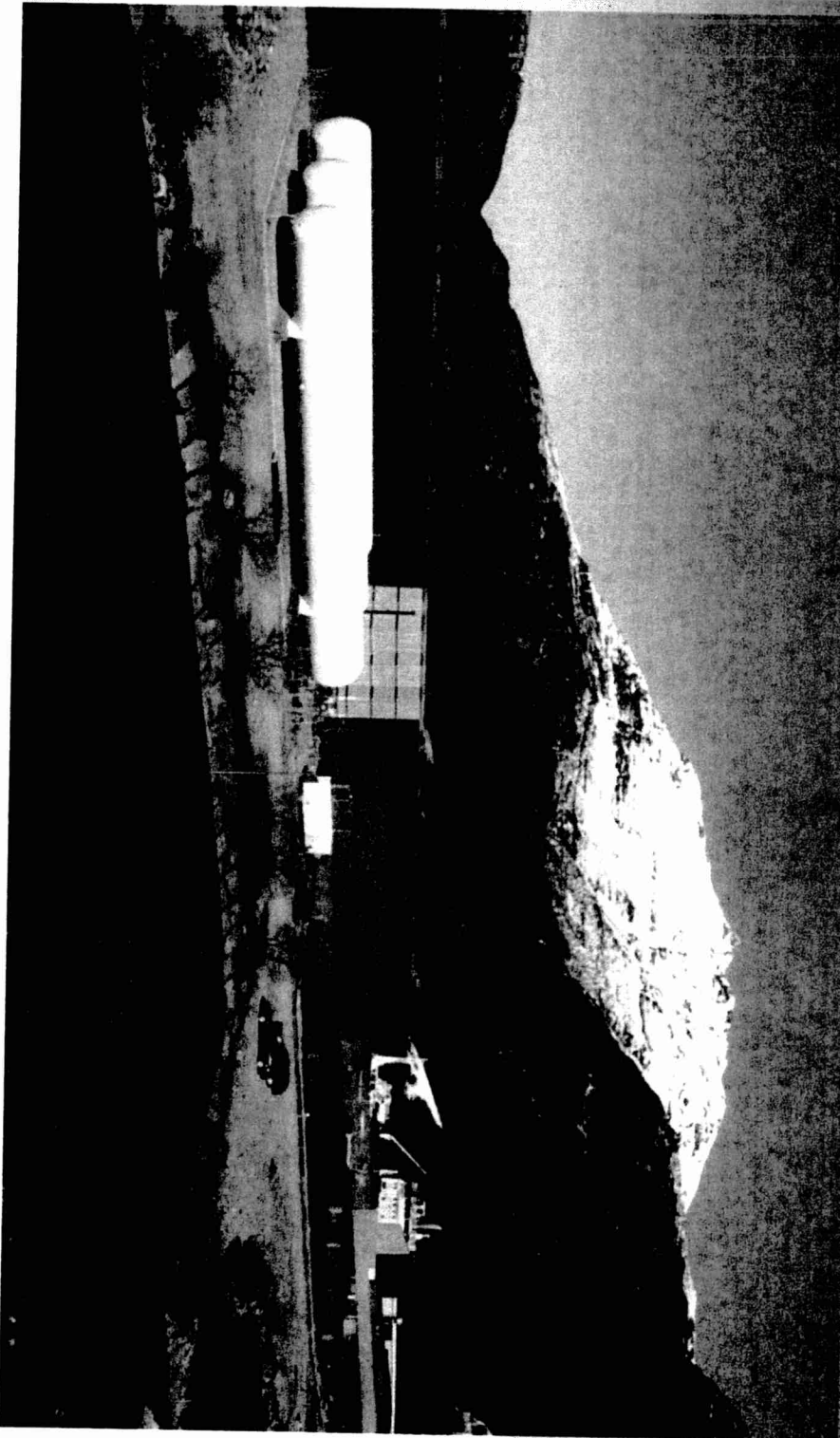
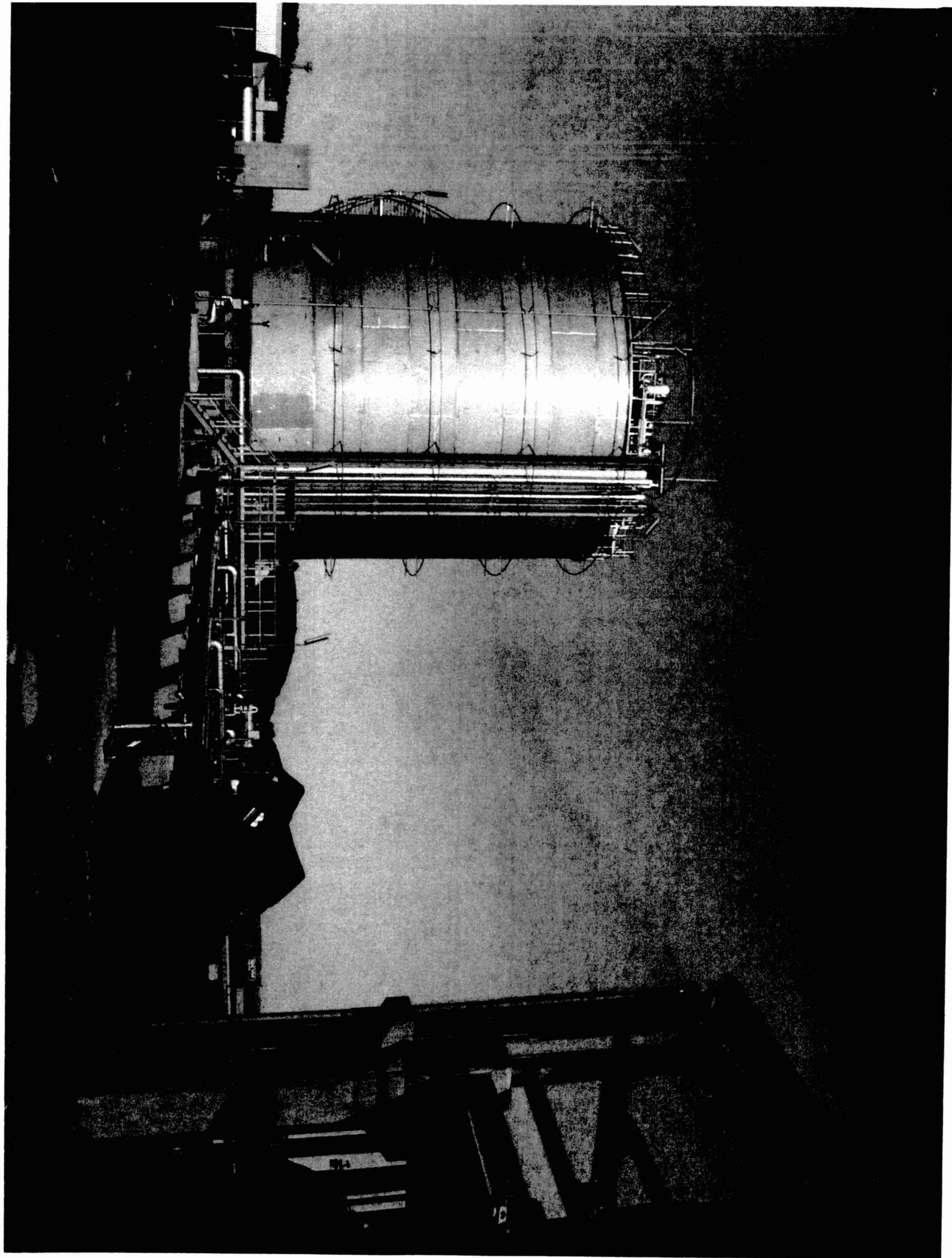


SHIPPING





Louie Flora

From: Hans R. Tveitaskog <hrt@knutsenot.com>
Sent: Thursday, February 03, 2011 3:23 AM
To: Louie Flora
Subject: RE: Coastal LNG distribution in Alaska

Louie,

The delivery ports for Pioneer Knutsen in Norway would have population from let's say 200 up to 2-3000. However, we do not have any grid for household distribution. The LNG is used for small industry, aluminium industry, ferries running on LNG, and offshore support vessels also running on LNG.

The batches could be between 200 cub.m. up to full cargo. The biggest receiving terminal today I believe is approx 2000 cub.meters. Reason for being approximate on these figures is that receiving terminals have not been within our scope of delivery. For same reason I neither have the investment costs at this stage.

Most of them, however, are very simple. Fenced in insulated tanks with a minimum of piping, valves, and instrumentation. Gasification module has to be included. These simple plants are unmanned, and operated by vessel's crew during cargo transfer. This requires location of plant in close vicinity of the vessel.

For more large scale supply, we are also looking into supply of LNG for a planned gas power station for electric power supply to a community of approx 400.000 people, farming and small industry. Just to show that we are looking into "all sizes" of supply.

Please also note that we are presently developing a vessel that will take both LNG and oil products like Heavy fuel, Diesel, or gas-oils in separate tanks in order to satisfy various consumers on the same roundtrip.

Sorry not to be able to answer your cost question at this stage.

Best regards

Hans Tveitaskog

From: Louie Flora [mailto:Louie_Flora@legis.state.ak.us]
Sent: 2. februar 2011 17:19
To: Hans R. Tveitaskog
Subject: RE: Coastal LNG distribution in Alaska

Thank you for your prompt response. Can you provide our office with population details about the ports that you deliver small batches of LNG to, and the sizing and cost of the storage tanks for these small communities?

Louie Flora
Staff, Representative Paul Seaton
Alaska State Legislature
(907) 465-3923

From: Hans R. Tveitaskog [<mailto:hrt@knutsenot.com>]
Sent: Wednesday, February 02, 2011 3:43 AM
To: Louie Flora
Subject: Coastal LNG distribution in Alaska

Good morning,