



Port Kembla Gas Terminal



New South Wales currently imports over 95% of its domestic gas needs from other Australian States. This means NSW industries, businesses and households are exposed to any supply or price shocks occurring in other States.

Australian Industrial Energy (AIE) proposes to develop a liquefied natural gas (LNG) import terminal at Port Kembla, Wollongong, NSW.

The Terminal will have the capacity to supply over 70% of NSW's total gas demand, or all of NSW's industrial needs, from as early as 2020.

There are around 30 LNG import terminals in operation around the world, including Italy, Lithuania, Argentina, Israel, Dubai and the United Arab Emirates. By cooling natural gas and turning it into a liquid form, the gas can be safely and easily transported anywhere in the world.

LNG will be sourced from worldwide suppliers and transported by LNG carriers to Port Kembla, where it will be transferred to a floating storage and regasification unit (FSRU) moored at the eastern side of the Inner Harbour. AIE is currently proposing that an LNG carrier will arrive in Port Kembla every two to three weeks.

Construction

The construction of the Port Kembla Gas Terminal is anticipated to take 10-12 months to complete, subject to planning approvals.

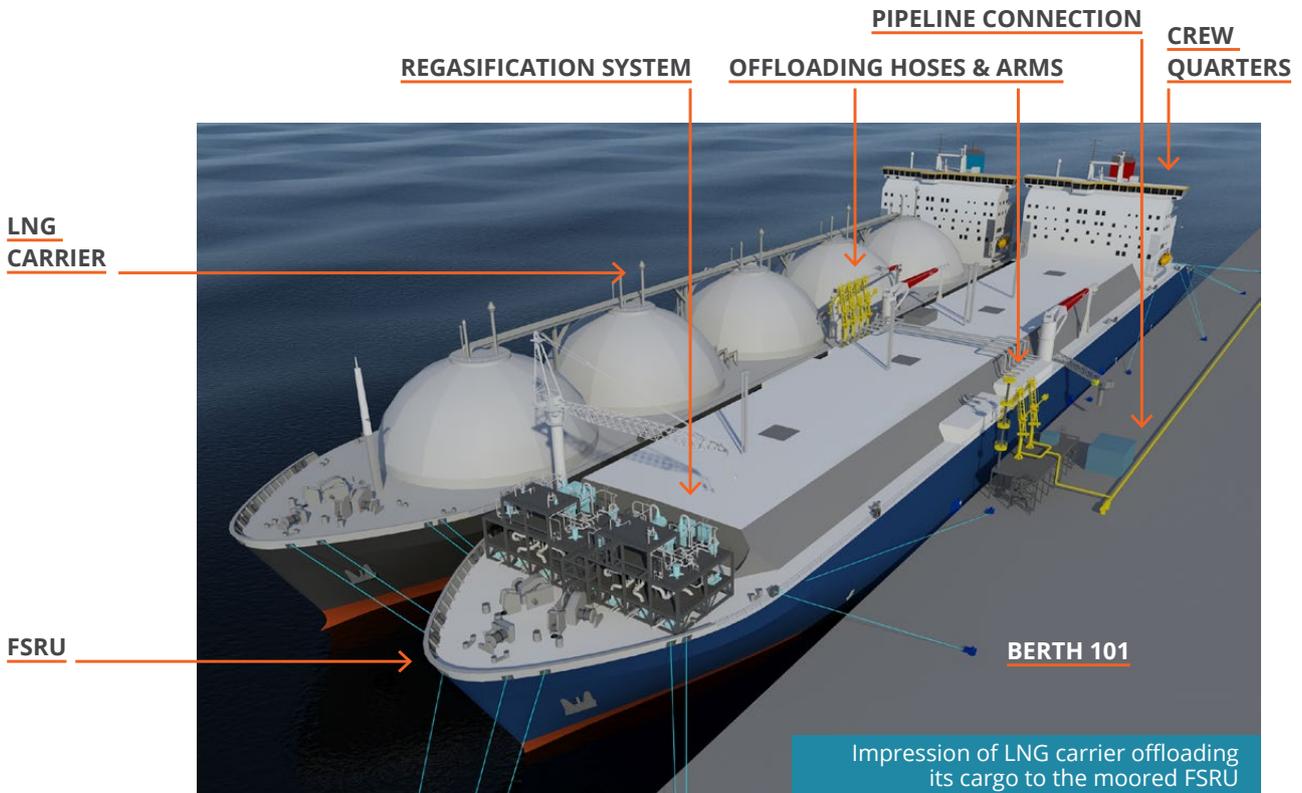
Excavation and dredging will take place to modify the existing Berth 101. These modifications will ensure that, when moored, vessels will not protrude into the entrance to the Inner Harbour.

A short pipeline (about 6.3 kilometres long) will also be constructed to link the terminal to the existing east coast gas network. It will run through largely industrial land at the Port.

When construction work is complete and the Project is ready to commence, the FSRU will arrive completely fitted out and berth at the terminal ready to receive LNG cargoes.

All design, construction and operational phases of the Project will be done to the strictest international and local safety, environmental and other standards.

Both the FSRU and the LNG carriers remain seaworthy at all times, meaning that should the NSW gas market situation improve and new supplies of LNG are no longer needed, the vessels can be sailed to other global locations. The remaining bulk liquid handling berth and associated wharf infrastructure can then be repurposed.



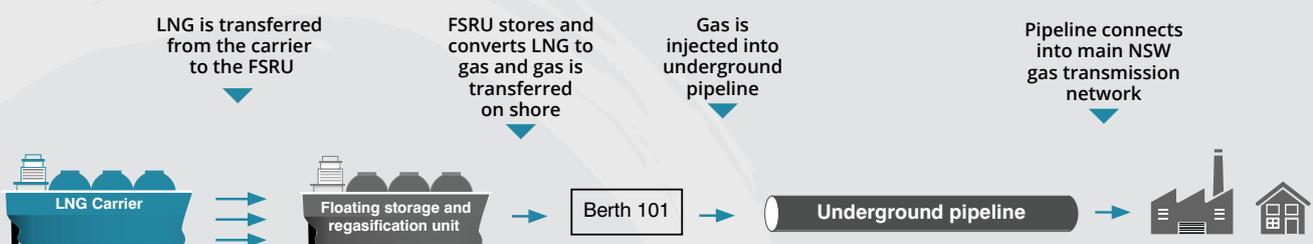
How the Terminal works

An incoming LNG carrier will pull alongside the moored FSRU. The cargo of LNG will then be transferred from the LNG carrier to the FSRU via cryogenic loading hoses. The loading hoses are able to withstand the approximately -161 degrees Celsius temperature of the LNG. The offloading process from the LNG carrier is expected to take around 24-36 hours.

The LNG will be stored in a series of double-hulled tanks inside the FSRU. The double-hulled nature of the tanks provides protection against accidental leaks or rupture and keeps the LNG cold. LNG is not required to be stored under pressure in the FSRU, as the cold temperature ensure the gas remains in liquid form.

When gas is needed, the LNG is pumped from the FSRU cargo tanks through a series of heat exchangers. Seawater from the harbour is then circulated around the outside of the heat exchangers to warm the very cold LNG, resulting in a slow evaporation of the liquid back to gas.

The gas is then exported, under pressure, from the FSRU via marine loading arms into an onshore gas pipeline. The pipeline will connect Berth 101 with the existing gas transmission network at Cringila, about 6.3 kilometres from the terminal.



Contact us

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