

LNG Unlimited

LNG JOURNAL PUBLICATION

29 November 2022

New Fortress Energy finalises deal with Pemex for Gulf FLNG platform

NFE CEO Edens outlines more plans contained in deals signed with Pemex
LNG News Editor

New Fortress Energy Inc., the US LNG project developer, has completed its agreements with Mexico's state-owned energy company Petróleos Mexicanos (Pemex) to develop and operate an integrated upstream and natural gas liquefaction project off the coast of Veracruz in the southern Gulf of Mexico.

The agreements comprise a long-term strategic partnership, expressly supported by Mexican President Andrés Manuel López Obrador, to complete the development of the Lakach deepwater natural gas field, one of the largest non-associated gas fields in the GoM.

Cylindrical vessel

NFE said it would invest in the continued development of the Lakach field over a two-year period by completing seven offshore wells.

Singapore's Sembcorp Marine Rigs has additionally entered a master service agreements with NFE covering the engineering and conversion of two Sevan cylindrical drilling vessels to become floating LNG facilities.

The proposed arrangements include fabrication and integration of LNG topside modules. The hull conversion and fabrication of topsides for the first FLNG facility is due to be delivered in the first half of 2024 under a work engagement contract awarded by NFE.

NFE said it would then deploy to the Lakach gas field the Sevan Driller FLNG unit with production



NFE plans to deploy to the Lakach gas field the Sevan Driller as FLNG unit with capacity of 1.4 MTPA

capacity of around 1.4 million tonnes per annum of LNG.

"We are pleased to finalize our strategic partnership with Pemex, which strengthens our commitment to long-term operations in Mexico and we believe demonstrates the substantial value of our integrated natural gas infrastructure business model," said Wes Edens, Chairman and Chief Executive of NFE.

"This arrangement represents the first of what we consider to be an ideal formula for the deployment of NFE's FLNG units to stranded gas plays around the world - one that combines gas for domestic use with low-cost supply for LNG exports into global markets," stated Edens.

NFE said that it anticipated that the all-in cost of producing LNG at Lakach would be among the lowest in the world.

The Lakach FLNG unit is one of five FLNG units NFE plans to deploy in the next two years, adding about 7.0 MTPA of incremental liquefaction capacity to the global market.

Gas accords

Pursuant to the Pemex agreements, NFE said it would provide upstream services to Pemex whereby NFE produces natural gas

and condensate in exchange for a fee for every unit of production delivered to Pemex.

"The fee is based on a contractual formula that resembles industry-standard gross profit-sharing agreements between the upstream service provider (NFE) and the owner of the hydrocarbons (Pemex)," explained NFE.

The New York-based company would also produce natural gas in the Lakach field and have the right to purchase, at a contracted rate, sufficient volumes for its FLNG unit.

Pemex for its part would sell the remaining natural gas volumes and all of the produced condensate to its customers onshore.

"Over the last several months, we have enjoyed the opportunity to expand our relationship with Mexico's leading energy companies," stated CEO Edens.

"We appreciate President López Obrador's continued interest in and support of our development process and look forward to delivering reliable solutions that enhance energy security for the people of Mexico and our customers around the world," he added.

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Mozambique President visits floating LNG vessel for inauguration amid talks on other FLNG plans

LNG News Editor

Mozambique President Filipe Jacinto Nyusi has visited and inaugurated the “Coral-Sul FLNG” installation located in the ultra-deep waters of the Rovuma Basin that has turned his southeast African nation into an LNG exporter.

The inauguration ceremony was also attended by the Minister of Mineral Resources and Energy Carlos Zacarias and by other representatives of Mozambique’s government.

They were accompanied by a delegation from the resources operator, the Italian energy company Eni and led by Guido Brusco, Chief Operating Officer of Natural Resources at the Milan-based company.

The event took place 10 days after the first LNG cargo was lifted on 13 November from the “Coral Sul FLNG” vessel.

“Coral Sul is a landmark project for the gas industry and is projecting Mozambique onto the global



Offshore event took place 10 days after first cargo was lifted

LNG stage, paving the way to a transformational change of the country through the development of gas resources,” said a statement.

Area 4 licence

Eni, as upstream operator of the Area 4 licence resources in the Coral South gas reservoir, is ramping up the project to its full liquefaction capacity of 3.4 million tonnes per annum.

The “Coral-Sul FLNG” vessel was constructed at Samsung Heavy Industries shipyard in Geoje in South Korea and is the first floating LNG facility ever deployed in the deep waters of East Africa.

The other partners of Eni in the FLNG project are US major Exxon-Mobil Corp., Chinese major China National Petroleum Corp., Galp Energia of Portugal, Korea Gas Corp. and Mozambique’s Empresa

Nacional de Hidrocarbonetos (ENH), the state energy company.

The 174,000 cubic metres capacity LNG carrier “British Sponsor”, operated by BP, lifted the first cargo from the liquefaction hull.

BP has a long-term agreement spanning over 20 years to purchase 100 percent of LNG output from the project to add to its global supply portfolio.

President Nyusi and the Eni delegation in addition to visiting the “Coral Sul FLNG” hull also held talks on other possible LNG developments in Mozambique.

“They discussed the possibility of replicating the success of the Coral South project with further FLNG developments as well as other onshore projects,” said Eni.

“They also discussed the agri-feedstock project under an agreement between Eni and the Government of Mozambique,” it added.

Sempra reveals strategic partnership deal with ConocoPhillips for Port Arthur LNG project

Sempra, the owner of the Cameron LNG plant in Louisiana and with ventures in Mexico, has signed a 20-year Sale and Purchase Agreement (SPA) with ConocoPhillips for 5 million tonnes per annum of from Phase 1 of the proposed Port Arthur LNG project under development in Jefferson County in Texas.

The parties have also entered into an equity sale and purchase agreement whereby ConocoPhillips will acquire 30 percent of the equity in Phase 1 of Port Arthur LNG.

They additionally signed a natural gas supply management agreement with ConocoPhillips controlling the feed-gas supply requirements for Phase 1 of the Port Arthur liquefaction facility.

The Port Arthur plant will initially include two liquefaction Trains and LNG storage with associated facilities and nameplate

capacity of 13.5 MTPA. A similarly sized Port Arthur LNG Phase 2 project is also being competitively positioned and was under active marketing and development, also for 13.5 MTPA.

“At Sempra, we certainly believe that great projects are the result of great partnerships,” said Jeffrey W. Martin, Chairman and Chief Executive of Sempra.

“That is why we are excited to announce a broad strategic relationship with ConocoPhillips, which has a growing global footprint across the LNG value chain,” explained Martin.

Shared goals

“Together, we have a shared view of the role this facility can play in supporting global economies with energy supplies that advance both energy security and environmental goals,” stated the CEO of San

Diego, California-based Sempra.

Ryan Lance, Chairman and CEO of ConocoPhillips, said he was delighted to participate in the Port Arthur LNG project that will further enhance its portfolio to meet demand for reliable supply of natural gas.

“Sempra has a demonstrated track record of success and shares our commitment to a lower-carbon future,” stated Lance.

Sempra affiliate Sempra Infrastructure, which runs the LNG operations, recently said it would make a final investment decision for Phase 1 of Port Arthur in the first quarter of 2023.

Additionally, the company finalized an engineering, procurement and construction (EPC) contract with US energy engineers Bechtel Energy to build the Texas plant.

Under the terms of the EPC

contract, Bechtel will perform the detailed engineering, procurement, construction, commissioning, start-up, performance testing and operator training activities.

Sempra has said that development of Phase 1 and Phase 2 of the Port Arthur LNG project is contingent on completing the required commercial agreements, securing all necessary permits, obtaining financing and reaching an affirmative FID among other factors.

Williams accord

Sempra said earlier in November that it had entered into a heads of agreement with US pipelines company Williams for the offtake of LNG and development of associated natural gas pipeline projects linked to Port Arthur supplies and the Cameron LNG expansion.

ABS leads clean fuels gathering in the US

The American Bureau of Shipping, the US maritime classification society, as issued its 2023 strategy message at the annual ABS Advisory Council Meeting which also included presentations from the US Maritime Administration (MARAD) and the US Coast Guard.

ABS has remained a market leader in enacting ship safety and technical development, including in the LNG and gas carriers sphere as well as establishing cleaner shipping with LNG bunkering.

The class society said that it was supporting the industry through the early stages of the energy transition with “trusted insights into a range of emerging technologies” while recording industry-leading safety performance that has seen ABS continue to grow its classed fleet to 277 million gross tons.

One of the leading roles of the ABS is helping in the advancement of the shipping industry with approvals and considerations of new vessel designs in all sectors.

“I believe we are in the early innings of a decade of change,” said Christopher J. Wiernicki, ABS Chairman, President and Chief Executive.

“ABS is well positioned to support the industry in capitalizing on the opportunities presented by the myriad of new technologies without losing sight of the unintended safety consequences that rapid change brings,” explained said Christopher J. Wiernicki, ABS Chairman, President and CEO.

“ABS is built to play in the sweet spot between technology, regulations and safety, to support clients and members as they focus on energy efficiency, reducing operating costs and prioritizing new fuels, where it makes sense,” stated Wiernicki. ■

Germany's first FSRU arrives in Baltic to be made project-ready

LNG News Editor

Germany's first floating storage and regasification unit (FSRU), the “Neptune”, has entered Mukran Port on the Baltic Sea island of Rügen to eventually supply LNG via the privately-held Lubmin project being developed by Deutsche ReGas GmbH.

The 145,130 cubic metres capacity vessel “Neptune” is making a stop-over before the final transfer to the industrial port of Lubmin.

“There it will soon take its place as the first and so far only privately-financed LNG terminal that is being developed by Lubmin-based Deutsche ReGas,” said the company.

Draft reduction

“With the ‘Neptune’ all the necessary components are now in the region to technically complete the LNG terminal in the near future,” said Stephan Knabe, Chairman of the Supervisory Board of Deutsche ReGas.

Deutsche Regas said that in



The vessel ‘Neptune’ has been operating since 2009

close cooperation with Mukran Port, it was now carrying out work to prepare the FSRU for the transfer to Lubmin.

“For this, her draft will be reduced from the current 9.6 metres to around 5.2 metres,” explained Knabe.

“In addition, a pipe adapter will be installed on the ‘Neptune’ to be able to connect the FSRU to the land-side pipe system in Lubmin with a precise fit,” he said.

“Of course, commissioning can only take place once all the necessary permits have been obtained,” added Knabe. ■

Deutsche ReGas noted that it had chartered the “Neptune” from French major TotalEnergies.

“Both companies had already signed an agreement on July 13, 2022 in the northern German port of Rostock in the presence of representatives of the federal and state governments,” added the company.

The “Neptune”, which has four membrane storage tanks, had originally been delivered in 2009 after being constructed at the South Korean shipyard of Samsung Heavy Industries. ■

Carnival holds Miami naming of latest LNG-powered cruise liner

The Carnival Cruise Line has held a formal naming ceremony to mark the completion of the debut voyage of its second liquefied natural gas-powered ship built at the Meyer Turku shipyard in Finland.

The ceremony was held after the “Carnival Celebration” completed its first 14-day transatlantic voyage from Southampton to its home port of Miami.

Birthday

“Her arrival continued the celebration of Carnival Cruise Line’s 50th birthday,” said the company.

The ship arrived at Carnival’s redesigned Terminal F at Port Miami, which will be among the first terminal to be shore-power-ready in 2023.

The “Carnival Celebration” is the sister ship of the company’s first LNG-powered vessel, the “Mardi Gras”, which entered service in 2021 and was the first such vessel in North America to run on an LNG.

Carnival Corp. pioneered the introduction of LNG fuel in the passenger cruise sector as part of the company’s ongoing commitment to sustainability and emissions reduction.

A third LNG-powered liner, the “Carnival Jubilee”, is also under construction and is set to enter service in 2023 as part of the cruise line’s new Excel-class fleet.

Carnival said each Excel ship features six zones including a roller coaster, a three-deck atrium and newly designed suites and

staterooms. The “Carnival Celebration” can accommodate more than 5,200 guests and features more than 20 dining venues and a dozen bars and lounges.

“This naming ceremony of our new flagship ‘Carnival Celebration’ is the perfect culmination of our 50th birthday as this spectacular ship honors our past and signifies the fun and growth ahead,” said Christine Duffy, President of Carnival Cruise Line.

The next “Carnival Celebration” voyage will be from Miami. This will be a special six-day Thanksgiving cruise to the Caribbean with visits to Grand Turk, Amber Cove and Nassau. ■



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NEWS BRIEFS

Russian LNG cargoes

Japan and China remain the biggest buyers of LNG from Russia, whose two export plants are Sakhalin in the Russian Far East and the Yamal plant in Northern Siberia. Shipping data showed that between January and October 2022 Japan bought around 5.96 million tonnes of LNG from Russia, a fall of 10 percent from 2021, while China purchased 5.67MT, an increase of 24 percent from 2021. After Japan and China, the other main buyers of Russian LNG cargoes through October 2022 have been France (4.75MT), Spain (3.24MT), Belgium (1.78MT) and the Netherlands (1.67MT).

Newbuilds increase

Shipyards in China and South Korea have seen orders in the past month for at least eight newbuild liquefied natural gas carriers and one floating storage and regasification unit (FSRU) as the global fleet expands to meet rising demand. The orders include two vessels of 175,000 cubic metres capacity under an order made by German ship management company Hammonia Reederei and to be delivered between 2025 and 2026 from China's Yangzijiang Shipbuilding.

Woodside funding

Woodside Energy, the operator of the North West Shelf and Pluto LNG plants in Western Australia, said it had continued its track record of contributions to the state's communities with a A\$50 million (US\$33M) commitment to the Resources Community Investment Initiative (RCII) announced by State Premier Mark McGowan. Woodside Chief Executive Meg O'Neill said Woodside was pleased to join with the WA Government and other industry participants to establish the RCII, which will facilitate investment in infrastructure projects and community and social initiatives across the state.

Nimofast signs partnership with Kanfer of Norway on small-scale LNG deliveries to southeast Brazil

LNG News Editor

Nimofast Brasil SA has signed a partnership agreement with the Norwegian company Kanfer Shipping AS to offer small and medium-scale LNG shipping, small-scale floating storage units (FSUs) and LNG bunkering to its customers in Brazil from 2025.

"The LNG vessels and LNG bunker ships will be loaded via the permanently based FSU at the Nimofast LNG import and distribution terminal in the state of Paraná," said Kanfer.

Project aims

Analysts note that state of Paraná is in southern Brazil and has much scope for infrastructure development.

Previous LNG projects and accompanying power ventures developed in the South American nation have been focused on the northeast.

Kanfer is one of the leading companies for small-scale LNG and gas solutions based in Norway and has much expertise.

Kanfer explained that its aim was to help stranded customers in emerging markets to efficiently access LNG through transport and storage and to provide clean and cost-effective bunkering infrastructure.

"We are very much looking forward to cooperating with Nimofast by using our patented technologies to improve both the availability and accessibility of LNG for the customers in Brazil as well as being cost efficient," said Stig Hagen, Chief Executive of Kanfer.

"Kanfer's small-scale solutions



Kanfer is a leading company for small-scale LNG ships

for sea transport, storage and bunkering create a virtual LNG pipeline, solving a critical gap in the LNG supply chain," stated Hagen.

Nimofast is an LNG project development company with its roots in trading and is fully licensed and authorized by the Brazilian regulator, the National Agency of Petroleum (ANP), to import LNG to Brazil.

Nimofast recently announced that it secured enough LNG off-take volumes to justify a final investment decision via supply contracts with GNLlink, a company controlled by asset manager Lorinvest, and with energy trading company Migratio Gas.

The terminal is expected to be operational in 2025.

"We noticed that many clients in Brazil, either require relatively small volumes of LNG, or do not have suitable port infrastructure to build or to justify their own LNG import terminal," explained Nimofast President Ramon Reis.

"Via the partnership with Kanfer

Shipping, we are able to offer and deliver LNG to any customer along the Brazilian coastline regardless of the requested volumes or port draft limitations," he added.

"We also see LNG bunkering as a growth market to meet environmental and economic objectives in shipping," stated Reis.

The third party in the venture is Maius GmbH, a Swiss structuring and project finance firm which is advising Nimofast on the structuring of its debt and equity, strategic partnerships and risk mitigation of the project.

Progress

"We congratulate Nimofast and the partners on achieving another important milestone that will contribute to the energy transition and security in Brazil," said Stefan M. Rohmer, the Maius CEO.

"We are proud to be part of the team and to be the lead adviser for this privately-funded, market-leading project," declared Rohmer.

Kanfer's small-scale solutions for sea transport, storage and bunkering create a virtual LNG pipeline, solving a critical gap in the LNG supply chain

- Stig Hagen, Chief Executive, Kanfer.

Energy World Corp. starts capital raising to complete Philippines and Indonesia LNG

LNG News Editor

The Pagbilao LNG Hub planned has onshore storage built Energy World Corp., the Australian-listed company with LNG and power projects in the Philippines and Indonesia, has launched a capital-raising operation among shareholders and is seeking loans from financial institutions to help complete its various ventures.

EWC, led by Stewart Elliott who is Chairman and Chief Executive, said its "capital raising" from shareholders was for A\$54.5 million (US\$36.4M) via a non-renounceable entitlement share offer.

Asian markets

"Our vision is to deliver clean and affordable LNG to the Asian market for power generation, underpinning industrial progress and supporting the growth of renewable energy," said EWC in a statement.

While noting that it had over 20 years of experience operating gas fields and power plants in Indonesia, EWC stated that it was seeking more shareholder funds as well as bank loans for its almost-completed projects.

The EWC-led projects include a Philippines LNG import hub, a Philippines power business, an In-



The Pagbilao LNG Hub planned has onshore storage built

donesian LNG production project and an Australian gas and LNG business.

The Pagbilao LNG Hub planned for the Philippines has onshore storage in place and is almost complete.

EWC said previously that while in the Philippines there were several LNG import and floating regasification facilities being developed, none had been brought into operation, and only two are as advanced as EWC's partly completed onshore project on Pagbilao island in Quezon province.

The company said funds raised would go towards completing land purchases required to build the Pagbilao Transmission Line and to complete the transmission line as

well as other project facilities.

"Completion of the Pagbilao Plant and Hub requires additional capital expenditure," said EWC.

"The company has a high degree of confidence this will be sourced as debt from a banking syndicate with whom negotiations are advancing rapidly," added EWC.

"The Hub can handle a throughput of 3 MTPA of LNG with the first tank, which can support 3,000 megawatts of gas-fired power generation," the company explained.

"This will support our adjacent 650 MW combined-cycle, gas-fired power plant and provide expansion options for both EWC and third-party gas clients," it added.

The Sengkang LNG project in South Sulawesi in Indonesia is fully owned by EWC and has a design capacity of 2 MTPA consisting of four modular Trains with 500,000 tonnes per annum of output, an import-export terminal and jetty facilities.

"Construction is 80 percent complete, having been delayed since 2017 due to land-zoning claims which have since been fully resolved," stated EWC.

EWC explained that feed-gas for the LNG plant would be purchased from EWC's own Sengkang gas field and the LNG would be sold to industrial users in the region for power generation and for city gas.

Eromanga gas field

Funds from the capital raising by the Australian Securities Exchange-listed company would also go to the Australian Eromanga gas project in the state of Queensland.

"Eromanga will be completed within nine months of funding. First revenues are expected in 2023 without additional capex," said the company.

Under the EWC capital-raising process, shareholders were offered one new fully paid ordinary share for every 2.39 fully paid ordinary shares held at \$0.05 per new share (offer price).

In addition, for every 10 new shares issued one option will also be issued to the shareholder.

"Each option will have an expiry 2 years from issue date, and be exercisable at \$0.12," EWC explained.

"An entity related to Chairman Stewart Elliott, will take up half of its \$19.0M entitlement by way of reducing debt owed to it and the balance will be paid in cash," explained EWC.

The prospectus includes an offer to the lead manager of the transaction comprising 10.9M shares issued in part-payment of fees.

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Russian LNG cargo numbers increase

Russian liquefied natural gas production has risen in 2022 while overall natural gas production by Gazprom and other companies has dropped because of Russian gas cut-offs in retaliation for US and European Union-led sanctions imposed for the invasion of Ukraine.

Russia said its liquefied natural gas production rose by 10.6 percent to 26.9 million tonnes in the first 10 months of 2022 and LNG output was 2.8MT in October, an increase of 1.2 percent compared with October 2021.

The Russian natural gas and LNG statistics were issued by the Federal Statistics Service, which also said that Russia's overall natural gas production fell by 13 percent to 474 billion cubic metres from January to October compared with the same period of 2021.

Russia's LNG export plants on Sakhalin Island in the Russian Far East is majority held by the gas company Gazprom and the Yamal plant in Siberia is operated by Novatek, the country's second-largest natural gas producer.

The Yamal plant has nameplate capacity of 16.5 MTPA and Sakhalin produces around 10 MTPA, though Russia also has several small-scale LNG facilities around the country.

However, in 2020 and long before the Ukraine invasion the Yamal LNG received the approval of a technical expert review that liquefaction Trains 1-3 at the plant could effectively operate at 120 percent of nameplate capacity in the Arctic zone's below-zero temperatures.

Consequently the liquefaction and export plant operated by Novatek managed to produce 19.64MT of LNG in 2021.

Equinor plans to boost natural gas supplies to the UK and EU

LNG News Editor

Equinor, the leading European pipeline natural gas and LNG supplier from the Norwegian Continental Shelf, has submitted a plan of development for a gas field to boost supplies to the UK and the European Union.

Equinor said its plan had gone to the Norwegian Minister for Petroleum and Energy for the Irpa gas discovery, formerly known as the Asterix field.

Investment

The Irpa gas field is in the Vøring Basin in the Norwegian Sea, located about 80 kilometres west of the world's largest spar platform, the Aasta Hansteen platform, and 340km west of Bodø in Norway's Nordland county just north of the Arctic Circle.

Equinor, which owns 51 percent of the field, explained that the discovery was proven way back in 2009 and contains 19.3 billion standard cubic metres of natural gas.

The company's partners in the venture include the Norwegian state firm Petoro, Shell plc and



Equinor's Geir Tunesvik (left) presents development plan for gas field to Oil and Energy Minister Terje Aasland

Germany's Wintershall DEA.

"The Irpa discovery will be developed with three wells and an 80-km long tie-back pipeline to Aasta Hansteen in water depths of 1,350 metres," explained Equinor.

The Norwegian company and the other shareholders intend to spend 14.8 billion Norwegian crowns (\$1.44Bln) to bring the field on stream in the fourth quarter of 2026.

Equinor said that there would be joint production from Irpa and Aasta Hansteen through 2031 and then the Irpa field would continue to produce until 2039.

"This is a good day and the de-

velopment of Irpa will contribute to predictable and long-term deliveries of gas to customers in the European Union and the UK," declared Geir Tunesvik, Equinor's executive vice president for Projects, Drilling and Procurement.

The company explained that the gas will be phased into existing infrastructure over Aasta Hansteen and transported to the Nyhamna gas processing plant via Polarled.

From there, gas will be transported via the Langeled pipeline system to customers in the UK and continental Europe.

German spot natural gas prices soar and many firms cut use

Many German companies in the manufacturing sector have been cutting back on natural gas with only minor restrictions on production, though they will face more difficulties in the future as gas prices surged and a new survey outlined possible problems.

The German gas market will be supplemented for the first time from 2023 onwards with LNG import facilities being developed at North Sea and Baltic Sea areas around ports such as Wilhelmshaven, Stade, Lubmin and on the Elbe River north of Hamburg.

The LNG launch will gradually help Germany over the next few

years to begin to make up for the loss of pipeline natural gas from Russia on the Nord Stream pipelines.

The leading German business survey body, the IFO Institute, has just published its latest report on industrial gas use.

The IFO survey was published as the day-ahead German Trading Hub Europe (THE) spot natural gas price increased to the equivalent of \$33.95 per million British thermal units, its highest of the winter season so far.

The gas price jumped as temperatures across Germany dropped to low single figures in most regions.

The IFO said that a total of 59 percent of the companies surveyed use natural gas in their production processes.

Of these, 75 percent have saved on gas in the past six months without curtailing production.

"This large proportion is encouraging, but the differences between industries are significant," explained Karen Pittel, Director of the IFO Center for Energy, Climate and Resources.

"Moreover, the potential for further savings without a drop in production seems to be running out," she said.

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Japanese engineers JGC and Europe's Technip win contract for first FLNG project for off Nigeria

LNG News Editor

JGC Holdings Corp., the leading Japanese LNG and energy project engineer, has been awarded the contract for the front-end engineering and design of Nigeria's first floating LNG project along with Europe's Technip Energies.

The project is being developed by UTM Offshore Limited, an indigenous private company in Nigeria engaged primarily in crude oil sales and an established provider of marine logistic support services to the oil and gas sector.

UTM is the parent company of UTM FLNG Ltd, which previously awarded a contract to JGC for the conceptual design of the FLNG facility.

Schedule

"Consequently, the consortium of JGC Corp. and Technip has now been awarded the contract for the FEED of an FLNG plant producing 1.2 million tonnes per annum of LNG and other products including liquefied petroleum gas and condensate, with the completion date for the FEED slated for December



The signing ceremony for the Nigerian FLNG project with in the centre Julius Rone, Managing Director of Nigeria's UTM FLNG alongside Tadashi Ishizuka, the COO of JGC Holdings.

2023," explained JGC whose headquarters are in Kanagawa, Japan.

JGC explained that it would be primarily responsible for the top-side design covering the LNG production facilities while Technip would handle the hull and the mooring system design.

"We believe this award duly reflects the satisfaction of the client with the conceptual design performed by JGC as well as the outstanding track record and project

execution capabilities of the JGC Group and Technip Energies in the field of FLNG," declared JGC.

"Upon completion of the FEED, the engineering, procurement and construction (EPC) phase is envisaged and, if realized, this will be the first FLNG facility in Nigeria and a milestone project for the country," said JGC.

JGC has delivered the EPC for two previously completed FLNG facilities for Petronas of Malaysia,

and together with Technip and for the Coral South FLNG project in Mozambique that shipped its first cargo in November 2022.

However, Nigeria has lagged behind other African nations such as Cameroon, Mozambique and newcomers like Mauritania and Senegal in establishing FLNG facilities for its extensive natural gas resources, and associated gas in oil fields.

Onshore expansion

Nigeria operates the onshore LNG plant at Bonny Island in the Niger Delta where output dropped for a second year in 2021 to 16.42 million tonnes, down almost 22 percent from the 21MT shipped in the previous year.

NLNG is also hoping to move forward faster and develop its long-awaited Train 7 project.

The NLNG onshore plant with six liquefaction Trains is owned by four shareholders, Shell, the French and Italian majors TotalEnergies and Eni as well as the Nigerian National Petroleum Corp. (NNPC), which holds 49 percent of the venture.

JGC expects US Cameron and Freeport expansion plans to advance in 2023 and is contract bidder

JGC Corp. Holdings, the leading Japanese LNG engineering company that has just been awarded a contract for floating LNG in Nigeria, said it expected the US Cameron LNG terminal expansion project in Louisiana and the Freeport LNG Train 4 venture in Texas would move forward with engineering contracts in 2023.

"We are currently bidding for the Cameron LNG facility expansion and the Freeport LNG Train expansion project," JGC told analysts in presenting its fiscal first-half earnings.

Other projects

"We are also bidding for an FLNG plant in Malaysia as well and we

have also received inquiries regarding a basic engineering plan (front-end engineering design, or FEED) for an LNG plant in Oceania (Papua New Guinea)," JGC explained.

JGC said it was also constructing an engineering centre in India to boost its staff resources for energy and LNG.

"We have staff by 100 at the engineering center in southeast Asia and in Japan, we plan to increase the number of contract employees who are skilled engineers by 100," stated JGC.

The company said it had LNG plans underway around the world, and does not focus exclusively on projects in the US," it added.

JGC explained that since the group's resources for carrying out these projects were limited, its policy was to be very selective in choosing which projects to take on.

"It can be difficult to hire enough construction workers in the US, so having a trustworthy partner who can reliably secure construction workers is essential," JGC declared.

"Once we have a firm understanding of the current risks and local conditions, we make a cautious decision on whether we can carry out multiple projects at the same time in the US," it added.

JGC's earnings statement showed its order backlog was

1,592.5 trillion yen (\$11.33Bln) in the engineering segment at the end of September 2022.

It added that the main projects contributing to the orders backlog are the LNG Canada project and an oil refinery modernization project at Basra in Iraq as well as a gas oil separation unit in Saudi Arabia.

JGC's LNG Canada contract is as part of a consortium with US energy engineering company Fluor Corp.

JGC said net sales increased in the fiscal first half to the end of September to 267.2 billion (\$1.9Bln) from 217.9Bln (\$1.55Bln) in the same period last year.