Structuring North American LNG Export Projects



20 September 2018

KING & SPALDING

About King & Spalding

1,000

lawyers across the world

"The firm's global standing in energy and its dedicated Latin America practice provide a powerful combination."

Legal 500 Latin America 2017

Top-ranked for "projects throughout Africa, with a particularly strong presence in the sub-Saharan region"

Chambers Global 2017

LAW360

"Firm of the Year"

"It's their responsiveness as well as their business acumen that is very well suited for our business needs."

Chambers UK 2017

"One-team spirit and a willingness to work across industries, products and geographies"

Legal 500 EMEA 2016

250+

dedicated Energy lawyers located in the world's primary energy centers

"Provides a very high level of service and lawyers display a deep knowledge of their subject matter"

Legal 500 USA 2016

"We have received very effective strategic advice and consistently high standards of delivery and convincing results from them."

Chambers Asia-Pacific 2017

King & Spalding

A Leading Global Energy Practice

- More than 250 dedicated energy lawyers located in the world's primary energy centers
- We guide clients through the entire life cycle of LNG and other energy infrastructure projects
- Our expertise includes:
  - Acquisitions/dispositions and privatizations;
  - Front-end project structuring, commercialization & development;
  - Project financing & construction
  - Project bankruptcy & restructuring;
  - Host government matters;
  - Decommissioning & abandonment;
  - Energy and environmental regulation; and
  - Disputes & international treaty arbitration.

Deep North American Energy Projects Expertise

- The depth and breadth of our North American energy projects practice is unrivalled among our peer firms.
- Our experience runs across the entire energy value chain, from natural gas, LNG, CNG, oil, petroleum products and petrochemical projects, to power, water, renewable and alternative energy projects.
- We regularly advise on the largest and most innovative and sophisticated energy projects, transactions and disputes.
- Our lawyers are regularly cited for their deep energy industry knowledge and insights.
- By making it our business to really know our clients' business, we are able to be much more effective counselors.

LNG/Natural Gas Highlights

- LNG/Natural Gas experience in 50 countries on 6 continents and over 120 LNG projects worldwide.
- More than 100 lawyers regularly handling LNG/Natural Gas matters.
- In-house and law firm LNG/Natural Gas experience dating from early 1990s through present.
- We originated many of the LNG commercial structures and agreements widely used in the industry today.
- Considerable experience in LNG production and marketing activities, including worldwide LNG sales and marketing, as well as liquefaction tolling structures.
- Consistently recognized by clients and peers as a global leader on LNG projects, transactions and disputes.

Agenda

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- Background
  - LNG Chain
  - Traditional commercial structures for LNG export projects
- U.S. Tolling Export Structures
  - True merchant models
  - Key considerations
- U.S. Sales (SPA) Structures
  - Traditional take-or-pay
  - Take-and-pay
  - Take-or-cancel

Agenda (cont'd.)

- Other Commercial Structures
- Project Structure
- Challenges for Next Wave Projects

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Title search: LNG Commercial Models and Challenges Update

Also available as part of the eCourse
2018 Gas and Power eConference

First appeared as part of the conference materials for the
17th Annual Gas and Power Institute session
"LNG Commercial Models and Challenges Update"