Svenskt Gastekniskt Center AB

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Svenskt Gasterkniskt Center AB
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FOKUSGRUPPERNA

Rapport från konferens

Bakgrund
Mattias Svensson deltog å SGC:s vägnar i konferensen *LNG and CNG Transport Forum* som ägde rum i London, England 140409–140410. Ungefär 40 personer deltog på konferensen, mestadels från Storbritannien men också en stor andel från de skandinaviska länderna.

Tre intressanta bidrag
Bland många intressanta föredrag noteras särskilt vid följande tre:

1. Pricing mechanisms and market dynamics – Peter Stewart, Chief Energy Analyst, Interfax
   a. Den bästa av de presentationer som berörde prisbildning och framtida priser för både olja och LNG.
   b. Farhågor om att dieselpriser drivs upp av SECA-reglering troligen ogrundade, stora investeringar inom kort för kat. krackn-ökn på raff
   c. Såg att oljepriset fortsatt skulle variera mellan 85-90 – 125 dollar per fat. Det högre pristaket för att efterfrågan helt enkelt minskar när det närmar sig den nivån, den lägre eftersom det är smärtgränsen för tight oil, som nu utgör så stor del av marknaden att den kan styra utbudet – andra, billigare källor till olja finns inte i tillräcklig mängd
   d. Asien driver efterfrågeökning, mer likartade världsgaspriser att vänta när Ryssland bygger infrastruktur för Asien-export och USA börjar exportera ej fördestinerad LNG (ca 50 mtpa framåt 2020)
   e. Ser hur shale NGL lett till export av LPG för första gången sen 70-talet från USA, kan sänka LPG-priser och öppna för marina tillämpningar? (kommentar från motortillverkare: vi satsar dock i första hand på metanol och LNG)
2. Low risk LNG infrastructure – Frederik Smits van Oyen, Director, Dabba Energy
   a. Illustrerade på ett bra sätt hur small-scale skiljer sig från ”normal” LNG-hantering, och hur investeringsbördan i SSLNG är omvänd, med tyngsta investeringarna downstream istället för upstream
3. LNG as a transport fuel – Kaushik Burman Global marketing manager D-LNG Shell
   a. Shell har bestämt sig, segmenten som gäller är tunga vägtransporter, sjöfart (inland waterways också) och rälsburet. Ser stora volymer

kommer snart, ser framför sig 10-15 % marknadspenetration 2030 i dessa olika segment

b. Kina största marknad idag: 80 000 LNG-drivna tunga fordon, varav 25 000 bussar, servade av 1400 LNG-stationer. Tror denna marknad kan driva fram billigare LNG-tankar
c. Viktigast för marknadstillväxt: Samarbetspartnerskap (t.ex. Wärtsilä, Volvo), slutkundens ekonomiska möjligheter och bättre regelverk och standardisering
d. Varför satsar de nu: Deras scenario-team såg för fem år sedan att kunder började efterfråga alternativa bränslen, ville diversifiera och dra ner på sitt koldioxid-avtryck

Det talades om

På konferensen talades det rent allmänt mycket om att small-scale LNG var en marknad som troligen skulle kunna ha en stor tillväxt, framför allt om förutsägelserna om sjunkande LNG-priser infrias. Det talades också om det stora behovet av att regleringar och standarder etableras som underlättar för marknaden

Konferensmaterialet

Det skannade konferensprogrammet återfinns nedan. Intressanta presentationer kan erhållas vid förfrågan från mattias.svensson@sgc.se.

LNG & CNG FOR TRANSPORT FORUM

Infrastructure development and pricing mechanisms for LNG and CNG in land and marine transport

Conference: Wednesday 9th – Thursday 10th April 2014
Kensington Close Hotel, London, UK

Event Guide

Media Partner: BUNKERSPOT

Supporting Association: British Cryogenics Council

Energy

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LNG and CNG for Transport Forum

Day 1 – Wednesday 9th April 2014

8.30 Registration and coffee

9.00 Chairman's welcome
Gustaf Landahl, Head of Department Planning & Environment, Environment and Health Administration, City of Stockholm

MARKET ANALYSIS: LNG AND CNG AS A FUEL FOR THE TRANSPORT SECTOR

9.15 **Market outlook: Spotlight on LNG**
- Oil pricing dynamics and trends
- Comparing price mechanisms
- LNG supply outlook
- Pricing possibilities for LNG bunkering

Ben Wetherall, Editor – LNG Reports, ICIS, UK

9.50 **Will Natural Gas take off in Europe in the land transport market?**
- Examining different markets: US, Canada, India and Europe
- Gas pricing patterns
- Market drivers for using natural gas

Chris N Le Fevre, Senior Visiting Research Fellow, Oxford Institute of Energy Studies

10.30 Morning tea and networking break

11.10 **LNG versus CNG**
- How long will LNG remain in favour?
- Is CNG a viable market in Europe?
- How serious are gas suppliers about CNG in Europe?
- Cost comparison of using LNG & CNG for marine and land transport compared to other fuels

Katy Simpson, Analyst, European Gas & Power, Wood Mackenzie

12.00 **Think tank: Supply chain economics**
At each table delegates will discuss the following questions:
- Setting up the supply chain: how can this be improved?
- How can LNG and CNG projects be a worthwhile investment for everybody?

12.20 Feedback from the think tank forum

12.30 Lunch

13.30 **Speed networking**
Meet and exchange business cards with other LNG and CNG stakeholders in this fast paced networking session

13.45 **Pricing mechanisms and market dynamics**

• How big is the demand for LNG and CNG in the marine and land sector?

• Influences on gas pricing such as US shale gas

• Will there be a set LNG fuel price in the future?

• Trends in gas supply contracts: What do these currently look like and how will these evolve over time?

Peter Stewart, Chief Energy Analyst, Interfax

14.25 **A shipyard's view: Examining the demand for LNG vessels**

• What is the current demand for LNG powered vessels?

• Innovations in engine design to improve efficiency

• Examining safety concerns of LNG powered vessels

Masaki Ohtsu, Senior Technical Adviser, Mitsui Engineering & Shipbuilding Co., Japan

15.00 Afternoon tea and networking break

15.30 **Low risk LNG infrastructure**

- The safety risks of bringing LNG closer to the public
- What are the main business risks and why do projects fail commercially?
- How can the end user make sure they succeed?

Frederik Smits van Oyen, Director, Dabba Energy

16.10 **'Dig deeper' forum**

Take the opportunity to join one of the roundtables for a more in-depth discussion on:

1. Safety considerations for LNG and CNG infrastructure
2. Examining European gas supply contracts - what will these look like in the future?
3. LNG powered vessels – where is the future likely demand for new builds?

16.40 Feedback from roundtables

17.00 **Chairman's closing remarks**

Gustaf Landahl, Head of Department Planning & Environment, Environment and Health Administration, City of Stockholm

17.15 **Networking drinks**

Meet and get to know speakers and other delegates in a relaxed setting at the drinks reception

Day 2 – Thursday 10th April 2014

9.00 Chairman's opening remarks
Christopher Maltin, for and on behalf of Biomethane Ltd., a wholly owned subsidiary of Organic Power Holdings Ltd.

9.15 **Keynote address: Shell update**
LNG for vessels and heavy trucking fleets in Europe
Kaushik Burman, Global Marketing Manager – LNG for Transport, Shell

INVESTMENT IN NATURAL GAS INFRASTRUCTURE

9.45 **Panel discussion**
Facilitating LNG bunkering
- Break bulk development plans
- Facilitating LNG utilisation
- LNG bunkering facilities: future plans
- Vessel to vessel bunkering
- LNG activity and alternative fuels in Finland and the Baltic Sea region

Panellists include:
Annaleena Mäkilä, CEO, Finnish Port Association
Annette Berkhahn, Director, Sustainability Services, Accenture
Paul Morter, Business Line Manager, BMT ARGOSS

10.30 Morning tea and networking break

11.00 **Case study: LNG success stories in the public transport sector**
Launching the LNG market in Poland
This session will examine how the supply chain was established to set up Europe's first LNG city buses launched in the Polish city of Olsztyn. Points for discussion include:
- Why LNG? Examining the business case for choosing LNG to power Olsztyn's public transport
- Gazprom's involvement in the refuelling infrastructure and LNG supply
- Examining the LNG powered buses manufactured by Solbus

Michal Slizak, Marketing Director, Solbus

11.30 **OEM's perspective**
Manufacturing developments of LNG Vehicles
- Bringing down the cost of LNG vehicles: What are the OEMs planning to do?
- Examining the cost, operability and maintenance of LNG vehicles
- Developments in heavy duty trucking designs to meet Euro VI regulations
- Developments in efficiencies of LNG fuelled HGVs

Tony Owen, National Fleet Support Manager, Volvo

12.05 **European Commission Clean Fuel Strategy**
- Alternative fuels in the transport sector (DG Move)

Antonio Tricas Aizpún, Administrator, Directorate-General for Mobility and Transport, European Commission

12.45 Lunch

13.45 **Fleet owners' perspective**
Adopting LNG: What needs to be done to make LNG attractive to trucking fleets?
- Market drivers to encourage LNG utilisation
- Quality of supply issues
- Fuel availability: Infrastructure developments and requirements
- Examining the costs of fuel and switchover challenges

Caroline Sindrey, Group Distribution Environmental Manager, Tesco

14.20 **CNG projects in Germany**
Encouraging investment and dialogue between key stakeholders
Mathis Weller, Alternative Fuels and Energy Efficient Transport Team, German Energy Agency

15.00 Afternoon tea

15.20 **Examining the viability of CNG for public and urban transport**
- Recent case studies on adoption of CNG as a fuel in Europe
- Can the success of CNG in countries such as the US and India be replicated in Europe?
- CNG versus other fuels
- Supply and availability in Europe

John Baldwin, Managing Director, CNG Services

15.50 **Making investment decisions for LNG/CNG projects: Risk assessment and due diligence**
- Validating the feasibility of taking LNG tankers into certain ports
- Demonstrating capability (or not)
- Overall risk assessment
- Safe operating envelope
- Tug requirements

Paul Morter, Business Line Manager, BMT ARGOSS

16.25 Chairman's concluding remarks
Christopher Maltin, for and on behalf of Biomethane Ltd., a wholly owned subsidiary of Organic Power Holdings Ltd.

16.30 Close of forum