



THE CENTER FOR AMERICAN
AND INTERNATIONAL LAW

5th Annual
LAW OF LNG

CONFERENCE

2007 Participants liked best

*"..the networking and
content of presentations."*

*"..a blend of general view
and detailed exposition of
particular problems."*

*"..being aware of current practices/
issues from different perspectives."*

September 4-5, 2008

**HILTON POST OAK HOTEL
HOUSTON, TEXAS**

Highlights:

- Trading, Hedging and Arbitrage of LNG Cargoes and Natural Gas and How You Can Add Value to Your LNG Contracts
- How Recent Changes in Competition Laws Affect Diversion of LNG Cargoes and Destination Flexibility
- Structuring New and Creative Forms of Credit Support
- Managing Risk and Costs by Properly Addressing Terminal Liability, P&I Insurance and Marine Services
- How Price Re-openers are being used in the LNG Industry
- Downstream Joint Ventures with National Oil Companies
- **Hosted Reception and Dinner at the Petroleum Club**
Featuring: Darcel L. Hulse
President and CEO
Sempra LNG



10.25 HOURS OF MCLE CREDIT AVAILABLE!

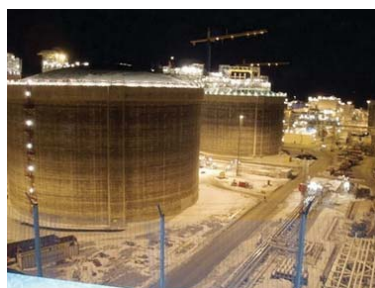
5th Annual Law of LNG Conference

Program (updated 8/21)

CONFERENCE
CO-CHAIRS

Brian E. Cromer
Senior Corporate Counsel
Sempra Energy
San Diego, California

Steven R. Miles
Baker Botts L.L.P.
Washington, D.C.



THURSDAY, SEPTEMBER 4, 2008

8:15 **REGISTRATION**

8:45 **WELCOME - CONFERENCE CO-CHAIRS**

Brian E. Cromer
Senior Corporate Counsel
Sempra Energy
San Diego, California

Steven R. Miles
Baker Botts L.L.P.
Washington, D.C.

LNG SALES AND NATURAL GAS MARKETING

9:00 **Panel Discussion: Arbitrage, Hedging and Trading of LNG**

Energy trading and hedging strategies are in the news daily, and are playing a key role in virtually every new LNG project. Our panel of experts will discuss how LNG and gas markets (and the crude market) are evolving and coming together (or not), how trading is conducted, how agreements can be crafted to encourage trading, hedging and arbitrage, and which structured products serve as alternatives to margined hedging and trading. The panel will address how “real options” inherent in LNG and natural gas portfolios can be modeled and quantified for both Seller and Buyer in an LNG transaction, which offers the benefits of understanding the risks and value of the transaction, and how agreements can be drafted to optimize the value of these real options.

The panel will also briefly discuss the changing roles of commodity traders, and some trading and hedging related consequences of the current turmoil in the financial markets.

Steven R. Miles, Panel Moderator
Baker Botts L.L.P.
Washington, D.C.

Christopher Hasty
Managing Director
Citigroup - Global Commodities
Houston, Texas

Lon Tiemann
Managing Director, Structuring
Merrill Lynch Commodities, Inc.
Houston, Texas

John Fahy
Economic Research and Advisory Services Ltd.
London, United Kingdom

10:15 **Overview of Competition Laws Affecting LNG Marketing and Trading**

LNG marketing practices raise US and EU competition law issues. Recent developments in the EU such as “joint selling” (an agreement by the parents of the joint venture that the joint venture will sell directly to customers) will be scrutinized from the perspective of potential liability under the relevant competition law.

Mildred Calhoun
Senior Attorney, Antitrust & Trade Regulation
BP America Inc.
Warrenville, Illinois

10:45 **BREAK**

11:00 **Developments in Legal Aspects of Credit Support for LNG Sale and Purchase Agreements**

In any LNG Sale and Purchase Agreement, the credit-worthiness of the buyer presents fundamental issues. Those approach the imponderable with very long-tenor contracts. But recent changes in bank regulation and in U.S. insolvency regimes have (when considered together) modified the allocations and cost of risk, and present new ways to address those credit issues.

William F. Stutts
Baker Botts L.L.P.
Austin, Texas

11:45 **Price Re-Openers in LNG Contracts**

A recent industry practice has been to utilize price-reopeners. In determining how these clauses operate, including any regional variations in the type of clauses used and how they are applied, the role of international arbitral tribunals will be analyzed. This session will also look at the related issue regarding the existence of any inherent right to a price amendment in the absence of specific contractual language to that effect.

Michael Polkinghorne
White & Case LLP
Paris, France

12:30–1:30 **NETWORKING LUNCHEON**

Sponsored by

Templars

1:30 Mastering Spot Cargo Trading to Mitigate the Risks Inherent in Long Term SPAs

In the past, the very inflexible and unforgiving structure of the milk run prevented LNG from living up to its perceived potential. Monopoly players on each side of the chain perverted whatever flexibility LNG could have created. Deregulation of the Natural Gas industry in North America and Europe has cracked this monolith open. This does not necessarily spell the death sentence to long-term arrangements but rather forces a rethink in how the age old risks of LNG can be managed more economically.

Rudolf Huber
Supply & Trading
Natural Gas Purchase - LNG
EconGas GmbH
Vienna, Austria

2:15 Panel Discussion: Marine Terminal/ LNG Ship Liability

The arrival of an LNG tanker at a terminal brings with it a number of potential risks and liabilities for both the Terminal and the ship; while the allocation of those risks and liabilities are affected by various maritime laws and conventions offering potential limitation of liability for the shipowners – and their underwriters. Accordingly, many LNG regasification terminals require LNG ships to enter into Port Liability Agreements before berthing. This session will provide an overview of maritime port liability risks, limitation of liability, P&I insurance, and the competing interests involved in Port Liability Agreements at LNG regasification terminals.

H. Allen Black III
Winston & Strawn LLP
Washington, D. C.

and

Nicholas (Nick) Taylor, MSc, ACII
Marine Practice
Marsh Ltd.
London, United Kingdom

3:15 BREAK

3:30 Key Issues to Consider in Connection with LNG Transportation Contracts

Learn about different types of LNG marine transportation contracts in use today. Gain the skills to identify the key legal, contractual and financing-related issues for the transportation contracts, including short and long-term time charters. Acquire background in strategic areas of structuring, negotiating and enforcing such contracts.

Daniel R. Rogers
King & Spalding LLP
Houston, Texas

and

Denys Hickey
Ince & Co.
London, United Kingdom

4:30 Current Pitfalls in Contracting for Marine and Tug Services? How to Avoid Them.

Coordinating tug and other marine services at LNG terminals poses certain unique challenges, particularly at terminals with multiple capacity users. These challenges include remote locations, requirements for dedicated services, allocation of liability, and coordination among multiple terminal capacity users. This session will discuss various approaches to tackling these challenges.

Steven C. Sparling
Sutherland Asbill & Brennan LLP
Washington, D.C.

5:15 ADJOURN

6:30–8:30

HOSTED RECEPTION AND DINNER
The Petroleum Club of Houston
800 Bell St., Suite 4300

Featuring
Darcel L. Hulse
President and Chief Executive Officer
Sempra LNG
San Diego, California

Sponsored by

Bell Rosenberg & Hughes, LLP
ExxonMobil Corporation

FRIDAY, SEPTEMBER 5, 2008

CHALLENGES AND OPPORTUNITIES FOR NOCs

9:00 Establishment of Joint Marketing Ventures with NOCs for Downstream LNG Sales

The rapidly evolving concentration of hydrocarbon resources in the hands of NOCs creates a major shift in the oil and gas landscape. Long term sustainability of global LNG supplies requires that NOCs and the states they represent get maximum value from those resources. With value rapidly shifting to the downstream end in the LNG value chain, marketing and trading has become an inevitable destination for these NOCs. For NNPC, navigating this new world holds a major potential for value but also creates a major challenge of rapid capacity development, which the corporation is trying to address through strategic partnerships.

Olayemi Anyanechi
Templars
Lagos, Nigeria



9:30 **Striking the Balance Between LNG Exports and Domestic Demand: The Nigerian Model**

Increasingly, Nigeria has been faced with the challenge of balancing the desire of increasing its ranking among LNG exporters in the world and meeting domestic demand for gas. This session will analyze how the Nigerian Government seeks to strike this balance and the implications of the new Nigerian gas policy and legislation on investors in the Nigerian LNG sector.

Dayo Okusami
Templars
Lagos, Nigeria

TIPS FOR MANAGING CONTRACTUAL RISKS

10:00 **Offshore Transfer of Title and Risk of Loss**

Being able to arrange for title and risk of loss of the LNG inventory to transfer offshore, outside of the United States may provide substantial, potential benefits, particularly from a U.S. federal income tax perspective. There are, however, several practical problems associated with a high seas transfer that must be overcome in order to receive these benefits. Some of these problems include a comparison of various Incoterms and modified Incoterms charter/subcharter approaches and the various methods of handling the return of the vessel to the high seas transfer point. Further issues that will be explored include the application of the natural resource regulations, source issues, foreign tax credits, and U.S. trade or business concerns.

Paul M. Schmidt
Baker Hostetler
Washington, D.C.

10:40 **BREAK**

10:55 **Drafting EPC Contracts to Handle Contractor Force Majeure Claims and Change Orders: Keeping Construction Costs in Line**

A leading expert will discuss legal strategies for resolving change order claims. The session will focus on best contracting and dispute resolution practices to minimize project budget and schedule risks.

Eric J. Phillips
Bell Rosenberg & Hughes, LLP
Oakland, California

11:35 **Resolution of Disputes Involving Large LNG Projects**

International arbitration is the preferred method of dispute resolution in international energy contracts, but it can be a trap for the unwary. Drawing from more than 25 years experience serving as counsel and an arbitrator in numerous arbitrations, a leading specialist will discuss techniques and procedures for shaping the arbitral process to your client's tactical advantage, while avoiding the many pitfalls that can lead to long, expensive disputes with no enforceable outcome.

Steven L. Smith
O'Melveny & Myers LLP
San Francisco, California

12:15 **Panel Discussion: Life of the LNG Lawyer**

The work demands for a LNG lawyer are substantial. A panel of experienced LNG attorneys will offer advice on balancing the demands of one's professional obligations with one's personal commitments to family and friends. The panel will offer tips on dealing with the extensive travel requirements of a practicing LNG lawyer. Participation from the other delegates will be strongly encouraged. This topic has not been covered at previous conferences, and it is certain to generate much discussion!

Brian E. Cromer
Senior Corporate Counsel
Semptra Energy
San Diego, California

Mildred Calhoun
Senior Attorney, Antitrust & Trade Regulation
BP America Inc.
Warrenville, Illinois

Steven Miles
Baker Botts L.L.P.
Washington, D.C.

12:45 **ADJOURN**

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972.244.3400 or
800.409.1090
8:30am-5:00pm CST

PAYMENT MUST ACCOMPANY REGISTRATION

GENERAL INFORMATION

CANCELLATION POLICY: Tuition less a \$50 cancellation fee will be refunded upon receipt of written cancellation received by August 15, 2008. Email cburkel@cailaw.org. After these dates, no refunds, but substitution of attendees for this program will be permitted. Registrants not entitled to a refund will receive the course materials.

HOUSING: For reduced rate hotel rooms, please contact the Hilton Houston Post Oak, 2001 Post Oak Blvd., Houston, Texas 77056 at 713-961-9300 or 1-800-HILTONS. The rate is \$169 + 17% occupancy tax. Please reference the CAIL LNG program by August 13, 2008 to obtain the special rate.

NONDISCRIMINATION POLICY: The Center for American and International Law does not discriminate on the basis of race, color, sex, religion, national origin, age, disability, veteran status or any other protected status in educational activities, scholarship programs or admissions.

MCLE CREDIT: This program has been approved by the State Bar of Texas for 10.25 hours, including 0 hour of ethics. Course ID Number: 900047367. Sign-in sheets and/or certificates of attendance will be available for ALL states.

REGISTRATION

5th Annual

LAW OF LNG CONFERENCE

September 4-5, 2008

Hilton Post Oak Hotel • Houston, Texas

Registration includes the 1-1/2 day program, course materials on CD as well as the traditional printed binder, the networking luncheon on Thursday and the Reception and Dinner at the Petroleum Club on Thursday night.

Check applicable box:

	Received by 8/15/08	Received after 8/15/08
Regular Tuition	<input type="checkbox"/> \$495	<input type="checkbox"/> \$545
IEL Advisory Board Member	<input type="checkbox"/> \$395	<input type="checkbox"/> \$445
IEL Other Member Employee (Supporting & Sustaining members only)	<input type="checkbox"/> \$395	<input type="checkbox"/> \$445

- I plan to attend the Reception and Dinner at the Petroleum Club (included in registration).
- I will bring a guest to the Reception and Dinner and I am including the guest ticket price of \$100.00 in my registration payment.*

Name _____

Firm/Company/Organization _____

Address _____

City, State, Postal Code _____

Phone _____ Fax _____

E-mail _____

*Please complete the following Dinner Event information (if applicable)

Guest Name/Title _____

Firm/Company/Organization _____

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City, State, Postal Code _____

PAYMENT INFORMATION

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INSTITUTE FOR ENERGY LAW



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AND INTERNATIONAL LAW

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