

Government, Shell sign agreement

GOVERNMENT and Shell TT Ltd yesterday signed some agreements pertaining to gas-related issues. In a statement, the Energy Ministry said the agreements among the Government, Shell, National Gas Company Ltd (NGC) and Heritage Petroleum Company Ltd were signed at its office at Tower C of the Port of Spain International Waterfront Centre.

The ministry said the outcome of these negotiations has resulted in improved economic and financial benefits to TT. The ministry also said this was a cementing of the positive relationship between Government and Shell.

In April, the Prime Minister held high-level discussions with Shell's executive management in London on gas-related issues.

Those talks led to the appointment of negotiating teams to resolve those matters.

The Government's team was led by Energy Minister Franklin Khan and National Security Minister Stuart Young.

Also on the team were representatives of Poten and Partners UK Ltd and US Attorneys White and Case LLP.

The teams first met last August. After negotiations, a heads of agreement was agreed and executed in May at Shell's office in the Hague in the Netherlands.

In a statement on June 6, Dr Row-

ley said the meetings he held with these companies was a continuation of efforts to address curtailments in gas supply which had been taking place since 2011. The curtailments, he said, were attributed to routine maintenance.

He also said these meetings were important with the life of Atlantic Train One set to expire in April.

Rowley said an agreement between Government, BP, Shell and Chinese Investment Corporation has resulted in a new pricing formula for LNG pricing for Train One.

He said the new formula is indice based and provides for the use of independent international price indices to be used in the calculation of a LNG price which results in significantly better revenue to TT.

At a term sheet signing ceremony between NGC and Shell, the PM said talks were under way to realign the shareholding in Atlantic's four LNG trains.

"What we're trying to do now is combine those four trains into one basket and the shareholding will be reorganised in some way." He did not indicate whether this meant TT, through the National Gas Company, would have a greater share in the trains.

He added, "We are getting some significant support for that." Rowley hoped an announcement would be made soon.