



By: TA | AP Brief

# Canada and Germany make LNG deal



Canada has reached a deal to export liquefied natural gas to Germany from a planned Pacific Coast terminal, an official familiar with the matter said Tuesday.

The official confirmed Canada will sign the agreement with Germany's **SEFE group**, which stands for Securing Energy for Europe, from the proposed KSI Lisims export facility on the coast of British Columbia.

The official spoke on condition anonymity as they were not authorized to speak ahead of Wednesday's announcement.

The said up to 1 million metric tons (1.1 million US tons) of liquefied natural gas per year will be exported.

Prime Minister **Mark Carney** has set a goal to double non-U.S. trade in a decade. Oil and gas-rich Canada exports almost all of energy oil and gas to the U.S. currently.

British Columbia Premier David Eby said earlier Tuesday a deal to supply Canadian liquefied natural gas to Germany would be a key step toward the partners behind the Ksi Lisims project deciding to go ahead with their \$10-billion Canadian (US\$ 7.2 billion) plant and export terminal.

## Final investment decision

Ksi Lisims, on Pearse Island by the border with Alaska has the permits it needs but the consortium has yet to make a final investment decision paving the way for construction to begin.

Eby said sealing up offtake agreements with buyers is a key step before Ksi Lisims can reach that milestone.

The partnership has already signed supply agreements with a unit of London-based Shell and France-based TotalEnergies.

SEFE is a leading German energy utility. It is the former German subsidiary of Gazprom which Germany nationalized in 2022 as Europe struggles with an energy crisis tied to the war in Ukraine and now the Mideast.

As European countries supported Ukraine, **Russia slashed supplies** of natural gas used to heat homes, generate electricity and power industry, creating an energy crisis that is fueling inflation and forcing some factories to shut down as prices have risen.

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