

"As a result, it is also anticipated that the value of Chiyoda's shareholding in the affiliate and the value of the loans extended to that affiliate will be downgraded.

"We calculate the total risk exposure by combining various types of risks and expenses of approximately 38,000 million Japanese yen ($335M) by Chiyoda," it stated. The other shareholders will also have asset downgrades

"As part of this earlier Emas Chiyoda transaction, Chiyoda paid Ezra a cash consideration and injected additional capital into the joint venture company," the Japanese company explained.

"Chiyoda anticipates there will be a downward revision to the consolidated financial forecast for the fiscal year ending March 31, 2017," it added.

"While the details, including the size, scope and cause of the downgrade are still under assessment, Chiyoda believes that this announcement is important for its shareholders, customers and employees," it said.

"The senior management of Chiyoda will provide further information to shareholders as soon as it comes available," the company stated.

Chiyoda is one of the world's leading LNG engineering companies, working on projects in Australia, Mozambique, Russia and the US.

It took the subsea stake at the same time as consolidation was taking place in the industry, with France's Technip initiating the takeover of Houston, Texas-based FMC Technologies, to form TechnipFMC.

Polish national energy firm opens Mayfair office for LNG

The Polish national energy company has opened a trading office for liquefied natural gas in London's Mayfair as it aims to increase its presence in global LNG trading.

The office was opened by Polish Gas and Oil Co. (PGNiG) and is expected to become fully operational by the end of the first quarter of 2017.

The trading team is under the auspices of PGNiG Supply & Trading (PST), a subsidiary of the main Polish gas and power trading arm in Western Europe.

"With this important step PGNiG goes global as a natural gas player," said Piotr Wozniak, President of the Management Board.

"London is the European trade centre for this commodity. Our presence here will enable us to purchase natural gas for company purposes at more competitive prices. We will also be able to start LNG trading on global markets," said Wozniak.

The Poles said they would increase their international presence with short-term and medium-term trading.

They said they would also be sourcing alternative spot supplies for the LNG terminal in Swinoujscie, thus optimizing the booked capacity at the terminal.

"Due to the increase in LNG supplies led by the US and Australia, we expect LNG to become commercially valuable for Europe," said Uwe Bode, managing director of PST.

Poland's first LNG terminal at Swinoujscie on the Baltic coast receives its first commercial cargo from Qatar about a year ago.

Shell LNG volumes increase to annual 57MT as earnings hit by low prices and charges

Our Asia-Pacific editor

Shell cargoes boosted after Gorgon LNG come on stream

Royal Dutch Shell sold more than 57 million tonnes of liquefied natural gas in 2016, though earnings from the volumes were lower and only partially offset by the start-up of the Gorgon LNG project in Australia as income from all of the Integrated Gas division dropped 27 percent to $3.70 billion from $5.05Bln in the previous year.

The full-year LNG sales volumes were 57.11MT compared with 39.24MT in 2015, an increase of over 45 percent.

Quarterly

LNG sales volumes in the fourth quarter amounted 15.34MT, 51 percent higher than for the same quarter a year ago, mainly reflecting Shell's enlarged portfolio following the acquisition of BG Group.

LNG liquefaction volumes for all of 2016 were 30.88MT, of which acquired BG assets contributed 8.56MT compared with 22.62MT in 2015.

These LNG volumes included an increase associated with the Queensland Curtis LNG plant in Australia and Atlantic LNG in Trinidad and Tobago.

Shell's main LNG operations are in its Integrated Gas division and excluding identified items, the earnings in the fourth quarter were $907M compared with $1.24Bln a year ago.

Identified items were a net charge of $879M, compared with a net charge of $120M for the fourth quarter 2015

Shell said LNG earnings were impacted by added depreciation from the BG acquisition and lower prices were offset by higher volumes from the start-up of the Chevron-operated Gorgon project in Western Australia, where Shell is a shareholder.

"Earnings were also impacted by higher taxation, and higher operating expenses, mainly due to the consolidation of BG.

"The impact of higher oil prices was more than offset by the decline in LNG prices. Earnings benefited from higher production volumes related to the contribution of BG assets, start-up of Gorgon and improved operational performance which more than offset the impact of the accounting reclassification of Woodside," the report added.

Shell's overall earnings in the fourth quarter were $1.03Bln compared with $1.84Bln for the same quarter a year ago, a fall of 44 percent.

Full year 2016 earnings attributable to shareholders were $3.5Bln, down from $3.8Bln in 2015.

"We are reshaping Shell and delivered a good cash flow performance this quarter with over $9 billion in cash flow from operations," said Chief Executive Ben van Beurden

"Debt has been reduced and, for the second consecutive quarter, free cash flow more than covered our cash dividend," he added.

"Production and LNG volumes included delivery from new projects, with ramp-up continuing in 2017 and 2018.

"Meanwhile we are operating the company at an underlying cost level that is $10 billion lower than Shell and BG combined only 24 months ago," the CEO stated.

"We are gaining momentum on divestments, with some $15Bln completed in 2016, announced, or in progress, and we are on track to complete our overall $30Bln divestment programme as planned," said Van Beurden.

"Looking ahead, we will further focus the portfolio and strengthen the company's financial framework in 2017.

"Our strategy is starting to pay off and in 2017 we will be investing around $25 billion in high quality, resilient projects. I'm confident 2017 will be another year of progress for Shell to become a world-class investment," he added.

During the quarter, Shell noted that it was appointed by the Energy Market Authority of Singapore as one of the importers for the next tranche of LNG supply into Singapore, expected to commence from 2017.

"Shell and another importer will each have exclusivity for three years to market up to 1 million tonnes of LNG per annum," it added.

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NEWS NUDGES

New CFO for GasLog

LNG carrier fleet owner GasLog has appointed Alastair Maxwell as the new Chief Financial Officer from early March 2017 after the decision by Simon Crowe to resign from the role. GasLog said Maxwell had 29 years in investment banking in both the energy and finance sectors. He was Co-Head of the Global Energy Group of Goldman Sachs from 2010 to 2016. Paul Wogan, Chief Executive of GasLog Ltd, said "On behalf of the board, Chairman Peter Livanos and the management team, I am pleased to welcome Alastair to GasLog. His deep understanding of the energy and financial markets and involvement in some of the largest transactions in the industry will make him a huge asset."

Stolt-Nielsen posts profit

Norwegian shipping and storage company Stolt-Nielsen, whose natural gas subsidiary has plans for small-scale LNG storage and distribution projects, posted net profits in the fourth quarter of $22.8 million from $463M in revenues. "At Stolt Tankers, the softness we observed in the prior period continued into the fourth quarter," said Niels G. Stolt-Nielsen, the company Chief Executive. "Our outlook for 2017 remains largely unchanged. In the markets served by Stolt Tankers, there is still an oversupply of tonnage, and with significant newbuilding deliveries in 2017, combined with a weak product tanker market, we believe the year will be challenging," he added.

Thai gas deal for $900M

Royal Dutch Shell has reached an agreement to sell natural gas field assets in Thailand for $900M to Kuwait Foreign Petroleum Exploration Co.

Dominican Republic completes LNG upgrade to be hub of Caribbean

Our Americas editor

AES Corp. of the US said its LNG import terminal at Punta Caucedo in the Dominican Republic has completed modifications to enable reloading and exports of shipments to the Caribbean and Central America.

The AES Punta Caucedo facility has been in operations since 2003 and the Dominican Republic is the region's longest-standing LNG importing nation, located on the eastern half of the large Caribbean island of Hispaniola with Haiti to the west.

Investment

AES invested $9 million in the project to build the new installations to enable conventional and small-scale LNG carriers to load cargoes and re-export from the original import terminal.

The upgraded terminal will enable AES to build up its regional customer base.

AES said the Dominican Republic was taking advantage of its "excellent geographical location and becomes the first hub of Central America and the Caribbean" for the import and export of LNG.

Punta Caucedo terminal already has truck loading bays

In addition to loading small-scale regional carriers, it will also send out International Standardization Organization (ISO) containers to be transported to regional buyers on conventional cargo ships, as well as on trucks.

The Punta Caucedo terminal already has truck loading bays.

"This is a highly innovative project run by the professionals of AES Dominicana who have successfully operated the import terminal for 13 years and for seven years the facility has been able to load trucks," said Edwin De los Santos, President of AES Dominicana, the AES affiliate in the Dominican Republic.

French utility and energy company Engie signed a marketing agreement with AES in December 2016 linked to regional LNG distribution.

The accord will help underpin small-scale LNG deliveries from the US to Panama and the Dominican Republic for power and fuel use.

Under the agreement, Engie and AES will jointly market 700,000 tonnes per annum of LNG.

"The objective is to provide a cleaner and more cost-effective alternative to oil-fueled power generation, while satisfying a growing need for natural gas in the region," they said.

Pakistan set to have three FSRUs operating as import facilities

A liquefied natural gas import joint venture backed by Excelerate Energy, the US provider of floating storage and regasification units, will give Pakistan three FSRU import facilities by the end of 2018.

Excelerate said it would supply a vessel to operate from around mid-2018 as the second Pakistani import facility at Port Qasim, while a third FSRU will be deployed by Hoegh LNG near the same location at the end of 2018.

"The fast-track FSRU project will supply much needed natural gas to Pakistan to help mitigate the supply shortfalls the country is currently facing," said Excelerate.

The agreement on the latest FSRU followed negotiations lasting several months with a consortium, including Engro Corp. of Pakistan and Royal Dutch Shell.

"Excelerate has a proven track record of successfully delivering fast-track floating regasification projects around the world," the US company said.

Most recently, Excelerate successfully commissioned the Ruwais Floating LNG terminal in the United Arab Emirates, which was implemented in less than 12 months.

The new Excelerate project site is located just across the Port Qasim channel, east of Karachi, and near the country's first LNG import terminal that French company Elengy installed early in 2016 using an Excelerate FSRU.

Excelerate said that when the project comes on line, the total regasification capacity from Excelerate's two FSRUs at Port Qasim will be more than 1 billion cubic feet per day, providing enough regasified LNG to support over 6,000 megawatts of power generation.

Excelerate Chief Development Officer Daniel Bustos said the company was working with a "strong partnership" to implement the joint venture.

Finnish marine propulsion and LNG fuel system maker Wärtsilä posts decline in annual profits

Our Europe editor

Wärtsilä, the Finnish marine propulsion and energy and gas equipment maker in the LNG sector, posted a 13 percent fall in annual profits to 479 million euros ($511M) compared with 553M euros the previous year.

However, there was a better performance in the fourth quarter as profits before tax reached 226M compared with 199M euros in the same three months of 2015.

Wärtsilä's net sales for the year were down 5 percent at 4.80 billion euros versus 5.02Bln euros the previous year.

Wartsila President and Chief Executive Jaakko Eskola

Mixed

The company said business continued to be "soft" in its Marine division.

"Although the outlook for the cruise and ferry segment is positive, the merchant, gas carrier, and offshore segments continue to suffer from overcapacity, slow trade growth and customers' financial constraints," Wärtsilä said.

Its current order book for 2017 deliveries amounts to 3.14Bln, mainly comprising Marine division and Energy division deliveries.

Wärtsilä said more than 20 percent of the marine propulsion orders were for gas carriers and 27 percent was for cruise ships and ferries.

President and Chief Executive Jaakko Eskola said that thanks to an improved project mix in the fourth quarter, the company was able to meet its revised net sales and profitability targets. Eskola noted in his presentation the shift to LNG propulsion in the shipping industry.

Spanish shipyard Construcciones Navales del Norte had ordered LNG power and propulsion installations for its new roll-on-roll-off passenger ferry.

"This eco-efficient 'smartship' will be the first gas-powered RoRo passenger ferry operating in the Mediterranean Sea," he said.

Wärtsilä's products include LNGPac, which is fuel gas-handling equipment for LNG-fueled ships and includes the bunkering system.

"The weak growth in seaborne trade, low oil and gas prices, as well as customers' financial constraints burdened the marine industry throughout the year, which resulted in exceptionally low contracting activity," said Eskola.

German firm MAN to supply gas equipment for Italian ferry

The marine LNG fuel-gas-system manufacturing unit of Germany's MAN Diesel and Turbo signed a contract with Sefine Shipyard in Turkey to deliver the equipment for an Italian ferry set to operate from 2018 on the route from Italy's mainland to the island of Sicily.

The Italian vessel was designed in Norway and will be the first ferry to operate with LNG fuel in the Mediterranean Sea as part of global efforts to reduce emissions from shipping.

The contract for the ferry's gas equipment was won by the MAN Cryo subsidiary, which was formerly the Swedish-registered company Cryo AB, acquired by MAN in 2016.

MAN itself is headquartered in Copenhagen, Denmark, though it is part of the German Volkswagen Group.

The MAN Cryo LNG supply system consists of a 150 cubic metres vacuum-insulated storage tank, with auxiliary equipment, including an LNG vaporizer, pressure build-up unit, bunker station and heat exchanger.

"MAN Cryo system will supply gas to the ferry´s three dual-fuel propulsion engines and is scheduled for delivery in November 2017. The vessel will be the first of its kind with LNG propulsion," the company said.

"The equipment will be installed aboard a double-ended RoPax ferry, designed by LMG Marin, for Italian shipowner, Caronte & Tourist, and will primarily operate on the Strait of Messina between Villa San Giovanni, the main access point to Sicily from the Italian mainland, and the city of Messina," it explained.

The vessel is 133-metres in length and 21.5m wide with a capacity to carry up to 290 cars on two vehicle decks and 1,500 passengers.

Teekay LNG sees launch of its first Arctic-class carrier for Yamal project

Our Asia-Pacific editor

Vessel 'Eduard Toll' is first of six ARC7 carriers ordered

Teekay LNG, the carrier owner with 31 vessels operating and 19 new-builds awaited, has attended the launch at the Daewoo Shipbuilding and Marine Engineering shipyard in South Korea of its first ship for the Russian Yamal LNG project located in the Arctic region.

The vessel "Eduard Toll" is the first of six Arctic-class ARC7 LNG carrier newbuilds with 172,000 cubic metres capacity to be constructed for the Yamal joint venture.

Capability

"The carrier has been designed and built to perform year-round navigation through the Arctic and has ice-breaking capability, allowing it to proceed through ice up to 2.1 metres thick," said Teekay.

A fleet of similar vessels will be serving the Yamal LNG production plant being developed by Russian natural gas company Novatek.

The South Korean shipbuilder has more Arctic-class carriers on order, all contracted to serve the Yamal project located on the shore of the Siberian port of Sabetta on the Yamal Peninsula.

One Yamal vessel will be operated by Sovcomflot while of the remaining 14 ships attached to the project, six will be operated by the LNG unit of Canadian company Teekay, five by Greek shipping line Dynagas and three will be operated by Mutsui OSK Lines of Japan.

The Yamal project's other shareholders include France's Total, China National Petroleum Corp. and the Chinese Silk Fund equity group.

Yamal's liquefaction plant is being built at an estimate cost of $27 billion and will have a capacity of 16.5 million tonnes per annum of LNG when it comes on stream at the end of 2017 or early 2018.

Deliveries of the Yamal LNG carriers to the shipping companies are scheduled through 2019.

With Yamal's Sabetta terminal being located in the Arctic, cargoes will only be shipped through the Northern Sea Route to Asia in the summer months.

When the NSR is closed eastwards for several months a year, the LNG will be trans-shipped via European ports, including the Zeebrugge LNG facility in Belgium and possibly the new Dunkirk LNG terminal in France, where Total is one of the shareholders.

French maritime storage tank firm GTT wins order for Hoegh FSRU

Gaztransport and Technigaz, the French maritime storage tank technology company, has received an order from Hyundai Heavy Industries of South Korea to equip a new LNG floating storage and regasification unit with its Mark III membrane containment system.

The vessel will be built at Hyundai's shipyard in Ulsan, on behalf of Norway's Hoegh LNG Holdings.

The FSRU will have storage capacity of 170,000 cubic metres and be delivered in 2018.

"Thanks to its key partner HHI, GTT is very honoured to be part of the newbuilding program of one of the leading FSRU providers Hoegh LNG," said Philippe Berterottière, Chairman and Chief Executive of GTT.

"This new order illustrates the confidence of the offshore industry in our LNG storage technology and our capability to respond to its requirements," added the CEDO.

Currently, four FSRUs built by HHI and equipped with the Mark III technology are in service.

"The Mark III is a proven solution for new projects that require greater resistance to liquid motion, particularly for multigas applications or partially filled tanks such as FSRUs," said GTT.

Hoegh and other LNG shipping lines and project developers are seeing an end to the downturn in the industry in regards new orders from shipyards.

Hoegh recently signed agreements with two Korean shipbuilders, HHI and Samsung Heavy Industries for its next series of FSRUs.

It signed one firm shipbuilding contract for one FSRU and an option for three additional FSRUs from the Samsung yard.

Hoegh also signed a firm contract with HHI for an FRSU to be delivered in the fourth quarter of 2018. This vessel is the subject of the GTT Mark III storage system contract.

LNG equipment maker Air Products posts lower profits amid continued talks about Chinese takeover bid

Our North America editor in New York

Air Products of the US, the leading global supplier of LNG liquefaction equipment and technology, posted a 10 percent year-on-year fall in net income to $252 million in the first quarter of its fiscal year and said it was still in talks about taking over a Chinese company.

First-quarter sales amounted to $1.88 billion, an increase of 1 percent from the prior year, as higher volumes and favourable energy sales were partially offset by unfavourable currency differences.

Air Products, based in Lehigh Valley, Pennsylvania, said the volume increase was driven by strength in its Industrial Gases unit and in Asia.

Head of Air Products Seifi Ghasemi praised operations

Discussions

The earnings report also stated that no agreement had yet been reached concerning the Air Products offer to acquire Chinese gas services company Yingde Gases.

The US company has submitted an undisclosed offer to acquire all of the outstanding shares of Yingde, a Hong Kong-listed company and a major industrial gas market player in China.

"Air Products seeks to engage in a friendly transaction, which it believes would be strategically and financially compelling for employees, customers and shareholders of both companies," it said.

Air Products currently has about $1 billion of sales and more than 2,500 people employed in its own China business.

Seifi Ghasemi, the Chairman, President and Chief Executive of Air Products said this was another quarter of strong operating performance.

"This is the tenth consecutive quarter where we are reporting high single-digit or double-digit growth in our profitability," said Ghasemi.

Air Products has been the main supplier of liquefaction equipment to plants around the world during the industry expansion and is the technology provider for US plants such as the Cameron project in Louisiana being developed by Sempra Energy.

"We also operated for the whole quarter without a lost-time accident. I am very proud that our people achieved these results while also delivering excellent safety performance and completing the sale of the Performance Materials Division to Evonik in early January," said the CEO.

"Despite the weak economy and currency headwinds, our robust financial position and ongoing productivity programs have us operating from a position of strength.

"All of this means that we remain in a strong position to grow Air Products' core industrial gases business and deliver value for our shareholders," he added.

The CEO said Air Products had put in place a robust and geographically-focused organization.

"But like any other global company, we are not immune from macro-economic and geopolitical events," he said.

"The new administration in the United States has not yet articulated its full economic and foreign policy. ■

Canadian government gives native First Nations key roles in Pacific Northwest LNG project if it goes ahead

Canadian ministers and provincial British Columbia officials had signed an agreement with native North American First Nations to give them a role in the planning and environmental monitoring of the Pacific NorthWest LNG project proposed by Petronas of Malaysia.

"This is the first agreement of its kind between the Government of Canada, the Government of British Columbia, the Lax Kw'alaams Band and the Metlakatla First Nation," said a statement.

Petronas and its Asian partners in the planned Pacific Northwest project to be located on Lelu Island, near the port of Prince Rupert, are not yet part of the agreement.

First Nations have already been given a prominent voice in the Woodfibre LNG project planned for Squamish, north of Vancouver, one of the few ventures given the go-ahead in Canada since Justin Trudeau became Prime Minister.

"The Government of Canada is committed to a renewed nation-to-nation relationship with Indigenous peoples based on recognition, rights, respect, co-operation, and partnership," the statement added.

"Through this historic agreement, First Nations will work directly with provincial and federal authorities to ensure the Pacific NorthWest LNG Project is developed in the most environmentally sustainable way possible," it said.

"The committee will enable enhanced environmental oversight of the Pacific NorthWest LNG Project and the active engagement of local First Nations.

"It will foster information-sharing and continuous environmental monitoring and oversight. It will also enable the Lax Kw'alaams Band and Metlakatla First Nation to provide input into the project's environmental management plans and follow-up programs," it stated.

Catherine McKenna, the federal Minister of Environment and Climate Change, commented: "The idea to create this committee is based on input received from Indigenous peoples throughout the environmental assessment process to ensure protection of the environment through ongoing project monitoring and oversight."

The Ottawa minister said the committee "encourages ongoing dialogue and collaboration with Indigenous peoples, which is at the core of our government's reconciliation commitment."

The Canadian federal government gave conditional approval to the Pacific NorthWest LNG project in September 2016, though with 190 mitigation measures attached, including for the first time the imposition of a maximum cap on greenhouse gas emissions.

■

Trump names woman Massachusetts Democrat to head main LNG and energy regulatory body FERC

Our North America editor in New York

The US Federal Energy Regulatory Commission, the permit provider for all LNG, pipeline and energy projects nationwide, has a new woman Chairman and member of the Democratic Party from Massachusetts. She was nominated to the post by President Donald Trump after incumbent Norman Bay resigned.

The President appointed Cheryl LaFleur, an experienced businesswoman and lawyer, as the acting head of the FERC after Bay tabled his resignation.

Five places

The FERC normally has five commissioners who are essentially political appointees. It previously consisted of three Democrats and two Republicans.

President appointed Cheryl LaFleur who is a lawyer

However, two Republicans had resigned in 2015 and 2016, leaving only three Deomcarts at the turn of the year. The resignation of Bay also leaves the FERC without a quorum.

The FERC can conduct routine business, though cannot vote on important projects or ruling.

There are presently about 20 US LNG export projects under development and being overseen by the FERC, as well as dozens of other ventures in sectors such as pipelines.

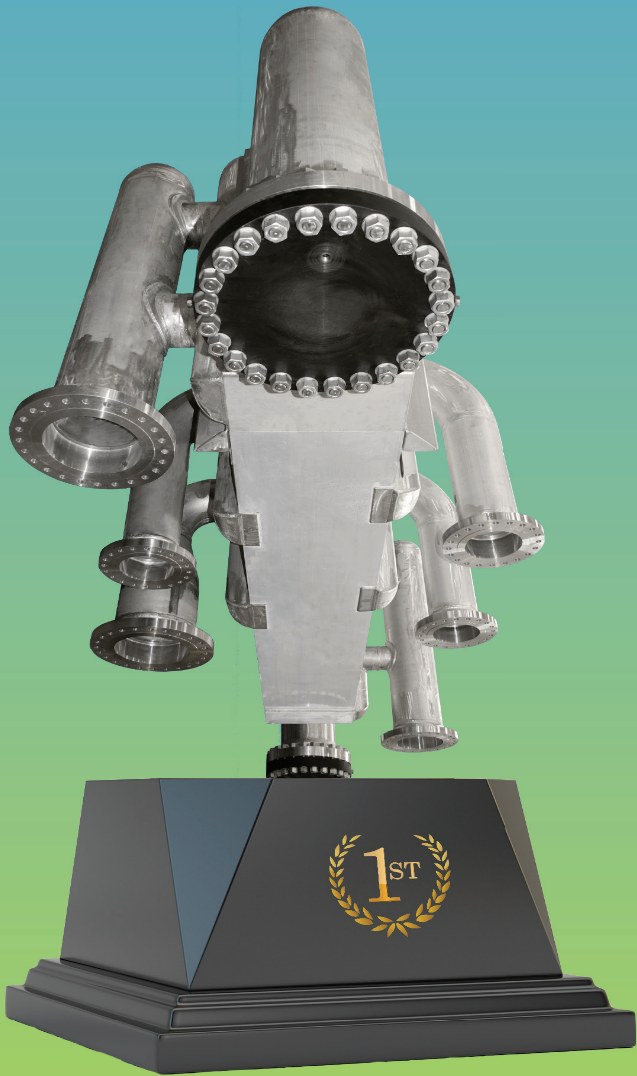
With the only current commissioners being LaFleur and Colette Honorable, both Democrats, the Republicans are expected to name new commissioners soon.

“It is an honor to again be asked to serve as acting chairman of the Federal Energy Regulatory Commission, and I thank President Trump for the opportunity,” said LaFleur on the announcement of her second appointment to lead the FERC.

“While I recognize that FERC is in a state of transition as we await nominations to fill vacant seats at the agency, it is important that FERC's work on the nation's energy markets and infrastructure move forward,” said LaFleur.

The new FERC acting Chairman LaFleur was first made head of the FERC on July 30, 2014. However, she was replaced by President Barack Obama’s new nominee Bay in April 2015.

Chart Brazed Aluminum Heat Exchangers



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