



Albania LNG import terminal: Additional Details

Leigh Elston

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Falcione Group is currently in advanced discussions with a number of companies, including Babcock & Brown, to come in as equity partners on the 8bcm/yr LNG import terminal and pipeline project in Albania.

B&B originally signed a letter of intent to take a stake in the €1 billion project in 2007.

Falcione Group is now finalising agreements with several unnamed industrial partners to secure LNG supplies for the facility.

Italy's Technip has completed the high-level design study on the plant and Falcione plans to launch the tender for the pre-FEED study soon.

Falcione is also seeking approval from the local Italian authorities to develop the pipeline which will run 100km under the Adriatic Sea from Albania to connect to the Italian gas grid. As the pipeline has no visual impact on the Brindisi coastline, Falcione expects the application to be met with little opposition and for the permit to be granted within 2009.

The Group - which signed a permit agreement with the Albanian government for the right to build and operate the LNG terminal at the beginning of December - plans to start work on the FEED study at the end of 2009 or early 2010.

Falcione intends to hit the debt market to secure project financing for the plant in 2011 and for the facility to go online in 2013 or 2014.

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Oil and Gas Reporter