LNG Unlimited

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Greece holds LNG projects event for two FSRUs in Sea of Thrace

Greek and Bulgarian prime ministers marked advancement of the Alexandroupolis Hub

LNG News Editor

Gastrade Chairwoman Elmina Copelouzou (centre) with US Ambassador and including leader from region

Greece, the leading nation in liquefied natural gas shipping, has held a ceremony attended by the Greek and Bulgarian prime ministers marking the advancement of the Alexandroupolis floating storage and regasification unit (FSRU) and revealing that a second FSRU was planned.

The second FSRU will be deployed near the first vessel in the Sea of Thrace, also offshore Alexandroupolis.

Celebration

The development start-up of the Alexandroupolis FSRU project led by Greek company Gastrade and its Chairwoman, Elmina Copelouzou, and shipping company GasLog was celebrated by the gathering acknowledging Greece's foresight in the LNG business.

The event was held on May 3 at the old Storage House of the Alexandroupolis Port Customs.

Greek Prime Minister Kyriakos Mitsotakis was the guest of honour alongside the Prime Minister of Bulgaria, Kiril Petkov, who unveiled a plaque for the joint venture to move forward rapidly.

"The Alexandroupolis FSRU is dedicated as having a key role not only in the energy security and independence of Greece, but for the entire region of Southeast Europe, contributing decisively to the smooth energy transition and energy pluralism of this extremely sensitive region," said a statement.

The event was also attended and addressed by the President of the European Council, Charles Michel, the President of Serbia, Aleksandar Vučić, the Prime Minister of North Macedonia, Dimitar Kovačevski and the US Ambassador to Greece, Geoffrey Pyatt.

Other officials attended including the Regional Governor of Eastern Macedonia and Thrace, Christos Metios, and the Mayor of Alexandroupolis, Giannis Zampoukis.

The shareholders of Gastrade SA also participated, namely the founding shareholder, Ms Copelouzou, and the Chief Executive of Gaslog Cyprus Investments, Paolo Enoizi, the Chairman of the commercial division of the Public Gas Corporation of Greece (DEPA), Ioannis Papadopoulos, and the CEO of the company, Konstantinos Xifaras.

"The construction and operation of the Alexandroupolis FSRU will strengthen the strategic role of Greece as an energy hub for the wider region of Southeast Europe and will offer alternative sources and gas supply routes to the region, enhancing energy security of supply and energy autonomy, during challenging times," added the statement.

It was noted that the project would also make Alexandroupolis an energy gateway for the Southeast Europe region, highlighting the strategic importance of the port city and stimulating the local economy and employment.

The FSRU, with a capacity of 153,500 cubic metres, will be supplied by GasLog and will be connected to the National Natural Gas Transmission System (NNGTS) of Greece with a 28-kilometres long pipeline, through which the regasified LNG will be transmitted to the markets of Greece, Bulgaria and the wider region, including another European Union nation Romania and the potential EU member North Macedonia.

The Alexandroupolis FSRU is expected to operate from the end of 2023, with the contracted regasification capacity having already reached 60 percent of its technical capacity of 5.5 billion cubic metres per annum.

Second FSRU permit

Gastrade has also submitted to the Regulatory Authority for Energy (RAE) an application for a new Independent Natural Gas System (INGS) License, for another project "Thrace LNG" , which will also consist of an FSRU and will be developed near the first FSRU at the Sea of Thrace, also offshore Alexandroupolis.

UNLIMITED AGENDA

Shell's profits surge amid 12 percent rise in LNG sales and details costs of Russian market exit

Sakhalin II LNG export plant in Russian Far East

LNG News Editor

Shell reported an almost three-fold jump in earnings to $9.1 billion compared with $3.2Bln in the same three months of 2021 as quarterly LNG sales increased along with oil and refined product prices.

Shell reported quarterly LNG sales of 18.29 million tonnes, up almost 12 percent from the 16.38MT total in the first quarter of 2021.

The company's Integrated Gas division earnings, including LNG, came to $3.08Bln versus $2.45Bln in the prior-year quarter.

"Trading and optimisation results for Integrated Gas were similar to the fourth quarter 2021 and continued to benefit from favourable conditions," said Shell.

Russian costs

"Total oil and gas production, compared with the fourth quarter of 2021, decreased by 8 percent due to higher maintenance driven by Pearl GTL and Prelude FLNG, partly offset by lower maintenance in Trinidad and Tobago," added Shell.

LNG liquefaction volumes increased by 1 percent due to higher feed-gas supply coupled with lower maintenance.

Shell confirmed it had taken $3.9Bln of post-tax charges in the first quarter as a result of its exit from Russia.

The company had previously warned it could write off between $4Bln and $5Bln in the value of its assets after pulling out of the country.

Shell said that under its "orderly withdrawal" from its involvement in all Russian hydrocarbons, including crude oil, petroleum products, gas and LNG it had made progress.

"Shell has stopped all spot purchases of Russian crude, LNG and cargoes of refined products directly exported from Russia," the London-based company said.

"Shell will not renew long-term contracts for Russian oil, unless under explicit government direction, but is still legally obliged to take delivery of crude bought under contracts that were signed before the invasion," it explained.

"By the end of this year, all of Shell's long-term third-party purchases of Russian crude will stop, except for two contracts with a small, independent Russian producer.

Subsequently, this led to recognition of pre-tax charges of $4.23Bln (post-tax: $3.89Bln) in the first quarter 2022 consolidated income statement.

These charges were primarily recognised in the share of profits of joint ventures such as a $1.61Bln impairment related to the Sakhalin II LNG plant in the Russian Far East.

It also includes interest and other income and expenses of $1.12Bln in write-downs related to the Nord Stream II loan, the cancelled second pipeline from Russia to Germany in which Shell was a shareholder.

Other charges included $858M in depreciation, depletion and amortisation related to the Salym, Gydan, Marketing non-current assets and right-of-use assets.

Other adjustments included revenue of $335M related to marked-to- market changes and selling, distribution and administrative expenses of $219M.

Shell explained that in relation to the assets for which the above charges are recognised in the first quarter 2022, the remaining balance sheet carrying amount as at March 31, 2022 is some $1Bln in total.

UK major BP reports loss of over $20 billion as cost of existing stake in Rosneft and Russia

UK major and global LNG sector participant BP reported a loss of $20.4 billion for the first quarter of 2022 as it booked a series of charges and impairments related to its exit from Russian oil and natural gas amid Russia's invasion of Ukraine.

However, outside of the hits taken on Russian energy and its association with Russian company Rosneft, BP posted a net profit of $6.25Bln for the January-to-March period, its highest in more than 10 years as oil and gas prices soared.

Impairments

The London-based company's $20.4Bln quarterly loss compared with a profit of $2.3Bln for the fourth quarter of 2021 and $4.6Bln of profits in the first three months of 2021.

The reported result included adjusted items before tax of $30.8Bln. Rosneft accounts for around half of BP's oil and natural gas reserves and a third of its production and divesting the stake resulted in charges of $24Bln because of its 19.75 percent shareholding in the Russian company.

BP had held its Rosneft stake since 2013 and had welcomed Rosneft participation with BP in regional natural gas businesses, including Egyptian natural gas.

Adjusting items included pre-tax charges of $24.0Bln and $1.5Bln as a result of the loss of significant influence and BP's decision to exit its shareholding in Rosneft and its other businesses with Rosneft in Russia.

As a result, in the first quarter the post-tax charge was put at $24.4Bln and the total reduction in equity for BP was $14.7Bln.

Adjusting items also included fair value accounting effects of $5.8Bln "These primarily arise from the increase in forward gas prices during the quarter," said BP.

"Under IFRS (accounting rules), reported earnings include the mark-to-market value of the hedges used to risk-manage forward LNG contracts, but not of the LNG contracts themselves. The fair value accounting effect reduces this mismatch," the company explained.

On its Angola LNG stake, BP noted that in March it signed an agreement with Italy's Eni to form a new 50-50 independent company, Azule Energy, through the combination of the two companies' Angolan LNG and oil and associated gas shareholdings.

BP has LNG stakes in Africa and Asia and was the first international major to ship LNG cargoes to Guangdong in China in 2006.

However, BP did state that it intended to make a greater commitment to domestic energy security through investment over the next eight years which would include North Sea oil and gas fields.

NFE swings to profit from loss in 2021

New Fortress Energy Inc., the expanding LNG terminals, production development and shipping and power assets holder, reported first-quarter net income of $241.2 million versus a loss of $39.5M in the prior-year quarter.

The New York-based company also posted net cash flow from operations of $114M and earnings per share of $1.13 on a fully diluted basis.

First-quarter revenues amounted to $505.1M compared with $145.7M in the same three months of 2021.

NFE, whose latest project involves LNG production offshore Louisiana, said it was on track for gross full-year adjusted earnings in 2022 and 2023 of $1.0+ billion and $1.5+ billion respectively.

NFE's quarterly highlights included materially progressing its "Fast LNG" liquefaction concept in the projects on the US Gulf Coast and in Africa.

The company also "accelerated optimization initiatives associated with NFE's floating storage and regasification (FSRU) ships portfolio" of nine FSRUs, six operational and three conversion candidates and three open or coming open in 2022.

NFE additionally executed two 20-year sale and purchase agreements with Louisiana onshore liquefaction and export plant developer Venture Global for a total 2 million tonnes per annum of LNG supplied on a free-on-board (FOB) basis.

Advanced commercial discussions were also taking place with Italian energy company Eni in relation to 1.4 MTPA (tolling arrangement with 50 percent offtake rights to NFE) per signed memorandum of understanding.

Equinor revenues hit $36Bln ahead of restart at Hammerfest LNG

LNG News Editor

Equinor, the Norwegian major and owner of Western Europe's only baseload liquefaction plant at Hammerfest in Northern Norway, more than doubled first-quarter revenues and income from soaring oil and gas prices to $36.39 billion from $17.59Bln in the same quarter of 2021 as it is set to partially replace Russia as the principal regional supplier.

Equinor's quarterly net income jumped by two-and-a-half times to $4.71Bln compared with $1.84Bln in the same three months of 2021.

Gas market rough seas with supply crisis still unfolding

LNG on track

"With an energy crisis in Europe, Equinor's top priority is securing safe and reliable deliveries," explained Chief Executive Anders Opedal.

"Strong operational performance and good regularity gave high production in the quarter. We have optimised the gas production to deliver higher volumes, and Hammerfest LNG is on track for a safe start-up on May 17," declared Opedal.

The Hammerfest LNG plant had been shut since the end of September 2020 when a fire struck, though no one was injured in the blaze.

Much of the damage to the plant on Melkoya Island was caused by the sustained use of high-powered hoses to suppress the fire and stop it re-igniting.

Equinor concluded that the fire had started in the filter housing of a gas turbine generator.

An investigation noted that the cause of the fire was spontaneous ignition in the filters in the turbine's air inlets, caused by excessively high temperatures over a long period of time.

In the first-quarter earnings Equinor's net operating income more than tripled to $18.39Bln versus $5.22Bln in the same three months of last year.

"Energy prices increased in the quarter, as Russia's invasion of Ukraine added to the uncertainty in already tight markets, particularly for European natural gas," said Equinor.

TC Energy reports progress on US and Canadian LNG feed gas

TC Energy, the North American natural gas pipelines and energy transportation group, reported a first-quarter profit compared with a loss in the prior-year period as it boosted LNG feed-gas provisions.

The company's US Natural Gas Pipelines division registered a 5 percent increase in average flows of 30 billion cubic feet per day, including an all-time daily delivery record of 35 Bcf per day in January 2022.

"Today, around a quarter of the US LNG export volumes travel through our US natural gas pipelines," said Calgary, Alberta-based TC Energy.

The company said the earnings were underpinned by solid utilization and reliability across all its assets, further supported by the constructive fundamental outlook for North American energy.

"The growing need for energy security has placed renewed focus on the long-term role our infrastructure will play in responsibly fulfilling North America's energy demands," said TC Energy.

Coastal GasLink

The company said quarterly net income attributable to common shareholders came to C$400 million (US$312M) compared with a loss of C$1.05 billion (US$816.5M) in the same three months of 2021.

Segmented earnings were C$1.2Bln compared with segmented losses of C$900M in 2021 and comparable gross earnings came to C$2.4Bln compared with C$2.5Bln in 2021.

In the Canadian Natural Gas Pipelines operations TC Energy said the Coastal GasLink from the Montney Shale Basin in northeast British Columbia to the Pacific Coast for the LNG Canada project at Kitimat was now about 63 percent complete.

"The entire route has been cleared, grading is more than 74 percent complete and more than 275km of pipeline has been installed, with reclamation activities underway in many area," added TC Energy.

The company also announced the signing of option agreements in March 2022 to sell a 10 percent equity interest in the Coastal GasLink Pipeline Limited Partnership (Coastal GasLink LP) to Indigenous communities across the project corridor.

NEWS BRIEFS

LNG-fuelled shipping

European classification society DNV said there were 51 orders for LNG-powered vessels placed in the month of April. DNV said there were currently 775 confirmed LNG-fuelled ships and 221 additional LNG-ready vessels. So far this year, orders total 121 ships. The data shows that the growth was mainly driven by orders for large ships for deep-sea trade. Commenting on the figures, Martin Wold, of DNV's Maritime Advisory business, said: "Last month's orders alone for LNG-fuelled ships added about half a million tonnes of LNG demand.

Oslo bourse move

Himalaya Shipping Ltd, an independent bulk carrier company incorporated in Bermuda and with 12 LNG dual-fuel Newcastlemax dry-bulk carriers on order and for delivery in 2023 and 2024, was approved for a trading switch at Euronext in Oslo. "Oslo Børs, part of Euronext Group, congratulates Himalaya Shipping on the transfer from Euronext Growth Oslo to Euronext Expand Oslo that now counts 16 companies," said an exchange statement.

US rigs count

The Baker Hughes Rig Count reported three more rigs deployed in the US in the past week and taking the total to 698. Oil rigs are up three while natural gas rigs are unchanged at 144 along with miscellaneous rigs at two. "The US Rig Count is up 258 rigs from last year's count of 440 with oil rigs up 210 and gas rigs up 48," said Baker Hughes. The Canadian Rig Count is up 44 rigs from last year's 51 with oil rigs up 25 and natural gas rigs up 19.

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Chevron increases earnings as CEO also looks at East Med LNG prospects and maintenance in Australia and Angola

LNG News Editor

Chief Executive Mike Wirth visited Leviathan gas field

Chevron Corp., the LNG operator in Australia and Africa, reported a more than four-fold jump in first-quarter earnings of $6.3 billion compared with $1.4Bln in the first three months of 2021 as more revenues came from LNG plants in Australia and Africa.

Sales and other operating revenues in the first quarter of 2022 were $52 billion, compared to $31Bln in the year-ago period as oil, natural gas and LNG prices soared.

LNG assets

Chief Executive Mike Wirth and Chief Financial Officer Pierre Breber discussed the earnings in a conference call with analysts.

Both executives of the San Ramon, California-based major were questioned on LNG issues such as the possibilities of further projects from resources in the Eastern Mediterranean and on the US Gulf Coast.

They also commented on turnarounds at the Chevron-operated liquefaction plants in Western Australia, Gorgon LNG and Wheatstone LNG, as well as at Angola LNG in southwest Africa.

"LNG is on everybody's mind these days," declared CEO Wirth. "It's important to meeting Europe's needs," he added.

"It's also important to delivering a lower carbon energy systems globally, and we see this strong market in the near term," he added.

The Chevron CEO said that the East Med natural gas acquired in the takeover of Houston-based Noble Energy was a "wonderful" asset.

"I was just over there two weeks ago. I visited the Leviathan platform, spent a lot of time with our people in the business there," explained Wirth in reference to the Leviathan gas field offshore Israel.

"And they've recently completed a project to increase infrastructure access to regional markets and we're actually flowing more gas into Egypt as a result of that," stated the CEO.

"We're looking at a number of other opportunities to further increased production because the resource there is quite prolific. And that includes further coal-to-gas switching in Israel for the regional supply into neighboring countries, for potential power generation for power distribution through the region, floating LNG, potentially using other LNG facilities in the region and a number of different commercial options that are being evaluated and worked," said Wirth.

"So more to come as those mature, but it's an area of high priority for us because of the market demand for it," he added.

Wirth then explained that when you look at the US, clearly, Chevron has got a lot of natural gas production that largely prices at Henry Hub, the US benchmark.

Discussions

"And there are these projects that are in the process for LNG export facilities. We've had discussions with a number of those developers, nothing to say more than we've had discussions at this point," said Wirth.

"But that's part of our LNG portfolio that we've been very focused on the Pacific Basin historically. And as the Atlantic Basin markets now look a little bit different as we flow gas from our West African assets into the Atlantic Basin, it may make sense for us to have some US supply as well," he said.

The CEO also clarified the situation on LNG plant maintenance turnarounds.

"LNG turnarounds were typically at a four-year turnaround cycle. So what that means is that Gorgon with three Trains, you'll have three out of the four years, you'll have one turnaround. At Wheatstone with two Trains, two out of every four years, you'll see a turnaround," he explained.

"And at Angola LNG, where we've got a single Train, one out of every four years, you'll see a turnaround," added Wirth.

Chevron CFO Breber said that Permian Basin growth in the absence of Winter Storm Uri, impacts partially offset and drove US oil and gas production up over 10 percent.

"In the second quarter, we expect lower production due to planned turnarounds at Wheatstone and Angola LNG, impacts from CPC pipeline and the expiration of the Area 1 concession in Thailand," explained the CFO.

"We anticipate a return of capital between $250M and $350M from Angola LNG in the second quarter. This cash is reported through cash from investing and not cash from operations," added Breber.

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Lithuanian LNG operator Klaipedos Nafta invites market participants to book capacities for winter

LNG News Editor

Lithuanian fuel company Klaipedos Nafta has invited market participants to book regasification and cargo capacities for the first three months of the coming winter season from October to the end of December 2022.

The Baltic nation's operator of oil and gas and fuel storage at the Lithuanian port of Klaipeda said the floating LNG terminal would offer a total of 9.66 terawatt hours during the allocation procedure.

FSRU 'Independence' (right) and visiting Golar tanker

Regional facility

The Baltic states of Lithuania, Estonia and Latvia have only one import terminal between them at the Lithuanian port in the form of the 170,000 cubic metres capacity floating storage and regasification unit (FSRU) "Independence", delivered in 2014 by Norway's Höegh LNG Holdings.

Höegh LNG has since expressed its intention to sell the FSRU "Independence" to a suitable buyer as Höegh itself was subjected to a corporate overhaul after an internal takeover.

"In order to ensure that the services of the terminal can be used by as many customers as possible, the capacity of the LNG terminal will be allocated," said Klaipedos Nafta.

The company said that new regulations provide that a single terminal user may not book more than half of the terminal's allocated capacity.

Preferences

"In the event that the supply of terminal capacity exceeds the demand, the capacity shall be allocated on a 'pro rata' basis, with preference given to the companies, which have used the services of the LNG terminal in the last three years and are therefore familiar with the operating principles," explained Klaipedos Nafta.

Later in 2022, Klaipedos Nafta also stated that it planned to offer the market the possibility to book long-term capacity at the LNG terminal from January 2023 for a period of five or 10 years.

The relevant amendments to the regulations for the use of the terminal have been submitted for market consultation.

"One of the technical changes we will follow next year will align the so-called gas year with the calendar year," explained Jurgita Šilinskaitė-Venslovienė, Head of LNG at Klaipedos Nafta.

"That is why we are currently initiating capacity allocation for a relatively short period of three months," she added.

"Already in June, we will invite customers to assess the long-term capacity needs of the LNG terminal, for which we are currently making the final preparations," she concluded.

The Klaipedos Nafta said applications for terminal capacity scan be submitted to the company until the 17th of May at 4:30 PM Lithuanian time.

Joint annual and monthly schedules of LNG cargoes delivered to the terminal will continue to be published and updated on the Klaipedos Nafta website.

"For the gas year, lasting from 1 October 2021 to 30 September 2022, customers have booked a total of 23.9 TWh of Klaipeda terminal capacity," it added.

Höegh LNG names Rik Nyheim as next CEO

Höegh LNG Holdings, the leading floating storage and regasification unit (FSRU) operator with 10 modern vessels, has appointment Erik Nyheim as new President and Chief Executive effective from mid-August.

Nyheim comes from the position as Partner of Boston Consulting Group's Norwegian office where he has successfully led their maritime practice since 2019.

Prior to this, he worked for more than 15 years with the Norwegian Wilhelmsen group.

Nyheim holds a BSc Economics and Business Administration from the Norwegian School of Business and Administration (NHH) in Bergen.

"We are very pleased to welcome Erik to lead the company at a very exciting time," said Höegh LNG Board Chairman Morten W. Høegh.

"He will bring important and relevant experience for the role as President and CEO, enabling us to successfully realise our vision of enabling the transition to clean energy," the Chairman added.

Nyheim stated that it was a "great honour" to be appointed as the next President and CEO of Höegh LNG.

"I am impressed by how the company has developed to become the world's leading owner and operator of FSRUs and look forward to leading the next phase of the company's development in a period when security of supply and energy transition are high on the agenda," explained Nyheim.

" I am excited about getting to know the business and all its people when I join later in the summer," he stated.

Japanese company NYK Line signs six charters with China's CNOOC

LNG News Editor

Nippon Yusen Kabushiki Kaisha, the Japanese shipping company known as NYK Line which has a US LNG investment and a fleet of 660 vessels from tankers to containerships and car carriers, has signed six long-term charters for LNG carriers with China National Offshore Oil Corp.

NYK said it concluded a long-term time-charter contract with CNOOC Gas and Power Singapore Trading & Marketing for the six LNG tankers in addition to a shipbuilding contract for the vessels with the Chinese shipyard, Hudong-Zhonghua Shipbuilding.

First such deal

"This is NYK's first long-term time-charter contract for an LNG carrier with CNOOC," said Tokyo-based NYK Line.

"The six vessels are scheduled to be delivered between 2026 and 2027 and will be mainly engaged in LNG transportation to China," the company added.

The innovative NYK Line vessel 'Diamond Gas Orchid'

NYK, whose LNG subsidiary owns and manages more than 30 LNG carriers, has also signed a project heads of agreement with a subsidiary of China Merchants Energy Shipping (CMES), a Chinese shipping company, to jointly own and manage the six China newbuilds.

"Under the partnership with CMES, NYK will provide stable and safe LNG transportation to CNOOC," it explained.

The LNG carriers will be equipped with X-DF 2.1 next-generation dual-fuel engines that can operate on fuel oil or boil-off gas stored in its cargo tank.

Each of the vessels will have 174,000 cubic metres capacity, the optimum size for Atlantic-Pacific transits of the Panama Canal.

NYK has a stake in the US Cameron LNG export plant in Hackberry in Louisiana.

The facility's investors also include Sempra Energy of the US, France's TotalEnergies while the NYK stake is held in a joint venture with Mitsubishi Corp under the name Japan LNG Investment, while Japanese trading house Mitsui & Co. is also a shareholder in the Gulf Coast plant.

Cameron LNG is adding a fourth liquefaction Train and increasing the production capacity of the existing three Trains through debottlenecking.

GTT wins approval for bunker and feeder vessel that is to be ballast free

Gaztransport and Technigaz (GTT), the French designer of maritime liquefied natural gas storage and fuel tanks, has won approval from France's classification society Bureau Veritas for a new ballast-free LNG bunker and feeder vessel.

GTT said it gained approval in principle from Bureau Veritas for the "Shear-Water" ballast-free concept.

Issues

"The majority of merchant vessels worldwide use ballast water when they are empty or partially loaded to maintain seaworthy conditions," explained GTT.

"Therefore, a considerable quantity of ballast water is carried by ships every day. Even when ballast water is treated, there is a risk of transferring harmful aquatic organisms and pathogens from one area to another," it noted.

"The solution developed by GTT eliminates this risk completely. In addition, removing the ballast water treatment system also reduces the energy consumption and CO2 footprint of the vessels," added GTT.

GTT said that its "Shear-Water" concept was based on the currently proven vessel of 18,700 cubic metres capacity with two membrane tanks.

"The design also features a new hull shape, in a 'V', which differs from the standard square shaped mid-ship sections traditionally used for LNG carriers," said GTT.

The Paris-based company explained that "an exhaustive testing campaign" has been carried out at the HSVA Hamburg (Germany) tank test facility in connection with power-speed, manoeuvrability and general seaworthiness.

"A sloshing test campaign has also been carried out by GTT to ensure the technical feasibility of the project and the excellent results obtained helped approve the concept," added GTT.

Mathieu De Tugny, Vice-President of Bureau Veritas, said the GTT design had clear performance and environmental benefits.

Largest US LNG firm Cheniere doubles revenues to $7.4Bln but posts loss on derivative fair value

LNG News Editor

Cheniere Energy, the largest US LNG export and owner and operator of the Sabine Pass plant in Louisiana and the Corpus Christi facility in Texas, posted first-quarter revenues of $7.48Bln compared with $3.09Bln in the prior-year quarter, though still posted a substantial net loss citing accounting reasons.

Cheniere's number of cargoes lifted increased by 20 percent and amounted to 160 shipments in the January-to-March 2022 period versus 133 shipments in the first quarter of 2021.

'LNGShips Manhattan' just delivered Cheniere cargo

Derivatives

The Houston, Texas-based company still reported a net loss of $865 million for first three months of 2022 versus net income of $393M million in the first quarter of 2021.

"The decrease was primarily due to an increase in derivative losses from changes in fair value and settlements of approximately $3.5Bln (pre-tax and excluding the impact of non-controlling interests) and a lower contribution from certain portfolio optimization activities," Cheniere explained.

"These impacts were partially offset by increased margins per MMBtu of LNG and increased volumes of LNG delivered during first quarter 2022, as well as the income tax benefit generated by the pre-tax derivative losses," it added.

Cheniere's consolidated and adjusted gross earnings came to around $3.2Bln and distributable cash flow was $2.5Bln for the quarter.

Cheniere said its full-year 2022 distributable cash flow guidance was now between $5.5Bln and $6.0Bln due to increased volumes from maintenance optimization, the accelerated ramp-up of Train 6 at Sabine Pass and "general out-performance", as well as sustained higher margins on LNG throughout 2022.

Cheniere noted that in March 2022 its Corpus Christi expansion project, known as Stage 3, entered into a lump sum, turnkey, engineering, procurement and construction contract with US engineering firm Bechtel Inc. and released Bechtel to commence early work under a limited notice to proceed.

The Corpus Christi project also amended its existing long-term LNG sale and purchase agreement with French utility Engie SA to increase the volume Engie has agreed to purchase from the plant to 900,000 tonnes on a free-on-board basis and extending the term to 20 years, which began in September 2021.

Cheniere additionally announced that subsidiary Corpus Christi Liquefaction has entered into a long-term Integrated Production Marketing supply agreement with ARC Resources US Corp., the Canadian natural gas producer.

Under the agreement, ARC US has agreed to sell 140,000 MMBtu per day of natural gas to the Corpus Christi expansion project for a term of 15 years, commencing with commercial operations of Train 7 of the Corpus Christi Stage III Project.

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LNG equipment-maker Chart reports first-quarter record orders led by US Gulf Coast export projects

Chart Industries Inc., the liquefied natural gas equipment-maker and industrial gas technology company, reported first-quarter 2022 all-time record orders of $636.8 million, its fourth record-order quarter out of the past five quarters.

Chart said the latest orders contributed to the Atlanta, Georgia-based company's sixth consecutive record backlog quarter of $1.47 billion.

'Big LNG'

The company's first-quarter orders included $228.4M of "Big LNG" export terminal releases.

"First quarter 2022 sales of $354.1 million were our highest first quarter sales in our history and increased 22.7 percent when compared to the first quarter of 2021, an increase of 27.0 percent excluding Big LNG in both periods," explained Chart.

Chart's quarterly net income came to $10.2M versus $25.6M in the first three months of 2021 and $12.1M in the final quarter of 2021.

"First quarter reported gross margin as a percent of sales of 23.6 percent was the highest in a year and in-line with the expected trend of increasing sequential gross margin and operating income as a percent of sales improvement for the remainder of 2022," Chart added.

It explained that "energy independence, resiliency, security and sustainability" are the key drivers of record orders amid accelerating activity in both LNG and Specialty Products.

Chart said that in addition to the broad-based demand exiting 2021 and to start 2022, demand for its products, in particular LNG and other energy alternative solutions and equipment, accelerated as the result of the Russia-Ukraine conflict that began February 24, 2022.

Chart explained that specific examples of new orders received reflecting the acceleration of energy activity following the initiation of the Ukraine-Russia conflict include Chart's "three pillars" of its LNG business: Big LNG export terminals; small-scale LNG (ssLNG) and LNG infrastructure.

Chart's three "Big LNG" project orders in the first quarter included a $135.5M order with Full Notice to Proceed (FNTP) brazed aluminum heat-exchanger assemblies and corresponding cold boxes for Venture Global Plaquemines Phase 1 with 10 million tonnes per annum of capacity.

Another $47.5M order came in the Limited Notice to Proceed (LNTP) for Houston, Texas-based Cheniere Energy's Corpus Christi expansion. "We anticipate this project moves to FNTP in 2022," added Chart.

The third order amounted to $45.4M for six of the 18 BAHX assemblies and cold boxes for Venture Global's Plaquemines Phase II export terminal project.

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