H-LINE JOINS FIRE SALE WITH 29-YEAR-OLD STEAMSHIP

A 29-year-old steam turbine-driven LNG carrier has been put up for sale, as the number of vintage vessels being floated on the market climbs in a crushingly low-rate environment. Brokers said H-Line Shipping has requested offers on its 130,600-cbm membrane-type vessel, the HL Pyeong Taek (ex-Hanjin Pyeong Taek, built 1995). The ship is the smallest of four vessels originally built for Hanjin Shipping to lift cargoes for domestic importer Kogas under its long-term LNG deals with producers in Malaysia and Indonesia. The other three former Hanjin ships were 138,000-cbm vessels — now the HL Muscat (built 1999) and the HL Sur and HL Ras Laffan (both built 2000), which were delivered several years later. The steamship quartet comprises the oldest LNG carriers in H-Line's fleet. The South Korean owner boasts three two-stroke vessels, which are chartered out to Vitol. The company is also building 13 ships in partnership with domestic owners Pan Ocean and SK Shipping against long-term charters with Qatar Energy and is building four more for US energy major ExxonMobil separately. Constructed by Hanjin Heavy Industries, the HL Pyeong Taek was the first South Korean-built vessel to be fitted with a membrane-type cargo containment system — GTT's NO 96 designs. It also ranks as the 15th-oldest vessel in the global LNG carrier fleet, according to Clarksons Shipping Intelligence Network's database, with six of these ships listed as either laid up, under repair or in use as storage vessels. Kogas originally chartered the HL Pyeong Taek along with a raft of other South Korean-owned

tonnage, including the 125,182-cbm Hyundai Utopia (built 1994), 125,197-cbm SK Sovereign (ex-YK Sovereign, built 1994) and 125,000-cbm Hyundai Greenpia (built 1996). This year, SK Shipping opted to send the SK Sovereign for demolition.SK Shipping has gone on to sell a further four steam turbine LNG carriers for recycling. This month, a cash buyer bought the South Korean-built, 138,000-cbm steam turbine-driven sister ships SK Summit (built 1999), SK Supreme, SK Splendour and SK Stellar (all built 2000) for $469.50 per ldt on an "as is" basis in Singapore. The deal priced the membrane-type ships at about $13.8m each. Brokers have suggested that other South Korean-controlled LNG carriers, including the Hyundai LNG Shipping vessels, could also come to the market soon as their Kogas charters expire. The long-talked-of LNG steamship sell-off has gathered serious momentum in 2024, with a continuous drip-feed of vessels onto the sales market. Brokers have said more than 30 vessels are now being marketed for sale either publicly or privately, with this number expected to rise before the year-end. This month, TradeWinds reported that Mitsui OSK Lines has put its 137,661-cbm Moss-type LNG steamship Dukhan (built 2004) into lay-up. Steamers are coming under double pressure. The vessels, which are smaller and less efficient than their more modern cousins, were already facing phase-out amid tightening emissions regulations. This is being accelerated by the unseasonally dire state of the LNG charter market where spot rates for LNG steamships are being quoted at $6,000 or less. This is way below their operating expenses, with brokers indicating that the vessels are unlikely to attract any offers.

Source: www.tradewindsnews.com

HOW RETROFIT, LAY-UP OR RECYCLE TRILEMMA DOGS LNG STEAMSHIPS

Prospects for LNG steam turbine vessels are "not great", one shipbroker said this week, in a deliberately loaded understatement. Technically on freight economics terms, US dollar per day spot charter rates for these older and smaller vessels, which make up around 26% of the global fleet, are below zero, leaving those controlling unfixed vessels with no option but to idle them. That is not to say they are completely off-limits for charterers. Brokers report that Adnoc recently fixed a SEFE relet, the 149,700-cbm Clean Energy (built 2007), on short-term period business of up to nine months. An increasing number are also being drip-fed into the sales market, with one floating LNG developer gleefully commenting on the latest contender this week: "FSU candidate vessels at bargain prices." But longer term, do they have options as tougher emission legislation bites and charterers seek greater trading flexibility on tonnage? Looming special surveys and five-year dry dockings are likely to concentrate owners' minds. One spoke about the complexity, cost and time needed for the installation of big-ticket kits, such as ballast water treatment systems, which if not well planned can take close to two months. Investing cash in costly upgrades and retrofits at a time when the market is so crushingly weak is likely going to prove a no-brainer, he said. As one experienced LNG broker commented this week: "Only a madman would put an open steamer through dry-docking." The prospect of lay-up has been floated for these vintage vessels and some of their modern cousins. Japan's Mitsui OSK Lines has taken the lead, laying up its 20-year-old 137,661-cbm Moss-type LNG carrier Dukhan (built 2004) in east Malaysia in September. LNG

shipping sources speak about having received enquiries on lay-up costs. Prices for cold lay-up of an LNG vessel in western Norway — Sinokor Merchant Marine has two ships that have been sitting long-term off Haugesund — are believed to be in the range of $10,000 per month but full management of this process for a vessel in Asia could be treble this. Some of those working in LNG shipping who have seen earlier downturns caution against cold lay-ups for today's LNG steamers. "Laying up a 25-year-old steamship is not a good idea as they will never come out again," one said. He said those with steam tonnage could consider warm lay-up — where a ship is essentially idled with crew on board — but only if an owner has a plan or business in mind for the vessel. He detailed that warm lay-up costs could run to around $15,000 per day comprising crew costs of around $ 10,000 to $12,000 per day plus $3,000 per day fuel bills and anchorage charges on top. Steam turbine owners can take the ultimate decision and scrap their vessels. SK Shipping has bitten the bullet, opting to send five of its LNG steamers to the breakers so far this year. The last batch — four vessels of 24 to 25 years old in one hit — sent a clear signal to the industry, brokers said, although the per-vessel price of just under $14m each is well under previous sales. But they report that more owners are now willing to have the conversation about recycling these vessels and have somewhat lowered their price expectations. More than 80 LNG newbuildings per year are due for delivery in 2025 and 2026 — more than one a week. Clarksons Research said on Monday that to align LNG fleet growth of 12% with demand, scrapping two to three steamships per month in 2025 may be necessary. This would be five times the peak annual scrapping rate of about seven vessels a year, which the industry has only seen twice since 2015.One LNG consultant differentiated on which LNG steamers should take the path to the breakers. He pointed out that some of the ships 20 to 25 years old are well-built and in immaculate condition. The consultant believes they could have another five to seven years of life in them for short-haul trades such as those from Qatar to India or cross-Mediterranean voyages or use as floating storage units. But he said LNG carriers over 30 years old — around 5% of the 200-strong steamer fleet — such as some of which are first generation-built South Korean ships — should be scrapped, or as he put it "head for that great razor blade factory in the sky". Source: www.tradewindsnews.com

BIG-NAME BOOST FOR GOLAR LNG'S ARGENTINA PLAN

Argentina's YPF is to team up with rival gas developers Pan American Energy Group and its partner Golar LNG on their floating LNG production project. YPF CEO Horacio Marin confirmed the move in a post on LinkedIn on Monday. Pan American chief executive Marcos Bulgheroni replied saying that he is excited for the two to work together. YPF, which had previously been working with Malaysia's Petronas, and the Pan American-Golar pairing had both been pursuing separate FLNG projects to monetise Argentina's huge Vaca Muerta shale gas deposit. The tie-up unites Argentina's top two oil and gas producers, YPF and Pan American, in which BP holds a 50% stake. It also boosted Golar's US share price to a new high, up 11.7% to close at $41.24. But it leaves questions over Petronas' involvement in any Vaca Muerta FLNG developments. Earlier this year, Petronas and YPF invited companies to offer in on the initial design work for up to two FLNG units with capacity of 4 mtpa to 4.5 mtpa. In a results call this month, Golar LNG revealed that Pan American had issued a 20-year reservation notice in

October for Golar's existing Cameroon-based FLNG unit Hilli for the Vaca Muerta shale deposit in the Neuquen Basin. Golar said work on definitive contracts is ongoing and a final investment decision is expected within the first quarter of 2025. LNG exports are scheduled to start within 2027. Golar also detailed that it will gain commodity exposure on the project from its 10% stake in recently established Southern Energy, a joint venture with Pan American that will be responsible for the purchase of domestic natural gas, operations and sale and marketing of LNG volumes from Argentina. The company, which greenlighted its first Mk II, 3.5-mtpa LNG carrier-to-FLNG unit conversion in September, said that linking the Vaca Muerta formation via a dedicated pipeline could support a multi-FLNG project in the future. The as-yet uncommitted conversion is due for delivery in 2027 with Golar holding an option on a second unit at CIMC Raffles shipyard in China. Last week Pan-American and Golar joined other energy and mining companies in applying for tax and foreign exchange benefits under a new government initiative.

Source: www.tradewindsnews.com

CHENIERE'S CORPUS CHRISTI LNG EXPANSION PROJECT TO RECEIVE FIRST GAS

US LNG exporting giant Cheniere has received approval from federal regulators to introduce hydrocarbons to the first train of the Corpus Christi Stage 3 expansion project in Texas. The US FERC said on Wednesday that it had granted Corpus Christi Liquefaction's request to introduce hydrocarbons to Train 1 fuel gas and hot oil systems for the Stage 3 project. LNG Prime invited Cheniere to comment on the approval. A Cheniere spokeswoman said the company has no additional comment beyond what Cheniere CEO Jack Fusco said during the recent third-quarter earnings call. Fusco said that the company expects to start introducing gas into the first train of the Corpus Christi expansion project in the coming weeks. He said that "first gas is an important execution milestone." "And from a timing perspective, with that milestone occurring soon, it is consistent with the production of first LNG by the end of the year," he said. Corpus Christi Liquefaction's October construction report filed with the FERC revealed that the overall project completion rate for Stage 3 is 73.2 percent. Stage 3 engineering and procurement are 96.2 percent and 93.9 percent complete, respectively, while subcontract and direct hire construction work are 87.5 percent and 36 percent complete, respectively. Cheniere's Corpus Christi plant currently liquefies natural gas at three operational trains, each with a capacity of about 5 mtpa. In June 2022, Cheniere made the final investment decision on the Corpus Christi Stage 3 expansion project, worth about $8 billion. Compatriot Bechtel officially started construction on the project in October of the same year. The project includes building seven midscale trains, each with an expected liquefaction capacity of about 1.49 mtpa. In addition to this expansion, Cheniere plans to build two more liquefaction trains as part of the third expansion phase at the Corpus Christi plant. Cheniere aims to take a final investment decision on this project in 2025. The company also plans to build two new liquefaction trains as part of the Sabine Pass Stage 5 expansion project to add up to 20 mtpa of capacity to the giant 30 mtpa facility. source: www.lngprime.com

ITALIAN FSRU RESUMES OPS AFTER MAINTENANCE

Italy's OLT Offshore has received the first liquefied natural gas carrier at its FSRU Toscana since the unit started maintenance earlier this year. "With extraordinary maintenance concluded on November 24, regasification activity officially resumed on November 25, with the receipt of the first cargo of liquefied natural gas," OLT Offshore said on Tuesday. Images provided by OLT Offshore show the 2018-built 173,400-cbm, British Contributor, along the 137,100-cbm FSRU, located about 22 km off the coast between Livorno and Pisa. According to British Contributor's AIS data provided by Vessels Value, the vessel, which is on charter to BP, delivered the cargo from the Freeport LNG terminal in Texas. OLT Offshore noted that the FSRU's regasification capacity is fully allocated until gas year 2026/2027.Following a tender procedure, OLT awarded the contract for the FSRU maintenance work to Italy's San Giorgio del Porto (SGdP), and the FSRU arrived in Italy's Genoa in April to complete the first phase of the planned activities. In June this year, the FSRU arrived at SGdP's Chantier Naval de Marseille from Genoa to complete the second and final phase of planned shipyard activities. The shipyard replaced the bearing of the unit's anchoring system, which ensures the rotation of the terminal around the geostationary turret. Last month, OLT Offshore announced that its expects the FSRU to resume operations and receive the first LNG cargo in November following the completion of planned shipyard activities in Marseille. The FSRU has a maximum regasification capacity of 5 bcm a year and sends natural gas to Italy's national grid via a 36.5 kilometres long pipeline Italy's Snam holds a 49.07 percent stake in the LNG terminal, while Igneo Infrastructure Partners owns a 48.24 percent share. Also, Golar LNG, that provided the 2003-built FSRU, has a minor 2.69 percent stake in the LNG import facility. source: www.lngprime.com

EIA: GLOBAL GAS MARKET COULD TIGHTEN THIS WINTER

The global natural gas market may experience a tighter supply-demand balance this winter, according to the US Energy Information Administration. The agency said in a new report that the last two winters in the Northern Hemisphere were exceptionally mild, keeping global natural gas markets well supplied and balanced at relatively low prices. Prices going into this winter are only slightly higher than last year at the same time based on current forward natural gas and liquefied natural gas (LNG) prices in Europe and Asia. If weather remains mild this winter as in the past two winters, the EIA expects a relatively stable global supply-demand balance with prices like the previous two winters. But if Europe and Asia experience colder temperatures this winter than in the past two years or other operational and market risks materialize, global supply-demand balances could tighten, leading to elevated natural gas prices and potential price spikes, the EIA said.

Limited LNG supply growth

The agency said several issues could affect global natural gas balances this winter, including LNG supply growth and shifts in pipeline flows, The EIA expects LNG supply growth limited LNG capacity additions to come online this winter, mostly in the United States, while less natural gas could be supplied by pipeline to Europe if the Russia-Ukraine natural gas transit contract set to expire at the end of 2024 is not renewed. Moreover, there could be delays in the start-up of new projects, issues with

availability of natural gas feedstock for exports, unplanned outages at LNG export facilities, and geopolitical events that could alter LNG trade flows, potentially reducing available supply. The EIA said that a cold winter with sustained, lower-than-normal temperatures in one or more regions in the Northern Hemisphere could occur as El Niño changes to La Niña this year. This change in climate patterns may increase natural gas demand, creating competition for spot LNG supplies between Europe and Asia. According to the agency, colder weather in the US could reduce storage inventories and increase US domestic Henry Hub prices, affecting LNG export prices from the US. Other LNG import markets, including Brazil and Egypt, could also increase LNG demand, intensifying competition for spot LNG among regions, further tightening balances. Also, issues related to electricity supply could affect demand for LNG as a fuel source for power generation, such as nuclear availability and restarts in Europe and Asia, renewable energy output, and fuel availability and costs to power stations, which affect dispatch economics, the agency said.

Prices

In 2024, LNG front-month futures prices continued to decline and remained consistently lower than in 2022 and 2023. This year, global natural gas prices at key benchmarks in East Asia (JKM) and in Europe at the Title Transfer Facility (TTF) decreased by more than 50 percent compared with 2022 and by more than 20 percent compared with 2023, according to data from Bloomberg Finance. So far this year (January-October), JKM prices in East Asia averaged $11.47 per million British thermal units (MMBtu), and TTF prices in Europe averaged $10.37/MMBtu. Natural gas prices have continued to decline this year mainly in response to high inventories in Europe, less natural gas consumption, and relatively stable global natural gas supplies, the EIA said. Current forward prices at TTF and JKM for the upcoming winter average around $15/MMBtu.

New LNG projects

The EIA said most of the new LNG export projects are in the United States, including the first of seven mid-scale trains at Cheniere's Corpus Christi LNG Stage 3, Venture Global Plaquemine's LNG Phase 1, and additional capacity at Freeport LNG achieved through engineering and operational optimization. The combined nominal capacity of these US LNG export projects is 1.7 billion cubic feet per day (Bcf/d). However, during the initial start-up phase, new LNG export projects operate below nominal capacity and require several months to reach full production, the EIA noted, other markets beyond the US are also adding LNG export capacity. In Mexico, a new LNG export facility on the east coast—NFE'S Fast LNG Altamira—shipped its first cargo in August 2024 and reached full production capacity in October. A new LNG export project offshore Senegal and Mauritania is on track to start LNG production by the end of 2024, the EIA said. This is BP's Tortue FLNG project. After shipping several cargoes, Russia's Arctic-2 LNG export facility shut down in October mainly because of sanctions and may not produce LNG during the upcoming winter, the EIA said.

Natural gas storage in Europe and Asia

The EIA said natural gas storage inventories in Europe are near-full ahead of winter 2024-25, while increased LNG imports in Asia amid mild temperatures in September and October may indicate a rapid refilling of inventories. Natural gas storage inventories in the EU as of October 31, 2024, were 95 percent full. Since the EU enacted policies requiring storage operators to maximize storage injections during the refill season, the EU's natural gas storage inventories have been full ahead of the winter heating season in both 2023 and 2024, the EIA noted. The EIA said storage capacity in East Asia is mostly limited to above-ground cryogenic storage tanks co-located with LNG import (regasification) terminals, and it helps meet seasonal peaks in demand. LNG inventories in Japan and South Korea were relatively low at the end of this past winter heating season but remained close to 2023 peak levels in subsequent months, the agency said. In China, where natural gas storage capacity can meet about 12 percent of the country's annual natural gas consumption, record LNG imports from August to October 2024 may indicate strong refill of storage inventories ahead of winter, it said. In the US—the world's largest LNG exporter—storage inventories were close to maximum volumes as of November 8, exceeding last year's inventories by 3 percent.

US LNG exports to continue to help balance global natural gas markets

The US became the world's largest LNG exporter in 2023 and will be the key supplier to global LNG markets, the agency noted, In EIA's November 2024 short-term energy outlook, the agnecy forecasts that US LNG exports will average 13.7 Bcf/d in the 2024-25 winter, 8 percent (1 Bcf/d) more than in the previous winter as new and expanded projects come online in the next several months. Potential project start-up delays or other technical issues may affect EIA's forecast. The agency said that a colder winter could lead to high storage draws and lower storage inventory in the US this winter, increasing domestic Henry Hub prices, which in turn would affect US LNG export prices. Operational issues such as unplanned maintenance and/or production freeze-offs could affect both export volumes and prices at US LNG facilities and raise international LNG prices, the EIA said.

La Niña

The agency said that one or more regions in the Northern Hemisphere may experience colder winter temperatures this year, as weather models point to a possible shift from El Niño to La Niña. Weather models indicate the likelihood of the formation of La Niña, which is generally associated with colder, drier weather in much of the Northern Hemisphere during the winter. The European Centre for Medium-Range Weather Forecasts predicts a colder winter in Northwest and Central Europe. The last two winters were exceptionally warm, contributing to relatively low natural gas consumption in Europe, higher end-of-season storage inventories, and lower natural gas prices, the EIA said.

EU's gas consumption down

As in the previous two winters, countries in Europe will continue implementing natural gas conservation measures and importing LNG supplies to replace natural gas pipeline imports from Russia, the agency said. EU countries reduced natural gas consumption by 18 percent from August 2022 through March 2023. In the first eight months of 2024, the EU's natural gas

consumption declined by 22 percent relative to the average consumption between April 2017 and March 2022, the EIA said. EU countries expanded LNG import capacity by more than one-third between 2021 and 2024 and expect more regasification capacity expansions this winter. The EIA estimates regasification capacity to expand in Germany, Italy, Greece, and Poland by a combined 3.5 Bcf/d by January 2025. The potential expiration of the Russia-Ukraine natural gas transit contract at the end of December could reduce natural gas pipeline flows into Europe. After declining by more than 40 percent in 2022, Russia's pipeline exports to the EU via the sole remaining route transiting Ukraine consistently averaged 1.2 Bcf/d to 1.4 Bcf/d in 2023-24, the EIA said. Imports by pipeline from Norway and North Africa have limited potential for growth. Europe would have to offset the further loss of Russian supply mainly by importing more LNG and drawing down natural gas in storage. The European Network of Transmission System Operators for Gas (ENTSOG) estimates in its Winter Supply Outlook 2024-25 that without Russian supplies Europe would exit the winter heating season with storage 40 percent full under a normal winter scenario. Storage would be just 11 percent full under a cold winter scenario, assuming LNG supplies remain at levels similar to the past two winters, and 26 percent full, assuming higher LNG supplies than in the previous two winters. Should the weather turn out colder than the previous two winters in Europe, and should Asia also experience a colder winter, the global supply-demand balances will tighten given the limited incremental LNG supply coming online, the EIA said.

LNG consumption in China remains key uncertainty this winter

The agency said that LNG consumption in East Asia, particularly in China, remains a key uncertainty this winter with potentially large implications for global supply-demand balances. LNG consumption in Japan-the world's second-largest LNG importer-has declined every winter during the past four winters. Japan's consumption fell by 18 percent, or 2.7 Bcf/d, between the winter of 2020-21 and 2023-24. The EIA does not expect a reversal of this trend. LNG imports in South Korea—the world's third-largest LNG importer—have been relatively flat, varying by 0.2 Bcf/d to 0.5 Bcf/d during the past four winters. China—the world's largest LNG importer in 2023—imports LNG using long-term contracts and spot market arrangements. China's regasification capacity is set to expand by 2.8 Bcf/d this winter, mostly in southern China, which is not directly affected by winter demand patterns, the EIA said. This year, China's LNG imports during low seasonal demand in September and October set all-time monthly records, which could indicate LNG stockpiling ahead of the upcoming winter, the EIA said. China increased its pipeline imports by 1 Bcf/d (15 percent) in January-September 2024 compared with the 2023 annual average. This increase came mainly from Russia via the Power of Siberia 1 pipeline, which continues to ramp up to full production, with a target to reach 3.7 Bcf/d in export flows by 2025, the EIA said. Should China experience a colder-than-normal winter, it could substantially increase LNG imports, as was the case in the winter of 2017-18, further tightening the global supply-demand balance, the agency said. If Europe also experiences a colder winter, buyers in Europe would have to compete for spot LNG cargoes, which in turn would raise prices at both European and Asian price hubs, especially if fuel switching is not possible, the EIA said. Source: www.lngprime.com

BEIJING GAS LAUNCHES THIRD PHASE OF TIANJIN NANGANG LNG TERMINAL

China's Beijing Gas has launched the third phase at its Tianjin Nangang LNG import terminal in the Tianjin south port industrial zone. Beijing Gas announced the commissioning of the third phase in a statement on Tuesday. The third phase includes two 220,000-cbm LNG storage tanks. In September 2023, the Tianjin Nangang LNG facility received its first commissioning cargo for the first 5 mtpa phase of the facility which entailed the construction of four 220,000-cbm LNG storage tanks. This included two LNG storage tanks incorporating GTT's GST membrane containment technology, while two other LNG tanks in the first phase do not have GTT's tech. Earlier this year, Beijing Gas commissioned the second phase which included the construction of four 220,000-cbm tanks. The tanks in the second and third phases feature GTT's GST membrane tech. Following the launch of the third phase, the Tianjin Nangang LNG terminal now has 10 operational tanks with a total capacity of 2.2 million cbm. The completion of the third phase will boost Beijing's natural gas peak and emergency storage capacity and increase the city's energy security, as well as in the Beijing-Tianjin-Hebei region, the state-owned gas distributor said. During the 2023-2024 heating season, the first phase of the LNG terminal played an important role in securing gas supply to China's capital, according to Beijing Gas. The LNG terminal received 8 LNG vessels and 510,000 tons of LNG. Beijing Gas said the facility sent 742 million cbm to the grid and completed filling of nearly 7000 trucks. China is the world's largest LNG importer, and the country reported a jump in its LNG imports in October. The country received 6.55 million tonnes last month, up 28 percent year-on-year. During January-October, China imported 63.55 million tonnes of LNG, a rise of 13.2 percent year over year.

Source: www.lngprime.com

NETHERLANDS WAS TOP DESTINATION FOR US LNG SUPPLIES IN SEPTEMBER

The Netherlands was the top destination for US liquefied natural gas cargoes in September, according to the Department of Energy's LNG monthly report. The DOE report shows that US terminals shipped 48.9 Bcf to the Netherlands (13.5 percent), 32 Bcf to India (8.8 percent), 31.9 Bcf to China (8.8 percent), 31.6 Bcf to Japan (8.7 percent), and 25.4 Bcf to South Korea (7 percent). These five countries took 46.8 percent of total US LNG exports in September. In August, South Korea was the top destination for US LNG cargoes, while China was the top destination in July. In June, South Korea was again the top destination, and India was the top destination in May when Asia overtook Europe as the main destination for US LNG supplies. Before that, Dutch and French LNG import terminals were the top destinations for US LNG supplies in March and April. According to DOE's data, the Netherlands was the top destination for US LNG supplies in January-September with 373.4 Bcf or 111 cargoes, down by 18 percent year-on-year, while Japan took 254.7 Bcf or 78 cargoes, up by 9 percent year-on-year. In 2023, the Netherlands was also the prime destination for US LNG cargoes with 588.6 Bcf, followed by France with 493.2 Bcf.

September LNG exports climb

The DOE report shows that the US exported 363 Bcf of LNG to 28 countries in September, up 4.8 percent from the same month and almost flat compared to the prior month. In September, Europe again became the preferred destination for US LNG cargoes. Europe received 160.9 Bcf (44.3 percent), Asia 148.4 Bcf (40.9 percent), Latin America/Caribbean 42.8 Bcf (11.8 percent), and Africa 11 Bcf (11.8 percent). The DOE said that 86.2 percent of total LNG exports went to non-free trade agreement countries, while the remaining 13.8 percent went to free trade agreement countries. Moreover, US terminals shipped 114 LNG cargoes in September, down from 120 LNG cargoes in August. Cheniere's Sabine Pass plant sent 37 cargoes, and its Corpus Christi terminal shipped 21 cargoes, while the Freeport LNG terminal sent 21 cargoes. Sempra's Cameron LNG plant shipped 18 cargoes, Venture Global's Calcasieu plant sent 10 cargoes, the Cove Point LNG terminal dispatched 5 shipments, and Elba Island LNG sent 2 cargoes during the month under review. The DOE also noted that NFE's Altamira LNG terminal in Mexico shipped one cargo in September. This project receives feed gas from the US and Mexico.

Average price at 5.86/MMBtu

According to DOE's report, the average price by export terminal reached 5.86/MMBtu in September. This compares to 6.32/MMBtu in September 2023, while the average price was 5.55/MMBtu in August, 6.47/MMBtu in July, 6.32/MMBtu in June, 5.41/MMBtu in May, 5.25/MMBtu in April, $5.47/MMBtu in March, $6.31/MMBtu in February, and 6.63/MMBtu in January this year. The most expensive average price in September came from Venture Global's Calcasieu Pass terminal, and it reached $9.01/MMBtu. Prices at other facilities ranged between $2.40/MMBtu (Elba Island) to $6.59/MMBtu (Altamira), the data shows.

6688 cargoes

The report said that from February 2016 through September 2024, the US exported 6688 cargoes or 21,139.2 Bcf to 41 countries. The DOE data shows that South Korea remains the top destination for US LNG, with 650 cargoes, followed by Japan with 534 cargoes, France with 531 cargoes, the Netherlands with 500 cargoes, and the UK with 474 cargoes. In addition to these five countries, Spain, China, India, Turkey, and Brazil are in the top ten. Source: www.lngprime.com

STRONG INTEREST IN REVITHOUSSA LNG SLOTS

Greece's DESFA said that firms have reserved almost all the offered regasification slots at its LNG import terminal located on the island of Revithoussa for the period 2025-2030. The Greek gas grid and Revithoussa LNG terminal operator said on Monday that its ongoing auction process for booking unloading slots and regasification capacity at the LNG terminal has garnered significant market interest. "The fact that all but four slots for the period 2025-2030 have already been booked is indicative of the high demand, as well as a confirmation of Revithoussa's critical role for the energy efficiency of Greece and the broader region, reflecting growing market trust for Greece's LNG infrastructure," DESFA said. The Greek firm, owned by

a consortium led by Snam, noted that Greece's exports of regasified LNG are expected to significantly increase in the coming years, thanks to the upgrade and expansion of natural gas infrastructure in the country. Besides the Revithoussa LNG terminal, Greece now also has Gastrade's FSRU-based LNG import terminal off Greece's Alexandroupolis, which just received a new LNG cargo. Source: www.lngprime.com

BURCKHARDT SECURES GERMAN LNG TERMINAL GIG

Switzerland-based Burckhardt Compression has secured a contract to supply compressors for the German government-backed onshore LNG import terminal in Brunsbüttel. German LNG Terminal, a joint venture which includes Dutch gas grid operator Gasunie and German energy firm RWE selected Burckhardt to supply boil-off gas (BOG) and pipeline injection compressors. Burckhardt did not provide further details regarding the contract. Burckhardt said the terminal will play a "vital role" in securing a stable supply of LNG for Germany, with regular operations expected to start in 2027. Gasunie and RWE recently took the final investment decision on the onshore LNG import terminal in Brunsbüttel. Earlier this year, the JV also kicked off preparatory activities, including site installation and fencing, earthworks to consolidate and drain the land areas, and construction of roads and access routes. Gasunie has a 40 percent operating stake in the facility, RWE has 10 percent, while the German government, through KfW, holds 50 percent. The terminal is expected to regasify and feed some 10 billion cubic meters of natural gas into the German grid. US energy giant ConocoPhillips, UK's Ineos, and RWE have previously agreed to book long-term capacity at the onshore LNG import facility, while a unit of French construction company Vinci and Spanish engineering firm Sener won the EPC contract. German LNG Terminal previously said the three initial clients had booked 90 percent of the long-term capacity, while 10 percent of the capacity is still available and open for short-term bookings. Brunsbüttel already hosts the Elbehafen FSRU-based LNG import terminal. Once in operation, the new land-based LNG terminal will replace the current FSRU-based facility. The 170,000-cbm FSRU Hoegh Gannet, which serves the Elbehafen LNG import terminal Brunsbüttel, started supplying regasified LNG to the German grid on March 22, 2023, as part of the commissioning phase. Source: www.lngprime.com

ARGENTINA'S YPF JOINS PAE AND GOLAR TO DEVELOP FLNG PROJECT

Argentina's state-owned oil and gas company YPF will join a floating LNG project developed by Pan American Energy and Golar LNG, according to YPF CEO Horacio Marin. Marin announced this move in a social media post on Sunday. The CEO congratulated PAE for entering, through Argentina's incentive regime for large investments (RIGI), its project to install the liquefaction vessel Hilli in the San Matias Gulf, Río Negro. He said the project represents an investment of $3 billion that will allow Argentina to position itself as a "key supplier" of LNG in the international market as of 2027. Marin said YPF will join this initiative that "marks a milestone in the energy industry of our country and that represents a big step to be able to carry

out our Argentina LNG project, with which we expect to export $15 billion in LNG by 2030." "We are excited to collaborate with PAE and Golar LNG to drive growth and innovation in the energy sector. We will continue to work together to transform Vaca Muerta gas into LNG and to maximize the efficiency and profitability of the entire sector in the Neuquen basin," he said. Marin did not provide further information. Earlier this month, Marin said that YPF is in negotiations with supermajors to become equity partners in the planned Argentina LNG project. The company also held many meetings with potential off takers. YPF and Malaysia's Petronas recently decided to build their $30 billion Argentina LNG export project in the Patagonian province of Río Negro. YPF and Petronas decided that the project would be in Sierra Grande, Río Negro instead of the initial Bahia Blanca, Buenos Aires plan. The project would have a capacity of 30 million tons per year. However, it appears that YPF's project partner, Petronas, is considering whether to continue developing Argentina LNG. Petronas "have to decide" by the end of December if the company is continuing, Marin said. A presentation posted on YPF's website shows that during its first phase, Argentina LNG would have two floating liquefaction units with a production capacity of around 9 mtpa. The following phases of the project entail the construction of an onshore modular plant which would progressively expand to achieve a final capacity up to 30 mtpa.

Hilli

Golar's FLNG Hilli, located offshore Cameroon's Kribi, recently offloaded its 122nd cargo of liquefied natural gas since it started operations in 2018. In July, Golar LNG entered into definitive agreements with Argentina's PAE for a 20-year deployment of this FLNG in Argentina. The FLNG project will monetize Argentine gas, tapping into the vast resources from the Vaca Muerta shale formation in the Neuquen basin, the world's second-largest shale gas resources. Golar expects the project to start LNG exports within 2027. The floating LNG player said in its third-quarter report that PAE issued a reservation notice reserving FLNG Hilli for the project in October 2024. The project's definitive contracts are subject to satisfying defined conditions precedent, including an export license, environmental assessment, and FID by PAE. "Work on the conditions precedent is progressing with their satisfaction and FID is expected within Q1 2025," Golar said. Golar said the FLNG project will initially utilize spare capacity in Argentina's existing pipeline network. Work to construct a dedicated pipeline connecting the FLNG terminal location directly to the Vaca Muerta shale formation is also being pursued. "This could support a multi-FLNG vessel project in Argentina, including opportunities for our MKII FLNG(s)," Golar said. Source: www.lngprime.com

GERMANY'S DET EXPECTS TO LAUNCH TWO FSRU TERMINALS IN JANUARY

State-owned German LNG terminal operator DET now expects to launch its next two FSRU-based LNG import terminals in Stade and Wilhelmshaven in January 2025, DET told LNG Prime on Monday. DET previously expected to commission the two facilities before the winter. "Despite many challenges during the course of the project and against the backdrop of a tight schedule, the construction works for the new terminals Wilhelmshaven 02 and Stade are almost complete," a DET spokesman

said. He said final work is currently still being carried out. "According to the current status, commissioning is planned for January for both terminals," the spokesman said.

Four FSRU terminals

DET currently operates the first Wilhelmshaven LNG terminal which features the 170,000-cbm Hoegh Esperanza and the LNG terminal in Brunsbüttel which features the 170,000-cbm Hoegh Gannet. This FSRU will move to a new dedicated jetty in the port. In August, DET announced that it has received in total of 100 LNG cargoes at its two FSRU-based LNG terminals in Wilhelmshaven and Brunsbüttel since January 2023. The company's third LNG import facility in Stade features the 174,000-cbm FSRU Energos Force. In March this year, the 2021-built FSRU, owned by Apollo's Energos Infrastructure, arrived at the AVG jetty in Stade. Once operational, the almost 300 meters long ship will feed up to 5 bcm of gas per year into the German gas network. DET previously said it expects commissioning to start at its second terminal in Wilhelmshaven with a capacity of about 4 bcm per year during the second half of this year. Excelerate's 138,000-cbm FSRU Excelsior arrived at the Navantia yard in El Ferrol, Spain last year for a planned stopover before its job in Wilhelmshaven. According to its AIS data, the FSRU is still located there. Unlike the three other FSRU-based terminals, the jetty for the second Wilhelmshaven LNG terminal is located offshore Wilhelmshaven. In addition to these four facilities, private LNG terminal operator Deutsche ReGas launched commercial operations in September at its FSRU-based LNG terminal in the German port of Mukran. This terminal with a capacity of 13.5 bcm is the largest LNG import facility in Germany and it features two FSRUs, Energos Power and Neptune.

Source: www.lngprime.com

SECOND PHASE OF PIPECHINA'S BEIHAI LNG TERMINAL NEARS LAUNCH

State-owned LNG terminal operator PipeChina is nearing the launch of the second phase at its Beihai LNG terminal in the Guangxi province. According to a statement by PipeChina's LNG terminal management unit on November 22, the second stage formally moved from the engineering and construction stage to the commissioning preparation stage. PipeChina said the expansion project started on April 29, 2022. It included building two 200,000-cbm storage tanks, a ground flare, a BOG compressor, and supporting facilities. In September 2023, PipeChina completed raising the roofs on these two LNG storage tanks. PipeChina said it will now work towards commissioning and operation of the second phase. The firm did not say when it expects to commission the facility and start operations. China launched PipeChina in December 2019 to acquire pipelines and LNG import terminals from the country's state-owned energy giants. PipeChina took over the Beihai LNG terminal from Sinopec. The 6 mtpa LNG terminal currently has four operational tanks with a total storage capacity of 640,000 cbm. Following the launch of the second phase, the terminal will have a storage capacity of 1.04 million cubic meters, optimizing gas supply of Guangxi and the surrounding areas. In October 2022, the Beihai LNG terminal, located in the Tieshan Port Industrial Zone in Beihai Zhuang Autonomous region, received a cargo onboard the Q-Flex LNG carrier, Al Sahla, chartered by Qatargas. At

the time, the 216,200-cbm Q-Flex LNG carrier was the largest LNG carrier to call at the terminal since the start of its operations in 2016. PipeChina LNG Terminal Management currently operates eight LNG receiving terminals and is building two more facilities. This accounts for about one-third of China's total LNG receiving capacity. Earlier this year, the firm received the first LNG cargo at its Zhangzhou LNG import terminal in Fujian. Source: www.lngprime.com

DYNAGAS LNG PARTNERS REPORTS HIGHER NET INCOME, PLANS FLEET GROWTH

Dynagas LNG Partners, the operator of six LNG carriers that work under long-term charters, reported a rise in its net income in the third quarter of this year. The shipping firm is also looking to expand its fleet of vessels. The NYSE-listed limited partnership formed by shipowner Dynagas posted a net income of $15.1 million for the three months ended September 30, 2024. This marks a rise of $13.7 million, or 978.6 percent, compared to $1.4 million in the same quarter last year, the LNG shipper said in a statement. Net income also decreased compared to $10.7 million in the prior quarter. Dynagas LNG attributed this rise mainly to the increase in voyage revenues and decrease in vessel operating expenses, the decrease in interest and finance costs, the decrease in the vessels' dry docking and special survey costs, and non-recurring other income earned this quarter from insurance claims received for damages incurred in prior years.

Voyage revenues up

The company said its adjusted net income jumped 367.7 percent to $14.5 million in the third quarter mainly due to the increase in the cash voyage revenues and the decrease of the vessels' operating expenses. Voyage revenues for the third quarter were $39.1 million, up $2.1 million or 5.7 percent compared to the same quarter in 2023. Dynagas LNG said this is mainly due to the increase in voyage revenues of Arctic Aurora following its time charter party agreement with Equinor, which started in September 2023. The company reported average daily hire gross of commissions of about $72,800 per day per vessel for the three-month period, compared to about $68,800 per day per vessel in the third quarter last year. The partnership's vessels operated at 100 percent fleet utilization during the three-month period. Also, vessel operating expenses were $8.1 million, which corresponds to a daily rate per vessel of $14,656 for the three-month period, as compared to $10.6 million, or a daily rate per vessel of $19,288, in the corresponding quarter last year. Dynagas LNG said this decrease is mainly attributable to lower planned technical maintenance on its vessels in the three-month period.

Growth beyond LNG

Chief executive Tony Lauritzen said all six LNG carriers in the company's fleet are operating under their respective long-term charters with international gas companies with an average remaining contract term of about 6.2 years. "Assuming no unforeseen events, the partnership expects no vessel availability until 2028," he said. As of November 22, 2024, the company's estimated contract backlog stands at about $1.01 billion, equating to an average of about $168 million per vessel. "We are pleased to announce the reinstatement of a quarterly cash distribution to our common unitholders, which reflects our strong cash flow and

improved balance sheet," he said. Lauritzen said this is a "significant milestone" for the partnership after a period during which the company was unable to pay distributions to its common unitholders due to previous financing restrictions which no longer exist after the successful completion of refinancing in June 2024 on improved terms. In addition to the cash distribution, the company's board authorized a common unit repurchase program to buy back up to an aggregate of $10 million of the partnership's outstanding common units over the next 12 months. "Our capital allocation strategy aims not only to return capital to our unitholders but also to strategically position the partnership for growth, with the flexibility to efficiently allocate capital depending on the circumstances," he said. "Our objective is to position the partnership to capitalize on future market opportunities across not only our core business of LNG carriers but also in other shipping sectors," Lauritzen said.

Source: www.lngprime.com

ALEXANDROUPOLIS FSRU GETS NEW LNG CARGO

Gastrade's FSRU-based LNG import terminal off Greece's Alexandroupolis has received a new cargo of LNG. The 2024-built 174,000-cbm, Maran Gas Antibes, which is on charter to France's TotalEnergies, arrived at the 153,600-cbm FSRU, Alexandroupolis, during the weekend, its AIS data provided by VesselsValue shows. Maran Gas Antibes previously loaded a cargo of LNG at Sempra's Cameron LNG terminal in Louisiana, the data shows. A Gastrade spokeswoman also confirmed to LNG Prime the arrival of the LNG carrier, saying that this is the second commercial LNG shipment for the Alexandroupolis FSRU. As previously reported, TotalEnergies supplied this LNG cargo to Bulgargaz under a two-cargo tender. TotalEnergies will supply Bulgargaz with the second LNG cargo in December. Gastrade's FSRU Alexandroupolis received its first commercial LNG shipment from Norway on October 3. A unit of TotalEnergies also delivered this cargo to Bulgargaz which previously booked capacity at Gastrade's terminal. In addition, units of UK-based energy giant BP and US LNG exporter Venture Global will supply cargoes to Bulgargaz in January and February following the completion of a tender.

One LNG cargo per month

Gastrade's shareholders include founder Copelouzou, DESFA, DEPA, Bulgartransgaz, and GasLog. This is Greece's first FSRU and the second LNG import facility, adding to DESFA's import terminal located on the island of Revithoussa. The Alexandroupolis LNG terminal has a capacity of up to 5.5 bcm per year, or some 66.3 TWh per year. Gastrade expects to receive one LNG cargo per month at its FSRU-based LNG import terminal in the next five months. A sheet provided by Gastrade to LNG Prime showed that the first 2025 delivery is expected on January 25-26, the second on February 22-23, and the third cargo is expected on March 10. Gastrade expects the fourth 2025 delivery on July 27. According to the company, 14 Greek and international companies are participating commercially in the project, committing almost all of the terminal's capacity until at least 2030. Besides Bulgargaz, Venture Global LNG recently booked long-term capacity at Gastrade's LNG import terminal. Under the binding terminal use agreement, Venture Global has secured about 1 mtpa of LNG regasification

capacity at the terminal for five years, beginning in 2025. Venture Global said its capacity will account for about 25 percent of the total terminal capacity or about 12 LNG cargoes annually. Source: www.lngprime.com

ADNOC L&S TAKES DELIVERY OF FIRST LNG NEWBUILD FROM JIANGNAN

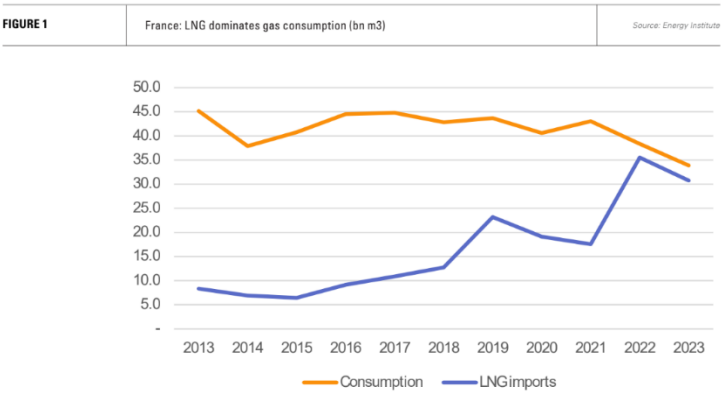
UAE's Adnoc L&S, a unit of state-owned energy giant Adnoc, has taken delivery of the first 175,000-cbm LNG carrier from China's Jiangnan Shipyard. According to a statement by Adnoc L&S, Al Shelila has been delivered two months ahead of schedule. Immediately after delivery, Al Shelila will go on hire with a "top-tier, global energy trader." Adnoc L&S did not provide the name of the trader. Jiangnan previously said it aims to deliver Adnoc L&S's LNG carrier in December this year, one month ahead of schedule. In September, this LNG carrier completed its sea trials, some two months after its launch. This is the first of six LNG carriers Adnoc L&S ordered during 2022 from Jiangnan. The entire order is worth more than $1.2 billion. Adnoc L&S said the remaining five vessels are expected to be delivered in 2025 and 2026. These "LNG Jumbo" dual-fuel carriers feature GTT's Mark III Flex membrane system and a partial reliquefaction system. Adnoc is investing heavily in its LNG business and in June it took a final investment decision to build its LNG export terminal in Al Ruwais. The LNG project will consist of two 4.8 mtpa trains with a total capacity of 9.6 mtpa, more than doubling Adnoc's existing UAE LNG production capacity to around 15 mtpa, as the company builds its international LNG portfolio. Adnoc currently owns a 70 percent stake in Adnoc LNG, that produces about 6 mtpa of LNG from its facilities on Das Island. Adnoc L&S's existing fleet of Moss-type, steam turbine LNG carriers serve its terminal on Das Island. Earlier this year, the company also ordered eight LNG carriers from South Korean shipbuilders Samsung Heavy Industries and Hanwha Ocean. These LNG carriers are expected to serve Adnoc's second LNG terminal in Al Ruwais. Source: www.lngprime.com

FRANCE: EUROPE'S LARGEST LNG IMPORTER [GLOBAL GAS PERSPECTIVES]

In the last few years, France has emerged not only as Europe's largest importer of LNG, but the fifth largest single country market in the world. Energy Institute data shows France importing 30.7bn m3 of LNG in 2023, making up 90% of its total gas consumption, compared with less than half in 2020. However, France has never been a gas consumer on the scale of Europe's other large economies. Its extensive fleet of nuclear power plants has kept gas demand low as a proportion of overall energy consumption. The primary destinations for gas in France are residential and commercial buildings and industry rather than power plants. Public gas distribution accounted for 53.6% of demand in the period August 1 to November 10 this year, industry 41.6% and gas-fired generation just 4.9%. As elsewhere in Europe, France's overall gas consumption has been heavily dented by high prices in the wake of Russia's invasion of Ukraine. Gas demand peaked in 2010 at 49.6bn m3 and remained stable between 2012 and 2021, varying between 40-45bn m3, but dropped to 38.4bn m3 in 2022 and 33.9bn m3 in 2023 even as

LNG imports surged. Energy security concerns notwithstanding, LNG's honeymoon in France appears likely to be short-lived. Demand for gas is expected to continue downward and, as almost all gas consumed is now LNG, it is LNG imports which will feel the impact.

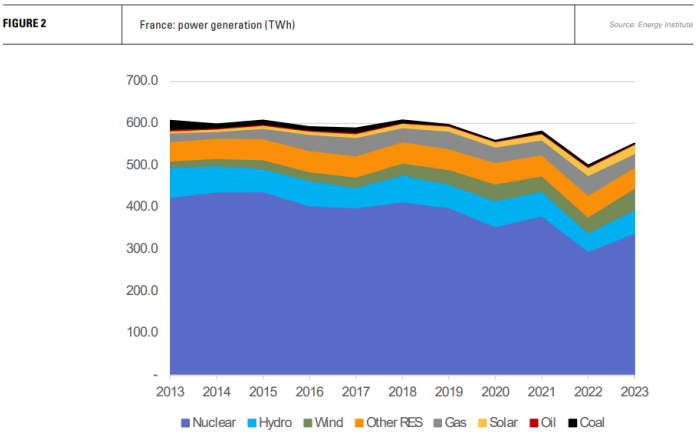
Green gas to accentuate fall in fossil gas demand



According to the Gaz Perspectives report published by Transmission System Operators (TSO) GRTGaz and Teréga and gas distributor GRDF, French gas demand will fall from 381 TWh (34.3bn m3) last year to 320 TWh (28.8 bn m3) in 2030. LNG imports will be hit even harder than this implies because of an expected increase in the production of renewable and low carbon gases (excluding hydrogen). The report estimates these will provide 60 TWh by 2030, rising to 120 TWh in 2035. This implies a reduction in natural gas use of 4.6bn m3, reducing total natural gas demand – the majority supplied by LNG – to 23.4bn m3 in 2030 and to about 18.0bn m3 in 2035. Biomethane production in France is growing fast, reaching 9.1 TWh in 2023. The number of installations injecting gas into the grid increased by 140% between 2020 and 2023. According to GRTGaz, by 2024, France had 652 renewable gas production sites, of which 80 were connected to the gas grid. "The connected fleet as a whole has a generating capacity of 11 TWh/yr … representing 2.5% of France's natural gas consumption," the report says. However, the forecast highlights a few sensitivities which could result in higher than forecast gas consumption. Demand will depend on the availability of nuclear generation, the speed of deployment of renewable energy capacity, both in France and in neighbouring countries, and other factors such as the adoption of more proactive reindustrialisation policies.

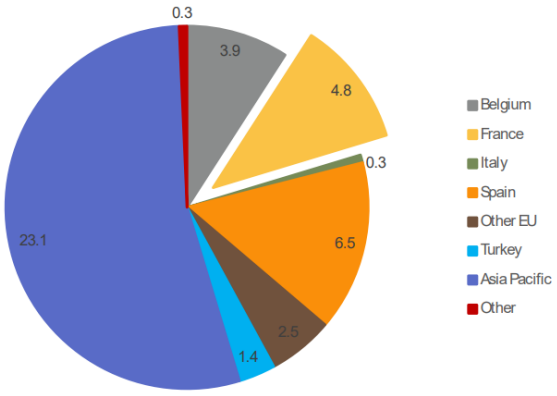
Nuclear gloom

Although it plays a minor part in France's overall gas consumption, gas-fired generation plays a key role in providing flexibility to a power system dominated by nuclear power and with a growing proportion of variable renewables. Gas demand for power generation fills the gap created when nuclear generation and/or hydro are low. Despite the high-priced environment, gas-fired generation jumped to 47.1 TWh in 2022, a record, owing to a slump in both nuclear generation and hydro. Nuclear generation, the largest component of France's power system, was particularly low in 2022 and 2023, and appears likely to stabilise at levels below the preceding



decade. This year, nuclear generation was up 12.2% in the first half, suggesting an annual result at the higher end of EDF's forecast of 314–345 TWh. Next year should be boosted by generation from the long-awaited Flamanville-3 reactor, which began start-up operations in September. EDF has a large modernisation program for its mostly ageing reactors, which will continue to keep nuclear generation below nameplate capacity. About 400 TWh generation is expected in 2035, with 360 TWh/yr forecast as realistic for the period 2030–35, according to the utility.

FIGURE 3 | Spain and France led EU imports of Russian LNG in 2023 (bn m3) | Source: Energy Institute



Renewables growing but still off-target

Wind and solar capacity will continue their upward trajectory, but they are not yet expanding at rates which will deliver on France's renewable energy targets. Wind capacity in France has more than doubled since 2015, reaching just over 22 GW at the end of 2023, almost all onshore. The target is 33–35 GW by 2030. France's tardy offshore wind sector is beginning to show signs of real life. The country's second offshore wind farm, Fecamp, was commissioned in May. The Saint Brieuc wind farm is partly commissioned, and three further offshore wind farms are under construction. There are 15 projects in the pipeline for 2035, for which time France has set an interim target of 18 GW, on the road to 45 GW by 2050. Deployment of solar capacity is accelerating. Annual installations totalled 3.2 GW in 2023, the fastest rate to date, following 2.7 GW in 2022, 2.6 GW in 2021 and 1.2 GW in 2020. In its updated National Energy and Climate Plan submitted last year, France set a target of 60 GW solar by 2030, rising to 75–100 GW by 2035. As current capacity is just over 20 GW, like wind, this also implies an acceleration in annual deployment rates.

What role for gas?

As such, it appears that gas-fired generation will be squeezed by higher renewables output. However, grid-scale battery storage is lagging, with forecasts suggesting an increase from 500 MW in 2023 to 1.5 GW by 2030. Plans for the 'degasification' of buildings hinge on electrification, which increases peak demand for power, thereby increasing the need for flexibility. However, most significantly, forecasters expect the falling trend in French electricity demand to reverse. Electricity consumption fell from a peak of 472 TWh in 2010 to 411 TWh in 2023, but electricity TSO RTE last year forecast that power demand would rise to between 580–640 TWh/yr by 2035, an increase of 25–29%. The forecast was made on the assumption that both accelerated decarbonisation and reindustrialisation targets were met, but also included 75–100 TWh of energy efficiency improvements, which would depend largely on hard-to-achieve thermal renovation of buildings. In all of RTE's

scenarios, renewable energy needs to expand rapidly, rising to a minimum of 270 TWh, up from 112.6 TWh in 2022, including hydropower. The big bet is on wind and solar, but France will need to increase deployment rates significantly. More variable generation will increase the importance of technologies, like gas-fired generation, which provide flexibility. Any shortfall in nuclear generation, owing to possible complications with EdF's reactor modernisation programme, or bad years for hydro, will likely mean falling back on gas.

Wider European energy security

While France's demand for natural gas and the process of replacing pipeline gas imports with LNG both appear to have peaked, the importance of France's LNG infrastructure is likely to endure. France has been able to export regasified LNG to its neighbours, although flows have typically been small and seasonal. France has exported to Spain, Switzerland, Italy, Belgium, the Netherlands, Luxembourg and Germany, more latterly increasing exports to Italy and Switzerland. It has also imported more gas from Spain, although pipeline connectivity with the Iberian Peninsula remains modest. The news on November 18 that Russia's Gazprom is cutting off gas supplies to Austria is a timely reminder of the value of France's LNG terminals and pipeline connectivity with the rest of Europe. LNG cargoes destined for Asia are already re-routing to Europe, some will likely unload in France. The cessation of remaining Russian pipeline gas transits across Ukraine at the end of the year will further reduce Europe's pipeline gas supplies. As forecasters will attest, there are always major uncertainties when looking into the future, but it is often flexibility which proves the name of the game, and for European energy security that still means LNG, providing a key role for France's LNG import terminals. Source: www.naturalgasworld.com

LNG IS STEPPING UP TO SOLVE EUROPE GAS WOES, BUT AT A PRICE: RUSSELL

Concerns that Europe is facing a natural gas supply crunch this winter are overblown, with the liquefied natural gas (LNG) market already stepping up to avoid any shortfall, albeit at higher prices. European natural gas prices climbed to the highest level in two years last week, with the benchmark front-month contract at the Dutch TTF hub reaching 49.03 euros per megawatt hour on Nov. 22, equivalent to $14.97 per million British thermal units (mmBtu). Prices have rallied about 40% since mid-September amid fears that the remaining Russian pipeline supplies to Europe will be halted or face further curtailment. New U.S. sanctions on Russia's Gazprombank, the financial institution some remaining European importers of Russian gas use to process payments, have also raised concerns about the future of supply. Throw in some early cold weather and the expiry at the end of the year of the transit agreement for Russian gas through Ukraine and it's hardly surprising that prices have been rallying. But there is little sign that Europe is about to run short of natural gas, and the global LNG market is already adjusting to reflect the current dynamics. Europe's November imports of the super-chilled fuel are on track to rise to the highest since February, with commodity analysts Kpler tracking arrivals of 9.16 million metric tons. This is up from 7.56 million tons in October and 6.37 million in September, which was the lowest monthly total in three years. The increase in

imports is largely being met by increased shipments from the United States, the world's largest LNG exporter and the swing supplier between the Atlantic and Pacific basins. Europe is on track to import 4.32 million tons of U.S. LNG in November, the most since February and up from October's 3.13 million, according to Kpler data. In contrast, Asia's imports of U.S. LNG are estimated to drop to 2.19 million tons in November, the lowest since March and down from 3.21 million in October. Asia's overall imports of LNG are expected to decline in November to 23.13 million tons, the lowest since June and down from 24.39 million in October.

PRICE SENSITIVITY

The drop is largely because of weaker imports in the South Asian nations of India, Pakistan and Bangladesh, with India, the fourth-biggest buyer in Asia, expected to land 2.21 million tons in November, down from 2.36 million in October. India is among a group of Asian buyers that tend to be price sensitive, and the recent rise in spot LNG prices will act as a brake on the country's demand. Spot LNG for delivery to North Asia LNG-AS rose to $14.60 per MMBtu in the week to Nov. 22, an 11-month high and up from $13.60 the prior week. The price has been rising steadily in recent months and is now up 76% from its 2024 low of $8.30 per MMBtu. However, it's still short of peak in 2023 of $17.90 per MMBtu, reached in late October as utilities in Asia stocked up ahead of winter. The current forecasts for winter in North Asia are for a colder season than last year, which may serve to bolster demand for LNG, especially in top importers China, Japan and South Korea. Coupled with the likelihood of higher European demand for LNG, it's likely that spot prices will continue to rise. The higher prices will increasingly crowd out the more price-sensitive buyers, such as India. But this isn't a sign that the market is under stress, rather it shows that it's working as it should. Source: www.naturalgasworld.com

TRUMP PREPARES WIDE-RANGING ENERGY PLAN TO BOOST GAS EXPORTS, OIL DRILLING, SOURCES SAY

Donald Trump's transition team is putting together a wide-ranging energy package to roll out within days of his taking office that would approve export permits for new liquefied natural gas (LNG) projects and increase oil drilling off the U.S. coast and on federal lands, according to two sources familiar with the plans. The energy checklist largely reflects promises Trump made on the campaign trail, but the plan to roll out the list as early as day one ensures that oil and gas production will rank alongside immigration as a pillar of Trump's early agenda. Trump, a Republican, also plans to repeal some of his Democratic predecessor's key climate legislation and regulations, such as tax credits for electric vehicles and new clean power plant standards that aim to phase out coal and natural gas, the sources said. An early priority would be lifting President Joe Biden's election-year pause on new export permits for LNG and moving swiftly to approve pending permits, the sources said. Trump would also look to expedite drilling permits on federal lands and quickly reopen five-year drilling plans off the U.S. coast to include more lease sales, the sources said. In a symbolic gesture, Trump would seek to approve the Keystone Pipeline, an

issue that was an environmental flashpoint and which was halted after Biden cancelled a key permit on his first day in office. But any company looking to build the multibillion-dollar effort to carry Canadian crude oil to the U.S. would need to start from scratch because things like easements have been returned to landowners. "The American people can bank on President Trump using his executive power on day one to deliver on the promises he made to them on the campaign trail," Karoline Leavitt, Trump's transition spokesperson, said in a statement. Many of the elements in the plan would require time to move through Congress or the nation's regulatory system. Trump has promised to declare an energy emergency on his first day in office that could test whether he can bypass those barriers to impose some changes on an accelerated schedule. Trump would also call on Congress to provide new funding so he can replenish the nation's Strategic Petroleum Reserve, established as an emergency crude oil supply and which was depleted under Biden to help manage price spikes caused by the Ukraine crisis and high inflation during the pandemic. Replenishing the reserve would boost short-term oil demand and encourage U.S. production. Trump is also expected to put pressure on the International Energy Agency, the Paris-based energy watchdog that advises industrialized countries on energy policy. Republicans have criticized the IEA's focus on policies to reduce emissions. Trump's advisers have urged him to withhold funding unless the IEA takes a more pro-oil position. "I have pushed Trump in person and his team generally on pressuring the IEA to return to its core mission of energy security and to pivot away from greenwashing," said Dan Eberhart, CEO of oilfield service firm Canary.

TRUMP 'PLANS TO GO STRONG' ON LNG

Biden put a freeze on new LNG export permits in January to study the environmental impacts, in an election-year move aimed at making gains with the party's green voting blocs. Without the export permits, developers cannot go ahead with multi-year construction plans for new projects. Projects delayed include Venture Global' s CP2, Commonwealth LNG, and Energy Transfer's ET. N Lake Charles complex, all of which are in Louisiana. The United States is the world's top producer of natural gas and became the No. 1 exporter of LNG in 2023 as Europe looked to America to wean itself off Russia's vast energy supplies following the invasion of Ukraine. The Biden administration promised to release the environmental study before Trump assumes the White House on Jan. 20, but it would have no influence on the incoming administration, the sources said. "The LNG issue is a lay-up, and he plans to go strong on the issue," said one of the sources. There are five U.S. LNG export projects that have been approved by the Federal Energy Regulatory Commission but are still awaiting permit approvals at the Department of Energy, federal records show. Biden's pause also halted necessary environmental reviews, portions of which may still be needed for the five pending DOE permits to withstand legal scrutiny.

LOOKING TO DRILL OFFSHORE AND ON FEDERAL LANDS

Trump would look to accelerate drilling off the U.S. coast and on federal lands. The average time to complete a drilling permit on federal and Indian land averaged 258 days in the first three years of Biden's administration, up from 172 days during the four years of Trump's presidency, according to federal data. Trump is expected to expedite pending permits, hold sales more

frequently and offer land that is more likely to deliver oil, the sources said. Despite the lag time in permit approvals, Biden's Interior Department approved more onshore oil drilling permits on average than Trump's first administration, federal records show. Oil output on federal lands and waters hit a record in 2023, while gas production reached its highest level since 2016, according to federal data. Drilling activity on federal lands and waters accounts for about a quarter of U.S. oil production and 12% of gas output. Source: www.naturalgasworld.com

ITALY'S ENI READIES SECOND FLOATING LNG FACILITY FOR CONGO

Italian energy group Eni said on Saturday it had launched the hull of the Nguya Floating Liquefied Natural Gas (FLNG) facility in Wison Heavy Industry's shipyard in Nantong, China, to be deployed offshore of the Republic of Congo. The FLNG will have a liquefaction capacity of 2.4 million tons per annum (MTPA) and will complement the existing Tango FLNG, which has a capacity of 0.6 MTPA and has been operational since December 2023, ENI said in a statement. The combination of the two will bring the total liquefaction capacity of the Congo LNG project to 3 MTPA by the end of 2025, it said. Eni in 2022 signed a contract with China's Wison Heavy Industry to set up an FLNG unit off the Republic of Congo to increase LNG production and exports from the African country. It is the second FLNG to be deployed in the Republic of Congo. In February this year, Eni said that the Republic of Congo exported its first cargo of LNG to Italy, making the country an energy exporter. "We have been the first to believe in the value of Congo's gas, primarily for domestic power generation, and then for export," Guido Brusco, Eni's chief operating officer for Global Natural Resources, said in the statement. Source: www.naturalgasworld.com

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