



## OWNERS DIVE INTO THE DETAIL OF QATAR'S 40-SHIP TENDER

Middle Eastern chartering giant due to sweep into UK shortly for planned kick-off meetings. A hotly anticipated tender for the second phase of QatarEnergy's huge raft of LNG carrier newbuilding programme has landed with shipowners.

### ***QatarEnergy wraps up shipyard talks for Phase 2 of giant newbuilding project***

Details remain sketchy at present but insiders report that kick-off meetings on Phase 2, under which around 40 LNG vessels are expected to be ordered, are planned to get underway in London during the first two full weeks of June. Shipowners, who received initial requests for expressions of interest in March, are said to have been given an indication that QatarEnergy will make a final choice of shipowners before the end of this year. It will then assign owners to its pre-reserved berths and ink long-term charter deals with them on the ships. The Qatari liquefaction giant is said to be under increasing pressure to move forward on its slots as shipyards field enquiries for the berths from other LNG players including majors, private owners and projects. TradeWinds understands QatarEnergy — which is tipped to sign a new two-million-tonne-per-annum LNG-supply deal with Bangladesh this week — has set a deadline of the end of June to conclude its negotiations with South Korean shipbuilders Hyundai Heavy Industries and Samsung Heavy Industries. Hanwha Ocean — formerly Daewoo Shipbuilding & Marine Engineering — is said to have been given until September to conclude its discussions.

Speculation is swirling over the likely pricing agreed with yards. The 66 vessels concluded during Phase 1 of QatarEnergy's LNG newbuilding programme were based on a renegotiated benchmark price of around \$215m. But since then, levels for vessels contracted this year have climbed up to the \$260m mark. Some indicate the Qatari berths are now likely to be in the region of \$230m-plus apiece. But the final details have still to emerge. Qatar LNG shipping watchers are also intrigued to know if the company will opt to pursue a new breed of Q-Max ships under this second phase of newbuildings.

### **Chevron targets single South Korean shipyard for LNG carriers**

TradeWinds reported in March that the company had asked shipbuilders to quote on vessels of 263,000 cbm to 265,000 cbm. LNG newbuilding sources said that of South Korea's big three shipbuilders, where QatarEnergy has reserved berths, SHI would appear best placed to build these if required, as its dock space could best accommodate the ships. But the yard is also experiencing competition for that dock space from floating LNG production units. SHI is understood to be holding 16 pre-reserved berths for the Qatari business and observers have suggested that up to half of these could be built as Q-Max vessels, if the Middle East chartering giant opts to up the size on some of the ships. Of the remaining vessels, Hanwha Ocean is sitting on 12 slots and HHI 10. Source : [www.tradewindsnews.com](http://www.tradewindsnews.com)

## **EUROPE AMPS UP CALL ON RUSSIAN LNG BAN WHILE BOOSTING IMPORTS**

A change in trade patterns looms but buyers remain locked into contracts and the region is reluctant to lose security net. European Union ministers have turned up the volume on talk of axing Russian LNG imports. But at present, the region seems to be upping its LNG intake from Russia rather than reducing it. In 2022, the EU imported some 15.8m tonnes of LNG from Novatek's main liquefaction plant Yamal LNG in the Russian Arctic. This was up on the pre-Russia-Ukraine war figure of 13.7m tonnes in 2021.

### **Russia's Yamal LNG upped exports in 2022 with 90% of cargoes shipped to Europe**

Already Europe has taken in another 6.8m tonnes in 2023, with analysts logging February as a record month for Russian imports. Of the importing nations, Belgium — home to the Zeebrugge LNG terminal, where Novatek has booked storage tank capacity — took in the bulk with around 2.6m tonnes, followed by Spain on 1.9m tonnes and France with almost 1.8m tonnes. Belgium has emerged as the cargo reload king with Russian LNG exported to Asian buyers, particularly during the winter period when the shorter Northern Sea Route is largely closed to shipping. Data shows that around 0.5m tonnes has been reloaded from Zeebrugge to Asia on Yamal-chartered ships, but the figure could be higher with reloads being carried on other vessels. The Netherlands, Portugal and Italy also took volumes amounting to less than 1m tonnes each to date this year. Eikland Energy founder Kjell Eikland said LNG exports from Yamal have been "quite stable and high".

### **Russian LNG imports to Europe hit record high in February**

He said Russia is regularly conducting ship-to-ship (STS) transfers of LNG at its site off Kildin Island to the north-east of Murmansk. According to Eikland Energy's iGIS/LNG data platform, some 18 LNG STS operations have been conducted at the site so far this year, which equates to around one-sixth of all Yamal loadings but is double the year-on-year rate. But

Eikland reports another, lesser-followed Russian LNG export route. He said the LNG carriers, the 170,000-cbm Pskov and 170,500-cbm Velikiy Novgorod (both built 2014), have been shuttling between Russia's Portovaya LNG plant on the Baltic coast, shipping cargoes into Greece and Turkey, with 11 shipments made since the plant started up in June 2022.

**Europe will need increased volumes of LNG in 2023,**

In March, EU nations moved to curtail LNG imports with an agreement on a legal option that would stop Russian companies from booking import capacity within the bloc. It also urged term buyers of Russian LNG not to sign new contracts when their existing ones expired. Novatek has firm sales and purchase agreements with big buyers, such as Spain's Naturgy and major's TotalEnergies and Shell. Individual countries have made their own moves, with the Netherlands putting a block on the import of Russian LNG into its new floating terminal in Eemshaven and reducing the volumes shipped into its Gate LNG facility.

**European LNG rise will not cover Russian pipeline gas cuts in 2023**

Spain's energy minister Teresa Ribera has said she has had assurances from domestic importers that they will not renew term deals with Russia. In May, she dropped fresh hints telling Reuters that EU countries will agree to a ban "sooner rather than later". The cutback calls come at a time of mixed messages on European gas. Europe is regaining its confidence that it could survive without Russian gas. A milder-than-expected winter and with gas storage levels at over 60% mid-May, according to Braemar LNG, it is well above the five-year average of about 34%. Germany, which rushed three floating storage regasification unit-based terminals into operation over last winter, also appears to have taken its foot off the gas, literally, amid talk that its LNG import plans will be scaled back as not all may be needed. But at the same time, analysts warn that there may not be sufficient LNG available this winter to meet European demand, due to the now-complete cessation of Russian pipeline gas imports and the lack of new LNG capacity due onstream this year.

**Russia's first super-size FSU leaves shipyard on route to Russian Arctic waters**

Unplanned outages at LNG plants can also add to the uncertainties as can the looming question of a revival in Asian demand. Braemar LNG analyst Georgia McKibbin said: "Overconfidence in curbing Russian LNG imports should not be taken lightly as it still has the ability to largely affect efforts to fill storage for the next winter." Europe is already leaning to the US, where a new wave of liquefaction is due onstream from 2026, in a bid to kick its Russian LNG habit. But Russia has its own, on the unfolding new trading environment inching towards its shores. Next month, the first of two giant LNG floating storage units, the 361,600-cbm newbuilding Saam FSU, is due to arrive for installation off Murmansk with a second due to be positioned at the eastern end of the Northern Sea Route on its delivery as the country tries to position itself for year-round exports through the Arctic passage. Source : [www.tradewindsnews.com](http://www.tradewindsnews.com)

## **CMES ORDERS TWO LNG CARRIERS AT DSIC FOR \$470 MILLION**

China Merchants Energy Shipping (CMES), a unit of China Merchants Group, has placed an order for two more 175,000-cbm LNG tankers at Dalian Shipbuilding Industry (DSIC). CMES said in a statement it signed the shipbuilding deals on May 26 for the two LNG carriers and also two methanol-ready Aframax tankers. The firm said it will pay \$235 million for each of the 299.7 meters long LNG carriers and \$59.15 million for each of the Aframax tankers. This puts the total price tag for the four ships to \$588.3 million. CMES said it will take delivery of the LNG carriers during the second half of 2026 and the first half of 2027, while the Aframax tankers will join its fleet during 2026. According to CMES, the LNG carrier's propulsion system adopts an LNG dual-fuel low-speed main engine and is equipped with iCER, while both of the vessels will feature GTT's Mark III Flex membrane containment system. Earlier this month, the company's board approved the construction of two LNG carriers with a capacity of 175,000 cbm, authorizing the management to sign the shipbuilding deals in "due course". CMES did not reveal the yard or the price tag, but shipbuilding sources told LNG Prime at the time that DSIC will build these vessels for about \$235 million per ship. The company now has eight LNG carriers with a capacity of 175,000 cbm on order at CSSC's DSIC and all of these LNG carriers will have GTT's Mark III Flex membrane containment system. Source : [www.lngprime.com](http://www.lngprime.com)

## **MOZAMBIQUE LNG: TOTALENERGIES EYES RESTART OF TROUBLED PROJECT**

An Islamist insurgency in Cabo Delgado has raged for years now, displacing thousands. The United Nations Human Rights Commission believes over a million people have fled the province in the last five years. The US\$20Bn Mozambique LNG project has been on hold since April 2021, when TotalEnergies, responding to the security situation in the area, declared force majeure on the project and withdrew all personnel. TotalEnergies chief executive Patrick Pouyanné tasked Mr Rufin to assess the situation, Mozambique LNG's actions and propose any additional actions to be implemented, if required. Mr Rufin's report calls for several changes to be made, including establishing a dedicated authority focusing on socio-economic development, with a substantial multi-year budget. The report notes the conflict in the province has origins that predate the gas development project with a cocktail of contributing factors including the inequality between the northern and southern part of the country, ethnic rivalries and the influence of terrorists from neighbouring Tanzania. The security situation in the north of Cabo Delgado has evolved positively in 2022 and recommends reviewing the framework of relations between Mozambique LNG and the Mozambican Defense Forces in light of this situation. However, the conflict is not over and the presence of armed groups in the region is expected to continue. Mozambique LNG has started a dialogue with the Mozambican authorities to this end. Assessing the development work on behalf of the local population, undertaken by Mozambique LNG partners around the Afungi industrial site since 2021, finds the consortium's work has fallen short. While the consortium has executed work to help improve the quality of life, Mr Rufin found the implementation of these programmes was guided more by security concerns "than by a true development logic." The report concludes, "Information flows little and poorly between

Mozambique LNG and other actors,” and recommends establishing a dedicated structure and increased resources to deliver better results. Suggested improvements relate to updating the inventories of the affected persons’ assets, the payment timeline of compensation, providing agricultural land and access to fishing areas. TotalEnergies has also published an action plan decided by Mozambique LNG partners based on the recommendations of the report. The partners will establish Pamoja Tunaweza, a dedicated Foundation with a multi-annual budget of US\$200M, to implement a socio-economic development programme covering the whole territory of the Cabo Degaldo province. The Foundation will be headed by a recognised figure in the field of local economic development and be overseen by a board of directors including representatives of Mozambique LNG and of the civil society. Regarding the populations affected by the development of the Afungi industrial site, TotalEnergies will take several steps including resettling affected village residents, rebuilding houses and updating the inventories of the assets of affected populations. Finally, at the request of the Mozambique LNG partners, Mr Rufin will carry out a follow-up mission to monitor the implementation of this action plan. Mozambique LNG was initially expected to deliver its first LNG cargo in 2024, with plans to produce up to 4.3M tonnes of gas annually. Partners are preparing a gradual restart of the project beginning in July, with TotalEnergies currently renegotiating costs with local contractors ahead of a restart. Source : [www.rivieramm.com](http://www.rivieramm.com)

## **QATAR SIGNS LNG SUPPLY DEAL WITH BANGLADESH**

QatarEnergy Trading, the LNG trading arm of QatarEnergy, has signed a long-term LNG sale and purchase agreement (SPA) with Bangladesh Oil, Gas and Mineral Corporation (Petrobangla), QatarEnergy announced on June 1. The agreement involves the supply of approximately 1.8mn metric tons/year of LNG to Bangladesh for a period of 15 years, starting in 2026. The specific financial terms of the deal were not disclosed. The SPA signing ceremony took place at QatarEnergy’s headquarters in Doha and was attended by key figures including Saad Sherida Al-Kaabi, the CEO of QatarEnergy, and Nasrul Hamid, the state minister for power, energy, and mineral resources of Bangladesh. “Today, we are proud to be the largest LNG supplier to Bangladesh and Petrobangla by a large margin, delivering more than 3.5mn metric tons/year from Qatar to Bangladesh,” Al-Kaabi said. Bangladesh has been grappling with a gas shortage that has affected power generation and industrial activities. The depreciation of the local currency against the US dollar has made it challenging for the government to pay for LNG imports. In response to high global gas prices, Dhaka was compelled to ration gas supplies last year. Bangladesh already has existing LNG import deals with Oman Trading International and Qatargas. The South Asian nation has two operational floating LNG import terminals. On the other hand, Qatar is actively expanding its LNG production capacity. The North Field Expansion project, which includes the North Field South and North Field East expansion projects, is set to commence production in 2026. It will contribute more than 48mn metric tons/year to global LNG supplies and increase Qatar’s LNG production capacity to 126mn metric tons/year. Source : [www.naturalgasworld.com](http://www.naturalgasworld.com)

**QATARENERGY PENS LONG-TERM LNG SUPPLY DEAL WITH PETROBANGLA**

State-owned LNG giant QatarEnergy has entered into a 15-year deal to supply LNG to Bangladesh's state-owned Petrobangla. The signing of the long-term sales and purchase agreement took place at QatarEnergy's headquarters in Doha on Thursday. Under the deal, QatarEnergy's LNG trading arm will deliver about 1.8 million tons of LNG per year to Petrobangla, starting in 2026. Bangladesh currently imports LNG via its first import facility, Moheshkhali Floating LNG or MLNG, operated by Petrobangla, and via Summit Group's FSRU-based terminal. Both of these facilities feature ExceleRate's FSRUs and the US firm is also developing the Payra project in Bangladesh.

**Largest LNG supplier to Bangladesh**

Petrobangla already has a 15-year deal with QatarEnergy's unit Qatargas for 2.5 million tons of LNG and this deal started in 2018. Besides this contract, QatarEnergy entered into a deal with Vitol in 2021 to supply 1.25 million tons per annum of LNG to the latter's final customers in Bangladesh. Saad Sherida Al-Kaabi, Qatar's energy minister and CEO of QatarEnergy, and Nasrul Hamid, the state minister for power, energy, and mineral Resources of Bangladesh, attended the SPA signing ceremony. "Today, we are proud to be the largest LNG supplier to Bangladesh and Petrobangla by a large margin, delivering more than 3.5 million tons per annum from Qatar to Bangladesh," Al-Kaabi said during the ceremony. "With this new SPA, QatarEnergy reaffirms its position as the LNG supplier of choice for its partners in the South Asia LNG markets," he said.

**Boosting Qatar's production to 126 mtpa**

This new contract with Petrobangla follows the 27-year deal QatarEnergy signed with China's state-controlled energy giant Sinopec in November last year. This deal includes the supply of 4 million tonnes and is the first supply deal QatarEnergy announced for the North Field East project. Sinopec also agreed to buy a stake in the NFE project. Previously, UK-based Shell, France's TotalEnergies, Italy's Eni, and US firms ConocoPhillips and ExxonMobil took stakes in the \$28.75 billion NFE project which will boost Qatar's LNG export capacity by 32 mtpa. ConocoPhillips, Shell, as well as TotalEnergies took stakes in the smaller NFS project with a capacity of 16 mtpa. Together, NFE and NFS form the wider North Field Expansion project to increase LNG production from the North Field, adding about 48 mtpa to Qatar's export capacity and bringing it to 126 mtpa. QatarEnergy's unit Qatargas currently has an LNG production capacity of about 77 mtpa in the giant Ras Laffan complex. Source : [www.Ingprime.com](http://www.Ingprime.com)

**FIRST GEN SEEKS ONE SPOT LNG CARGO FOR BATANGAS FSRU TERMINAL**

Power producer First Gen is seeking one spot liquefied natural gas cargo for the commissioning of its FSRU-based LNG import terminal in Batangas, Philippines. The firm controlled by the Lopez family said in a statement on Thursday it seeks to procure a single cargo of LNG via its unit First Gen Singapore on a DES basis, to be utilized by FGEN's existing gas-fired power plants in its complex in Batangas. First Gen said LNG would be loaded into the 162,000-cbm FSRU BW Batangas

after facilitating its gassing-up and cooling down utilizing the delivered LNG cargo. The firm is inviting bids from “experienced LNG suppliers” for a cargo with a capacity of about 154,500 cbm. Also, the delivery window is from August 1 to September 30, 2023. First Gen expects to award the tender to the selected bidder on July 6, 2023.

### **BW's FSRU**

Last month, First Gen said that construction of its LNG terminal has reached practical completion, and that the company expects the commissioning of the FSRU to start “soon”. Due to a delay in the completion of the facility, BW LNG, a unit of the Singapore-based gas giant BW, and First Gen agreed in June last year to push back the delivery date of the FSRU from the first quarter of 2023 to the end of the second quarter or early in the third quarter 2023. First Gen and BW LNG also agreed to rename BW Paris to BW Batangas ahead of the launch of the Batangas LNG import terminal in 2023. The FSRU is currently undergoing modifications at the MMHE Shipyard in Johor, Malaysia, according to BW LNG. In 2021, First Gen awarded the five-year FSRU contract to BW, as it looks to replace declining volumes from the Malampaya gas field. BW's converted FSRU will serve the import facility at First Gen's existing Batangas energy complex. It will provide LNG storage and regasification services to First Gen's existing and planned gas-fired power plants and other third-party terminal users. This will be the second LNG import facility in the Philippines as Singapore's LNG firm AG&P kicked off commissioning activities in April at the first import terminal in the Philippines following the arrival of the 137,500-cbm FSU Ish at the terminal's jetty in Batangas Bay. Source : [www.lngprime.com](http://www.lngprime.com)

## **UECC TEAMS UP WITH REPSOL TO COMPLETE ITS FIRST MEDITERRANEAN LNG BUNKERING OPERATIONS**

Norwegian shipping firm UECC has joined forces with Spanish energy firm Repsol to complete its first LNG bunkering operation in the Mediterranean. The LNG dual-fuel PCTC, Auto Energy, received LNG via a truck-to-ship operation on May 25 in the port of Sagunto, Spain, UECC said in a statement on Thursday. The delivery marks an “important step forward in UECC's commitment to expanding its geographical scope of LNG operations and promoting environmental sustainability within the maritime industry,” the firm said. UECC claims this is the first LNG bunkering operation in the port Sagunto and was made possible through the collaborative efforts of UECC, Repsol, ESK, and local authorities. It said that the successful LNG bunkering operation in the Mediterranean opens doors to new possibilities for UECC, enabling the company to offer “greener transportation solutions” across a wider range of European routes. UECC operates a fleet of 16 medium-sized pure car and truck carriers (PCTCs) with loading capacity ranging from 1,060 to 4,750 car equivalent units, its website shows. In 2016, the firm took delivery of two LNG-powered PCTCs, Auto Energy and Auto Eco. After that, the firm ordered three LNG dual-fuel PCTCs with better power in China. In October 2022, China's Jiangnan Shipyard handed over the LNG and battery-powered PCTC, Auto Aspire. The Norway-based joint venture consisting of NYK and Wallenius Lines took delivery of the first ship, Auto Advance, in November 2021. UECC claims this is the world's first LNG-powered hybrid PCTC. The second ship, Auto Achieve, joined the fleet in June 2022. source : [www.lngprime.com](http://www.lngprime.com)

## HUDONG-ZHONGHUA LAUNCHES FOURTH COSCO LNG CARRIER

Chinese shipbuilder Hudong-Zhonghua has launched the fourth LNG carrier it is building for compatriot Cosco Shipping Energy Transportation and PetroChina. The CSSC-owned shipbuilder held the launching ceremony on May 30 for the 174,000-cbm LNG carrier with a working name H1834A, it said in a statement. Hudong-Zhonghua started building this vessel in July last year and held a keel-laying ceremony in January this year, as part of a deal for three new LNG carries it signed with Cosco and PetroChina in December 2021, boosting the total to six LNG carriers. This vessel is the fourth in the batch of six and the first from this contract in December 2021. Hudong-Zhonghua delivered the first and the second LNG carrier under the PCI project, Shaolin and Wu Dang, last year, and the third carrier, Kun Lun, in March this year. The shipbuilder plans to deliver these three vessels during 2024 and 2025. All of the six LNG vessels feature WinGD X-DF dual-fuel engines and GTT's NO96 L03+ containment system. The 295 meters long ships each have a price tag of about \$185 million and will serve PetroChina under charter contracts. source : [www.lngprime.com](http://www.lngprime.com)

## GAS LEAK SHUTS EQUINOR'S HAMMERFEST LNG TERMINAL

Norway's Equinor has closed its 4.3 mtpa Hammerfest LNG export plant due to a gas leak. "I can confirm that a gas leakage has been detected at Hammerfest LNG. Production is now shut down to handle the leakage," a spokesperson for Equinor told LNG Prime on Wednesday. "It is too early to say when it will be started again," the spokesperson said. The spokesperson also confirmed that the LNG plant was closed from May 4 to May 24 due to a problem with a heat exchanger.

### **Gas leak stopped**

Equinor said in an update later on Wednesday that the gas leak had been stopped and "normalization is under way". The company's emergency response organization has been demobilized and the emergency services have left Melkoya. According to Equinor, the leak occurred in connection with a valve in one of the plant's cooling circuits. The gas that leaked is used for cooling during production of LNG. "There were 98 people present at the factory when the incident occurred. All personnel are accounted for and no injuries were reported," it said. Equinor started again shipping LNG from the Hammerfest terminal in June last year since a fire that broke out at the facility in September 2020. Hammerfest LNG liquefies natural gas coming from the Snohvit field in the Barents Sea. Gas reaches Hammerfest LNG via a 160-kilometer gas pipeline which became operational in the autumn of 2007. The firm and its partners are also upgrading the plant. Equinor is the operator of both the Snohvit field and Hammerfest LNG with a 36.8 percent stake. Other license owners of Snohvit are Petoro (30 percent), TotalEnergies EP Norge (18.4 percent), Neptune Energy Norge (12 percent), and Wintershall Dea Norge (2.81 percent). Source : [www.lngprime.com](http://www.lngprime.com)



## **SOUTH KOREA'S POSCO INKS DANGJIN LNG TERMINAL DEAL**

South Korea's Posco International, a unit of steel giant Posco, is joining forces with compatriot LX International to build a large LNG import terminal in Dangjin. According to a statement issued by Posco International, which merged with Posco Energy earlier this year, the firm signed the deal with LX International on May 31. Under the deal, the two firms will build two storage tanks with a capacity of 270,000 kiloliters and other facilities for the Dangjin LNG terminal, it said. The LNG terminal will be located on a large site at the Dangjin port, and besides the tanks it will have two vaporizers with a capacity of 200 tons per hour, an LPG facility, and one LNG jetty. Once completed in 2027, the LNG terminal will have a capacity of 3.5 million tons per year and will supply the country's western region, Posco International said. Posco International's already operates the Gwangyang import terminal, South Korea's first private LNG terminal besides the Kogas-owned facilities. Earlier this year, the company started construction of two LNG storage tanks with a capacity of 200,000 kiloliters on a site near the Gwangyang LNG terminal. The 5.2 mtpa Gwangyang LNG terminal currently has five storage tanks. Posco is also expanding the LNG import terminal at Gwangyang with the addition of a sixth tank. This tank with a capacity of 200,000 kiloliters should enter operation in 2024. By 2027, Posco International expects to have 1.87 million cubic meters of LNG storage capacity in Gwangyang and Dangjin, it said. Besides the terminal business, Posco International recently signed a long-term deal to charter one 174,000-cbm LNG carrier from compatriot H-Line Shipping. South Korea's Hyundai Samho will build this LNG carrier and deliver it in the first half of 2025. Posco International will use this chartered LNG carrier to transport US shale gas to South Korea from 2026 to 2046. In May 2022, Posco International signed a 20-year deal with Cheniere Marketing, a unit of US LNG exporting giant Cheniere, to buy LNG from the Corpus Christi expansion project in Texas. Source : [www.lngprime.com](http://www.lngprime.com)

## **ITALIAN FSRU OPERATOR GETS OK TO BOOST REGAS CAPACITY**

Italy's OLT Offshore LNG Toscana has received approval to boost its regasification capacity at the FSRU-based terminal located off the coast between Livorno and Pisa. The FSRU Toscana has a storage capacity of 137,100 cbm and a regasification capacity of 3.75 bcm a year. Last year, OLT Offshore requested to increase the authorized regasification capacity to 5 billion standard cubic meters per year and now it has received approval from the government. Thanks to the decree issued on May 26, 2023 by the Ministry of Environment and Energy Security (MASE), in agreement with the Ministry of Infrastructure and Transport (MIT) and with the Tuscany Region, OLT will also be able to receive up to 122 small LNG carriers per year to carry out the small-scale LNG service, it said on Wednesday. OLT said the increase in regasification capacity at the FSRU-based terminal is part of the broader national strategy related to the European energy emergency in 2022 and in line with the REPowerEU. The capacity increase does not involve plant modifications, but a greater utilization of the existing plant with increased quantities of LNG discharged and regasified, it said. According to OLT, it will offer the additional regasification capacity from the next gas year. The firm recently [said](#) that companies have booked all of the offered regasification capacities at its terminal until 2027.

## Small-scale LNG service

As per the small-scale LNG part, OLT has already completed the plant upgrade in order to be able to offer such service. The new service provides that small LNG carriers can load LNG directly at the FSRU Toscana, to refuel LNG ships or to deliver it to coastal deposits within Mediterranean ports. OLT said the commercial offer of the service is expected “soon”.

The FSRU sends regasified LNG to Italy’s national grid via a 36.5 kilometers long pipeline. Italy’s Snam has a 49.07 percent stake in the LNG terminal, while Igneo Infrastructure Partners owns a 48.24 percent share. Golar LNG, that provided the FSRU, has a minor 2.69 percent stake in the LNG import facility. Source : [www.lngprime.com](http://www.lngprime.com)

## TOTALENERGIES RENEWS LICENSE FOR NIGERIAN OFFSHORE BLOCK

France’s TotalEnergies, one of the world’s largest LNG players, has renewed its production license for the OML130 block located offshore Nigeria. The renewal for the block located in deep waters is for 20 years, according to a statement by TotalEnergies. Located 150 kilometers off the Nigerian coast, the OML130 block contains the prolific Akpo and Egina fields which came into production in 2009 and 2018 respectively. Moreover, in 2022, production amounted to 282,000 boe/d and nearly 30 percent of the gas was sent to the Nigeria LNG plant, notably contributing to Europe’s energy security, TotalEnergies said. The production start-up from Akpo West, a short-cycle project, is expected by the end of 2023, it said. In addition, OML130 contains the Preowei discovery, to be developed by tie-back to the Egina FPSO.

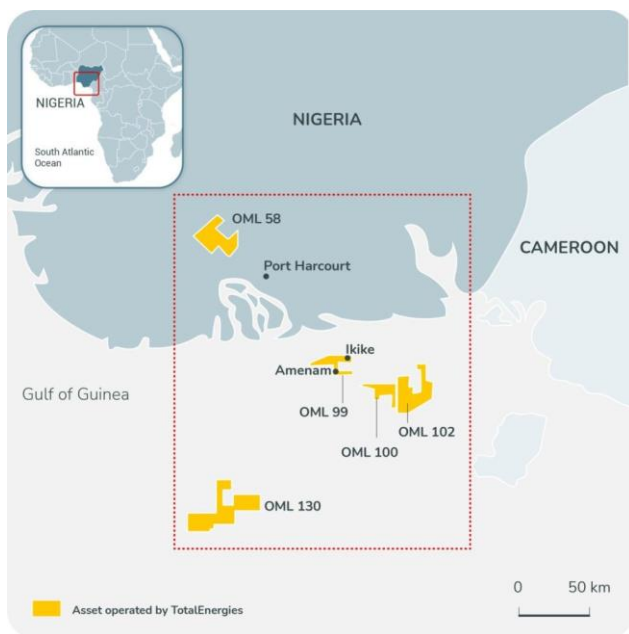


Image: TotalEnergies

**Henri-Max Ndong-Nzue**, senior VP Africa, exploration and production at TotalEnergies, said that this 20-year extension will enable the company to move forward with the FEED studies on the Preowei tie-back project which aims to valorize a discovery using existing facilities. TotalEnergies Upstream Nigeria Limited operates OML 130 with a 24 percent interest, in partnership with CNOOC (45 percent), Sapetro (15 percent), Prime 130 (16 percent) and the Nigerian National Petroleum Company as the concessionaire of the PSC.

## Nigeria LNG

TotalEnergies also has a 15 percent stake in Nigeria LNG, the operator of the 22 mtpa six-train Bonny LNG export plant. Besides TotalEnergies, NNPC owns 49 percent in the venture, Shell has 25.6 percent, and Eni holds 10.4 percent. Nigeria LNG is also adding the seventh production unit at the Bonny Island plant. The NLNG Train 7 project consists of the

construction of one complete LNG train and one additional liquefaction unit. The project also includes other associated utilities and infrastructures. The new unit will add around 8 mtpa of capacity to the Bonny Island facility. Source : [www.lngprime.com](http://www.lngprime.com)

## GOLAR BUYS VESSEL FOR THIRD FLNG PROJECT

Golar LNG has exercised its option to acquire the 148,000-cbm Moss-type carrier, Fuji LNG, which it aims to convert to a



floating LNG producer. The firm said in February that it secured an option to acquire a Moss-type vessel built in 2004 in Japan, saying the vessel would be used for a MKII FLNG conversion. Golar revealed in its first-quarter report issued on Tuesday it has exercised its option to acquire the 148,000-cbm, Fuji LNG. Greece-based shipping firm TMS Cardiff Gas owns this LNG carrier. Of the \$73 million purchase price balance for Fuji LNG, \$11 million will be paid in the second quarter of 2023 with the remainder in early 2024, when Golar will take delivery of the vessel, it said. The LNG firm led by Tor

Olav Trøim also confirmed it has sold its 1977-built LNG carrier, Golar Gandria. “As a result of increasing momentum for new FLNG opportunities, Golar high-graded its FLNG conversion candidate by selling the Gandria and exercising its option to acquire the 148,000-cbm moss design carrier Fuji LNG targeted for the MKII FLNG conversion project,” it said. Sale of Gandria for net proceeds of \$15 million remains subject to the satisfaction of customary closing condition, while Golar expects to complete the transaction in the second half of 2023.

### ***Focus on EPC contract and financing***

Golar LNG said in November last year it ordered long-lead items for its third FLNG conversion project on the back of a growing opportunity set for new FLNG growth projects. The firm placed orders for items targeted for a 3.5 mtpa Mark II FLNG, that can also be interchangeably used on its other two FLNG designs. With key long-lead items on order, focus is now on a yard EPC contract and financing, the firm said on Tuesday. “A final investment decision on the MKII project is linked to securing attractive finance and further visibility on a charter, with strong progress on both fronts during the quarter,” Golar said.

### ***Nigerian deal***

State-run Nigerian National Petroleum Corp said in April it is joining forces with Golar to install a floating LNG production unit in Nigeria. However, the firm did not provide any additional information regarding the project. Golar said in its first-quarter results statement that, following the signing of the MoU, both parties have allocated “significant” resources to initially develop a named gas field for a potential FLNG project. According to the floating LNG player, material technical and

commercial progress has been made. The memorandum has a 5-year duration, with both parties' ambition to explore potential for multiple FLNG projects to be deployed on proven stranded and associated gas fields in Nigeria, it said. Nigeria's gas specifications and met-ocean conditions are ideally suited to Golar's FLNG solutions, the firm said.

## **FLNG Hilli**

Golar owns the 2.4 mtpa Hilli FLNG located in Cameroon and the 2.5 mtpa Gimi FLNG currently under conversion at Singapore's Keppel Shipyard. The firm said in the report that FLNG Hilli maintained its strong operational performance with 100 percent economic uptime throughout the first quarter. Golar noted that recent months have seen a "significant increase in interest and momentum" for re-contracting alternatives for FLNG Hilli. "Several promising projects that have more attractive



economics than the current contract are now being discussed," it said. "Golar continues to target commercial structures aligned with gas resource owners, focusing on attractive break-even production costs relative to competing global LNG export projects, with upside in commodity price linkage," it said.

## **Gimi delay**

Gimi will serve BP's Tortue FLNG project offshore Mauritania and Senegal under a 20-year charter deal.

According to Golar, the FLNG is now 94 percent technically complete. However, the the yard departure date for the FLNG has been postponed from the first half of this year to the third quarter of this year to "allow for vessel completion and testing and a greater proportion of commissioning work to be performed in Singapore where requisite skills and resources are more accessible," Golar said. Golar said that the updated sail away timing is not expected to impact first feed gas on the Tortue project, expected by the end of this year. As a result of project delays, pre-commissioning contractual cash flows under the lease and operate agreement (LOA) have started, it said. A LOA contract interpretation dispute regarding parts of these pre-commissioning contractual cash flows currently exists between Golar and BP, regarding payments due from BP to Golar as a result of the delays previously announced in 2020 related to force majeure claims. "The dispute does not impact wider execution of the 20-year project that is expected to unlock around \$3 billion of adjusted Ebitda backlog to Golar, equivalent to annual adjusted Ebitda of around \$151 million," Golar said.

## **Net loss**

Golar said its adjusted Ebitda reached \$84 million in the first quarter, down 6 percent when compared to the same quarter last year. The firm reported a net loss attributable to Golar of \$102 million, inclusive of non-cash mark-to-market charges of \$188 million. As of March 31, 2023, total Golar cash was \$1 billion, comprising of \$889 million of cash and cash equivalents and \$113 million of restricted cash. Based on "strong" balance sheet position and a "solid" operational cash flow outlook, Golar reinstated quarterly dividend and will distribute \$0.25 per share for the first quarter, it said. Source : [www.Ingprime.com](http://www.Ingprime.com)

## **SEASPAN: LNG-POWERED ZIM MOUNT BLANC EMBARKS ON MAIDEN VOYAGE**

Seaspan's LNG-powered containership, ZIM Mount Blanc, has departed Samsung Heavy's yard in Geoje, South Korea on its maiden voyage. According to a social media post by Seaspan, the vessel left Geoje last week. Its AIS data provided by VesselsValue shows that it was located offshore China's Qingdao on Tuesday. ZIM Mount Blanc is the third of ten 15,000-teu LNG-powered vessels which will go on charter to Israel's ZIM. Samsung Heavy hosted a naming ceremony for this vessel and its sister ship, ZIM Mount Everest, in April. ZIM Mount Everest was on Tuesday heading towards Charleston after departing Jacksonville, Florida, its AIS data shows. Seaspan and ZIM named the first vessel in this batch of ten ships, ZIM Sammy Ofer, in February this year. Back in 2021, Seaspan and ZIM signed a charter deal for these vessels that will serve the latter's Asia-US East Coast trade. These 366 meters long vessels feature MAN ME-GI engines and GTT's Mark III membrane technology. GTT said the tanks have a capacity 12,000 cbm. Besides these ten vessels, Seaspan and ZIM also signed charter deals for 15 7,000-teu LNG-powered container vessels. China's Jiangsu New Yangzi, a part of Yangzijiang Shipbuilding, is building these ships and recently launched the first vessel in this batch, ZIM Amber. Source : [www.lngprime.com](http://www.lngprime.com)

## **GAZPROM HITS PORTOVAYA LNG PRODUCTION MILESTONE**

Russian gas giant Gazprom has reached a production milestone at its Portovaya LNG complex in the Leningrad region. According to a statement by Gazprom LNG Portovaya, the operator of the plant and Gazprom's unit, the complex produced its first million tons of LNG in May since the launch in September 2022. Gazprom's Portovaya complex is a mid-scale plant able to produce about 1.5 million tons of LNG per year from two trains. The 170,000-cbm LNG carrier Pskov, owned by Sovcomflot, loaded the first cargo in September last year from the 138,107-cbm Portovyy, which serves as a floating storage unit for Gazprom's LNG export project located near Russia's Baltic Sea port of Vysotsk. DESFA's Revithoussa LNG import facility in Greece received this first shipment from Portovaya LNG. The plant liquefies natural gas coming from the nearby Portovaya compressor station, part of Gazprom's closed Nord Stream pipeline. It has a 42,000-cbm LNG tank. From the tank, the facility sends LNG via a 4 kilometers long pipeline, one of the longest cryogenic pipelines in the world, to the FSU, Gazprom LNG Portovaya said. Besides sending LNG to vessels, it also loads trucks for use as a fuel for transport in Saint Petersburg, the firm said. Source : [www.lngprime.com](http://www.lngprime.com)

## **FRANCE'S ELENKY OFFERS FOS CAVAOU REGAS CAPACITY**

Elengy's Fosmax LNG is offering additional unloading capacities at its Fos Cavaou LNG import terminal near France's southern city of Marseille. Thanks to an optimization of capacities, Fosmax LNG is marketing additional unloading capacities with three arrival windows in July and August, according to a statement by Elengy. The first window is on July 23 for 1,100 GWh, the second on July 31 for 1,000 GWh, and the third on August 21 for 1,100 GWh. Moreover, this capacity will be proposed according to an ascending auction mechanism that will take place on the Prisma platform on June 1, June 6, and

June 27, the statement said. Each of the separate auctions consists of a phase of one or more rounds of successive bids followed, if necessary, by a phase of a round in pay-as-bid. During the first round, the sale price of the capacity is its regulated price: 1,536,600 euros for the first and the third window, and 1,406,000 Euros for the second window. Interested shippers wishing to participate must first register with Fosmax LNG no later than 10 am (Paris time) on the day preceding the auction, the statement said. In November last year, a unit of French energy firm Engie booked long-term regasification capacity at the Fos Cavaou terminal. Engie Global Energy Management & Sales won 30 TWh per year of regasification capacity for 16 years. Elengy, the unit of Engie's GRTgaz, operates the Fos Tonkin and Fos Cavaou LNG terminals on the Mediterranean coast, and the Montoir-de-Bretagne facility on the Atlantic coast. These terminals have a combined capacity of some 21.5 bcm per year. Source : [www.lngprime.com](http://www.lngprime.com)

## **AUSTRALIA'S WOODSIDE INVESTIGATING PLUTO LNG INCIDENT**

Australian LNG player Woodside has launched an investigation following an incident that took place on Friday at its Pluto liquefied natural gas plant in the Pilbara region of Western Australia. Pluto LNG has one train with a capacity of 4.9 mtpa but Woodside and US engineer Bechtel are also building the second train with a similar capacity. "At approximately 11.30pm on Friday, 26 May an incident occurred in the Pluto flare tower," a Woodside spokesperson told LNG Prime on Monday. The Australian firm is currently carrying out planned maintenance at the Pluto LNG facility and maintenance will take place during the next few weeks. "The facility was carrying out planned maintenance at the time of the event and not producing LNG, condensate or pipeline gas. The cause of the incident is being investigated," the spokesperson said. The spokesperson said that all personnel are safe and accounted for and there are no confirmed injuries.

### **Full turnaround scope**

"We returned to full turnaround scope today and maintenance work has recommenced as planned. The Pluto flare system has been assessed and is operating safely," the spokesperson said, adding that there are no impacts to the company's expected turnaround schedule. Also, Woodside said that operations at the Karratha gas plant, which is located near the Pluto LNG facility and is part of the NWS project, continue as normal. A post by Woodside published on the NWS Facebook page during the weekend said that "an audible release occurred in the Pluto flare tower." After that, Australia's Offshore Alliance said in a separate social media post that "Friday night's explosion at Pluto was not simply an "audible release" as they've told employees and contractors." "Woodside are lucky that no one was killed or seriously injured as the explosion shook the ground and surrounding crib huts," Offshore Alliance said. Source : [www.lngprime.com](http://www.lngprime.com)

## **ESTONIA'S EESTI GAAS BUYS MORE LNG CARGOES**

Eesti Gas, a unit of Estonian investment firm Infortar, has purchased more liquefied natural gas cargoes for delivery by fall this year and plans to buy additional LNG shipments for the fourth quarter. Eesti Gas, which is branded internationally as Elenger, said in a statement issued on May 25 that it has "committed to bring 14 LNG cargoes from different suppliers to its

customers by the fall and plans to add some more in the fourth quarter.” In February this year, the firm said it will bring in total ten LNG cargoes by fall this year to two European FSRU-based terminals, including seven shipments via Finland’s LNG facility in the port of Inkoo and four via Lithuania’s FSRU-based Klaipeda LNG import facility. Eesti Gas received the first LNG cargo via Exceletrate Energy’s 150,900-cbm FSRU Exemplar, which serves Gasgrid’s import facility in Inkoo under a charter deal, in April from the US. The firm purchased this cargo from trader Vitol. During the same month, the second LNG cargo also arrived from the US onboard the 173,400-cbm, Solaris, while the third cargo arrived onboard the 142,700-cbm Arctic Voyager from Equinor’s Hammerfest LNG plant in Norway. Eesti Gas said in a statement in April that the LNG cargo delivered onboard Solaris was purchased from TotalEnergies to cover the increased gas demand as the the originally planned ten cargoes until autumn were not enough. The latest LNG shipment to Inkoo arrived onboard the 173,400-cbm, Minerva Limnos, from the US as well.

### **Finland market share**

Eesti Gas said in the statement last week that it has significantly increased its share in the Finnish gas market during the current year. In April of this year, the company’s market share in Finland reached 36 percent. The firm said that most of its 2023 cargoes will arrive at the Inkoo terminal, where it is currently the only importer. At the beginning of June, the company will bring its fifth consecutive LNG shipload to Finland, it said. Although gas consumption decreased in Finland and elsewhere in the region in 2022 due to high prices, Elenger expects consumption to recover in the next few years. “The rapidly falling price level has accelerated the growth of imports and Elenger has been able to meet the growing demand flexibly,” it said. Finland’s Gasgrid recently said that it has allocated all of the offered capacity at the FSRU-based terminal in the second and third quarters of this year. The firm also awarded an additional regas slot for July. Gasgrid expects about two vessels per month to arrive at the FSRU-based facility. Earlier this year, the firm also received approval to start offering reloading services at the facility to boost the terminal’s utilization rate. Source : [www.lngprime.com](http://www.lngprime.com)

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