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**ARCELORMITTAL** Stainless & Nickel Alloys said it signed a contract worth almost \$300 million to supply South Korean LNG carrier builder Daewoo Shipbuilding & Marine Engineering with its Invar alloy for cryogenic membrane tanks. Invar™ is a low expansion alloy especially adapted to cryogenic conditions which is used in the construction of a double layer lining of the tanks in which LNG is transported. ArcelorMittal said the contract confirmed the market leadership of the company, formerly known as Imphys, in the supply of its alloy to the carrier market. Invar M93™ constitutes the benchmark in the gas carrier market. ArcelorMittal Stainless & Nickel Alloys has more than 90 percent share of the niche market. The alloy is seen as offering physical and mechanical properties that contribute to the increased service life of LNG carriers, which are being built ever larger to transport the product further as the market expands.

**AKER KVAERNER** and Ishikawajima-Harima Heavy Industries of Japan said they won the \$680 million contract to provide engineering, procurement and construction for the Gulf Clean Energy LNG project in the southern US. The site for the import terminal is located on the Pascagoula Bayou Casotte Ship Channel in the state of Mississippi. The terminal, which will have two 160,000 cubic metres capacity LNG storage tanks, will also have access to four major gas pipelines serving the Northeast and three gas pipelines serving Florida and the Southeast. Sonangol, the national energy company

this Gulf Coast region LNG regasification terminal," said John Siffert, President of Aker Kvaerner's LNG business. "Being selected for this project demonstrates the confidence that our customers have in the experience and abilities of the Aker Kvaerner and IHI team," said Siffert. The Aker Kvaerner-IHI partnership is also working on the Cameron LNG regasification terminal in Louisiana for Sempra Energy. That contract is nearing completion and was valued at around \$500M.

**ALBANIA** may soon have an LNG import terminal. StatoilHydro and the Swiss EGL Group have agreed to develop, build and operate the Trans-Adriatic Pipeline project that may include an LNG facility in Albania. The pipeline will open a new corridor and market outlet for natural gas from Azerbaijan's part of the Caspian Sea into Europe, said StatoilHydro. The 520-kilometre long pipeline will transport gas via Greece and Albania and across the Adriatic Sea to Italy's southern Puglia region and further into Western Europe. The project also includes the option to develop natural gas storage facilities and an LNG terminal, which in turn would further contribute to increasing the security of supply in southeast Europe, said StatoilHydro, which is the second-largest gas supplier to Europe after Russia's Gazprom. TAP's offshore length will measure about 115 kilometres. In its upstream part, TAP will interconnect with Greece's existing pipeline system that is linked further to the east with systems in Turkey, the company said. TAP is currently in the front-end engineering stage. The feasibility study was concluded in March 2006 by EGL, which is an energy trading company with its own power assets. TAP's extended basic engineering, including the Environmental Impact Assessment, was concluded in March 2007, and included the offshore survey for the pipeline,

factors at the time of construction, such as international steel prices and other pipeline equipment-related costs, StatoilHydro said. The TAP project is in its development phase supported by the European Union as a "Priority Project" under its Trans-European Energy Networks guidelines, as it contributes to the EU's objectives and policies aimed at diversification and security of gas supply. "We are pleased to join EGL in the effort of offering a new outlet for gas transported from Asia to Europe. We aim to add value to the TAP project by combining our market competence with a strong track-record in developing and building gas pipelines," said Rune Bjørnson, Executive Vice President for Natural Gas at StatoilHydro.

**BG GROUP**, one of Europe's leading LNG companies, said fourth-quarter LNG operating profits jumped more than 40 percent to \$320 million, increasing the company's annual LNG operating income to \$1 billion for the first time as offtake volumes and Asian sales rose. The UK company said that in its overall business total operating profit increased by 32 percent to just over 1 billion pounds (\$1.96Bln) for the last three months of 2007, primarily due to exploration and production growth, higher commodity prices and increased LNG income. Fourth-quarter LNG profits soared more than 40 percent to 163 million pounds (\$320M) from 115M pounds in the same three months a year ago. Operating profits rose almost 50 percent on an annual basis to 521M pounds (\$1Bln) from 352M pounds in 2006. BG said LNG profits were boosted by higher volumes and income in the shipping and marketing business and higher tariff income at Trinidad's Atlantic LNG Train 4. In shipping and marketing, operating profit increased by 27M pounds to 145M pounds, as BG said it redirected its flexible supply portfolio "to access strong demand and prices in Asia." BG has been

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