



Government of the Republic of Trinidad and Tobago
MINISTRY OF ENERGY AND ENERGY AFFAIRS

REMARKS

BY

**SENATOR THE HONOURABLE KEVIN RAMNARINE
MINISTER OF ENERGY AND ENERGY AFFAIRS**

NGC STAKEHOLDERS' APPRECIATION COCKTAIL EVENT

HYATT REGENCY TRINIDAD

JULY 24TH 2014

Good Evening and welcome to all. This evening we gather to celebrate the success of the NGC and upon reflection the success and resilience of the entire energy sector. I will be brief and focus on three topics: the past, the present and the future.

The Past

We start in 1975 when Errol Mahabir took a note to Cabinet to form the NGC. It started as an office with a desk and a chair in the then Ministry of Petroleum and Mines which was at the time located in Salvatori Building in Port of Spain. The company was established between Amoco (now BP) and Tringen. The thinking at the time was that some Government owned entity had to buy the gas from Amoco and sell to Tringen. Different options were explored and consideration was given to NP, Trintoc and T&TEC, in the end it was decided that a new company would be formed called NGC for the purpose of purchasing and selling natural gas in the country to industrial and commercial users. The formation of the NGC and its subsidiaries, the National Energy and PPGPL are critical interventions by the Government of Trinidad and Tobago in the natural gas business that facilitate industrial expansion.

The Present

The last three years have been challenging for natural gas supply. It has caused us to work closer and collaborate to solve problems. I want to recognize PLEA led by Ian Welch. I also want to welcome and recognize all the CEO's of the Estate. On the upstream side we have Norman, Garvin, Vincent and Sammy collectively responsible for almost all the country's natural gas supply. At Atlantic we have Nigel and his team running what is the most reliable LNG facility in the Atlantic Basin. In the middle of all this we have Eugene Tiah at PPGPL and Indar Maharaj at NGC. All of these gentlemen on a daily basis run the biggest natural gas business in the Caribbean and Latin America. It should be noted that Trinidad and Tobago produces more natural gas than Brazil, Colombia, Venezuela or Bolivia. Producing over four billion cubic feet is

big business and we do it here safely. Trinidad and Tobago continues to be the 6th largest exporter of LNG in the world and the largest exporter of ammonia and methanol in the world.

The company has far exceeded the expectations of its founders. Today it operates an extensive pipeline network that now connects Tobago to the natural gas grid. It has two compression platforms, 15% ownership of TSP, 10% of Train I and 11% of Train IV. In 2013 we acquired a further 39% of PPGPL and all of Total's upstream assets. These decisions were sanctioned by the Standing Committee on Energy and the Cabinet of Trinidad and Tobago. The big jump from 2012 to 2013 is as a consequence of the acquisitions of PPGPL and Total. The total assets of the company have grown from TT\$22 billion in 2007 to TT\$45 billion in 2013, that represents a doubling of the total assets of the company with a compounded annual growth rate is 12.69%.

The Future

But what is the vision for the NGC and indeed what is the vision for the energy sector? There is a lot of opportunity for upstream expansion and if the upstream grows that's good news for the downstream. The new areas of potential will come from deepwater which is being explored mainly by BHP. Earlier this week I spoke to BHP's President for Petroleum Tim Cutt via video conference. He explained to me his company's excitement around our deepwater and the potential of our deepwater basin. From BP's perspective, there is renewed focus on the Columbus Basin and there is also BG's development of Blocks 5C and 5D. We are also happy to see San Fernando based Trinity Exploration and Production get into the natural gas business with the acquisition of Blocks 1a and 1b. In the future the upstream looks busy. We expect BP to commence the Juniper project in 2015 and after that work on Angelin.

Looking forward in the future, in the coming months the Ministry will be involved in two major consultancies. The first is the Natural Gas Master Plan that will chart the next decade and the second is the National Facilities Audit. Both speak to securing the future.

So in closing we have come a very long way from 1975 on what is a very Trinbagonian journey. The NGC, we are very proud to say is run totally by citizens of Trinidad and Tobago and like Trinidad and Tobago the NGC is world-class.

I thank you very much.