



LNG Financing and Commercial  
Management Training Course





# LNG Financing and Commercial Management Training Course

## Introduction:

The LNG financing and commercial management training course is crafted to enable participants to broaden their expertise in the LNG sector and stay abreast of industry developments. Participants will delve into the multifaceted characteristics of the LNG business, encompassing its entire lifecycle. With the increasing emphasis on sustainable energy sources and their vital role in social and economic development, comprehending the intricacies of the LNG industry is more critical than ever.

This LNG financing and commercial management training course offers an in-depth look into liquefied natural gas LNG, providing managers and professionals with the knowledge to master LNG dynamics and stay at the forefront of the industry. It recognizes LNG's growing role in meeting the energy demands of the 21st century and covers every aspect of the LNG business, from its use as a sustainable energy source to its impact on the global climate and environment.

## Course Objectives:

By the end of this LNG financing and commercial management training course, participants will be able to:

- Gain a better understanding of the dynamics of the entire LNG value chain.
- Understand LNG production, storage, transportation and distribution.
- Understand the LNG Pricing Issues and structures for exports.
- Distinguish various sales and marketing terms and conditions.
- Understand the various terms in LPG sales and purchase agreements.
- Learn economic evaluation benchmarks and determine the return on investments.

## Targeted Groups:

- Business Development Managers.
- Corporate Planning Professionals.
- Geoscience and Engineering Professionals.
- Supply Planners and Scheduling Professionals.
- Government Regulators.
- Tax and Finance Advisors.
- Auditing Personnel.
- Compliance Officers.
- Equity Analyst and Bankers.
- Joint Venture Officers.
- Negotiators and Contracting Professionals.

## Targeted Competencies:

At the end of this LNG financing and commercial management training course, participants competencies will be able to:

- Understand LNG project financing structures and mechanisms.
- Analyze financial risks associated with LNG projects.
- Negotiate LNG sales and purchase agreements SPAs.
- Manage financial modeling for LNG investments.
- Evaluate regulatory and compliance requirements in the LNG trade.
- Implement strategies for optimizing LNG project economics.

## Course Outline:

### Unit 1: Setting the Introductory LNG Scene in the Energy Industry:

- Introduction to the LNG Industry.
- Exploration, Development and LNG Production, Shipping, and Importation.
- Cost and Value Drivers: Shareholder Expectations.
- The Value Chain: From Wellhead to Burner Tip.
- Players: Governments, NOCs, IOCs, and Banks Insurers.
- Natural Gas Value Chain.
- Exploration and Production.
- Processing and Production.
- Sales Gas Transmission.
- Underground Storage.
- Distribution.
- Sales Gas and Product Specifications.
- Global Production.
- Where and Who are the Producers of LNG?
- Projects currently under development.
- Where and Who are the users of LNG?
- Projects currently under development.
- Gas Conditioning Processes.
- Excess Water Removal.
- Contaminants Removal.
- NGL Separation.

### Unit 2: Essential Logistics of LNG:

- Nitrogen Rejection Processes.
- Cryogenic Process.
- Absorption Process using lean oil or solvent Membrane Separation.
- Adsorption Process activated carbon Storage System.
- LNG Transportation Logistics.
- Vapour Recovery System LACT Unit.
- Sampling.
- Natural Gas Transportation.
- Pipeline Components.
- Compressor Stations.
- Metering Stations.
- Valves.

- Control Stations.
- Pipeline Operations.
- Basics of Gas Pipeline.
- Gas Flow Measurement.
- Why is LNG a Growth Industry?
- Compression and Refrigeration.
- Transportation of LNG.
- Major LNG Exporting Nations.
- Major Importing Nations.

### **Unit 3: LNG Pricing Structures for Exports, Marketing and Project Risks:**

- LNG Sales, Marketing and Trade.
- Price Disparity in Different Regions.
- LNG Benchmarks.
- Significant Changes in LNG Business.
- LNG Pricing Structures and Price Dynamics.
- Natural Gas Prices.
- Regional Pricing Disparity.
- Pricing Structures Key to the Future of LNG Exports.
- Oil-Linked LNG Pricing.
- Business Sector.
- Industry and Market Structure.
- Natural Gas Demand.
- Natural Gas Supply.
- Economics of the Natural Gas Plants.
- LNG Expanding Market.
- LNG as Land Transport Fuel.
- LNG as Marine Transport Fuel.
- Key Project Risk and Value Identification.
- Understanding the Fundamental Commercial Drivers for Project Success.
- Identifying Key Project Risks from a commercial perspective and Mitigation Strategies.
- Reserves Definitions and Reserves Certification.
- Completion and Cost Overrun Risks.
- Cost Linkages to Oil and Gas Prices.
- Maximizing Profitability of Gas Plant Assets.
- Business Evaluation and Profitability Analysis.
- Return on Investment Analysis.
- Selection Criteria of Best Return on Investment.
- Portfolio Management.
- The Performance Strategy— Integrated Gas Plant.
- The Successful Information Strategy.
- Operations Strategy.

### **Unit 4: LNG Project Financing and Project Management:**

- Gas Plant Project Management.
- Project Management Overview.
- Industry Perspective.
- The Project Management Process.
- Project Controls and Quality Controls.
- Quality Assurance.
- Commissioning and Start-up.

- Dispute Prevention and Arbitration.
- Disputes.
- Arbitration and Expert Determination.
- Commercial Structures.
- Alternative Commercial Structures.
- Complexity of Integrating Requirements.
- FOB vs. DES Sales.
- LNG Project Financing Essentials.
- Financial Structures in LNG.
- Investment Decision Making.
- The Key Value Drivers in LNG Financing.
- Overview of LNG Financing Options.
- Balance Financing.
- ECA and Multilateral Agency Funding.
- Capital Markets.
- Asset-based Financing.
- Project Financing and Structured Recourse Financing.

## **Unit 5: LNG Agreements, Regulations and Future Trends:**

- LNG Agreements.
- Overview of the Contractual Terminology.
- Stakeholder Analysis and Drivers.
- Upstream Agreements.
- LNG Supply Purchase Agreements SPA.
- EPC Contracts.
- LNG Shipping Arrangements / Agreements.
- LNG Regasification Terminal Agreements.
- Fiscal and Legal Regimes Worldwide.
- Production sharing Arrangements.
- Regulations.
- The History of Regulations.
- The Market under Regulation.
- The Environmental Impact.
- The Future Trends in Natural Gas Trends.
- Trends in LNG Markets.
- Latest Changes and Movements in LNG Trading.
- The Impact of Shale Gas.
- Hubs vs. Oil for Price Setting.
- Market Shifts in Importation and Liquefaction.
- Mid and Small-Scale LNG.
- Benefits of Floating LNG Business.

## **Unit 6: Upstream Fiscal & License Agreements:**

- Upstream Joint Venture Agreements.
- LNG Project Structures.
- Gas Sales to an LNG Plant.

## **Unit7: Key LNG Sales Agreements:**

- The Essence of the LNG Markets.
- The Essence of the LNG Sales Contract.
- Price in the LNG Sales Contract.
- Master Sales Agreement.
- Key LNG Transportation Agreements and Value Creation.
- Shipping Requirements.
- Flexibility and Value Creation in LNG Transportation.

## **Unit 8: Key LNG Regasification Agreements, Management and Operations:**

- The Latest Developments in LNG Import Terminals.
- Terminal Use Agreement.
- Scheduling and Operations.
- LNG Access to Gas Transmission Networks, Quality Issues and the Final Market.
- Transmission.
- Quality.
- Power Market Evaluation.
- Negotiating Access and Tariffs at a Regasification Terminal.
- Effective Risk Management: Commercial, Technical and Project Risk Matrix.
- Key Project Risk and Value Identification.
- Handling Risks.
- Disputes.

## **Unit 9: Financing LNG Projects:**

- LNG Project Financing Essentials.
- Overview of LNG Financing Options.

## **Conclusion:**

Incorporating essential keywords such as LNG management, LNG training, LNG finance, LNG financing, LNG commercial manager, LNG commercial operator, LNG operations manager, and LNG risk management into this course outline ensures that participants will receive comprehensive knowledge in these critical areas, preparing them to thrive as skilled professionals in the evolving LNG industry.