



EYEBROWS RAISED AS ASIAN BUYERS SNAP UP AGEING LNG CARRIERS

Dubai-based vintage tonnage deals prompt questions. Rising interest in secondhand LNG carriers by buyers linked to Asia is prompting questions about how these vessels will be employed. Players following the sector pointed to several sales, along with efforts to conclude deals on ships that appear to have failed, as evidence of a slightly unusual emerging trend. They highlighted a strength in some of the prices paid and offered, unexpected competition for certain vessels and a blurriness around exactly how the ships bought will be deployed. This comes in a charter rate environment in which LNG steamships are earning levels in the \$20,000s per day for spot voyages and rates in the \$40,000 per day region for term business. In the past few weeks, it emerged that Greek owner Capital Gas had sold its 137,200-cbm steamship Trader IV (built 2002) to Chinese buyers for about \$40m. Brokers described the price as “high” for a 22-year-old vessel. The Equasis database lists the new owner as Lule One Services with the vessel in the “care of” Nur Global Shipping — an entity based in the Grandstand at the Meydan Hotel in Dubai. Nur Global Shipping is also listed as the company now controlling the 138,000-cbm LNG carrier Pioneer (ex-Pioneer Spirit, built 2005) on behalf of Zara Shipholding Co. The ship appears to have been sold to the Dubai-based company in April by Chinese trader Jovo Group, which paid around \$37m in 2021 to buy the steamship from Mitsui OSK Lines of Japan. Speculation has also been swirling about the buyer and future use of the smallest of Stena Bulk’s three

LNG carriers that were put up for sale — the 145,819-cbm former Stena Blue Sky (built 2006). The ice-class vessel was sold in April for more than \$65m, to what were described as Vietnamese buyers. It was said to be destined to serve as a floating storage unit. The ship has been renamed Blue Dragon 1 and is listed as under the ownership of a Seychelles-based company called Chinmuixo. Several brokers highlighted the 140,600-cbm steam turbine Golar Arctic (built 2003), which was earlier understood to have been under negotiation with Chinese interests. But brokers said the deal failed, citing “know your client” issues in connection with the sale. A possible sale of the 21-year-old vessel is now believed to be going ahead with another buyer. Talk continues to rumble around the market that Tsakos Energy Navigation’s 149,700-cbm Neo Energy (built 2007) is close to being sold. But brokers said the sale has not been without hiccups. TradeWinds reported in April that the Neo Energy was under negotiation with a Dubai-based buyer at a strong price close to \$80m, given its slightly larger size than other steam turbine vessels. Source : www.tradewindsnews.com

MOZAMBIQUE NEWBUILD DELIVERY DATES FORMALLY PUSHED BACK

Seventeen berths for orders originally placed in 2020 roll on. Two South Korean shipyards have deferred the delivery dates on 17 LNG carriers originally ordered for the TotalEnergies-led Mozambique LNG project into 2028 and 2029. Those familiar with the business said agreements have been reached with HD Hyundai Group yards and Samsung Heavy Industries on the vessels, which were contracted by four shipowners against planned long-term project deals with Mozambique LNG. They said this is the 17th extension agreement on the berths that were originally inked in 2020. A decision on the status of the slots was due to be made by July but it has been made well in advance of this. One of those following this business commented that with South Korea’s big yards so full of LNG carrier orders, particularly those for QatarEnergy’s massive shipbuilding programme, it is easy for them to extend the time on these slots. The next decision deadline on the berths is understood to be in October 2024. In a new move, the shipbuilders have made formal announcements on the deferrals — to date, on 14 of the berths — which appear to leapfrog what were perhaps less formal interim agreements on the slots. SHI said it was deferring the delivery of eight LNG carriers from May and August 2024 into a revised handover schedule from July to December 2028. Hyundai Samho Heavy Industries detailed that it is extending the 2024 delivery dates on two LNG carriers to November 2028 and four more to February and March 2029. TotalEnergies originally selected Japanese shipowner NYK and Greece’s Maran Gas Maritime to build four ships each at SHI for the Mozambique project. In the initial line-up, Japan’s Mitsui OSK Lines was lined up against five of the berths and K Line four at what is now Hyundai Samho Heavy Industries. In 2020, the 17 newbuildings were agreed pending a final investment decision on the Mozambique LNG project. But project watchers said a price hike — the vessels would have been priced below \$200m when ordered, where prices are now over \$260m — and a design rethink would be needed. TotalEnergies has been keeping the market guessing on its long-planned 12.9m tonnes per annum first phase of the Mozambique LNG project. The company and its partners took a final investment decision on the project in 2019

but declared force majeure on it two years later as a rise in attacks by insurgents threatened security in the region. Since then, TotalEnergies chairman and chief executive Patrick Pouyanne has had to field questions about when the company might return to the project amid continuing reports about fresh attacks and security issues in the country's Cabo Delgado region where Mozambique LNG would be located. Pouyanne said in a recent results call that a return to the project is not about costs but whether Mozambique feels the security situation is under control for the major to lift its force majeure. He said he would be meeting the country's, President Filipe Nyusi, to discuss this. TotalEnergies is seen as coming under more pressure to move on its East African project after US energy major ExxonMobil said it plans to push ahead with its delayed Rovuma LNG project in Mozambique, which it is developing with Eni. A final investment decision is expected at the end of 2025, the company has said. source : www.tradewindsnews.com

HOEGH LNG: COMMISSIONING OF BRAZILIAN FSRU COMPLETED

Commissioning of the FSRU Hoegh Giant which serves Cosan's LNG import terminal in Brazil's port of Santos has been completed, according to Norwegian FSRU player Hoegh LNG. Hoegh LNG said in the company's first quarter report on Thursday that its 170,000-cbm FSRU Hoegh Giant has arrived in Santos, Brazil in late February and has started its commissioning for FSRU operation. "Hoegh Giant completed its FSRU commissioning in Santos in late April," it said. The firm did not provide further information. Hoegh LNG said in its 2023 results report in February that it expects to start commissioning in Santos towards the end of the first quarter. Back in December 2021, Hoegh concluded the 10-year FSRU charter with Terminal de Regaseificacao de GNL de Sao Paulo (TRSP), a unit of Cosan's Compass Gas & Energia, to serve the latter's project in the port of Santos with a regasification capacity of 14 million cbm/day. The firm said in August last year that the FSRU had started its long-term FSRU contract with TSRP/Compass in Brazil from beginning of the third quarter last year. Cosan's unit previously expected to start operations by the end of 2023.

FSRU fleet booked

Hoegh LNG's fleet comprises ten FSRUs and three LNG carriers. The entire fleet is operating under long-term contracts, except the LNG carrier Hoegh Gandria which is currently employed on a five-month LNG carrier charter ending in August 2024. The average remaining contract length per vessel was 7.5 years at the end of March 2024, according to Hoegh LNG. Moreover, Hoegh LNG said its Hoegh Galleon has completed drydocking and its fifth anniversary class renewal in April 2024 and is now repositioning to Egypt to start the interim FSRU deployment for EGAS. The firm recently confirmed it has signed a deal with Australian Industrial Energy (AIE) and Egypt's EGAS to deploy the 2019-built FSRU Hoegh Galleon to Egypt. The FSRU with a regas capacity of 384 mmscf/d will be located in Ain Sokhna, Egypt for a "likely period of 19-20 months". After that, the 170,000-cbm FSRU is expected to be deployed to AIE's LNG terminal currently under construction at Port Kembla, in New South Wales, Hoegh LNG said.

Demand for FSRUs "strong"

Hoegh LNG noted its business development activities “remain high” with a balanced spread of activities between regions. There is a “strong focus” on developing the Zeeland Energy terminal in Vlissingen, Netherlands with the company’s project partner VTTI, it said. Hoegh LNG said it expects the demand for FSRUs to “remain strong”. “While Hoegh LNG has secured long-term contracts for its entire fleet of FSRUs, the business development team is in active dialogue with several potential new projects looking for FSRU capacity,” it said. On March 31, 2024, the global fleet of FSRUs counted 47 units, excluding four barges with limited storage and/or sendout capacity. Following the recent surge in demand for FSRUs, only one existing unit remains available for prompt delivery in the market, Hoegh LNG said. There are two FSRU newbuilds on order, of which one is available with expected delivery in 2026, it said.

Results

Hoegh LNG reported a total income of \$128.6 million and an Ebitda of \$79 million in the first quarter. This marks a slight increase from the preceding quarter’s total income and Ebitda of \$125.7 million and \$78.1 million, respectively. Also, Hoegh LNG attributed the marginal rise in Ebitda to variation in administrative expenses and Opex. In the first quarter of 2024, the group’s profit after tax was \$19.7 million, reflecting a \$3.9 million increase from the preceding quarter’s \$15.8 million. source :

www.lngprime.com

FLEX LNG REPORTS HIGHER NET INCOME, LOWER REVENUE

Norwegian LNG carrier owner Flex LNG reported higher net income and lower revenue in the first quarter of this year. The owner of 13 LNG carriers said on Thursday that vessel operating revenues were \$90.2 million for the January–March period, a drop compared to \$92.4 million in the first quarter last year and from \$97.2 million in the prior quarter. Compared to the prior quarter, the decrease in revenue was primarily due to a seasonal decrease in the spot market rates which affected the variable rate hire contract for the LNG carrier Flex Artemis, the shipping company controlled by billionaire John Fredriksen said. On the other said, the company’s net income of \$33.2 million in the first quarter doubled compared to \$16.5 million in the same quarter last year, and it also rose compared to \$19.4 million in the prior quarter. Average time charter equivalent (TCE) rate was \$76,539 per day in the first quarter of 2023, and compares to \$81,114 per day in the fourth quarter and \$80,175 per day in the first quarter of 2023. Flex LNG a declared a dividend for the first quarter of \$0.75 per share.

Four new charter deals

Flex LNG has 12 LNG carriers on fixed hire time charters, including to US LNG exporter Cheniere, while the LNG carrier Flex Artemis trades in the spot market. The company recently secured a new charter deal with a “large Asian LNG importer” for the 2019–built 173,400–cbm, Flex Constellation, the company’s fourth contract so far this year. In April, Flex LNG clinched a time charter extension from US LNG exporter Cheniere for its 2018–built 173,400–cbm LNG carrier, Flex Endeavour. Prior to

South Korea, China, and Taiwan. The 30 mtpa LNG complex includes MLNG Satu, MLNG Dua, MLNG Tiga, and the most recent Train 9 which started commercial operations in 2017. During 2023, Petronas delivered 403 LNG cargoes from the facility, down by two cargoes compared to 2022. Source : www.lngprime.com

CROATIAN FSRU GETS ALGERIAN LNG CARGO

Croatia's Krk liquefied natural gas (LNG) terminal has received a cargo from Algeria, according to shipping data. State-owned LNG terminal operator LNG Croatia said in a short social media post on Wednesday that the LNG carrier Ougarta delivered the 92nd cargo to the 140,000-cbm FSRU since the launch of operations in January 2021. The firm did not provide any additional information. The 2017-built 171,800-cbm, Ougarta, owned by Sonatrach's unit Hyproc Shipping, previously picked up the cargo at Sonatrach's Arzew LNG plant (GNL3) in Algeria, its AIS data provided by VesselsVaue shows. Shipping data shows that the Krk LNG terminal has not previously received cargoes from Algeria. The Croatian FSRU mainly receives shipments from the US, but it also received cargoes from Qatar, Nigeria, Egypt, Trinidad, Indonesia, and reloads from European terminals. LNG Croatia is owned by Croatian state-owned power utility HEP and Plinacro, the national gas transmission system operator (TSO), with 85 percent and 15 percent, respectively. HEP recently issued a tender seeking up to six LNG cargoes for delivery to the FSRU-based LNG terminal on the island of Krk. Hungary's MFGK and a unit of Switzerland-based trading firm MET are some of the users of the facility. Due to high demand, LNG Croatia is currently working to boost the capacity of its terminal. Last year, a unit of Finland's Wartsila won a contract to supply one regasification module for the FSRU. Under the contract, Wartsila Gas Solutions is building the regas module with a maximum capacity of 250,000 m3/h. The firm awarded the module contract to China's CIMC SOE. The current three LNG regasification units have a maximum regasification rate of 451,840 m3/h. Following the upgrade, the Krk LNG facility will have a capacity of about 6.1 bcm per year in 2025. The European Commission recently approved a 25 million euro (\$27 million) Croatian measure to support the expansion of the LNG terminal. This measure will support the installation of the additional regasification module. source : www.lngprime.com

CHINA'S CNOOC COMPLETED MORE THAN 100,000 BINHAI LNG TRUCK LOADING OPS



State-owned China National Offshore Oil Company (CNOOC) has completed more than 100,000 truck loading operations at its Binhai LNG import terminal in Jiangsu since October 2022. According to a statement by CNOOC Gas & Power, a total of 2.1 million tons of LNG, equivalent to about 3 billion cubic meters of natural gas, was loaded into tanker trucks at the Yancheng "green energy port", enhancing the Yangtze River Delta region's energy supply. Also, the LNG supplies were delivered to the provinces of Jiangsu,

LNG as a bridge fuel towards achieving carbon neutrality. The webinar's opinion polls offer valuable insights into the maritime industry's perspectives on the future of LNG as a marine fuel, particularly regarding its role in transitioning to cleaner energy sources and the challenges that accompany this shift. Industry stakeholders are cautiously optimistic about the evolution of clean LNG blends such as bioLNG and synthetic LNG. A significant number (31%) believe in moderate growth in the availability and gradual cost reductions, although these blends will likely remain somewhat more expensive than conventional LNG. Meanwhile, 28% of the respondents anticipate slow growth in availability with persistent cost premiums, which could limit widespread adoption. This indicates a realistic perspective on the challenges of scaling up and reducing the costs of these cleaner alternatives. Methane abatement remains a crucial issue, with participants identifying the absence of a universally accepted measurement protocol for methane slip as the most significant challenge (26%). This underscores the industry's need for standardised methods to ensure the effectiveness of methane-reduction strategies. Additionally, high costs and operational complexities of methane abatement solutions were also concerning (20%), pointing to the financial and technical hurdles that need to be addressed to enhance environmental compliance. Regarding the elements of the LNG as Fuel Transition Portfolio, a majority (52%) see a combination of all the elements - including methane abatement, LNG greening, and clean LNG blends, along with onboard carbon capture - as holding the greatest potential for reducing the shipping industry's carbon footprint. This reflects a holistic view of the multifaceted approach required to achieve significant emissions reductions. The adoption of LNG for small-scale tanker operations presents its own set of challenges. The cost and economic viability of LNG compared with conventional fuels is seen as the most significant hurdle (42%), suggesting that financial factors play a critical role in decision-making processes for smaller operations. Moreover, the availability and reliability of LNG bunkering infrastructure are also major concerns (31%), highlighting the logistical challenges in accessing LNG fuel. As for the supply and pricing of LNG as a marine fuel over the next decade, opinions are mixed. While some anticipate stable supply and competitive pricing (38%), a considerable fraction foresees volatile supply and pricing (31%), influenced by geopolitical factors and market disruptions. This indicates a guarded optimism, tempered by awareness of the broader economic and political landscapes that could impact LNG markets. Source: Riviera Maritime Media

HYUNDAI LNG TAPS SEATRIUM FOR UPGRADES AND REPAIRS TO LNG CARRIER FLEET

This marks the shipbuilder's first long-term strategic partnership agreement with a South Korean LNG company for the repairs and upgrades of its LNG carriers, which was signed in South Korea. Seatrium is one of the leading yards for the repair and upgrade of LNG carriers including, most notably, the conversion of Golar Hilli, the world's first floating liquefaction vessel (FLNG) in 2017, which operates in Cameroon, Africa. Over the next two years, the Singapore shipbuilder will undertake refits on a series of Hyundai LNG carriers with responsibilities in joint planning, information and experience sharing with Hyundai LNG Shipping. The two companies will jointly work towards achieving sustainable targets in the areas of quality, health, safety

April. The average price of spot LNG cargoes for delivery to Japan contracted in April 2024 and scheduled to be delivered from the month onward (contract-based price) was \$9.6/MMBtu, JOGMEC said in its preliminary report. The average price of spot LNG cargoes that were delivered in Japan within the month of April 2024 regardless of the month when the contracts were made (arrival-based price) was \$9.6/MMBtu. Also, the confirmed figures for March 2024 were not changed from the preliminary figures, with the contract-based price at \$9.3/MMBtu and the arrival-based price not disclosed, JOGMEC said. JOGMEC did not publish both the contract-based and the arrival-based monthly spot LNG prices in the first two months of this year as there were less than two companies that imported spot LNG.

LNG inventories

METI previously announced that Japan's LNG inventories for power generation as of April 7 stood at 1.61 million tonnes, up 0.13 million tonnes from the previous week. Inventories were at 1.62 million tonnes on April 14, 2.05 million tonnes on April 21, 2.13 million tonnes on April 28, 2.01 million tonnes on May 5, 2.12 million tonnes on May 12, and 2.26 million tonnes on May 19, according to METI.

Deliveries to Japan

As per LNG shipments going to Japan in April, deliveries from Asia rose by 11.3 percent to 1.30 million tonnes, the ministry's data shows. Middle East LNG shipments surged by 219.2 percent to 640,000 tonnes in April. Moreover, shipments from Russia decreased by 18.5 percent to 288,000 tonnes, while US deliveries rose by 38.6 percent to 437,000 tonnes in April.

Second largest LNG importer

China has overtaken Japan to become the world's top importer of LNG last year. China's LNG imports rose 12.6 percent to about 71.32 million tonnes in the January–December period, and the country imported some 5.17 million tonnes of LNG more than Japan in 2023. During January–April this year, China imported 25.91 million tonnes of LNG, a rise of 22.7 percent year-on-year. Japan imported some 22.95 million tonnes of LNG during the same period, some 2.9 million tonnes less than China.

Source : www.lngprime.com

FRANCE'S DUNKIRK LNG TERMINAL PLANS TO BOOST SMALL-SCALE SERVICES

France's Dunkerque LNG, the operator of the Dunkirk LNG facility led by Belgium's Fluxys, aims to upgrade its small-scale infrastructure due to growing demand. "Dunkerque LNG acknowledges the increasing demand for these services and is exploring options to enhance its infrastructure to respond accordingly," it said on Tuesday. This includes potential additional facilities to accommodate bunkering services, as well as the expansion of its truck Loading infrastructure, it said.

In that regard, the LNG terminal operator is running a request for interest regarding its small-scale services. These services include small-scale reloading, truck loading, and bio-LNG with a participation window opening on May 21 and ending on June

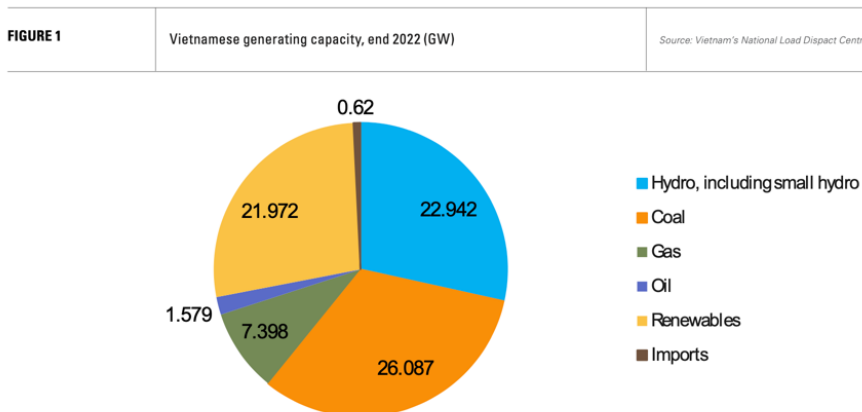
7, Dunkerque LNG said. Through this initiative, Dunkerque LNG intends to understand the market’s interest, its needs and expectations regarding these services, it said. This phase will be followed by bilateral discussions in order to delve in more detailed discussions, the LNG terminal operator added. In 2020, Dunkerque LNG launched a truck loading service offering 3,000 slots per year, and it completed a jetty adaptation project in order to enable reloading and unloading services for small-scale LNG vessels with a capacity from about 5,000 cbm. Dunkerque LNG owners include two groups with the first consortium led by Fluxys holding a 61 percent stake. Commissioned in January 2017, the LNG terminal has an annual regasification capacity of 13 billion cubic meters of natural gas. Previous shareholders EDF and TotalEnergies are the main customers of the LNG terminal through 20-year contracts. According to Dunkerque LNG, the LNG terminal received 121 carriers in 2023, or about 18.8 million cbm. This compares to record 141 carriers, or around 22 million cbm of LNG, in 2022. In 2023, Dunkirk reloaded six ships, or about 46,063 cbm of LNG. For its customers, the terminal fed more than 10.6 bcm of natural gas into the network, the equivalent of 30 percent of the gas consumption of France in 2022. Dunkirk LNG is the fourth onshore LNG terminal in France, and the three other terminals are Elengy’s Fos Tonkin, Fos Cavaou, and Montoir-de-Bretagne LNG terminals. France also has the FSRU-based LNG import terminal in Le Havre, operated by TotalEnergies. Source : www.lngprime.com

VIETNAM TO SEE STEADY GROWTH IN LNG DEMAND

Vietnam’s primary challenge is to meet high levels of electricity demand growth and simultaneously reduce and eventually eradicate its current heavy dependency on coal, which last year accounted for 42% of electricity generation. Power demand

rose 6.2% in 2022 and, in November 2023, was running 7.1% higher year on year. GDP growth is forecast by the World Bank at 5.5% this year, increasing to 6.0% in 2025. Vietnam is sucking in large amounts of foreign direct investment (FDI), which is boosting its economy. FDI amounted to \$36.6bn in 2023, a jump of 32.1% from 2022. Singapore was the largest investor, followed by Japan, Hong Kong and then China. China

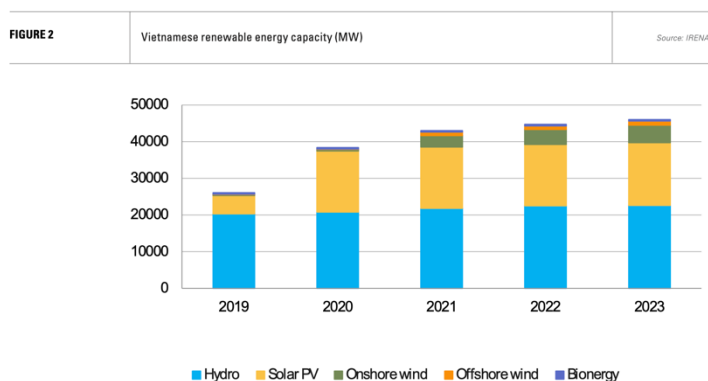
registered the largest number of new projects, with more than a fifth of the total. The processing and manufacturing sector accounted for 64.2% of the FDI, up almost 40% from 2022. At the same time, Vietnam’s trade surplus with the US has ballooned. March data showed a monthly surplus of \$10bn, the US’s third largest behind China and Mexico. In 2023, Vietnam’s trade surplus with the US was \$104.6bn, more than treble the level of 2016. The surplus has grown as the US has raised its import tariffs on Chinese goods. Investors appear to be using the country as an offshore location for the final assembly of



products which circumvents tariffs placed on direct exports from China to the US. In May, Washington announced large tariff increases on a wide range of Chinese goods from steel and aluminium to semiconductors, solar cells, batteries and electric vehicles. An unintended effect of this policy will be to reinforce the current trend of investment in Vietnam as an entry point for Asian exports to the US market, and, as a consequence, support the country’s strong rise in demand for energy.

2nd LNG terminal takes shape

Vietnam may not reach 30mn t/yr of LNG demand by 2030, but the fuel will become an important part of the fast-growing country’s energy mix. The country’s first LNG cargo arrived in July last year to commission the Thi Vai regasification terminal, which is majority-owned by state company PetroVietnam. Thi Vai has a capacity of 1mn t/yr, but there are plans to expand this to 3mn t/yr later this decade. The country’s second import facility, Cai Mep LNG, started its commissioning phase in May and should start commercial operations in September, according to Singapore’s AG&P LNG. AG&P has a 49% stake in the 3mn t/yr terminal, partnering majority owner Vietnam’s Hai Linh Co. Both facilities are in Ba Ria Vung Tau province. However, LNG no longer holds quite the central position in Vietnamese energy policy that it once did. It now represents more of a flexible gap filler should other policies fail to deliver. The three central policy pillars are: a reduction in coal use; an increase in domestic gas supply; and the accelerated construction of renewable energy capacity, notably offshore wind. The government adopted a net zero greenhouse gas emissions target in 2021 and subsequently amended its power development plan, known as PDP8. Under this plan, total power capacity is to increase from 80.5 GW at the end of 2022 to 146 GW by 2030. Coal-fired generation is expected to rise from 26 GW to 30 GW, but its percentage share of generation is expected to fall from 34% to 27%. Expansion of coal-fired generation has been limited to projects already approved under the revised PDP7. By 2050, coal should be completely phased out of the Vietnamese power system. Meanwhile, plans for the country’s first nuclear plants have been cancelled. The country will instead focus on renewables and gas-fired power. PDP envisages 21 GW of on and near-shore wind power and 7 GW of offshore wind by 2030. Wind capacity at the end of 2023 stood at 5,888 MW, of which



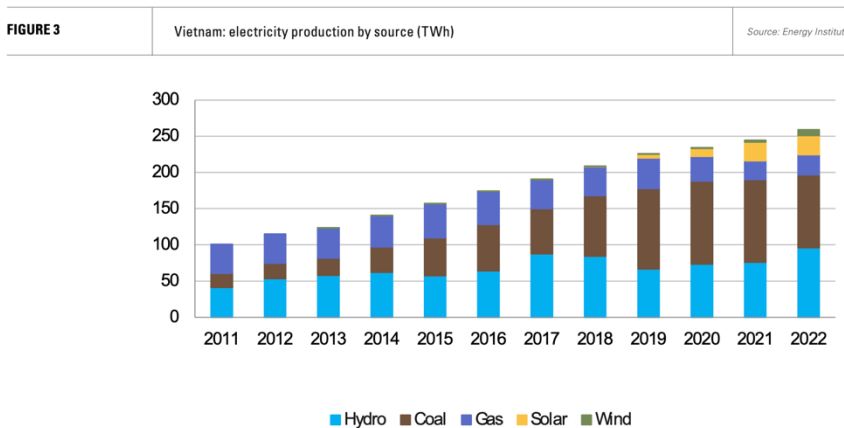
just over 1 GW was offshore (see figure 2). Vietnam has a strong wind resource both on and offshore and the number of offshore wind projects proposed far exceeds the capacity target in PDP8. A majority of these projects are joint owned between international partners and Vietnamese companies. However, there are challenges. A key one is the lack of grid infrastructure to accommodate a large amount of offshore wind, which is planned predominantly in the country’s south.

The World Bank estimates the grid investments needed to integrate more renewables at about \$35bn, which is beyond the immediate means of state electricity company Vietnam Electricity. The lack of a fully developed legal and regulatory framework

for offshore wind is another limiting factor, as is an often opaque and frustratingly complex bureaucracy. Grid constraints have already set back renewables; it is not just a question of integrating offshore wind. The country saw a renewables boom in 2020, when solar PV capacity leapt from 5 GW to 16.7 GW and wind capacity jumped a year later from 518 MW to 4,118 MW. That boom resulted in significant generation curtailment owing to grid weaknesses, exposing investors to financial losses. The rate of expansion subsequently fell and new wind and solar additions since then have been modest. Grid weaknesses are likely to persist and prove a drag on renewables' growth. In particular, solar PV, which is proving the most deployable energy technology elsewhere, is not expected to grow substantially more in the period to 2030, although there is a 10 GW by 2030 target for concentrated solar power. Hydro generation will continue to see additions, but there is little remaining potential capacity to be used – about 2.7 GW of large hydro and 2.8 GW of small hydro. Low rainfall has also moderated the amount of electricity being generated from hydro, which, in 2019 and 2020, was substantially lower than in 2017 or 2018. Drought conditions last year saw hydro's share of generation fall to 28.4% from a more normal level around 35%, resulting in much higher coal burn.

Betting on domestic gas

Reduced coal use, fast-rising power demand and breaks on the expansion of renewable energy mean gas will play an increasing role in the country's energy mix. A key question is how much will be imported and how much will come from



domestic resources. Under PDP8 gas-fired generation capacity will rise from 7.4 GW at the end of 2022 to 13.5 GW in 2025 and to 28–33 GW in 2030, increasing its share of the energy mix (see figure 3). PDP8 envisages 8mn t/yr of LNG imports from 2024 to 2030 on average and up to 15mn mt/yr post-2030 for power generation purposes. A presentation by the Ministry of Industry and Trade in March suggested LNG imports of 11.4–13.2mn mt in

2030 based on a low and high case, rising to 18.4–19.2mn t/yr in the period 2035–2040. The ministry envisages supplying gas for 22.4 GW of LNG-to-power projects by 2030. These figures reflect a renewed emphasis on developing the country's domestic gas reserves. Vietnamese gas production has fallen from over 10.3bn m3 in 2015 to below 8.0bn m3 last year. The government hopes to rejuvenate domestic production to limit its need for LNG. However, there are considerable uncertainties over Vietnam's ability to sustain and/or boost gas production. Reflecting the uncertainties, there is a wide range in government forecasts for gas production of 5.5–15bn m3 by 2030, with a target of 10–15bn m3 by 2050. Increased domestic gas production

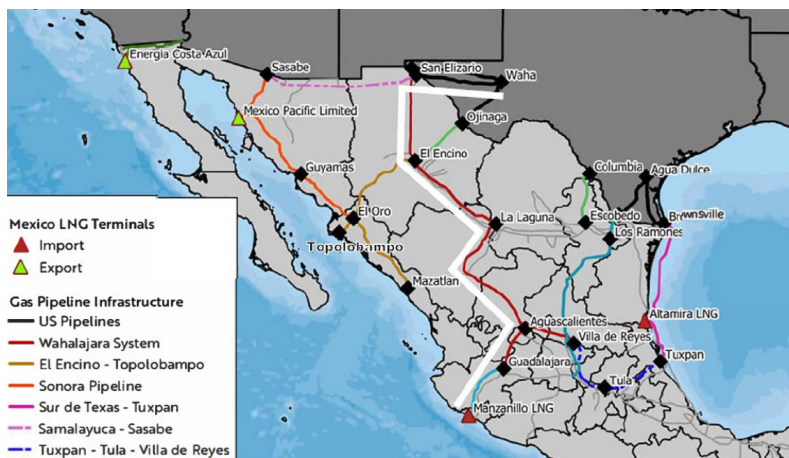
into floating storage and regasification units. The conversion deal includes an option for a fourth LNG carrier. Prior to this, Seatrion renewed its long-term favored customer contract with units of Greece's LNG shipping firm GasLog and UK-based LNG giant Shell. Under the deal, Seatrion will provide ship repairs, refurbishment, and upgrading for their LNG carriers from 2024 to 2029, with an option for further renewal. source : www.lngprime.com

GATO NEGRO SEEKS DOE APPROVAL TO SEND US GAS TO MEXICO LNG PLANT

Gato Negro Permitted Uno is seeking long-term authorization from the US Department of Energy to export US natural gas via pipeline to its planned liquefaction plant in Manzanillo, Mexico. According to a filing with the DOE dated May 10, Gato Negro requests authorization to export via pipeline initially to Mexico up to 0.647 billion cubic feet (Bcf) per day of natural gas, and ultimately reexport for delivery to any country that has signed a free trade agreement with the US up to 0.556 Bcf/d of liquefied natural gas (LNG). Gato Negro requests this authorization for a 20-year term starting on September 1, 2027. Houston-based Big River Energy, an affiliate of Gato Negro, was granted authority by DOE in December 2022 to export natural gas to Mexico for a two-year term by pipeline. Big River has also applied for authority to export LNG to Mexico by truck through 2030. Gato Negro is based in Mexico and is 50/50 owned by Carlos Camacho and Emilio Fuentes, both of whom are citizens of Mexico, the filing shows.

Construction only in Mexico

Gato Negro said it plans to enter into one or more supply agreements of various durations with natural gas producers and



marketers in the Permian Basin and potentially other production areas in Texas. The firm said it expects to sign contractual obligations associated with sales of gas involved in the project as of September 1, 2024. Hence, Gato Negro requests that DOE/FECM issue an order no later than September 1, 2024. The project does not involve construction in the US. Given the location of the project in Mexico, the facility will not be subject to the review of the US FERC under the NGA or NEPA,

it said. Instead, the project and any pipeline facilities that may be constructed in Mexico are subject to review and approval by Mexican agencies under the state and federal laws of that nation. According to Gato Negro, the firm began the Mexican permitting process in June 2022. Over one hundred permits, licenses or authorizations in Mexico are required, including archaeological, construction, water, commercial and transportation, and environmental, it said.



At the moment, India imports LNG via seven facilities with a combined capacity of about 47.7 million tonnes. These include Petronet LNG's Dahej and Kochi terminals, Shell's Hazira terminal, and the Dabhol LNG, Ennore LNG, Mundra LNG, and Dhamra LNG terminal. The Chhara LNG import terminal in Gujarat should also received its commissioning cargo later this year after it recently failed to unload the cargo from the 2015-built 159,800-cbm, Maran Gas Mystras. India's Hindustan Petroleum, a unit of state-owned ONGC, aims to launch its delayed Chhara LNG import terminal by October this year, according to its management. During April 2023–March 2024, the 17.5 mtpa Dahej terminal operated at 95.1 percent capacity, while the 5.2 mtpa Hazira terminal operated at 30.3 percent capacity, PPAC said. The 5 mtpa Dhamra LNG terminal operated at 27.4 percent capacity, the 5 mtpa Dabhol LNG terminal operated at 42.7 percent capacity, the 5 mtpa Kochi LNG terminal operated at 20.6 percent capacity, and the 5 mtpa Ennore LNG terminal operated at 18.3 percent capacity, it said. Source : www.lngprime.com

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