



REQUEST FOR EXPRESSIONS OF INTEREST TO BUY REGASIFIED LNG

19 NOVEMBER 2007

ENERGY MARKET AUTHORITY

111 Somerset Road #15-05

Singapore 238164

Website : www.ema.gov.sg

Important Notice

Terms and expressions used in this Important Notice are as defined in this Request for Expressions of Interest (“REOI”) Document.

This REOI Document has been prepared in relation to the procurement of LNG by the Aggregator. It is not intended to form any part of the basis of any investment decision or other evaluation of any decision.

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Section 1 – Introduction

1.1 Currently, more than 80% of electricity demand in Singapore is met with piped natural gas (“**PNG**”) imported from Malaysia and Indonesia. In January 2005, the Energy Market Authority (“**EMA**”) engaged Tokyo Gas Engineering Co Ltd to undertake a detailed feasibility study on the importation of liquefied natural gas (“**LNG**”) into Singapore. The feasibility study report recommended that Singapore develop an LNG import terminal with an initial capacity of 3 million tonnes per annum (“**Mtpa**”) to commence operation around 2012.

LNG Import Terminal

1.2 The initial 3 Mtpa LNG import terminal (the “**Terminal**”) will be developed and operated by PowerGas Ltd, a wholly-owned subsidiary of Singapore Power Ltd. Although LNG is competitive, there is a need to reduce investment risks for the Terminal investors by giving clear signals that there will be demand for LNG. To provide such certainty, the Singapore Government in August 2006 introduced controls on new PNG imports to build up LNG demand until the 3 Mtpa capacity of the Terminal is reached. These controls mean that no new PNG contracts will be permitted without the approval of EMA until contracts for the purchase of regasified LNG in Singapore reach 3 Mtpa. EMA will consult the industry and review the PNG import control policy when contracts for supply of regasified LNG reach 3 Mtpa or in 2018, whichever is earlier.

LNG Procurement

1.3 EMA is in the process of selecting a competent entity (the “**Aggregator**”) to import LNG and sell regasified LNG to end-users in Singapore. EMA will regulate the Aggregator under a Gas Import Licence to import up to 3 Mtpa of LNG. Before the contracts for supply of regasified LNG reach 3 Mtpa or in 2018, whichever is earlier, *all end-users requiring new gas supplies will have to procure regasified LNG from the Aggregator.*

1.4 The Aggregator will aggregate demand of end-users for regasified LNG in Singapore (the “**End-Users**”), and source for LNG supply as a single LNG buyer for delivery to Singapore at the best possible terms and price. To ensure a fair and equitable regasified LNG price for the End-Users, EMA will regulate the margin the Aggregator can charge over and above the cost of LNG delivered ex-ship to the Terminal.

1.5 Each End-User is expected to negotiate and enter into a Gas Sale Agreement (“**GSA**”) with the Aggregator for the supply of regasified LNG. To meet the demand for regasified LNG under the GSAs with the End-Users, the Aggregator will be required either to negotiate and enter into LNG Sale and Purchase Agreements (“**SPAs**”) with LNG suppliers for sufficient LNG, or to commit to supply sufficient LNG from its own LNG supply portfolio.

Section 2 – Request for End-Users to Express Interest

Purpose

2.1 This Request for Expressions of Interest (“**REOI**”) is to solicit non-binding interest of End-Users to buy regasified LNG from the Aggregator. The objective is to identify potential End-Users and their demand for regasified LNG, which will facilitate the Aggregator in contacting the identified End-User for further negotiations and to plan its LNG procurement.

2.2 To participate in this REOI, all potential End-Users must complete and submit the submission form in the Appendix to this REOI Document (“**Submission Form**”).

Closing Date and Time for Submission

2.3 All submissions must reach EMA no later than 12.00 noon Singapore time on 14 December 2007 (the “**Closing Date and Time**”).

Mode of Submission

2.4 Each submission must be made in both hardcopy and softcopy of the Submission Form:

- (a) The hardcopy must be in one original (marked “Original”) and two copies (each marked “Copy”) of the Submission Form.
- (b) The softcopy must be in a CD-ROM in both native application and PDF formats.

2.5 Both hardcopy and softcopy of the Submission Form must be submitted in a sealed envelope with the following clearly stated on the envelope:

**LNG Project: *Request for Expressions of Interest to Buy
Regasified LNG***

Submission by: *[name of company]*

2.6 The envelope shall be delivered into Tender Box 1 at the following address:

**Energy Market Authority
Tender Box 1
111 Somerset Road #11-06
Singapore 238164
For the attention of: Mr Soh Sai Bor**

no later than the Closing Date and Time. It shall be the responsibility of the company to ensure delivery into the tender box, which will be in a position accessible to the public. EMA shall not be held responsible for putting submissions received through the post into the correct tender box by the Closing Date and Time. Every effort, however, will be made by EMA to promptly convey submissions received through the post into the tender box. Postage must be pre-paid on all submissions sent through the post.

2.7 Submission may also be sent electronically to the following email addresses:

soh_sai_bor@ema.gov.sg and
irene_aw@ema.gov.sg

but this must be followed-up with both hardcopy and softcopy submission as detailed in paragraphs 2.4 to 2.6.

Expenses Incurred in the Preparation of Submission

2.8 All expenses incurred in the preparation and submission of any submission form will not be borne by EMA and no claims for any expenses incurred will be entertained by EMA.

Confidentiality

2.9 EMA reserves the right to make public all or parts of any submissions made in response to this REOI Document and to disclose the identity of the source. Any part of the submission, which is considered by respondents to be confidential, should be clearly marked and placed as an Annex to the submission. EMA will take this into account regarding disclosure of the information submitted.

Section 3 – Further Information

Indicative Timeline

3.1 The Aggregator will contact and provide more information to all the companies who have expressed interest to buy regasified LNG through this REOI. The indicative timeline is as follows:

Apr 2008:	Appointment of LNG Aggregator
2 nd to 4 th Quarter 2008:	Aggregator and companies to begin negotiation for regasified LNG supply commencing in beginning 2012
Dec 2008:	Aggregator to enter into Memorandum of Understanding (“ MOU ”) with each company for the supply of regasified LNG
1 st to 4 th Quarter 2009:	MOU signees negotiate to finalise their respective Gas Purchase Agreement (“ GSA ”) with the Aggregator
Dec 2009:	To execute GSAs.

Clarifications

3.2 If you have any queries or need clarification regarding this REOI, please contact EMA at the email addresses as set out in paragraph 2.7.

* * * * *

Appendix – Submission Form

SUBMISSION FORM

IF YOU REQUIRE ADDITIONAL SPACE, PLEASE CONTINUE ON A SEPARATE BLANK PAGE, WITH THE NUMBER OF THE PARAGRAPH WHICH YOU ARE RESPONDING TO, CLEARLY MARKED.

1.1 Company wishing to express interest to buy regasified LNG from the Aggregator:

Name of Company: _____

Legal Form of Company: _____

Date & Place of Incorporation: _____

Registration Number: _____

Registered Address: _____

1.2 Company's contact details:

Name & Designation of Contact Person: _____

Address: _____

Telephone Number: _____

Fax Number: _____

1.3 Company's Projected Demand for Regasified LNG:

Year	Average Demand for regasified LNG in terms of Billion British Thermal Unit Per Day ("Bbtud")			Brief description of the purpose for which regasified LNG is required (e.g. for power generation, as manufacturing feedstock, etc)	Key assumptions underlying the projected demand for regasified LNG
	Low Case	Base Case	High Case		
2012					
2013					
2014					
2015					
2016					
2017					
2018					

1.4 Where all or part of the projected demand for regasified LNG is to generate power/electricity, please provide the following information:

- (a) The aggregate demand in Bbtud of natural gas, including piped natural gas (“**PNG**”) and regasified LNG, to generate power and other co-product(s) (e.g. steam in the case of combined heat and power);
- (b) The quantity in Bbtud of PNG and the supplier(s);
- (c) The quantity in Bbtud of regasified LNG;
- (d) In respect of each existing and/or proposed new generating unit, the:
 - (i) Location;
 - (ii) Plant configuration in terms of the main mechanical and electrical equipment;
 - (iii) Name-plate capacity in megawatt (“**MW**”);
 - (iv) Maximum power output available in MW;
 - (v) Maximum power output in MW to be injected into the power grid; and
 - (vi) Project schedule setting out (where applicable) the proposed dates and periods for design, procurement, implementation, testing and start of commercial operation.

1.5 Submission Form submitted by:

Name: _____

Designation: _____

Signature: _____

Company Name &
Address: _____

Telephone Number: _____

Fax Number: _____

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