

Contractual Framework of Gas Sale - Purchase & Transportation

3 days
Overview

GER/CGT

LEVEL

Skilled

PURPOSE

This training provides participants with the fundamental features and structures of natural gas long-term sales contracts and transportation agreements.

LEARNING OBJECTIVES

Upon completion of the course, participants will be able to:
identify the main articles of long-term natural gas agreements,
explain the keys points of the commercial clauses,
evaluate the principles of natural gas pricing and transportation.

WAYS AND MEANS

Examples of contracts.
Case studies on contracts.
Simulation of negotiation.

LEARNING ASSESSMENT

Participants will be evaluated during the training through quizzes and case studies.

PREREQUISITES

Basic knowledge of natural gas and LNG chain.

Agenda

LONG-TERM NATURAL GAS SALES CONTRACTS

2 d

Primary issues about long-term gas agreements.

Main natural gas agreements.

Analysis of the main articles of long-term agreements:

Commercial: duration (depletion contract, supply contract, peak shaving, seller's nomination and interruption; quantity (ACQ, DCQ, MDQ, swing factor, excess gas and take-or-pay); quality (technical specifications, acceptable limits and non-conformity penalties); price (indexation, market value and net-back value); delivery point (place, measure, frequency, precision and flexibility).

Responsibility: force majeure, transfer of rights, expert, arbitration and applicable law.

Operational: installation, counting system and analysis, obligation of information, confidentiality, invoicing and payment; entitlement, risk and general disposals.

Recent evolution of natural gas long-term contracts: short-term contracts and tolling agreements.

NATURAL GAS TRANSPORTATION AGREEMENTS

1 d

Main principles of natural gas transportation agreements.

Analysis of the main articles: delivery point/redelivery, specifications; quantity and capacity booking (delivery commitment, booked capacities profile and transportation obligation); tariff structure (ship-or-pay,

fix or variable pricing); quantities allocation and procedure, gas delivery procedures, quality settlement and removal schedule; duration, force majeure, tie-in deposit and general dispositions.
Recent evolution of gas transportation agreements.