LNG Unlimited

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Spain relies on French gas imports

Spain has continued to import gas from France and withdraw from storage to meet higher power sector demand in the first week of this month.

Due to weak renewables' generation, demand for gas in the Spanish power sector remained robust at the start of December averaging 40 mill cu m per day, up from a November average of 25 mill cu m and more than double the 19.4 mill cu m recorded in December, 2023.

In a tight LNG market, Spain has had to rely on pipeline imports from France and storage withdrawals, as the country struggled to compete against the UK, according to market sources.

France's net exports via the Pirineos IP to Spain averaged 5.84 mill cu m per day between 1st and 4th December, according to Commodity Insights data, four times higher than the November average. In December, 2023, Spain was a net exporter to France, with average net outflows at 0.7 mill cu m per day.

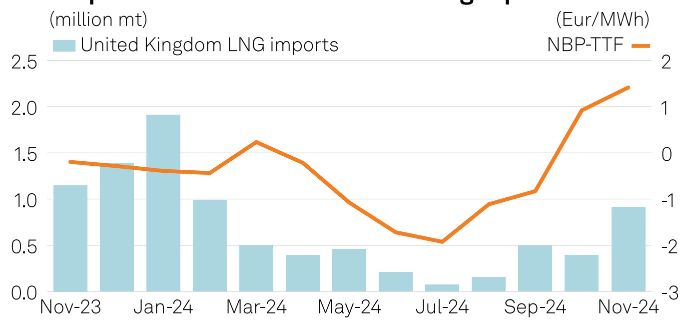
Despite recent energy worker strikes in France, exports from France to Spain were due to remain relatively stable. No interruptions were reported on the French network with France's Elengy and Belgium's Fluxys claiming that operations at their respective LNG terminals had not been impacted.

Withdrawals from Spanish storage sites have averaged 97 GWh per day over the period, 17% higher on the month and 7% above last year's levels, data from Gas Infrastructure Europe showed.

"The [Spanish] market is relying on imports from the Pirineos and withdrawals from AVB storages. With strong [LNG] pulls from the UK, players were keeping the TVB tanks balanced [in November] because regasification was not worth it," a Spanish based gas trader said.

LNG tanks at Spain's terminals dropped by 4% to 61% during November, while they fell further to 50% of capacity on 5th December, according to Enagas' data.

LNG imports to the UK rise amid stronger premium



Source: S&P Global Commodity Insights

UK claims cargoes

Although the recent strength in demand has led to higher domestic natural gas and LNG prices, traders saw the UK and Italy as the most favourable netback destinations for LNG.

"It's a balance where to take your cargoes but the UK and Italy are where sellers are looking," one LNG trader said.

Another trader added that the low UK storage capacity, coupled with the persistent colder weather, has led to the British NBP gas hub price and domestic LNG prices being stronger relative to the Mediterranean.

As a result, sources saw the UK bidding higher to gain supplementary supplies from Norway and global LNG cargo volumes.

"They're bidding stronger than the rest of NWE as they need the gas and LNG," another trader said. "They have low storage capacity, so they need to pay up for the LNG."

The UK's gas storages stood at 58.91% full as of 4th December, according to the latest Aggregated Gas Storage Inventory data.

The UK started the winter heating season at 57.93% full on 1st October, compared to 73.28% full on 4th December, 2023, and 71.39% full on 1st October, 2023.

In the first week of this month, the UK imported 350,000 tonnes, according to Commodity Insights data on 6th December, while November imports totalled 920,000 tonnes, or 13 cargoes, the highest since 990,000 tonnes registered in February. By comparison, the November, 2023 imports were 1.15 mill tonnes.

Meanwhile, France and the Netherlands were the top destinations for US LNG cargoes delivered last month.

Shipments shifted towards Europe, due to colder weather and ongoing concerns about winter supply risks, said an S&P Global Commodity Insights analysis report.

Four of the top five US LNG purchasing countries during November were in Europe, plus Turkey, while the monthly share of US exports flowing to the region reached the highest level since April, at about 56% of all US cargoes.

Only one of the top import countries during the month - India - was in the Asia/Pacific region.

France and the Netherlands each received 11 US cargoes in November. They were followed by India, Turkey and the UK, which each received eight cargoes. The Turkish shipments were the first US LNG cargoes delivered to the country since May. ■

UNLIMITED AGENDA

Asian spot LNG price levels soften

Asian spot LNG prices fell slightly last week as high inventories affected demand.

However, prices were near their highest this year, tracking European levels, which rose on supply concerns.

The average LNG price for January delivery into northeast Asia was $15 per MMBtu, slightly below the £14.10 per MMBtu recorded the previous week, industry sources said.

"Colder temperatures in northeast Asia will keep prices in check although not expected to lift spot demand, as ample inventory levels and high LNG prices will sideline major buyers," Go Katayama, Kpler's LNG and Natural gas analyst, told Reuters.

"We think Asian prices will hold steady, with some risks on downside, due to recovering supply from the Pluto and Freeport (facilities), higher pipeline gas from Russia to China and higher nuclear availability from Japan," Katayama said.

Pakistan's deferment of some Qatari cargoes from 2025 and 2026 marked the second time in a month in which a country bought more LNG but will consume less, after Egypt's slowdown of cargoes, due to logistics problems, said Klaas Dozeman of Brainchild Commodity Intelligence.

"This creates a slight loosening of the balance for 2025, " he said.

European gas prices were firm amid colder weather last week and faster gas storage withdrawal.

"Europe's gas storage facilities are below the levels of the previous two years, although they are still significantly higher than they were at the same time in 2021," said Alex Froley, senior LNG analyst at data intelligence firm ICIS.

"If the rest of winter is mild, prices could fall back, but if it remains colder, storage will enter next summer lower than last year, which has contributed to stronger prices for summer 2025," he said.

Two tenders

European interest in cargoes for next year was illustrated last week by two tenders issued by Poland's Orlen and Turkey's Botas, said Samuel Good, head of LNG pricing at Argus.

Competition between the Pacific and Atlantic basins remained strong with the arbitrage for US liftings holding open for prompt cargoes but closed for most exports planned the the first quarter of next year, Good said.

The US arbitrage for northeast Asia via the Panama Canal was a sign that US cargoes were going to northwest Europe, said Spark Commodities analyst, Qasim Afghan.

As for LNGC freight rates, Atlantic levels rose for the second week running to $22,000 per day last Friday, while Pacific rates steadied at $23,750 per day, he revealed. ■

Egypt's EGAS agrees second FSRU

Egyptian Natural Gas Holding Co (EGAS) signed an agreement last week with US-based New Fortress Energy (NFE) to lease a second FSRU.

This agreement reflects Egypt's Ministry of Petroleum and Mineral Resources' commitment to meeting the growing domestic demand for natural gas, especially during peak summer periods, and aligns with directives to ensure stable electricity supplies from natural gas, EGAS said.

The second FSRU is fitted with updated technology and has an LNG storage capacity of 160,000 cu m and a regasification capacity of up to 750 mill cu ft per day.

The unit will be stationed at Ain Sokhna's SUMED facility, with operations due to start in the second half of 2025.

This comes at a time when Egypt has been buying fuel oil to meet domestic demand requirements, due to high gas and LNG prices, compared to alternative fuels.

Although Egypt tendered for 20 LNG cargoes for the fourth quarter of this year and was expected to tender 15 to 20 cargoes for 1Q25, according to S&P Global Commodities at Sea, around 11 cargoes have been delivered to the country thus far.

In 2024 thus far, Egypt has imported 2.19 mill tonnes of LNG in 32 cargoes, with 20 cargoes arriving in 3Q24 alone.

Egypt was expected to procure a spot cargo on 6th December, followed by two more for December - one on 14th December and one on 22nd December - according to Commodity Insights data.

Traders said that some cargoes could be cancelled.

All three cargoes were due to arrive from the US, with the total volume amounting to 220,000 tonnes.

Lower residential and commercial demand - for cooling - over winter, coupled with lower demand from domestic industries, such as fertiliser and petrochemical plants, has led to Egypt not requiring as many LNG cargoes, traders added.

Mehrun Etebari, Commodity Insights Director, said that gas demand had previously been kept in check by increased gas-to-oil substitution for power generation in late 2021 and early 2023, when spot prices for LNG soared above fuel oil prices.

With weaker domestic gas production, Egypt increased the use of fuel oil in power generation to conserve gas for LNG exports, Etebari added.

However, the evaporation of LNG spot price premiums over fuel oil in early 2023 led to a decline in exports. ■

Ain Sokhna's first FSRU

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US LNG supply needed to halt Asian coal usage

Asian coal use and emissions from power generation in Asia will surge in the coming decades, unless there is significant new supply of US LNG.

This scenario was forecast in a new study by data and analytics company, Wood Mackenzie, which was commissioned by the Asia Natural Gas and Energy Association (ANGEA).

The report found that continued growth in US LNG production – the world's biggest exporter – was essential to balancing global markets and providing emerging Asia with an affordable and available alternative to the high emissions emitting coal that is currently the region's dominant electricity source.

WoodMac forecast that LNG demand from Asia will grow from 270 mill tonnes per annum in 2024 to 510 mill tonnes in 2050, fuelling economic and population growth across emerging economies, and supporting greenhouse gas emissions reduction, alongside an investment in renewables.

"Wood Mackenzie has modelled two scenarios: one where the current halt to US LNG export approvals to non-free trade agreement countries is lifted early in 2025 and another where this 'pause' stays in place longer-term," ANGEA CEO, Paul Everingham, said.

"If the pause is lifted and approvals and development of export facilities resume, then US LNG is expected to comprise a third of global supply by 2035.

"But if it remains in place and planned and proposed US LNG projects are not developed, there is a risk that LNG developments in other regions will fail to keep pace with anticipated demand growth," Everingham added.

Supply question

He also said that the study demonstrated that although there is considerable LNG supply set to enter global markets through the second half of this decade, strong uncertainty exists about the 2030s and beyond and this was impacting energy planning in Asia.

This aligned with ANGEA's experience engaging with key energy decision makers around Asia, who were planning to make long-term investments in gas supply and infrastructure worth tens of billions of dollars. The most common question they asked was - 'where is our gas supply for future decades going to come from?

"Nations like Bangladesh, Vietnam, the Philippines, Indonesia and Malaysia will not be able to realise their plans to transition to gas-fired power if LNG prices are high and coal use, which hit record levels in both 2022 and 2023, will keep growing.

"Without certainty of an affordable supply, their fallback position, quite understandably, is to stick with a fuel they are familiar with and which they know is likely to be inexpensive and plentiful - coal," he added.

"If price increases were to result in 2035 LNG demand from the emerging Asian importing countries being 30% lower than Wood Mackenzie's current projections, it's estimated an additional 95 mill tonnes of coal would be used in that year alone.

"With natural gas and LNG found to produce an average of 50% fewer emissions than coal when used to generate power, this outcome would result in around 100 mill tonnes of additional annual CO_2 emissions," he said.

Mangesh Patankar, WoodMac's Head of Asia Gas and LNG Consulting, said that the forecast growth in Asia's LNG demand from the 2030s onwards would mostly come from South Asia and Southeast Asia.

"LNG will continue to play a strong role in the Japanese, South Korean and Taiwanese economies to 2050. However, demand from these countries will decline slowly as energy transition measures progress.

"Growth in LNG demand from China will be strong until the early 2030s but is expected to be limited after that as piped gas projects from Russia are expected to enter operations and ramp up.

"By contrast, Southeast Asia and South Asia will experience rapid growth in LNG demand throughout the 2030s and beyond, as energy demand continues to grow at pace and LNG provides a low-cost and low-carbon solution, alongside renewables, to reduce dependence on coal-fired power amidst depleted and declining domestic gas resources.

"Meanwhile, LNG demand from India will grow strongly from 2027 through to 2050, largely via consumption in the non-power sector, including city gas, fertiliser and petrochemical manufacturing," he said.

The study also indicated that several Asian economies - including India, Indonesia, Malaysia, Thailand and Vietnam - may have set net zero targets that were too ambitious. ■

Rising LNG terminal costs make US projects less competitive

Rising costs of building and equipping new US LNG plants will reduce the competitiveness of gas exports, LNG analysts at Poten & Partners said recently.

US projects have faced rising construction costs, with Venture Global's Plaquemines export plant under construction in Louisiana over budget by $2.3 bill, and Golden Pass LNG, a joint venture between Exxon Mobil and QatarEnergy, more than $2 bill over budget.

Natural gas prices could also reach as high as $6 per mill standard cu ft because of increased demand from LNG export plants, a possible 20% growth in electricity usage and the need for significant investment in infrastructure, Jason Feer, Poten and Partners' business intelligence head, said.

"We've got a lot of gas in the US, but we don't really have vast amounts of really cheap gas," Feer said.

The Biden administration's export permitting pause will likely keep global LNG prices higher for longer and benefit existing exporters, Feer said at Poten's Global LNG Outlook conference.

He added that for the firms proposing new export plants along the US Gulf Coast, landing new customers will present a greater risk than regulation, and that even if the incoming Trump administration removed all the regulations, finding new customers will still be a challenge.

Among other risks facing LNG exporters is the political pressure in China to limit its switch away from coal, potentially lifting its LNG demand by 5% over the next decade. Europe is highly likely to resume buying Russian gas if there is peace in Ukraine, Feer added.

"There is this idea that China will switch from coal to gas. We think that is very unlikely... that will make China dependent on the US or Qatar, that's expensive and a potential risk to their national security, so I don't see that happening," Feer explained.

Poten's Jason Feer

In the near term, Brent oil-linked LNG prices were trending lower and could decline still further. Feer said that $12 per MMBtu was the new average global price for LNG, which should continue for the next decade. ■


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Chinese buyers look to sell 2025 cargoes

A few Chinese state-owned and second-tier oil and gas companies were seeking to sell LNG cargoes for January/February, 2025 to alleviate pressure from growing inventory and weak domestic demand, according to market sources talking with newswires.

The selling interest reflected expectations that regional heating demand is unlikely to surge as winter progresses.

This would help lower spot Asian LNG prices, despite some demand for spot cargoes from Europe that would normally trigger price competition and tighten supply.

"We did hear of some players selling spot LNG. They are definitely making some profit, as the cost of the cargoes is lower than their own term contracts or a previous buying spree," a trade source said.

Opportunistic Chinese LNG importers had previously sold LNG purchased under relatively cheaper oil-indexed contracts at higher spot prices.

Not all national oil and gas companies were selling, as they have a Chinese government mandate to secure winter supply for energy security and would face scrutiny. However, second-tier gas companies were reportedly quite active.

Other Chinese LNG importers selling cargoes were optimising their January/February portfolios, traders said.

"Currently, supply in China exceeds demand, and it makes sense that Chinese players are selling cargoes in the spot market to capitalise on stronger spot prices.

“We are monitoring the positions of Chinese NOCs, especially the major supplier in the south, to understand regional supply and plan our strategies for the upcoming year," another Chinese trade source said.

"The recent cold weather was too short to stimulate additional demand. In previous years, we would typically observe a significant reduction in inventory and some price movement during cold spells," a third trade source said.

Ample inventory

Recently, one of the Chinese NOCs had advised that there is ample inventory in both north and south China.

Some domestic importers have also sought to sell cargoes arriving during January/March, 2025 to relieve inventory pressure, a fourth trade source said.

Mild winter weather has suppressed demand in other Northeast Asian regions, including Japan and South Korea, complicating efforts by Chinese companies to resell or optimise their LNG positions. In turn, this has exerted additional downward pressure on prices.

Chinese energy companies could soon be selling LNG

"Quite a lot of second tiers are checking prices and looking to sell their term contract volumes in the spot market, but not many trades were done because it is difficult to get buyers," another trade source said.

"Literally no one would buy now except trading houses. Only one to two cargoes were sold last week by the second tiers for January deliveries," the source added.

"We also have no plans to sell in the spot market, as demand is too weak. Japan only had demand for one or two cargoes, and we weren't invited to participate in the tender," another trade source said.

Other Chinese market participants were seeking prompt cargoes for December delivery, indicating preparations for winter demand sooner rather than later in the season.

"Demand is still on the weaker side, and we have enough inventory. If there is another cold snap that is long enough, we may need to come out to buy a few spot cargoes," an NOC source said.

"We are still actively monitoring the situation, and if Chinese buyers have the need to make any purchases, we may see some activity around mid-December," a second tier gas company said.

Chinese LNG importers were also struggling to sell surplus gas in the domestic market, as a lack of demand has pushed prices below breakeven levels, making it difficult for spot LNG to compete profitably with local sources. ■

Venture Global hit by US FERC move

Venture Global LNG has slammed a call for an additional environmental review of its planned Louisiana LNG project, saying this was unnecessary.

The LNG export plant developer claimed that it will be ready to begin construction once the project gets a final go ahead.

A couple of weeks ago, the US Federal Regulatory Energy Commission (FERC) repealed Venture Global LNG's authorisation to construct its CP2 export facility, saying it required an additional environmental review of the air quality impact.

This additional review followed a 6th August US Court of Appeals for the District of Columbia Circuit decision to quash FERC's approval of NextDecade's plant at the Port of Brownsville, Texas.

The Court ordered FERC to reconsider the project ramifications with a new environmental impact statement (EIS) and public comment period.

Venture Global’s CP2 project has been at the centre of a fight with environmentalists seeking to limit future LNG projects on the US Gulf Coast.

The 20 mill tonne per annum facility won FERC construction approval in June. However, the company did not reveal if the decision would delay its construction nor if it had already begun site work.

Engineering and construction concern, Worley had won the contract last year to build CP2’s first phase.

"CP2 LNG unquestionably meets or exceeds all required environmental air standards as determined by FERC in its July 2024 order and will be formally replying to the commission in the coming days," a Venture Global spokesperson told newswires.

FERC has also put on hold its approval for the construction of Commonwealth LNG's planned 9.5 mill tonnes per annum LNG export facility in Cameron, Louisiana.

Commonwealth said that it remained confident in its project and will be providing all requested input for the supplementary EIS. ■

WFW advises BOCOM on LNGC financing

Watson Farley & Williams (WFW) has continued its recent success in the LNGC financing market by advising Bank of Communications Financial Leasing (BOCOM) on a lease transaction for three LNGCs earlier this month.

Upon their delivery, the vessels will be bareboat chartered to a disponent-owner and sub-chartered to a Middle East charterer on a long-term basis.

Unlike conventional sale and leaseback transactions where the lessors enter into memorandum of agreements (MoAs) with the lessees and take delivery of the vessels pursuant to the MoAs, BOCOM Leasing entered into the shipbuilding contracts with the South Korean and Chinese shipyards and will take delivery of the vessels as purchasers under the shipbuilding contracts.

In addition to advising BOCOM on the terms and conditions of the conventional leasing documents, WFW negotiated on its behalf for bespoke direct agreements to supplement the shipbuilding contracts.

BOCOM Leasing, a wholly owned subsidiary of Bank of Communications, is a leading player in China's leasing industry and one of the first five financial leasing companies approved by the Chinese State Council.

The WFW Hong Kong Assets Structured and Finance team that advised BOCOM was led by Partner, Guan Jian, supported by Associate, Catherine Tse and Legal Manager, Sean Feng.

At the end of November, WFW revealed it had advised CMB Financial Leasing Co (CMBFL) on the $1.1 bill sale and leaseback of five 200,000 cu m LNGCs with Pure Energy, a sister company to Dynagas.

This deal included the vessels' pre-delivery and post-delivery financing arrangements. They are to be employed on a long term basis with multiple market leading chartering groups.

A subsidiary of China Merchants Bank, Shanghai-based CMBFL was founded in 2008 to provide financial leasing solutions to large, medium and small businesses across China. ■

Bangladesh updates LNG suppliers' list

Shell, bp, Aramco and Glencore are among nearly two dozen companies to receive Bangladesh's approval as spot LNG cargo suppliers.

The country is seeking to boost competition and cut costs, a top energy official told Reuters.

Bangladesh's spot market was previously dominated by Vitol, Gunvor and Excelerate Energy, said Muhammad Fouzul Kabir Khan, the country's de facto energy and power minister.

But after the ousting of Prime Minister Sheikh Hasina in August, the interim government is moving to an open tender rather than a private negotiation stance.

Bangladesh bought 5.2 mill tonnes of LNG last year, up 19% from 2022, and analysts expected demand to keep rising, as the population increases and domestic gas output falls.

The country spends about 60 bill taka ($504 mill) per year on LNG imports, mainly to run power plants. More than half comes from government contracts with Qatar and Oman and the rest via the spot market.

About half of Bangladesh's power generation capacity is gas based, but many plants are running short of supply.

"All the major players, the giants - Aramco, Shell, bp - have applied to supply. This is the advantage of opening up," Khan said. "We are trying to open up to have more competition and save more."

He also revealed that any potential savings would depend on new orders placed by state-run Rupantarita Prakritik Gas (RPGCL), but he did not say when this could happen.

Aramco's trading arm, Aramco Trading Co (ATC), bp Singapore, Shell International Trading Middle East and Glencore Singapore were among the 22 new firms on Bangladesh's list of 33 potential suppliers seen by Reuters.

Vitol Asia, Gunvor Singapore and Excelerate Energy were among the existing suppliers who remained on the list.

In November, RPGCL issued an invitation for companies to supply LNG on a spot basis.

Bangladesh imports about 100 LNG cargoes per annum, with more than 50 through direct contracts with Qatar and Oman and the rest as spot purchases from private suppliers, Khan said. ■

NEWS BRIEFS

Indian LNG terminal project halted

An initiative to set up a LNG terminal at India's New Mangalore Port (NMP) on a public/private partnership basis has been dropped.

This was due to the non-availability of a suitable area in the port, according to Sarbananda Sonowal, Union Minister for Ports, Shipping and Waterways.

Replying to a question by Kota Srinivas Poojary, Udupi-Chikkamagaluru MP, the Minister said that the initiative had been mooted under project UNNATI.

An associated fertiliser plant plan was also dropped. ■

Russia's future LNG projects competitive

Russia's resource base for future LNG projects is more competitive than other exporting countries, including Qatar and the US, NOVATEK CEO, Leonid Mikhelson claimed, Interfax reported.

"The potential of Qatar's profitable reserves is already being fully utilised. They've decided to maximise their LNG projects' production capacities. US shale gas is much more expensive, requiring significantly higher extraction costs. Domestic consumption in the US is also expected to grow.

"In this connection, I believe Russia currently offers the most competitive resource base for future LNG projects. Without Russia, the world won't be able to ensure an energy transition, while avoiding supply crises.

"Barriers placed on Russian gas directly harm economic growth and the well-being of people in various regions," he said, according to the Russian newswire.

The profitability of existing Russian LNG projects is among the lowest globally, he further claimed. "Our projects are 500 km beyond the Arctic Circle. Low temperatures, according to our estimates, add a 7%-10% boost to planned capacity," he said.

NOVATEK will continue to develop LNG projects to meet the needs of a growing market, Mikhelson added. ■

NOVATEK head Leonid Mikhelson Source: Wikipedia.

Bechtel re-assigned Louisiana LNG contract

Australia's Woodside Energy Group has signed a contract with US engineering company, Bechtel for engineering, procurement and construction (EPC) of Louisiana LNG, formerly Driftwood.

A final investment decision (FID) is expected by the first quarter of 2025.

The EPC contract, re-assigned from Driftwood, will cover the foundation development for the project's three production trains, with a total capacity of 16.5 mill tonnes per annum. The project has a total permitted capacity of 27.6 mill tonnes, Woodside said.

As the owner of the Louisiana LNG project, since taking over Tellurian, Woodside forecast that total expenditure on the project from December to the end of the first quarter of 2025 will climb to $1.3 bill.

The estimated cost for the project's foundation development remained within the range of $900-$960 per tonne of LNG, consistent with the figures at the time of its acquisition, which came with the $1.2 bill deal to buy developer Tellurian in October.

Woodside is currently seeking to sell a 50% stake in the project. ■

Bechtel has been re-assigned the EPC contract for Louisiana LNG, formerly Driftwood.

NEWS BRIEFS

US LNG export study

The US plans to issue a study on the environmental and economic effects of LNG exports by the middle of this month, a US Department of Energy (DoE) official said last Wednesday.

"We expect to release the final study ... by mid-December for a 60-day public comment period," Brad Crabtree, an assistant secretary at the DOE, told lawmakers at a House of Representatives hearing.

Joe Biden's administration put a pause last January on approvals of new LNG exports to countries with which the US does not have a free trade agreement, in order to complete the study.

President-elect, Donald Trump, who takes office on 20th January, has said he would quickly reverse the stoppage.

Crabtree said the pause only affected seven LNG projects, amounting to about 5.6 bill cu ft of capacity, while his office had authorised 48 bill cu ft in exports since Biden became president in 2021.

He said that US LNG exports, which hit a record in 2023, will more than double the current level by the end of the decade and that energy companies were having difficulty keeping up with the work.

"There is so much project development going on the Gulf Coast that they can't keep up," Crabtree said. "They are struggling to find workers."

Representative Pat Fallon, a Republican from gas-producing Texas, called the pause a "ban" on LNG exports and said it was an effort to kill American energy independence.

Adriatic LNG sale finalised

VTTI and Snam have completed their acquisition of shares in Terminale GNL Adriatico (Adriatic LNG), the company that owns the LNG regasification terminal operating off Porto Tolle (Rovigo).

This transaction follows Snam and VTTI's announcements last April, when VTTI signed an agreement to acquire a majority stake in the company.

At the same time, Snam exercised a pre-emption right to increase its stake in Adriatic LNG from 7.3% to 30%.

The two companies now own 70% and 30% of Adriatic LNG, respectively, and the transaction has now been finalised, following the completion of necessary regulatory approvals.

As a result, Alexandra Thomas was appointed as CEO and Alessandro Conta as COO of Adriatic LNG.

Thomas joined Adriatic LNG from Neptune Energy, where she was most recently Managing Director for Egypt.

Previously, she held roles at Statoil, Shell, Vattenfall and Tullow Oil, including managing businesses in various countries across Europe and Africa.

Conta arrived from Snam Rete Gas, where he gained extensive experience in operating plants and complex systems across the oil and gas industry.

Tilbury Phase 2 project goes to environmental assessment stage

Canadian LNG plant developer, FortisBC has filed an Environmental Assessment (EA) application with the British Columbia Environmental Assessment Office (BC EAO) for the Tilbury Phase 2 LNG expansion project.

Located within the existing Tilbury LNG facility footprint and on the lands, waters, and territories of Indigenous rights holders, the project serves two key purposes:

- To ensure that the current lower mainland customers and anticipated population growth continue to have reliable energy with the construction of a new LNG storage tank.
- To serve emerging markets for LNG as a lower-carbon fuel such as for marine fuelling with the construction of additional liquefaction capacity.

Tilbury already produces LNG that is among the lowest carbon-intensity in the world and in accordance with provincial regulations, the project will be net-zero once in operation, the company claimed.

In 2022, the Musqueam Indian Band and FortisBC signed an agreement, to enable both parties to work in close collaboration with the shared goal of developing a world leading LNG facility.

The Tilbury Phase 2 LNG expansion project has entered a 180-day review period led by the BC EAO.

During this time, there is a 45-day public comment period, where the public is invited to learn more about the project and participate in both in-person and virtual information sessions. ■

CryoSys wins LNG export plant equipment contract

Houston-based gas processing and technology company, CryoSys has signed a contract with PIC Americas to deliver pre-treatment and liquefaction solutions for a planned LNG export facility.

This export facility will be located on the Texas Gulf coast along a deepwater channel, which will provide access to maritime vessels, including ocean-going barges.

It will have a minimum capacity of 7.2 mill tonnes per year but will be designed to allow for significant capacity expansion - up to 14 mill tonnes - to enable PIC Americas to respond to the surging global demand for LNG and ensure reliable supply chains, the company said.

This comprehensive project will include bunkering services, LNG ISO containers for flexible distribution, and fuelling for LNGCs.

CryoSys' process design and modular approach is anticipated to significantly enhance operational reliability and efficiency across the facility's lifecycle.

By using modular methodology, it is also expected to dramatically reduce project timelines and mitigate associated risks, offering a robust, scalable solution tailored to the dynamic demands of the LNG market.

As part of the integrated design, the plant will also feature truck racks to support overland fuel distribution.

"We are proud that PIC Americas sought to work with CryoSys on this cutting-edge facility. We are excited to work with Michael (Hood) and his team at PIC Americas to bring this project online and continue to be at the forefront of LNG technology," said Neil Karr, CryoSys President.

"PIC Americas is focused on responding to long-terms market demands and is poised to deliver a landmark project that sets new standards for LNG production and distribution.

"By leveraging CryoSys' expertise and the strategic location of the Texas Gulf Coast, this facility will not only support the growing global LNG demand but will also reinforce the region's position as a critical energy hub," added Michael Hood, PIC Americas' Chairman and CEO. ■