

LNG BUSINESS IN THE PHILIPPINES

PH Energy Current Situation:

- For the next 20 years, Philippines needs additional 40,000MW of energy
- Luzon, Visayas and Mindanao will soon interconnected by National Grid (Now only Luzon and Visayas)
- PH current LNG usage 30% around 3,700MW
- Malampaya source of LNG will soon deplete around 2024
- No additional fossil power plant that is being constructed
- LNG is the trend in power generation.
- No more coal fired power plants approved by the government
- DOE and PNOC spearhead the LNG Hub Terminal for various locations
- Main Energy Hub right now will be Batangas and Bataan
- Possibility also of small capacity for island LNG hub
- PH has many Small Power Utility Group(Off grid) this will be also a potential market

Phase 1: Batangas Market (Closed) Secured already by CNOOC(China)

- Existing LNG Power Plant 3,700 MW in Batangas
- CNOOC will build LNG Hub for the existing market and will construct additional 1,000 MW LNG power plant.
- LNG Hub capacity 5MTPA
- CNOOC/TANGLAWAN get the license to develop the Batangas market
- One license only per market area

Phase 2: Bataan Market (Open)

- No existing LNG Power Plant
- Ideal for LNG Hub and LNG Power Plant
- Initial investment of USD 2B for LNG Hub and 1,000 MW LNG Power Plant expandable up to 5,000 MW.
- PNOC will spearhead the project
- PNOC has 524 Has of land
- Same location as Petron refinery, SMC Power Plant, and GN Power Plant
- Bataan will be the next energy hub.
- Strategically located for port construction. Offshore and Onshore is possible.