



OPEN SEASON FOR THE DEVELOPMENT OF NEW CAPACITIES AT MONTOIR-DE-BRETAGNE LNG TERMINAL



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INFORMATION NOTICE
APRIL 2011

EXECUTIVE SUMMARY

Elengy is committed to promoting the development of LNG facilities in North West Europe. To this end, Elengy is planning to expand the capacity of Montoir-de-Bretagne LNG terminal.

In order to precisely assess the market needs for additional LNG import capacities, Elengy has decided to launch an open season procedure ("Montoir Open Season").

In May 2010, Elengy organized a wide discussion to collect market players input on market appetite for Montoir development. The Montoir Open Season is launched in response to market signals, collected during this process, indicating a need for additional LNG import capacities.

The Montoir Open Season will consist of the two following phases:

- ✓ A non binding phase ("Non Binding Phase"), which is expected to last for 6 months, in order to precisely define the expansion project that best fits the market needs;
- ✓ A binding phase following the Non Binding Phase in order to perform a market test based on binding commitments of parties for the selected project.

Elengy is inviting all interested parties to register for the Montoir Open Season by signing a confidentiality agreement. Registration for Montoir Open Season gives a unique opportunity:

- ✓ To understand the technical capabilities of Montoir-de-Bretagne LNG terminal and to be involved in the design of the expansion technical project;
- ✓ To be involved in commercial discussions regarding the new type of services that could be proposed;
- ✓ To express interest for additional services such as cargo reloading that could be developed.

Overview of the technical and economical benefit of the Montoir-de-Bretagne LNG terminal:

<i>Upstream</i>	→	<i>Downstream</i>
<p>Water front widely opened Privileged position in Atlantic basin Highly accessible (≈ 100 LNG carriers received; uptime & berthing windows)</p>	<p>Resourceful terminal lay-out Vast and isolated site Two berths in operation Efficient regasification system</p>	<p>Attractive market Crossroads of European gas routes French market liquidity increasing significantly and continuously Competitive transmission tariffs</p>
<i>Valuable service</i>		
<p>Home for LNG Many dates (re-scheduling flex.) Any size (up to Qmax) Large range of LNG quality (> 10 sources received)</p>	<p>Competitive regulated tariffs Spot service ≈ 0.8 EUR/MWh Continuous service ≈ 1 EUR/MWh Uniform service ≈ 1.1 EUR/MWh Gas in kind < 0.5%</p>	<p>Flexible offer Bouquet of reliable and efficient services to match your business Confidentiality, transparency and non-discrimination</p>
<i>Achievement</i>		<i>Tomorrow</i>
<p>Reliability and know-how Over 40 years' experience isrs7[©] level 7 More than 2400 cargoes received</p>	<p>Truly opened access Diversified portfolio in expansion: 18 customers (Elengy) Customer friendly Independency & regulated access</p>	<p>Montoir terminal expansion Capacity up to 16.5 bcm/year total Technically and economically relevant Local acceptance</p>

1. MONTOIR TODAY

1.1. Over 40 years' experience with LNG: reliability and know-how

1. Elengy is the Europe's second largest LNG terminal operator, with a total regasification capacity of nearly 24 bcm per year for the three LNG terminals operated by Elengy.
2. Operator since 1965, Elengy has handled more than 8 000 cargoes without significant incidents.
3. Elengy implements an integrated quality, safety and environment management system, which is assessed against a internationally recognized benchmarks that measures management performance:
 - ✓ In September 2009, Montoir-de-Bretagne is the first industrial site in France, and the first receiving terminal worldwide (9th industrial site worldwide), to reach isrs7[©] level 7 (International Safety Rating System from DNV certifying performances in the fields of safety, environment and management);
 - ✓ The terminal is also certified ISO 9001 (quality) and ISO 14001 (environment).

Elengy operates a 10 bcm/year LNG terminal in Montoir-de-Bretagne with capacity currently on sales up to 2035. Montoir-de-Bretagne LNG terminal has celebrated its 30th anniversary in September 2010.

1.2. A real background and a truly opened Third Party Access

1. A diversified portfolio in expansion and a growing activity with 18 customers (Montoir + Fos Tonkin) with different origins and profiles: French and European major energy providers, LNG producers, trading companies...
2. 95% of customers are satisfied according to the survey carried out in 2010; the main satisfaction areas highlighted by the customers are:
 - ✓ Commercial relationship and contract management: responsiveness and availability, quality of dialog, relevance of answers;
 - ✓ Sales procedures (existing capacities): capacity allocation rules, feasibility and reservation requests, master agreement, transparency and easy access to informational postings;
 - ✓ Specific marketing operations performed in 2010: quality of communication and information provided, specific allocation rules;
 - ✓ Internet website: overall management and updates, access and completeness of information.



Nota: Elengy publishes the "list of interested parties" so as to facilitate communication and exchanges between the terminal customers (cf. secondary market webpage); formal acceptance by shippers is required to be on this list.

1.3. A privileged and central position in the Atlantic basin and access to an attractive market

An ideal location situated on France's Atlantic coast, near Saint-Nazaire, halfway between Northern and Southern Europe, the Montoir-de-Bretagne LNG terminal is a direct point of entry for France and the neighboring markets. Shortest distance from Cap Finisterre than any other terminal in NW Europe, Montoir-de-Bretagne is directly connected to the North Gas Exchange Point (PEG), from which neighboring German, Belgian or Italian markets can be easily reached.

Shortest shipping route, by two days return, to access NW Europe from all current LNG sources but one.

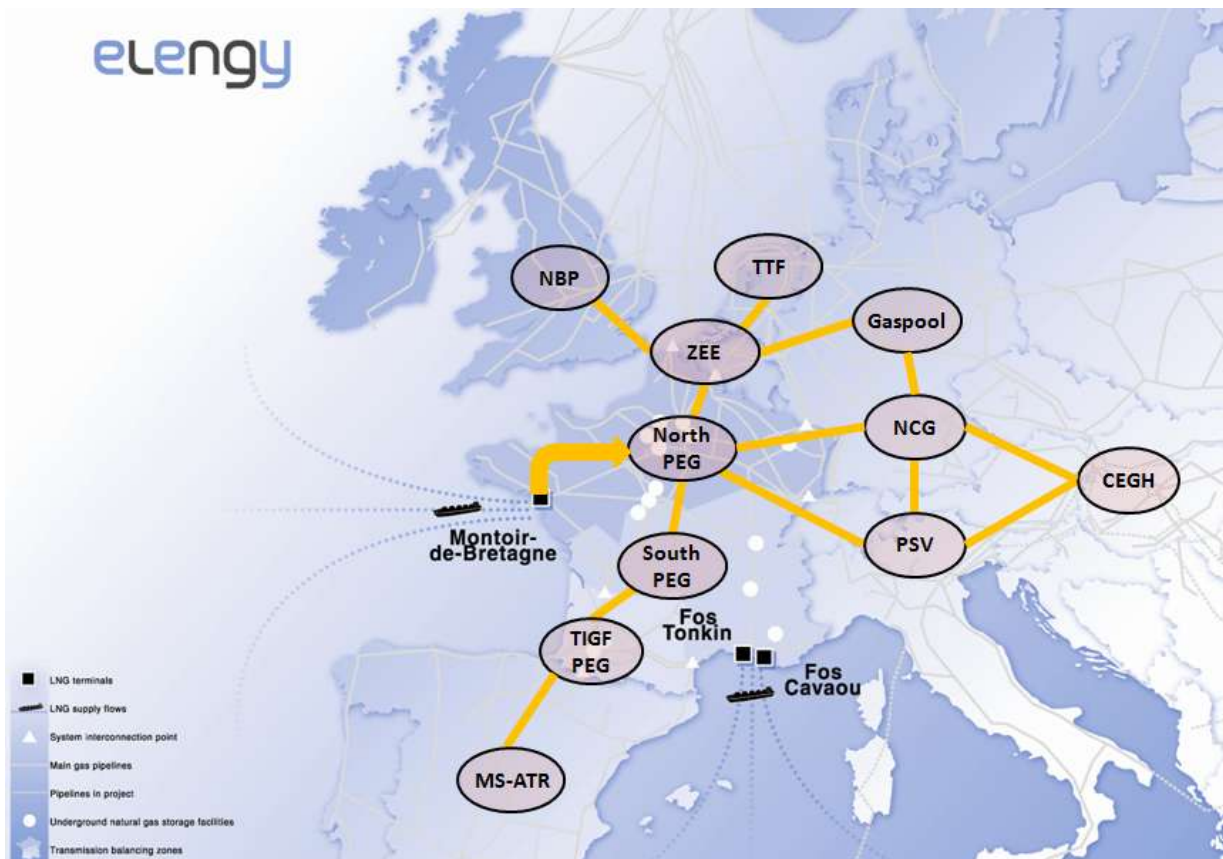
Market liquidity has significantly and continuously increased in France, with notably volumes exchanged at the PEGs reaching 295 TWh in 2010, which represents an increase of 20% compared with 2009 and 75% compared with 2008.

1.4. France is at the crossroads of European gas routes

1. An already high consumption (about 50 bcm per year) on the rise (more than 1% per year) with a swift development of gas-fired power plants.
2. High potential for underground storage capacities (particularly favorable geology) that rates among the highest in Western Europe (around 30% of the annual consumption).
3. Located at the crossroads between Northern Europe, Southern Europe, and the LNG flows from the Atlantic basin and the Gulf States, France has a key role to play.
4. Competitive transmission tariffs to reach European markets and hubs.

With all these advantages, France occupies a most favorable position for gas flows on both west-east and north-south axes, a fact that is acknowledged by a majority of European energy operators.

Source GRTgaz: 10-years development statement on GRTgaz's transmission system 2010-2019



1.5. A very high accessibility for LNG cargoes and vessels

Since its start-up in 1980, the Montoir-de-Bretagne LNG terminal has received more than 2400 cargoes from more than 10 different sources, these deliveries being performed by more than 95 different LNG tankers (roughly 25% of the world LNG fleet).

1. Close to cape Finisterre, the nautical access is exceptional: very well sheltered, no swell at all, mist never last long, gales highly predictable and quickly gone; in addition, the area shows the lowest thunderstorm statistics in France.
2. Water-front is widely opened thanks to the two jetties lay-out of the terminal, which maximises operational flexibility.
3. The Montoir-de-Bretagne LNG terminal is Qflex compatible : 1st Qflex type vessel received in November 2009, 11 Qflex unloaded up to end of 2010, 3 full Qflex unloaded within 2 week.
And, the terminal will be in position to accommodate Qmax carriers from Q3 2011.
4. The cargoes unloaded have a wide variety of geographic origins: Algeria, Australia, Egypt, Equatorial Guinea, Nigeria, Norway, Oman, Qatar, Trinidad & Tobago, Yemen...
Quality specifications are complying with EASEEgas and are among the widest in Europe. In addition, Elengy gives the possibility to accommodate off spec cargoes at a very competitive cost by LNG blending, nitrogen injection being used as a back-up only.

Montoir location and its ability to receive very different LNG qualities and LNG carriers, including the very largest (up to Qmax vessels), ensures that Montoir-de-Bretagne has among the highest utilisation rates (> 60 %).



Al Utourya: 1st Qflex type vessel received at Montoir - November 2009

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1.6. A flexible offer... at a competitive tariff

1. Home for LNG

- ✓ Many dates: re-scheduling flexibility and movable delivery dates
- ✓ Any size: no fixed or normative slot size, cargo size can be adjusted at anytime according to your sourcing deals
- ✓ "Easy" quality: wide range of compatible LNGs, specifications complying with EASEEgas; possibility to accommodate off spec cargoes

2. Reliable and efficient regasification services

- ✓ Thanks to a balanced range of equipments and optimized process (Open Rack Vaporisers associated to water heating facilities, submerged combustion vaporisers, cogeneration facility), the terminal can rely on a significant peak send-out capacity of 1 600 000 m³(n)/h that is fairly independent of the ambient temperature.

This asset as well as the overall design of the terminal has enabled Elengy to offer to the market several complementary and valuable regasification services in accordance with the regulated tariff in place:

- Uniform ("bandeau") or spot: longest uniform and flat send-out in Europe, over 30 days, which gives an excellent visibility to shippers.
- Continuous: send-out as regular as possible for shippers that brings regular deliveries.
- ✓ Capacity allocation from GRTgaz to access the network downstream the terminal is automatic.
- ✓ Elengy also offers a full range of specific services (scheduling off specification cargoes, laytime extension, inerting, cooling down, etc.) and is currently working on a new commercial service for loading LNG carriers, to be marketed by the end of 2011 or early 2012.

3. A competitive regulated tariff

- ✓ A Qflex type cargo delivered at Montoir under spot service = 0.84 EUR/MWh
- ✓ Limited amount of gas taken off (< 0.5%) thanks to a highly efficient regasification process, the gas not consumed being given back
- ✓ The current regulated tariff includes a major 150 MEUR revamping program, which is on track since 2009, so as to extend terminal lifetime until 2035: tanks revamping, cryogenic valves and utilities replaced



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1.7. Corporate governance and regulated activity

Elengy is a 100% subsidiary of GDF SUEZ and is in charge of running and developing its French LNG terminals. Elengy operates independently (own Administrative Board with independent strategic orientation and commercial policy) and under the supervision of the French Commission for Regulation of Energy (CRE).

Once the 3rd European Energy package (2009/73/EC) is implemented in France, access conditions and tariffs for the use of LNG terminals are decided on by the CRE.

Whether it be:

- transparency and full disclosure,
- non-discrimination and equal treatment, or
- confidentiality and protection of commercially sensitive information,

Elengy adheres to rigorous ethical standards. These guidelines are integrated in Elengy's Code of Conduct, which is strictly enforced and published on our website.

Regularly updated details of available capacity, terminal access conditions and rates are published on Elengy's website (www.elengy.com).



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2. MONTOIR TOMORROW : EXPANSION PROJECTS

2.1. Montoir-de-Bretagne LNG terminal expansion – Technical project

Elengy contributes to an open European natural-gas market in a fast-changing environment. Its ambition is to capitalize on its experience as an operator of LNG terminals in order to ensure our customers of reliable and efficient services, develop new projects and offer innovative solutions.



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Capacity at the 10 bcm/year LNG terminal in Montoir-de-Bretagne is currently on sales up to 2035.

The terminal being successful on the short and medium terms (terminal fully subscribed until 2014 included and subscription level of more than 85% in average for the period 2015-2021), Elengy is considering further development of LNG regasification capacity at Montoir-de-Bretagne:

Capacity up to 12.5 bcm/year total with new LNG storage capacity

- Availability 2017
- New LNG storage + extra regasification equipments
- Higher send-out flexibility offered to shippers

Capacity up to 12.5 bcm/year total and no new LNG storage capacity

- Availability 2015 (already permitted)
- Extra regasification equipments only
- Fast track and very economical development

Capacity up to 16.5 bcm/year total with new LNG storage capacity

- Availability 2017
- New LNG storage + Extra regasification equipments

It should be noted that the terminal lay-out is resourceful, with a vast site (68 hectares) isolated from neighborhood and allowing expansions. In addition, Montoir-de-Bretagne LNG terminal benefits from a good local acceptance, Elengy having positive and trustful relationships with local population and stakeholders.



2.2. Long term visibility on regulated tariffs

The current access tariff level of Montoir-de-Bretagne LNG terminal, around 1 EUR/MWh, would not vary significantly with the implementation of the expansion project, except possibly for the high flexibility case.

The new regulated tariff applied since 1st of January 2010 (cf. CRE's tariff proposal dated July 16th 2009) provide market players with more visibility by introducing a new "tariff visibility principle".

Said principle shall apply to:

"(...) to extensions of existing LNG terminals and to new terminals decided upon after the entry into force of these tariffs, provided that the increase in regasification capacity accounts for at least 20% of the initial capacity of the infrastructure and provided that the new capacity created is allocated in accordance with the conditions approved by the CRE."

The main characteristics of said principle are the following:

- ✓ rate of return on regulated assets based on rate applicable to transmission operations, augmented by +2% for a period of 20 years;
- ✓ an additional 2% increase of the rate of return on assets for 10 years.

Montoir-de-Bretagne terminal expansion is technically and economically one of the most relevant regasification development projects on the Atlantic Coast to match the European increasing LNG import capacity need.

2.3. Procedural information - Registration

The open season procedure will consist of the two following phases:

- ✓ A Non Binding Phase, which is expected to last for 6 months, in order to precisely define the expansion project that best fits the market needs;
- ✓ A binding phase following the Non Binding Phase in order to perform a market test based on binding commitments of parties for the selected project.

First step of the Non Binding Phase is the registration of the interested stakeholders.

Interested stakeholders must sign the confidentiality agreement ("Confidentiality Agreement") herewith enclosed and send it in duplicate to Elengy at the address mentioned hereafter. This Registration is necessary for the purpose of safeguarding the confidentiality of the information exchanged within the scope of this project.

The companies to whom the Confidentiality Agreement is returned duly signed by Elengy will be registered in the Montoir Open Season ("Registered Shippers").

Companies can register for the Montoir Open Season at any time during the Non Binding Phase.



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Registered Shippers will be involved in addressing the following main issues during the Non Binding Phase:

- ✓ Possible service evolution, notably in terms of send-out flexibility, nomination process or storage rights depending on the technical project;
- ✓ Detailed economic analysis of each development project.

During the Non Binding Phase, Elengy will provide all necessary information to the market players in a continuous manner:

- ✓ By regular updates on Elengy's website;
- ✓ By periodic information meetings addressing specific commercial aspects of the development projects.

2.4. A new framework for discussion: "LNG Discussion Group"

A deliberation of the CRE dated March 15th 2011 asked Elengy to set up a discussion group for the access conditions to regulated LNG terminals. The plenary committee shall define the work program of these discussions. The first meeting of the plenary committee will be organized before May 15th 2011 and Montoir expansion access conditions should be one of the topics to be discussed in this new transparent framework.

This LNG Discussion Group will widen the scope of discussions regarding Montoir expansion as it will be open to companies that did not necessarily register for Montoir Open Season. Elengy considers this wider and transparent LNG Discussion Group as a valuable opportunity to take into account high level market expectations. Elengy's intention is to act as an active player in this LNG Discussion Group, facilitating its consistency, for the overall market benefit, with interest expressed by Registered Shippers in the Montoir Open Season.



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2.5. Information regarding the Montoir Open Season

For any information regarding the Open Season, please connect to Elengy's website as well as CRE's website:

www.elengy.com

www.cre.fr

Should you have any questions regarding the Open Season, please contact Elengy at the following address:

ELENGY
MONTAIR LNG OPEN SEASON
11 Avenue Michel Ricard - TSA 90100
92276 BOIS COLOMBES cedex

MONTAIR-DEVELOPMENT@ELENGY.COM

Elengy commercial team:

Raphael Pujol +33(0)1 4652 3435

Sébastien Cuvelette +33(0)1 4652 3422

This Invitation Memorandum is intended to present the market with the new regasification capacities which are proposed by Elengy within the scope of a Montoir LNG terminal expansion project. The publication of this Invitation Memorandum may in no way be considered as a contractual proposal for subscription to regasification capacities. Any party interested in this operation is required to make inquiries and search, in their capacity as a professional, for the elements necessary for assessing their interest in answering the invitation to subscribe. Elengy may not be held liable for any assessment or interpretation that might be made of the information contained in this document by the parties concerned. Elengy reserves the right to modify or stop the Montoir Open Season procedure at any time



Confidentiality Agreement

BETWEEN:

.....
 whose head office is located at
 registered at
 under the number
 represented by Mr/Mrs/Ms

duly empowered for this purpose,

Hereafter referred to as the “Potential Subscriber”,

AND:

Elengy, limited liability company (*société anonyme*) whose registered office is located at 11 Avenue Michel Ricard 92270 Bois Colombes France, registered in the Register of Companies (*Registre du Commerce et des Sociétés*) of Nanterre under the number Paris 451 438 782,

Hereafter referred to as “Elengy”,

jointly or separately referred to hereafter as the “Parties”.

WHEREAS:

- A. Elengy has decided to assess the project consisting of developing regasification capacities at the Montoir terminal and making them available to the market, by expanding that terminal, while issuing an invitation to subscribe for capacities on certain conditions (hereafter referred to as the “Project”);
- B. The Potential Subscriber expresses his interest in the regasification capacities developed within the scope of the Project;
- C. The assessment of the Project is likely to lead Elengy and the Potential Subscriber to exchange Confidential Information.

UNDER THESE CIRCUMSTANCES, THE FOLLOWING AGREEMENT HAS BEEN REACHED:

1. DEFINITIONS

The terms and expressions used in this agreement, with the first letter in capital letters, will have the following meaning:

- “Confidentiality Agreement” Shall mean this confidentiality agreement.
- “Confidential Information” Shall mean any information exchanged between the Parties either individually or collectively with Elengy or with the Potential Subscriber or with an Affiliated Company, irrespective of the form in which that information appears, whether it is oral, written, magnetic, electronic, graphic or digital, whether it is directly or indirectly related to the Project and whether that information is commercial, technical, financial, legal or of any other kind whatever, including (without this list being limitative) all documents, drawings, schedules, price information, draft projects, etc.

It is stipulated that such Confidential Information may constitute information the disclosure of which might be liable to be considered as a breach of the rules of fair competition in accordance with the amended law No. 2003-8 dated 3 January 2003 relating to the power and gas markets and to the public energy service and with the decree No. 2004-183 dated 18 February 2004 relating to the confidentiality of information held by operators operating natural gas transmission, distribution or storage structures or liquefied natural gas facilities (referred to as “commercially sensitive information”).

“Project” Shall mean the project consisting of developing regasification capacities at the Montoir terminal and making them available to the market, by expanding that terminal, while issuing an invitation to subscribe for capacities on certain conditions - referred to in paragraph A of the preamble.

“Affiliated Company” Shall mean any entity to the exclusion of the Parties, controlled by one of the Parties or which controls one of the Parties or which is controlled by one or more persons controlling one of the Parties.
The meaning of control, for the needs of this definition, is to be understood in accordance with Article L. 233-3 of the commercial code, and refers to any direct or indirect control.

2. PURPOSE

The purpose of the Confidentiality Agreement is to define the conditions in which either of the Parties undertakes to preserve the confidentiality of the Confidential Information which is transmitted to them by the other Party within the scope of the Project.

3. OWNERSHIP OF THE INFORMATION

Either of the Parties expressly acknowledges that all the Confidential Information and its reproduction, transmitted by the other Party, remain the property of the other Party and that the provisions of the Confidentiality Agreement or the communications of Confidential Information made may in no way be interpreted as explicitly or implicitly granting, to one Party, a licence or other right involving the other Party’s industrial or intellectual property rights concerning the Confidential Information whether those rights exist on the day of the signing of the Confidentiality Agreement or they subsequently arise.

4. USE AND OBLIGATION OF NON-DISCLOSURE

4.1 The Parties undertake to keep the Confidential Information communicated to them strictly secret and to use it solely within the scope of the Project.

4.2 The Parties undertake not to reproduce and not to disclose to any third party to the Confidentiality Agreement all or part of the Confidential Information which will have been communicated to them, except in the following cases:

- (a) Either Party may communicate all or part of the Confidential Information received from the other Party to the members of its staff and/or of the staff of its Affiliated Companies who will necessarily have to examine that information for the purpose of implementing the Project, provided that the Confidential Information communicated (or the reproductions made of it) is/are clearly identified as such and the said Affiliated Companies have also signed an agreement as to the confidentiality and use of the Confidential Information in accordance with the provisions of the Confidentiality Agreement;
- (b) Either party may communicate all or part of the Confidential Information received from the other Party to its external consultants, on the condition that they have signed an agreement as to the confidentiality and use of the Confidential Information in accordance with the provisions of the Confidentiality Agreement or that they are subject to an obligation of confidentiality in accordance with their professional status.



5. EXCEPTIONS TO THE PARTIES' OBLIGATIONS

The Parties will not be subject to any confidentiality obligation with respect to the Confidential Information for which they can provide evidence that:

- it was in their possession or it had fallen into the public domain before it was transmitted or communicated to them by the other Party;
- it subsequently fell into the public domain otherwise than by a failure on their part to comply with their contractual obligations.

Furthermore, the Confidential Information which is mandatorily required to be communicated to an administrative or judicial authority or to a third party by law, regulations, court ruling or by a decision issued by a competent Community, French or foreign public authority is not covered by the confidentiality obligation.

6. DURATION

The Confidentiality Agreement shall take effect upon its signing by the Parties and shall cover the Confidential Information exchanged between the Parties before and after that date.

The obligations arising from the Confidentiality Agreement shall remain in force for a period of three (3) years from the signing of the Agreement.

7. RESTITUTION OF INFORMATION

If the Potential Subscriber should fail to subscribe to the regasification capacities developed within the scope of the Project or if Elengy should decide to stop the Project, each of the Parties shall destroy or return to the other Party, at its request and within thirty (30) days of that request, all the documents relating to the communicated Confidential Information, together with all partial or total copies and reproductions that it has made of those documents.

8. OBLIGATION OF AGREEMENT PRIOR TO ANNOUNCEMENT

The Potential Subscriber expressly undertakes to obtain Elengy's agreement in writing before making, allowing to be made or requesting any announcement whatever about the Project, by itself, by its employees or its external consultants or by one of its Affiliated Companies, by its employees, or by its external consultants.

9. APPLICABLE LAW AND AREA OF JURISDICTION

9.1 The Confidentiality Agreement is subject to French law.

9.2 The courts within the competence of the Paris Court of Appeal shall have sole jurisdiction in any disagreement relating to the interpretation or to the implementation of the Confidentiality Agreement, which could not be settled out of court.

Entered into inon

On behalf of

On behalf of Elengy

Name:
Capacity

Name:
Capacity