LNG Unlimited

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UK's Clarksons strikes first LNG 174,000 cbm CME freight trade

The arranged trade was for 174 CBM cargo in 2025-2026 from Sabine Pass to UK Grain LNG

LNG News Editor

LNG FFAs are increasing as hedge against future ship rates

Clarksons, the UK provider of integrated maritime services including broking, finance and research has brokered the world's first 174,000 cubic metres capacity LNG Forward Freight Agreement (FFA) trade with the Chicago Mercantile Exchange (CME) Group.

The firm said that the trade was a Calendar 2025-2026 BLNG2g 174, Sabine (US) to Isle of Grain (London), at $75,000 per day.

Derivatives

LNG FFAs are financial derivatives that provide market participants with a flexible and efficient tool to hedge against future freight rate fluctuations, allowing for better risk management and enhanced decision-making.

"Three different 174 LNG FFAs are now available to clear through the CME and are derived from the Baltic Exchange LNG route assessments," Clarksons explained.

"Clarksons' role as the broker in this historic trade underscores its position as a leading force in the maritime industry, consistently driving innovation and paving the way for new possibilities in LNG trading," the firm stated.

Record year

Christian Greenop, from Clarksons' FFA team, brokered the Sabine-Isle of Grain transaction.

"After a record year in LNG FFA trades in 2023 we are very happy to have a 174,000cbm product available to trade," said Greenop.

"There are over 300 2-stroke vessels due to be delivered between now and 2028, on top of the 207 already in the market," he explained.

"This will make up around 60 percent of the global LNG fleet and we feel this product will be a natural part of that growth story," stated Greenop.

Clarksons earlier in March reported an 8 percent rise in earnings and gave an upbeat report on the LNG sector.

Overview

Clarksons said its revenues for the year to December increased to £639.4 million ($809M) from £603.8M in 2022.

Underlying annual profits before taxes increased by 8.2 percent to £109.2M versus £101.9M in the previous year.

In its overview of LNG, Clarksons noted that the LNG shipping market moved 400 million tonnes in 2023.

It added that LNG carrier market conditions remained strong in 2023, though spot rates dropped on an annual basis from the record levels seen in 2022, largely on the back of a narrower US LNG export arbitrage and reduced security of gas supply concerns.

Clarksons said that the headline spot rate for a conventional 160,000 cubic metres capacity tri-fuel diesel-electric (TFDE) ship averaged US$97,100 per day in 2023, down 26 percent year-on-year.

The firm noted that newbuild activity remained healthy in 2023, with 64 LNG carriers ordered, though this was down from the record levels seen in 2022.

"Newbuild ordering has started 2024 on a strong note, with several berths declared for Qatari units in early January 2024, while the outlook for the rest of 2024 and further beyond is positive," it stated.

Looking ahead, Clarksons said that LNG tonnage demand and freight rates in the first part of 2024 could be impacted by strong gas inventory levels in Europe, while firm fleet growth may impact rates later in the year.

"However, Panama Canal restrictions and Red Sea re-routing could support freight, depending on the level of disruption, while IMO and EU ETS carbon regulations could also impact productivity and tighten the market," the report explained.

"Clarksons remains very active in the expanding LNG market, with leading teams across spot, period, newbuilding and sale and purchase," the company said.

Clarksons Chairman Laurence Hollingworth said he was optimistic about the route ahead for the firm. ■

UNLIMITED AGENDA

Founder of Cove Point LNG plant Dominion completes $6.6Bln sale of Ohio gas utility

LNG News Editor

Dominion Energy, the US company that started the Cove Point LNG export plant in Maryland and now focused on renewables, has closed the sale for around US$6.6 billion of the Ohio natural gas utility, East Ohio Gas Co, to Canadian pipelines and energy company Enbridge Inc.

Dominion, headquartered in Richmond, Virginia, said the value of the transaction also included assumed indebtedness and adjustments for customary closing items.

Cove Point on Chesapeake Bay controlled by Buffett firm

Cleveland base

East Ohio Gas Co. is based in Cleveland and employs about 1,500 people and serves 1.2 million Ohio homes and businesses.

"Dominion and Enbridge expect to close the sales of other Dominion Energy's gas distribution companies headquartered in Salt Lake City, Utah, and Gastonia, North Carolina, in separate transactions later this year," the statement added.

East Ohio Gas was described by Enbridge as a "premier single-state utility" operating across more than 400 communities in Ohio, with key locations in major metropolitan areas.

Enbridge added that the gas utility had "a robust portfolio" of assets, including over 22,000 miles (35,400 kilometres) of transmission, gathering and distribution pipelines, underground storage, and interconnections to multiple interstate pipelines and large natural gas producers.

"The addition of a strong Ohio-based gas utility company is a great strategic fit for Enbridge," explained Michele Harradence, Enbridge Executive Vice President and President of the Gas Distribution and Storage business.

"It further diversifies our business and enhances the stable cash flow profile of our assets," added Harradence.

"Natural gas utilities have long useful lives and are 'must-have' infrastructure for providing safe, reliable, and affordable energy," she stated.

Enbridge, based in Calgary, Alberta said that East Ohio Gas would help "blend and extend" the Canadian company's cash flow growth outlook through the end of the decade by adding a steady, regulated investment that supports its long-term dividend profile.

Cove Point LNG

"With this acquisition, Enbridge has all four of its business units represented in Ohio, providing further value-add opportunities," said the company.

Enbridge added that closings of the purchases of Dominion's Questar Gas Company and its related Wexpro companies and the Public Service Company of North Carolina (PSNC) are expected to occur following the receipt of required regulatory approvals.

The company said that the acquisitions of Questar and PSNC are on track to close in 2024.

Dominion is currently transforming itself into a renewables supplier and sold control of Cove Point LNG, located on the western shore of Chesapeake Bay in Maryland, to a unit of Warren Buffett's Berkshire Hathaway Energy. ■

TC Energy says Portland Gas Transmission System sold to funds for US$1.14 billion

TC Energy Corp., the North American pipelines company and supplier of LNG feed gas, said a transaction had been agreed to sell Portland Natural Gas Transmission System (PNGTS) for US$1.14 billion including debts to funds of BlackRock and Morgan Stanley Infrastructure Partners.

TC Energy has a partner in the PNGTS asset called Northern New England Investment Company, which is a subsidiary of Énergir L.P.

The sale to BlackRock, through a fund managed by its infrastructure business, and investment funds managed by Morgan Stanley Infrastructure, is for a gross price of US$1.14Bln, which includes the assumption of US$250 million of outstanding senior notes held at PNGTS.

PNGTS is a 475-kilometres (295-mile) FERC-regulated transporter of natural gas serving the upper New England and Atlantic Canada markets.

Natural gas flows

The pipeline receives natural gas from the Trans-Quebec and Maritimes (TQM) Pipeline via the Canadian Mainline.

TC Energy said it would provide customary transition services and would work jointly with the buyers to ensure the safe and orderly transition of "this critical natural gas system".

The Calgary, Alberta-based company's other key assets include the completed Coastal GasLink in British Columbia to supply feed gas to the LNG Canada project which advancing commissioning activities.

The PNGTS transaction implies a valuation of approximately 11.0 times reported 2023 comparable EBITDA.

"This announcement represents continued progress toward achieving our 2024 strategic priority of enhancing our balance sheet strength by delivering approximately $3 billion in asset divestitures," said François Poirier, TC Energy's President and Chief Executive.

"We are committed to reaching our 4.75 times debt-to-EBITDA upper limit by year-end and expect to have further asset divestiture announcements through the year," Poirier added.

Asset sales

"This sale of a non-core asset at a strong valuation is a unique opportunity to support our capital rotation and deleveraging priorities while continuing to meet the needs of the communities PNGTS serves," the CEO said.

TC Energy added that cash proceeds from the deal would be split pro-rata according to the current PNGTS ownership interests of TC Energy 61.7 percent and Énergir 38.3 percent and will be paid at closing subject to customary adjustments. ■

Korean utility and gas debts still high

The largest South Korean power and natural gas companies with liquefied natural gas commitments including imports and purchases have seen their current debts staying at high levels because of last year's higher commodity prices and increasing interest rates.

Korea Electric Power Corp. (KEPCO) and Korea Gas Corp. (KOGAS), two major state-run companies, have reported combined liabilities of nearly 250 trillion won ($187 billion) as of the end of 2023 due to increases in global energy prices.

However, while KEPCO's debts have increased those of gas utility and main LNG importer KOGAS have started to fall.

KEPCO decided to freeze electricity prices in the middle of 2023 even as LNG costs for gas-fired power generation were still high relative to European and US prices.

South Korea is the largest buyer of spot LNG volumes after China and Japan.

The nation's LNG cargo imports are currently running at around 60-plus shipments per month.

KEPCO has said in a regulatory filing that its total debt reached 202.4 trillion won ($150.7Bln) last year, up 9.6 trillion won from a year earlier.

KOGAS had total debt at the end of 2023 of 47.4 trillion won ($35.54Bln), down from 52 trillion won in 2022, according to the company's regulatory filing.

KEPCO and KOGAS paid around 4.42 trillion won and 1.56 trillion won of debt interest respectively last year.

Three largest power companies in Philippines to acquire own terminal

LNG News Editor

The Philippines aims to increase liquefied natural gas import capability through a joint venture formed by three of the largest Filipino power companies to acquire one of the nation's two operating LNG import facilities as the economy grows.

The "BW Batangas" floating storage and regasification unit (FSRU) started in July 20233 with a vessel formerly called the "BW Paris" and now deployed in the Philippines.

This was the nation's second facility after a first floating terminal was commissioned in April 2023 to supply a power plant at Batangas on Luzon island if owned by San Miguel Group Power. (SMGP).

Now a new LNG terminal consortium is being formed by SMC, Aboitiz Power and Manila Electric (Meralco) with an agreement on LNG developments and power.

LNG imports into Luzon island are set to increase

Power grid

Aboitiz Power has almost 50 power generation facilities and nine electric distribution sites in the Philippines.

Under the new deal on LNG and power, Meralco and Aboitiz Power agreed through their 60 percent and 40 percent joint venture Chromite Gas Holding to invest in 67 percent of two gas-fired power plants of SMGP comprising the 1,278 megawatts Ilijan power plant and a new 1,320 MW combined cycle power facility which is expected to start operations by the end of 2024.

"Both companies also agreed together with SMGP to invest in approximately 100 percent of an LNG imports and regasification terminal," said a statement to the Hong Kong stock exchange from First Pacific Company Ltd, an affiliate of Meralco.

"The proposed collaboration venture among the parties is valued at approximately US$3.3 billion enterprise value, while Meralco's equity contribution will be approximately US$1.2 billion prior to any asset-level debt financing that may be considered," it added.

"The proposed transaction is set to launch the Philippines' first and most expansive integrated LNG facility in Batangas and is expected to be a landmark development for the Philippines' energy sector," explained the statement from HK-listed First Pacific.

TotalEnergies signs cooperation deal with the Kingdom of Bahrain

TotalEnergies has signed a cooperation agreement with the Gulf Kingdom of Bahrain focused on liquefied natural gas, petroleum products and the power sector.

Patrick Pouyanné, Chairman and Chief Executive of TotalEnergies, met in Bahrain with Shaikh Nasser bin Hamad Al Khalifa, the King's representative in Bahrain.

The agreement was signed with Bapco Energies, which is a semi-autonomous agency within Bahrain's Ministry of Oil and Gas.

"We are pleased to have been selected by the Bahraini authorities to support Bapco Energies in optimizing their downstream petroleum operations, with a view to maximizing value for Bahrain," stated Pouyanné.

"As a global integrated energy company we are willing to share our full expertise along integrated oil, LNG and power value chains for the benefit of the Kingdom of Bahrain and Bapco Energies," explained the CEO.

"We will work to extend our collaboration beyond oil and petroleum products to potential future developments in other energies, such as LNG or renewable power," Pouyanné added.

As a specific first step, the meeting laid the foundations for cooperation between TotalEnergies and Bapco, under which TotalEnergies will support Bapco's upgrading of its Sitra refinery and will help in the trading of its petroleum products.

TotalEnergies said it would share its global oil and feedstock supply capacity as well as its refining and trading expertise.

Nasser bin Hamad Al Khalifa, whose is also Chairman of Bapco as well as being the King's Representative, said he was pleased to link up with TotalEnergies.

"Bapco and TotalEnergies' collaboration will pursue opportunities for the Kingdom of Bahrain's oil & gas products and offer new energy solutions to our customers," he said.

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NEWS BRIEFS

Swedish LNG fuel

Gasum, Finland's state-owned supplier to the Nordic region of LNG and biogas made from waste, has expanded its LNG, compressed natural gas and biogas filling stations network in Sweden. Gasum's partner in the build-out is logistics company Centralen combining 70 transporters with a combined fleet of 220 heavy-duty vehicles. Gasum said it opened a station at Vänersborg, taking the Swedish gas fuel network for trucks and cars to 23 in total. "The new station in Vänersborg is at a traffic hub on the European route E45 connecting both to the E6 in the west and the E20 in the east. This means that the new station greatly improves the connectivity between the inland and west coast traffic routes to Norway," said Sharareh Edström, Director of Traffic Sweden at Gasum.

Royal Boskalis records

Royal Boskalis B.V., the Dutch subsea and dredging company with activities in the LNG sector, has concluded an "historic" 2023 in terms of both revenue and earnings. Revenue increased by 20 percent to €4.28 billion ($4.65Bln) from €3.58Bln in 2022. Net profit increased by nearly 150 percent to €601 million from €241M in the previous year. "It was a particularly successful year for Boskalis, in which we broke many records," said Peter Berdowski, Chief Executive of Boskalis. "It is great to see that all parts of the business contributed to these impressive figures. All our employees deserve a big compliment for the dedication, professionalism and teamwork with which we were able to achieve these successes," added Berdowski. Boskalis has worked on projects such as the Mozambique FLNG joint venture in southeast Africa.

South American nation of Suriname signs accord with Petronas and ExxonMobil and outlines hopes for FLNG joint venture

LNG News Editor

Suriname, once known as Dutch Guiana and a former colony of the Netherlands until 1975, has announced plans to be a liquefied natural gas producing nation using an FLNG production hull.

Staatsolie Maatschappij Suriname N.V., the national energy company in the small nation at the northeast corner of South America, has signed a Letter of Agreement (LoA) with Asian LNG producer Petronas of Malaysia and US major ExxonMobil Corp.

"The LoA is necessary for further exploration of the gas discovery made in 2020 with the Sloanea-1 exploration well in Block 52," said a statement from Staatsolie.

"Petronas made a gas discovery in 2020 in Block 52 in the Surinamese offshore area and this involved a small quantity that was initially seen as commercially unattractive to develop into a production field," explained Staatsolie.

Executives meet to sign the letter of agreement on gas find

Signing ceremony

"The development of an offshore gas field is more challenging and complex to explore in technical and economical perspective than an offshore oil field," the statement added.

"Nevertheless, Staatsolie and Petronas have held intensive discussions in recent years to further explore the Sloanea-1 gas discovery. These conversations led to the LoA being signed on March 4, 2024," Staatsolie said.

"A possible commercial gas field will be developed via an FLNG project," the Suriname company declared.

The accord was signed at a ceremony in the capital Paramaribo by Adif Zulkifli, Executive Vice-President and Chief Executive of Upstream at Petronas, Paul Riley, the local manager of ExxonMobil Exploration and Production Suriname, and Annand Jagesar, Managing Director of Staatsolie.

Petronas operates the onshore Bintulu LNG production complex in Sarawak, Malaysia, and has also been a pioneer of FLNG production from production vessels deployed above its stranded gas fields.

The accord sets out the agreements, principles and conditions to further investigate and increase the feasibility of the development of a commercial gas field in Block 52.

Feasibility

"An important part of the feasibility is the guarantee of a tax-free period of 10 years from the start of production," said Staatsolie.

"In the world, tax exemption for investments in offshore gas projects is not unusual and is aimed at making the project economically viable," it added.

The three companies are aiming to make an addition relating to natural gas production to the existing production sharing contract (PSC) for Block 52 that was first signed in April 2013.

"This addition to the PSC will establish the procedures and conditions under which the Block 52 partners Petronas and ExxonMobil can assess the gas discovery and possibly subsequently develop and produce it," added Staatsolie.

The Petronas executive Adif Zulkifli said his company was very pleased at signing this accord with Staatsolie and would be drilling the Sloanea-2 appraisal well from April 2024.

"A production test will also be carried out. The drilling platform is now drilling the Fusaea-1 exploration well in Block 52 and already drilled the first part of the Sloanea-2 well in February," the statement added.

"After the Sloanea-2 appraisal well has been drilled, it will be determined whether a commercial gas field is feasible," it said.

"In that case, the first gas production would be around 2031 at the earliest, taking into account the construction time of the production installations," the statement concluded.

China’s LNG imports in Jan-Feb rise to record as prices decline and economy shows recovery

LNG News Editor

Chinese liquefied natural gas imports for the two-month January-February 2024 period soared by more than 23 percent from a year earlier as prices declined and demand grew during a time that encompassed the Lunar New Year holidays in China.

The overall imports of LNG and pipeline natural gas reached 22.10 million tonnes versus 17.93MT in the same two-month period of 2023, according to data from China’s National Bureau of Statistics.

China received 13.7MT of LNG during in first months of 2024

Combined data

The NBS combines economic data each year for January and February to avoid distortions from the timing of the Lunar New Year holidays.

The Lunar New Year Holiday in the Year of the Dragon started on February 10, 2024, and lasted for two weeks.

The data showed that China took delivery of 13.7MT of LNG during the first two months of 2024 compared with 11.12MT in the January-February period of 2023.

Imports of natural gas by pipeline and as LNG had declined by 9.4 percent year-over-year in the Jan-Feb period of 2023.

China’s main LNG suppliers in early 2024 were Australia, Qatar, the US, Malaysia, Indonesia and the Yamal plant in Arctic Russia.

China dropped to the ninth preferred destination for US LNG deliveries in 2023 as the focus turned to Europe.

Chinese import terminals in 2023 received 59 US cargoes, according to data from the US Department of Energy.

This compared with shipments in 2023 from the seven US LNG export plants to the European countries of the Netherlands, France, the UK, Spain, Germany and Italy of a combined total of 676 cargoes.

Analysts said that lower spot LNG prices may have spurred Chinese energy majors such as China National Offshore Oil Corp., China Petroleum & Chemical Corp. (Sinopec) and China National Petroleum Corp. (CNPC) to step up imports.

Chinese LNG import terminals are the largest recipients of global LNG spot cargoes along with those in Japan and South Korea.

China had regained its No. 1 spot as the world’s largest LNG importer in 2023 with an annual total of 71.44MT of cargoes.

This was 5.29MT ahead of the Japan’s annual total of 66.15MT, a decline for the Japanese in the year of 8.1 percent compared with 71.99MT in 2022.

This was the lowest Japanese total since imports of 64MT were recorded in 2009 by Japan’s Finance Ministry.

Pipeline gas

The Chinese receive varying volumes of pipeline gas mainly through links from the former Soviet republics of Central Asia and from Russia via Gazprom's “Power of Siberia” pipeline.

The latest Chinese energy data also showed China's imports of crude oil increased by 3.5 percent in the first two months of 2024 from a year earlier to 88.31 million tonnes, or about 10.74 million barrels per day, compared with 10.40 million barrels per day in the prior-year period.

NEWS BRIEFS

CNOOC discovery

China National Offshore Oil Corp. (CNOOC), one of the largest Chinese LNG players, said it made a discovery at Kaiping South in deepwater of the eastern South China Sea, which adds over a 100 million tons of oil equivalent proved in-place volumes. “The well tested to produce an average of 7,680 barrels of crude oil and 0.52 million cubic feet of natural gas per day,” said CNOOC. “The discovery fully demonstrates the broad prospects for exploration in the deepwater South China Sea and further expands the resource base for the company's high-quality development,” explained Zhou Xinhuai, CNOOC Chief Executive and President. “In recent years, CNOOC has achieved remarkable breakthroughs in oil and gas exploration in the eastern South China Sea, building a new growth pole for offshore oil and gas production,” added Zhou.

African nation gets discovery boost

Côte d'Ivoire President Alassane Ouattara and head of Italy's Eni announced a major offshore discovery of oil, natural and condensate with many development options for the resources.

The large discovery in block CI-205 has been named the Calao field and is the West African nation's second-largest ever.

Eni added that only the Baleine field discovered by Eni in September 2021 was bigger.

Côte d'Ivoire President Ouattara and Eni Chief Executive Claudio Descalzi met in the capital Abidjan on March 7 to discuss the successful results of the exploration well called Murene 1X in the Calao find.

The Prime Minister of Côte d'Ivoire, Robert Beugré Mambé, and the Minister of Mines, Petroleum, and Energy, Mamadou Sangafowa-Coulibaly, also participated in the meeting.

The Côte d'Ivoire's mainly oil production has varied significantly over the past two decades as existing fields have become depleted, closed for maintenance or development works and as new discoveries have been made but have needed further investment and development.

The nation's regional neighbours to the north, Senegal and Mauritania, are currently developing floating LNG projects, while among its southern neighbours, Nigeria is an established world-scale LNG and oil exporting nation, while Cameroon has a small FLNG project in operation.

Additionally, Eni itself has just brought onstream an FLNG project in the Republic of Congo and the first cargo was shipped to Italy.

■

Lloyd's Register, Shell and GTT plan longer inspection intervals for tanks

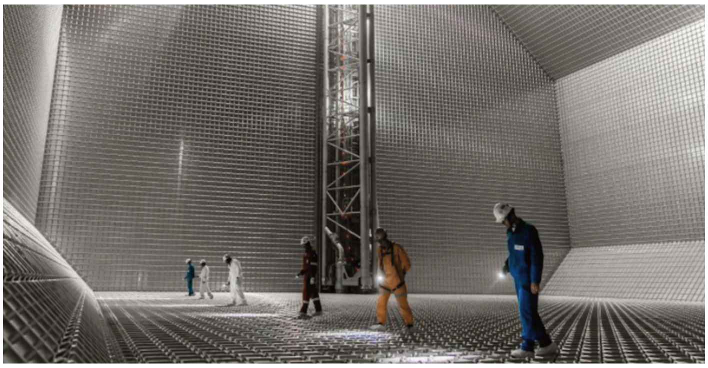
LNG News Editor

A study involving UK maritime classification society Lloyd's Register, Shell International Trading and Shipping Co. and French liquefied natural gas storage technology company GGT Group has concluded that inspection intervals for LNG carrier membrane tanks could be safely extended due to monitoring technology and predictive maintenance.

The International Gas Carriers (IGC) Code and IACS UR Z16 rules require LNG carrier cargo tanks to be inspected internally every five years.

This joint study explored whether this interval could be extended in the framework of an alternative survey plan (ASP) with consideration to the implications on the associated risk profile.

The study group said it conducted a "thorough analysis of LNG tanks and related system design and their operation" and with consideration of potential damage mechanisms, the potential consequences and their detectability.



GTT's smart shipping 'Sloshing Virtual Sensor' praised

Conclusion

"The study concludes that the inspection period extension is possible with little adaptation of the design, as well as an adequate monitoring of the cargo tank and ship-specific hazard and operability (HAZOP)," their statement said.

GTT's smart shipping subsidiary Ascenz Marorka had its "Sloshing Virtual Sensor" technology at the heart of the study.

"This unique and proven digital solution, which has already been adopted by owners, uses the GTT-designed tank digital twin, together with real-time operational data," the report explained.

"It enables the assessment of sloshing activity in vessels and the monitoring of their critical integrity parameters," it added.

"Ship-owners and charterers can therefore optimize tank maintenance while at the same time complying with strict safety standards, improving operational flexibility and obtaining significant cost-savings," the report said.

Group findings

Andy McKeran, Chief Commercial Officer of Lloyd's Register, said that he worked with Shell and GTT to ensure this application met the highest safety standards of the industry.

"We are very privileged to introduce a solution that improves fleet operations and availability in a world where energy security is of paramount importance," stated McKeran.

■

Temasek nears end of sales process to offload Pavilion Energy firm

Singapore wealth fund Temasek is close to completing a seven-month long sale process for the Asian island nation's Pavilion Energy set up by Temasek in 2013 to develop liquefied natural gas assets.

Pavilion financed by Temasek then expanded from shipping to trading, bunkering and owning upstream natural gas assets.

Temasek was said by investment bankers to be currently evaluating offers for Pavilion, including its pipeline natural gas business, from companies in Europe and the Middle East.

Pavilion is not a listed company, though reported earnings of US$438 million in the previous fiscal year and was said to have an equity value of up to US$3 billion.

The company had started with retail gas sales in Singapore and then joined BW Gas in a shipping joint venture followed by the purchases of a stake in a natural gas field offshore Tanzania.

Pavilion then set up a trading unit followed by the signing of a supply deal with TotalEnergies.

Analysts said that despite all of its advantages as a Singaporean company it has failed to take advantage of the financial muscle that underpinned it.

The company was then offered a preferential bunkering licence in Singapore and one of the main suppliers to the import terminal on Jurong Island.

Pavilion then followed up these activities by turning its hand to LNG trading in Europe, which is still one of its units along with the Singapore LNG bunkering hub.

In Europe, Pavilion Energy imports LNG cargoes to Spanish terminals.

It gained access to Europe with its 2019 purchase of the LNG assets of Spanish energy and utility company Iberdrola.

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US LNG and power firm New Fortress Energy increases Brazil presence and triples its income

LNG News Editor

New Fortress Energy, the US integrated LNG and power company that owns, operates or provides natural gas to 30 facilities in five countries has almost tripled net profits in the past year.

NFE reported net income for 2023 of 547.88 million, an almost three-fold increase from the $194.48M achieved in 2022.

After the end of the financial year NFE noted that in February 2024 it completed the Barcarena and Santa Catarina LNG import terminals and placed them into service.

"This marks a significant milestone as it now fully opens our Brazil operations, and we expect to begin generating revenue in March 2024," explained BFE.

Gas and power

"The Brazilian gas and power markets are growing significantly, and our terminals give us significant opportunities to grow and expand our company," said New York-based NFE.

In the US territory of Puerto Rico, NFE also completed the installation of two power plants in 2023, totalling 350 megawatts of capacity.

"These have become cornerstone plants in the Puerto Rico power complex," the company added.

NFE has a maritime infrastructure joint venture called Energos in partnership with Apollo Funds of the US.

Energos owns and operates 13 LNG infrastructure vessels, consisting of nine floating storage and regasification units, two floating storage units and two LNG carriers.

In NFE's "Fast LNG" operation whereby it produces liquefied natural gas, it placed into service its first unit offshore Mexico and is now expecting first LNG in March and the first cargo in April 2024.

"We also secured financing commitments of $700M for our second FLNG project located onshore Altamira, in the Gulf of Mexico, and expect to complete construction in the first quarter of 2026," it added.

NFE's FSRU deployed at Santa Catarina for LNG import

Record year

NFE President and Chief Executive officer Wes Edens said 2023 set records even though there were no profits from cargo sales recorded.

"In other words, all of our performance was a result of downstream operating results," Edens explained.

"This is a major change in the company's performance, and a significant and meaningful improvement in both the quality and quantity of our results," Edens stated.

Operating revenues for the year showed progression with $2.06 billion posted in 2023, up from $1.97Bln in 2022 and $831.81M in 2021.

NFE's operating revenues for the fourth quarter came to $643.03M from $420.86M in the third quarter.

The import terminal Barcarena in the state of Pará in northeast Brazil is now operational with the "Energos Celsius" FSRU deployed.

Amazon FSRU

NFE's Barcarena terminal is located at the mouth of the Amazon River and will serve as the sole natural gas supply source for Pará.

The facility consists of an offshore terminal and FSRU that will supply LNG to several industrial customers, including a 15-year contract with Norsk Hydro's Alunorte refinery, the largest alumina refinery in the world.

US floating LNG terminals specialist Excelerate Energy boosts earnings with charters in Europe

Excelerate Energy Inc., the specialist US company for LNG floating storage and regasification projects from South America to the Nordic region and South Asia, increased annual and quarterly earnings because of new charters in Finland and Germany and increased gas sales.

The Texas-based company reported net income of $126.8 million for the full year 2023, up from $80M in 2022.

For the fourth quarter net income was $122.68M, an increase on the $33.9M posted in the same three months of 2022.

However, Excelerate's revenues for the year decreased to $1.16 billion from $2.47Bln in the previous year as natural gas prices dropped.

Gas Sales

The company said that income and adjusted gross earnings for the year increased primarily due to new charters in Finland and Germany, higher rates on charters in Brazil, Argentina, and the United Arab Emirates and higher direct margins on gas sales and lower operating lease expense due to the acquisition of the "FSRU Sequoia', partially offset by drydocking expense for the "FSRU Excellence".

Excelerate explained that net Income and gross earnings in the fourth quarter decreased from the previous third quarter primarily due to drydocking expenses related to the "FSRU Excellence" and spot LNG cargo sales during that period did not reoccur.

In commercial updates in January 2024, Excelerate noted that a 15-year LNG sales and purchase agreement was signed with QatarEnergy.

Under the accord, Excelerate will purchase between 850,000 and 1 million tonnes per annum of LNG from Qatar on a delivered ex-ship basis beginning in January 2026.

"This contract is expected to provide reliable LNG supply for Excelerate's previously announced SPA with Petrobangla in Bangladesh," the company explained.

Excelerate had signed a long-term LNG SPA in November 2023 with Petrobangla for the volumes later secured from Qatar.

Bangaldesh plans

Excelerate will deliver to Bangladesh 850,000 MTPA of LNG in 2026 and 2027 and 1 MTPA from 2028 to 2040.

The take-or-pay LNG volumes are expected to be delivered through Excelerate's two existing floating terminals in the West Asian nation, the "Excellence" and the "Summit LNG" FSRUs.

Excelerate has additionally signed a 20-year SPA for volumes from the Louisiana LNG projects of Gulf Coast developer and exporter Venture Global.