

Project Title	:	PNOC BATANGAS LIQUEFIED NATURAL GAS (LNG) HUB PROJECT
Project Location	:	Mabini, Batangas (Tentative)
Nature of Project	:	Natural Gas Power Plant and Receiving Terminal
Implementing Agency	:	PNOC
JV Partners and Percent Equity	:	None at the moment

Project Description:

This Project is aimed at establishing a complete value chain LNG facility with an initial 5MTPA throughput. The facility's components shall cover LNG supply, storage units, re-gasification plants, distribution facilities and a modular 200 MW Power Plant to serve as an "army reserve." Being strategically close to the location of the country's major gas-fired power plant developments, PNOC is considering various locations in Batangas as potential project sites.

The facility is envisioned to supply the natural gas requirement of the five (5) existing natural gas power plants in Batangas when Malampaya shuts down as well as the requirement of the PEZA-registered industries, CNG for the transportation sector, household and small power utilities groups (SPUG) requirements and most importantly the poorest of the poor through network pipelines and small LNG carriers/trucks. Moreover, the Philippines being strategically located in the Asia Pacific Region, close to major LNG users such as Japan, China, Taiwan, etc. could also be the potential gas source of these countries.

With a complete LNG facility, it is aimed to contribute in achieving energy security while promoting low carbon future by utilizing clean energy. This will likewise encourage investment in related infrastructure and facilities to further develop the natural gas industry in the country. And hopefully in the future, the country may develop to become an international hub for LNG trading given its strategic location in Asia and the world.

Project Status as of December 31, 2017:

PNOC received eight (8) unsolicited proposals from various local and international companies. The PNOC LNG Technical Working Group (LNG TWG) was created and was tasked to evaluate these proposals based on the 2013 Revised NEDA JV Guidelines or BOT Law.

Project Title	:	MONETIZATION OF PNOC BANKED GAS
Project Location	:	
Nature of Project	:	Sale of Remaining Banked Gas Volume
Implementing Agency	:	PNOC
JV Partners and Percent Equity	:	None at the moment

Project Description:

Banked gas is the accumulated unused gas by the Ilijan Power Plant (owned by Napocor/PSALM), which has an existing Gas Sale and Purchase Agreement (GSPA) with the SC38 consortium that is subjected to a take-or-pay (TOP) provision. Under TOP, a fixed quantity of gas is being paid for by the power plant every year, whether they use the gas or not. The Department of Energy (DOE) is subrogated to all the rights and entitlements of the banked gas. In September 2009, PNOC purchased from the DOE all the rights, benefits and entitlements of the banked gas worth 108.6 Petajoules.

Currently, the total volume of the PNOC banked gas is equivalent to 97.67 PJ since it was able to sell 4.61 PJ to PSALM in 2013 and another portion, equivalent to 6.324 PJ was sold to Pilipinas Shell Corporation (PSPC) in 2014. PNOC is currently selling the remaining volume of banked gas.

Project Status as of December 31, 2017:

The PNOC Banked Gas Committee is studying the most viable option for monetizing the remaining banked gas volume of PNOC.