



Jamaica LNG Project

Platts Liquefied Natural Gas Conference

16-17 February 2012

Houston, TX

Background

- Based on its National Energy Policy (2030), the Government of Jamaica (GOJ) has implemented a strategy to diversify its energy mix by importing liquefied natural gas (LNG).
- This initiative led to execution of Memorandum of Understanding (MOU) between Jamaica and Trinidad in 2004.
- A Front End Engineering Design (FEED) Study was completed for an Onshore LNG receiving Terminal in 2006.
- An RFP for an LNG Floating Storage & Regasification Unit (FSRU) was issued by the Petroleum Corporation of Jamaica (PCJ) in November 2009.
- Inconsistencies in the former tender process led to the GOJ's decision to approve a re-tender for the LNG Floating Storage & Regasification Terminal (SRT) and a new tender for LNG Supply.



Project Organization

Ministry of Energy & Mining



LNG Steering Committee

Financial Advisor

TAYLOR-DEJONGH

Commercial Advisor

Featherwood Capital

Legal Advisor

SNR DENTON

Technical Advisor

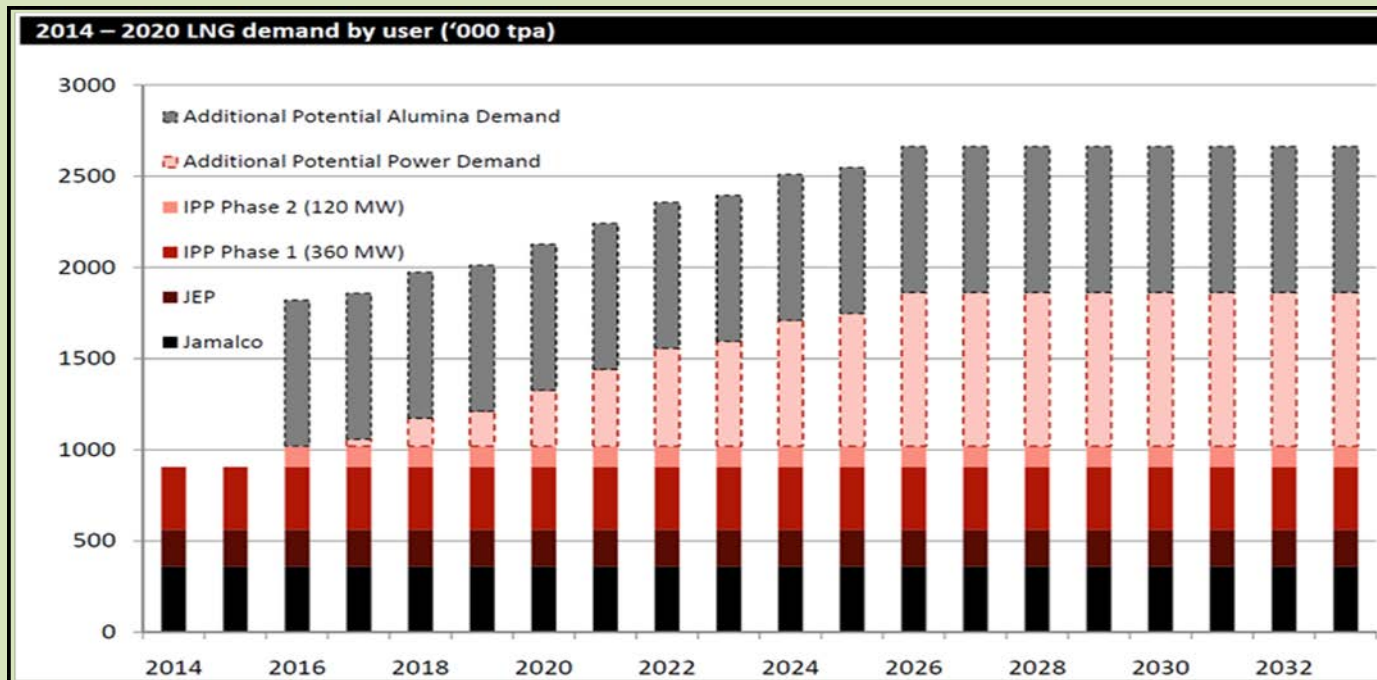
WorleyParsons

Project Manager



LNG Demand

- Initial “Phase One” Demand is 830,000 tpa from three End-Users :
 - Jamaica Public Services Company (new 360 MW IPP).
 - Jamaica Energy Partners (conversion of existing 125 MW Power Barges).
 - Jamalco (Bauxite mining / Alumina refining).



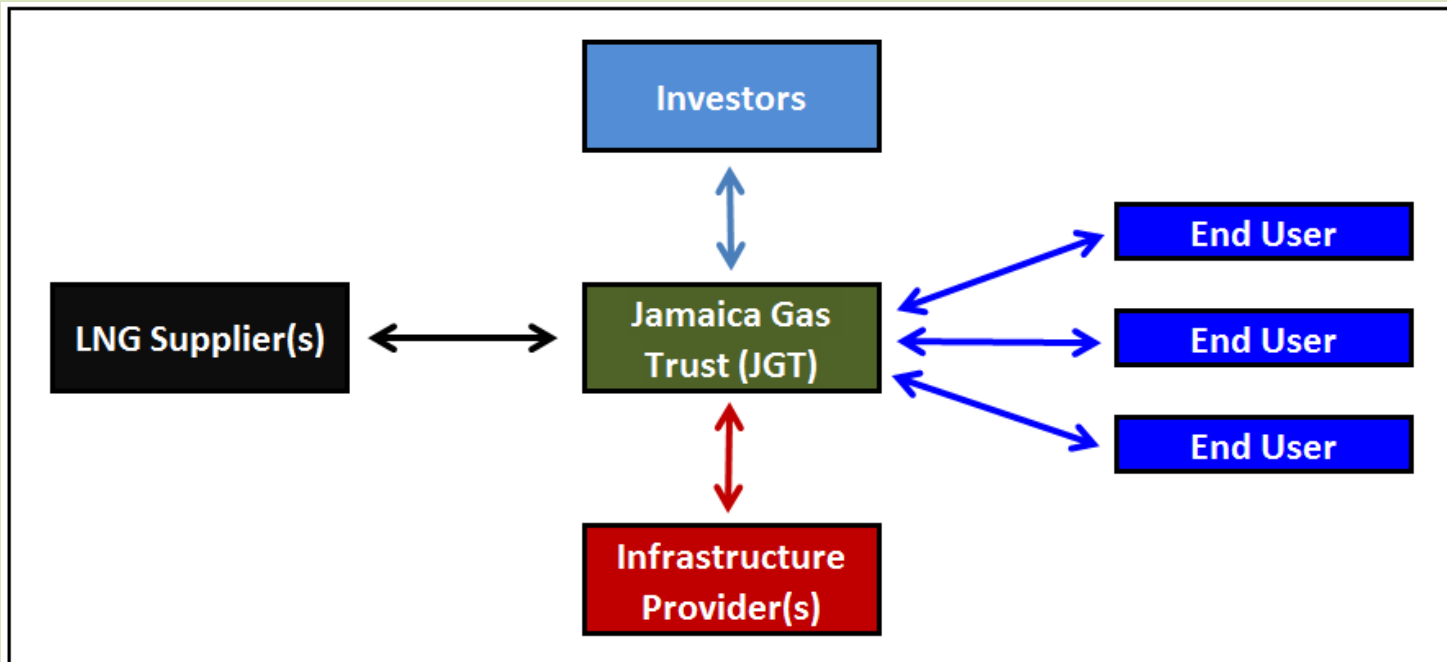
Project Location

- All three “Phase One” Customers located near Port Esquivel.
- LNG/Gas Distribution Study being kicked off for serving future customers in other parts of Jamaica.



Commercial Structure

- Cabinet approved formation of Jamaica Gas Trust (JGT) in August 2011.
- Private Sector Participation in JGT : No Government Guarantees.
- Security provided to LNG Supplier and Infrastructure Provider by End-Users and JGT.



RFP Processes

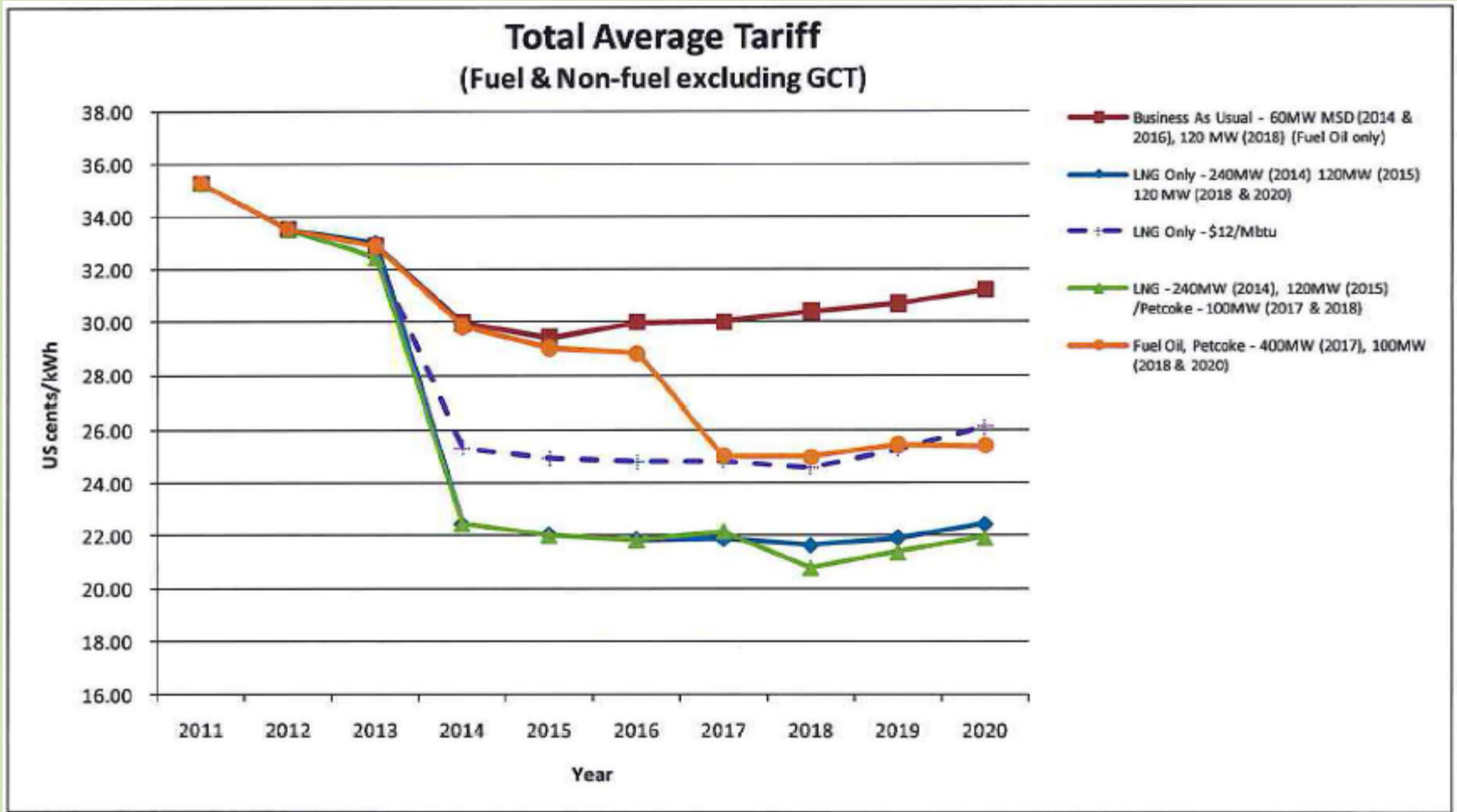
- LNG Supply - Two Stage RFP :
 - 1st Stage – Short-Listing based on Indicative Pricing.
 - 2nd Stage – Best & Final Pricing.
- LNG Floating Storage & Regasification Terminal – Single Stage RFP
 - Location – Port Esquivel area.

LNG Supply	RFP Schedule
Issuance of First Stage RFP	August 31, 2011
Receipt of First Stage RFP submissions	November 11, 2011
Notification of Shortlisted Bidders	December 15, 2011
Issuance of Second Stage RFP	May 15, 2012
Receipt of Second Stage RFP submissions	June 30, 2012
Notification of Selected Bidder	August 15, 2012

Floating Storage & Regasification Terminal (SRT)	RFP Schedule
Issuance of RFP	August 31, 2011
Receipt of RFP submissions	April 27, 2012
Notification of Selected Bidder	June 15, 2012



Impact on Electricity Prices



Source: Jamaica Public Services Company



Summary

- Government of Jamaica (GOJ) committed to LNG Project as part of its fuel diversification strategy.
- Critical success factors :
 - LNG Steering Committee comprised of highly respected local businessmen and representatives of key GOJ agencies.
 - GOJ secured required international expertise.
- Key aspects of LNG Project brought into alignment.
- Innovative Solutions (e.g. Jamaica Gas Trust) being applied.
- Response from First Phase LNG Supply RFP very encouraging.
- Expect multiple bids from credible bidders for new tender for LNG Floating Storage & Regasification Terminal.
- Target Start-date is 4th Quarter 2014.



Information

Office of the Cabinet Website:
www.Cabinet.gov.jm/Procurement/LNG

LNG Project Manager:
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