



## Lessons Learned

# How to Maximise the Value of an LNG import terminal

Klaus Reinisch

Director, Sales & Trading

17 December 2019

TRADITIONALLY PROJECT FINANCE AND INFRASTRUCTURE INVESTMENTS DRIVE LNG  
IMPORT VALUE MODELS AND CAPACITY CONTRACT STRUCTURES

= LONG-TERM GUARANTEED FIXED PRICE CAPACITY CONTRACTS

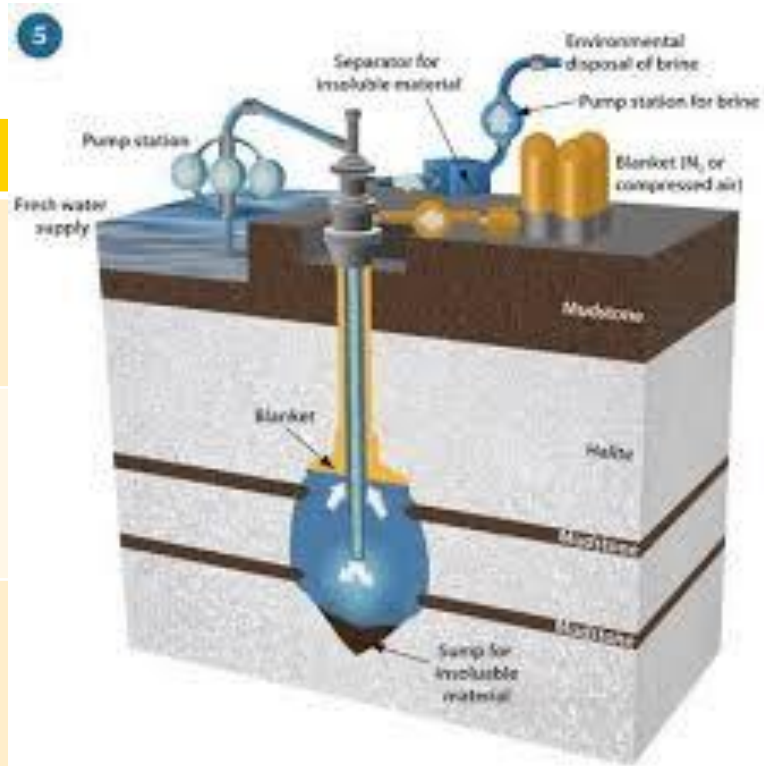
**HOWEVER GLOBAL LNG TRADING IS CHANGING THE VALUE DRIVERS**

**= SHORT-TERM, TRADED, AND UNBUNDLED**

**SEND-IN, STORAGE, AND SEND-OUT CAPACITY AS SEPARATE VALUE DRIVERS**

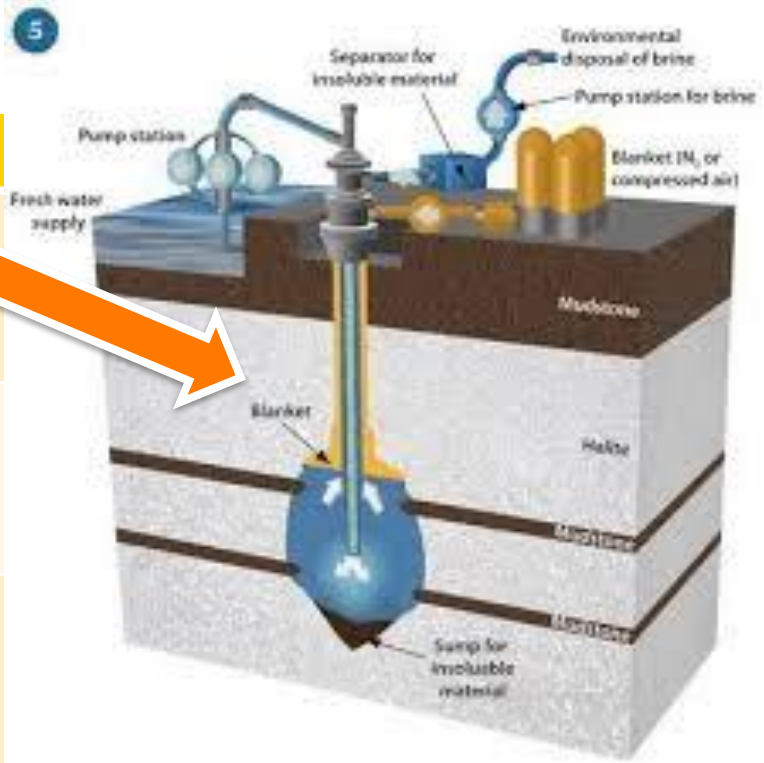
# PROVEN VALUE DRIVER MODEL FROM GAS STORAGE

Capacity Category	



# PROVEN VALUE DRIVER MODEL FROM GAS STORAGE

Capacity Category	
INJECT	

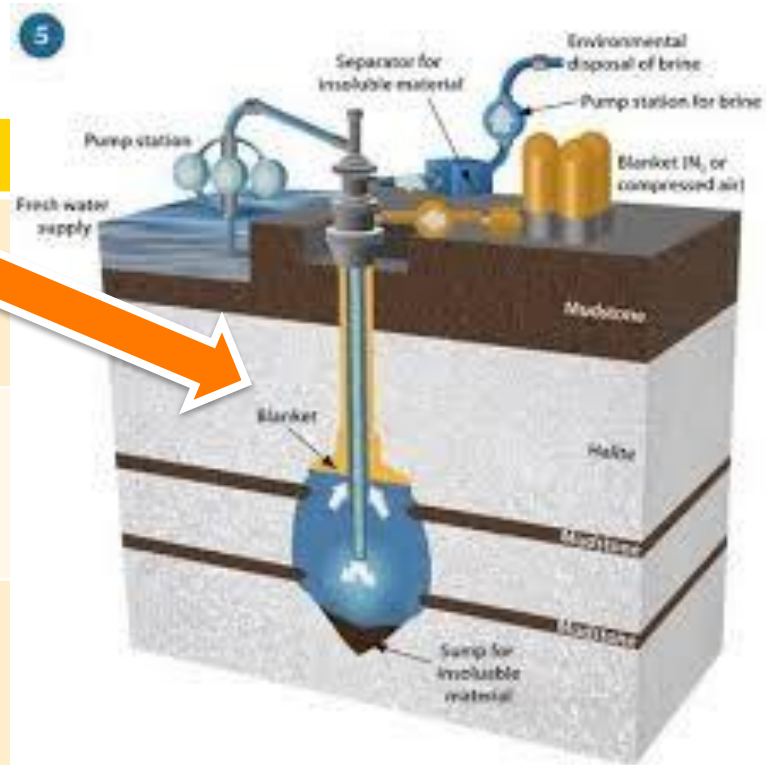


## PROVEN VALUE DRIVER MODEL FROM GAS STORAGE

### Capacity Category

#### INJECT

- lowest fixed cost

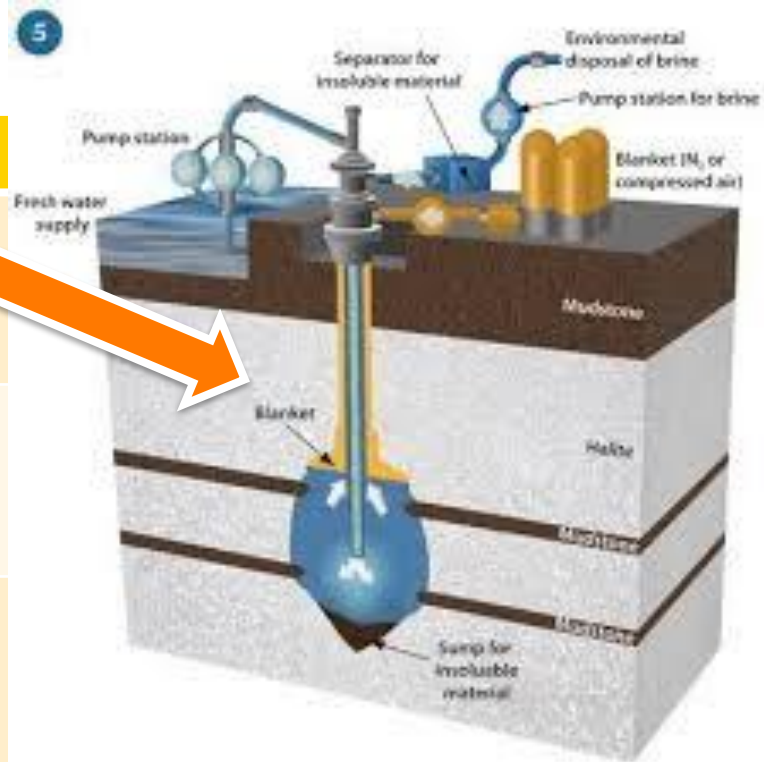


## PROVEN VALUE DRIVER MODEL FROM GAS STORAGE

### Capacity Category

#### INJECT

- lowest fixed cost
- Not firm physical





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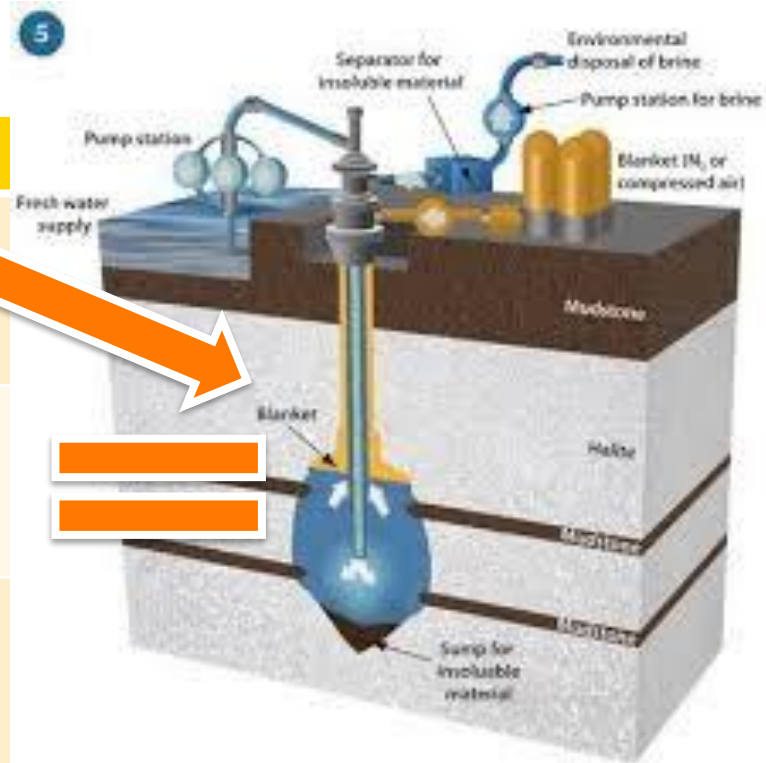
### Capacity Category

#### INJECT

- lowest fixed cost
- Not firm physical

#### STORE

- Guaranteed inventory





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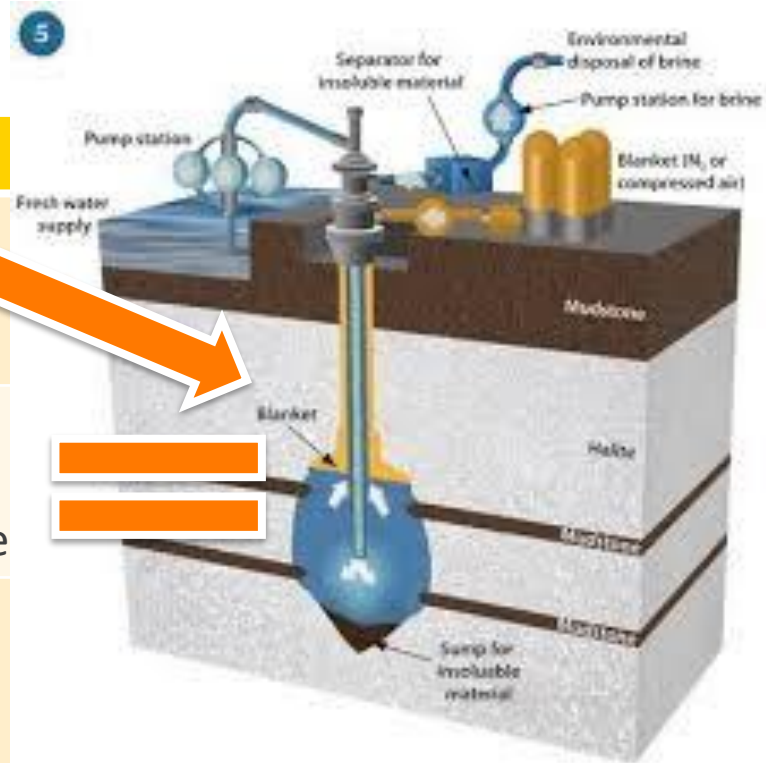
### Capacity Category

#### INJECT

- lowest fixed cost
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#### STORE

- Guaranteed inventory
- Easy Trading Gas-in-Store



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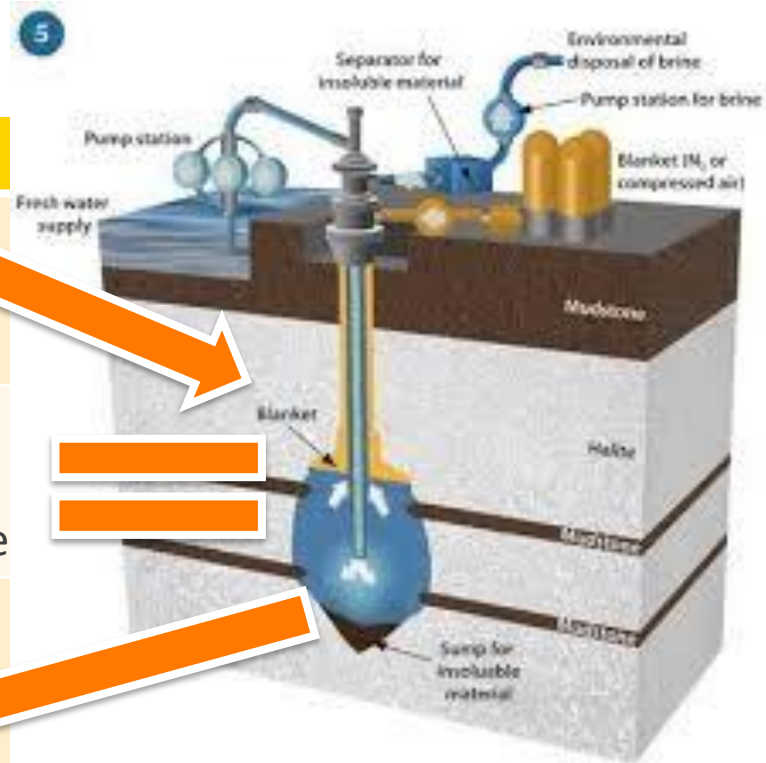
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#### WITHDRAW



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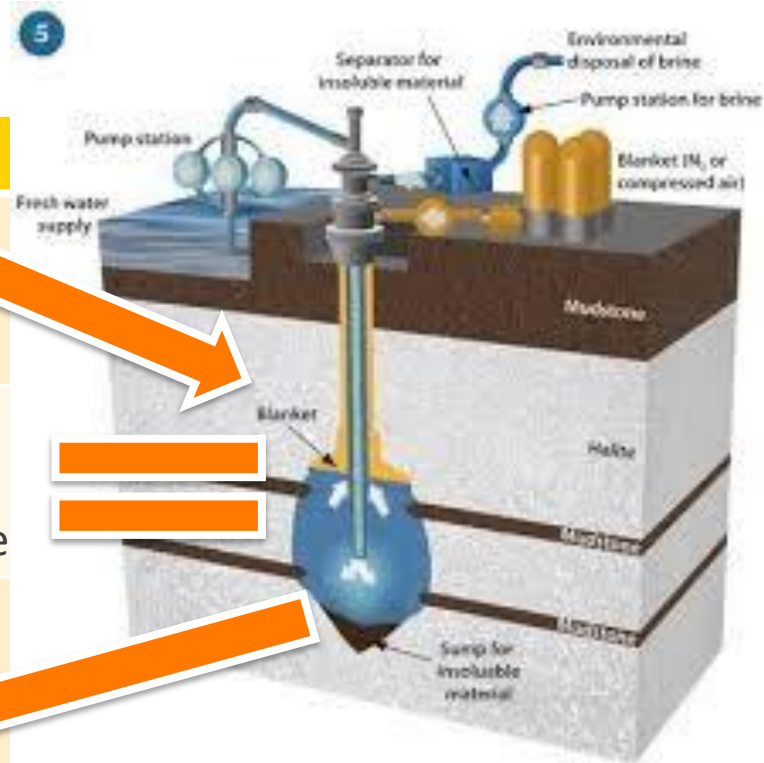
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#### WITHDRAW

- Maximum Flexibility



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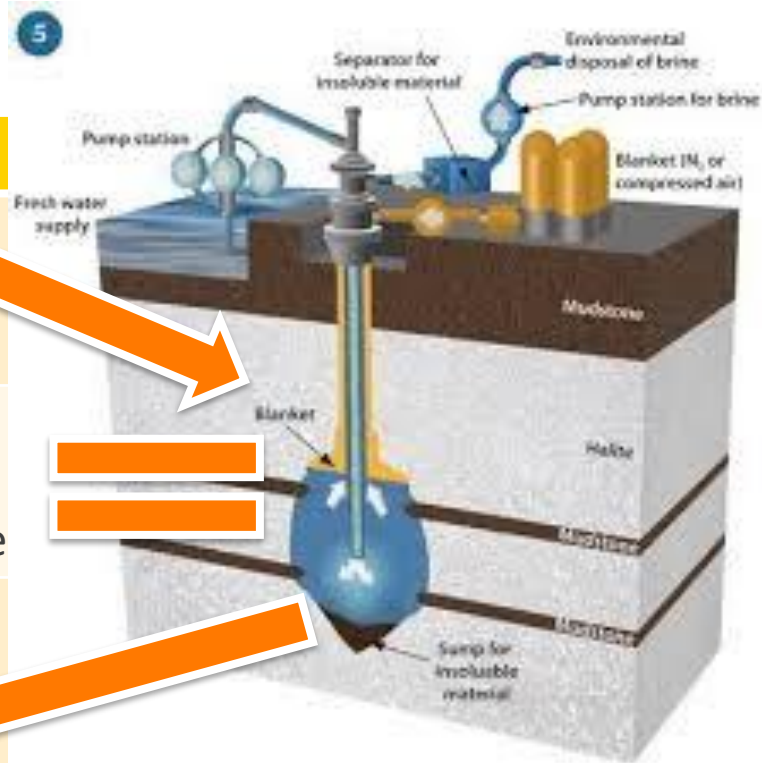
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#### STORE

- Guaranteed inventory
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#### WITHDRAW

- Maximum Flexibility
- Quick Response



# SAME MODEL WORKS FOR LNG IMPORT TERMINALS

## Capacity Category

### INJECT – SEND-IN

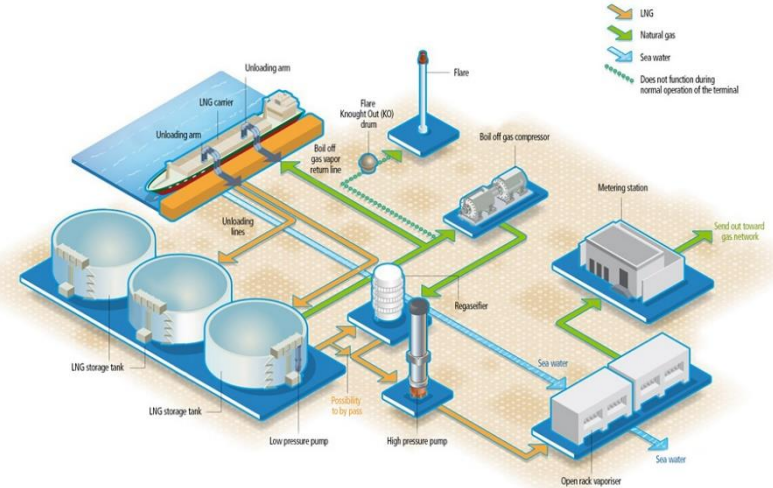
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- Not firm physical

### STORE – IN-TANK SPACE

- Guaranteed inventory
- Easy Trading Gas-in-Store

### WITHDRAW – SEND-OUT / RELOAD

- Maximum Flexibility
- Quick Response



# SAME MODEL WORKS FOR LNG IMPORT TERMINALS

## Capacity Category

### INJECT – SEND-IN

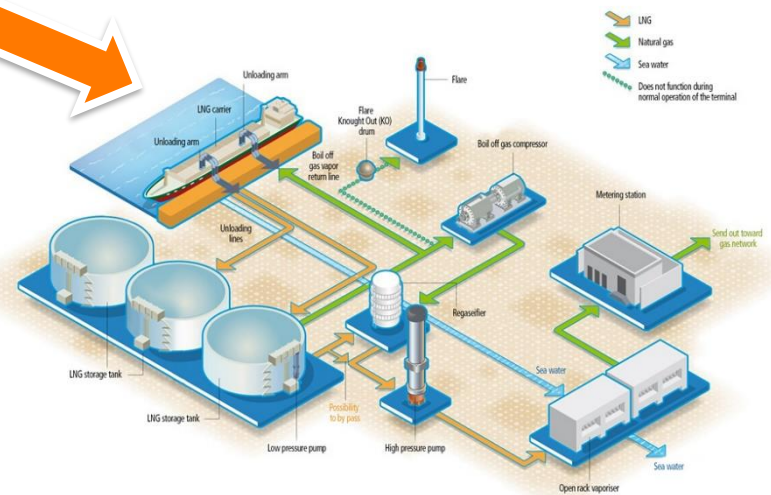
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### STORE

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### WITHDRAW

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# SAME MODEL WORKS FOR LNG IMPORT TERMINALS

## Capacity Category

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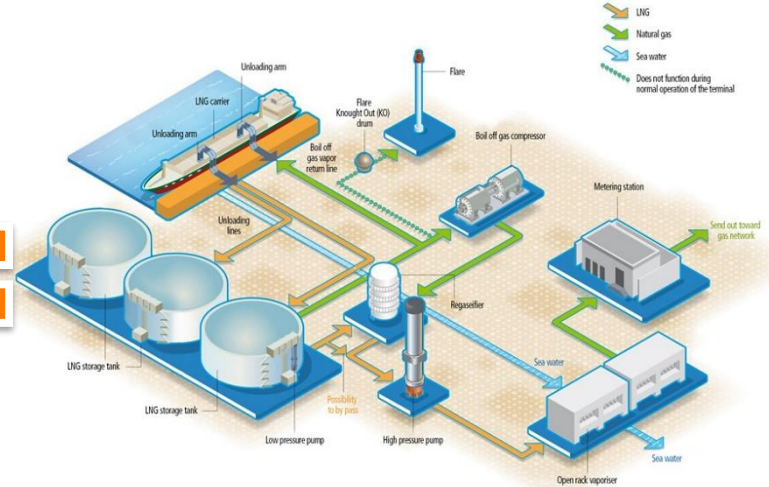
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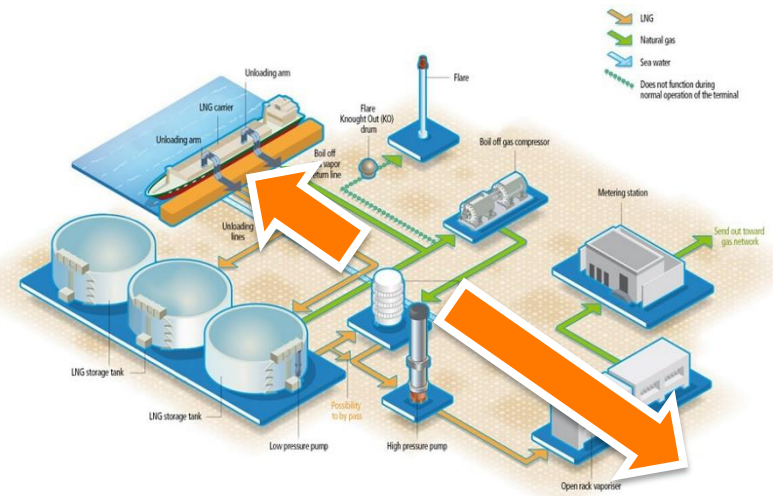
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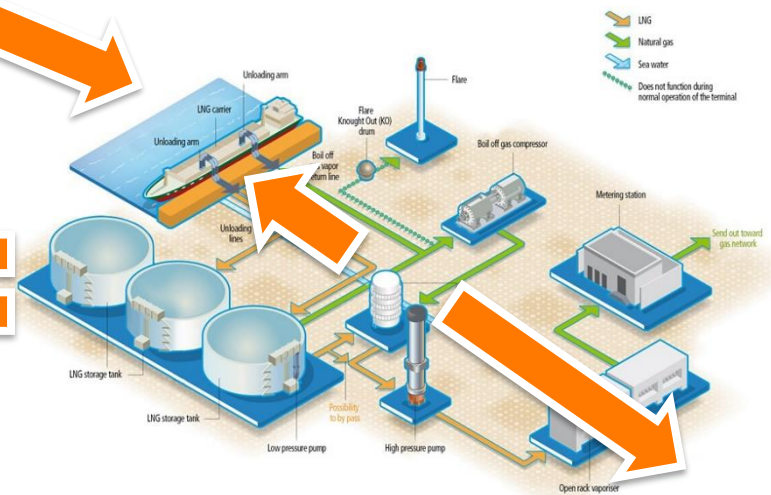
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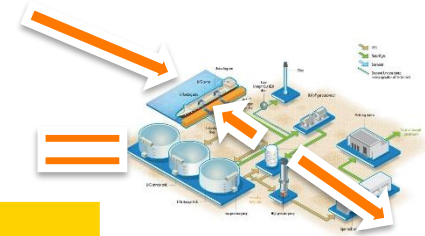
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### WITHDRAW – SEND-OUT / RELOAD

- Maximum Flexibility
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## 6 KEY LEARNINGS TO MAXIMISE VALUE



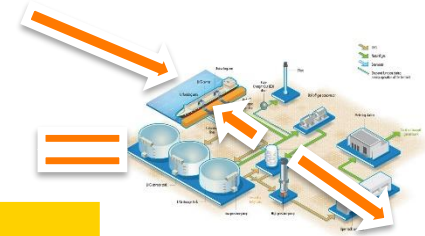
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**INJECT – SEND-IN**

**STORE – IN-TANK SPACE**

**WITHDRAW – SEND-OUT / RELOAD**

## 6 KEY LEARNINGS TO MAXIMISE VALUE



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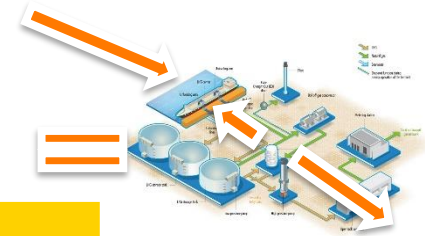
#### INJECT – SEND-IN

1. MAKE IT FLEXIBLE LOW FIXED COST

#### STORE – IN-TANK SPACE

#### WITHDRAW – SEND-OUT / RELOAD

## 6 KEY LEARNINGS TO MAXIMISE VALUE



### Capacity Category

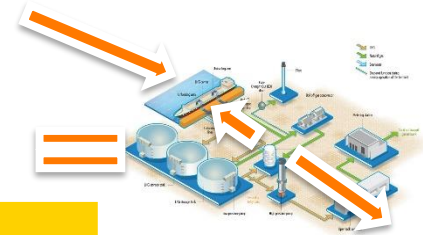
#### INJECT – SEND-IN

1. MAKE IT FLEXIBLE LOW FIXED COST
2. DON'T REQUIRE ANY FIRM CARGOES

#### STORE – IN-TANK SPACE

#### WITHDRAW – SEND-OUT / RELOAD

## 6 KEY LEARNINGS TO MAXIMISE VALUE



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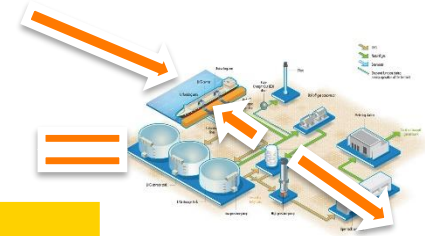
1. MAKE IT FLEXIBLE LOW FIXED COST
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#### STORE – IN-TANK SPACE

3. MAKE IT EASY TO BUY AND SELL GAS IN STORE

#### WITHDRAW – SEND-OUT / RELOAD

## 6 KEY LEARNINGS TO MAXIMISE VALUE



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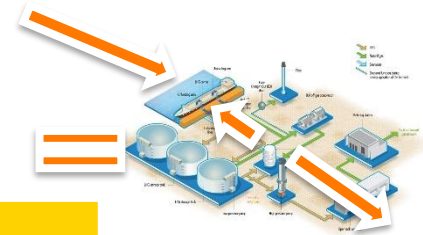
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#### STORE – IN-TANK SPACE

3. MAKE IT EASY TO BUY AND SELL GAS IN STORE
4. INVEST IN RELIQUEFACTION TO KEEP INVENTORY INTACT

#### WITHDRAW – SEND-OUT / RELOAD

## 6 KEY LEARNINGS TO MAXIMISE VALUE



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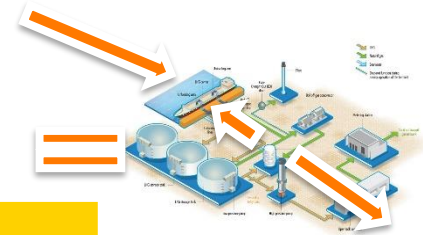
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#### **WITHDRAW – SEND-OUT / RELOAD**

5. ALLOW AS MUCH FLEXIBILITY AS POSSIBLE TO INCREASE VALUE

## 6 KEY LEARNINGS TO MAXIMISE VALUE



### Capacity Category

#### **INJECT – SEND-IN**

1. MAKE IT FLEXIBLE LOW FIXED COST
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#### **STORE – IN-TANK SPACE**

3. MAKE IT EASY TO BUY AND SELL GAS IN STORE
4. INVEST IN RELIQUEFACTION TO KEEP INVENTORY INTACT

#### **WITHDRAW – SEND-OUT / RELOAD**

5. ALLOW AS MUCH FLEXIBILITY AS POSSIBLE TO INCREASE VALUE
6. MAKE IT EASY TO BUY AND SELL SEND-OUT / RELOAD CAPACITY



# THANK YOU

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