Security of LNG supply and distribution in the region

Tadas Matulionis
LNG Terminal Director
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Successful operations after commissioning in autumn

**Commercial operations**
First commercial send-out from 1st of January 2015

**Commissioning cargo**
Delivered 28th of October 2014

**First commercial cargo**
Delivered 23rd of December 2014

**FSRU Independence**
Arrived on the 27th of October 2014
Services of the LNG terminal

**Services**
Start from the 1\textsuperscript{st} of January, 2015.

- **LNG regasification**
  - Foundation capacities
  - Seasonal capacities
  - Spot capacities
  - Security supplement – 2.73 EUR/MWh

- **LNG reloading**
  - Seasonal capacities
  - Spot capacities
  - LNG reloading tariff – 1.14 EUR/MWh
  - Minimum send out ensures constant operation availability
  - All services are on a transparent third party access basis

New opportunities in 2016-2017

- **LNG reloading station**

- **LNG bunkering and truck reloading**
  - LNG cargo break-bulking possibilities
Lithuania plays a leading role in developing regional gas market

- **Baltic-connector to Finland**
- **Klaipeda LNG terminal**
- **Incukalns gas storage**
- **GIPL**

**Possible gas flows from Klaipeda LNG terminal**

**Third Party Access infrastructure**

**Limited or no TPA**

**GIPL (Gas interconnection Poland Lithuania)**

- **2011**: Start of 3rd Energy Package Implementation (unbundling)
- **2011**: Start of Klaipeda LNG terminal project
- **2011**: Start of strengthening of internal connections
- **2014**: Completed implementation of the 3rd Energy Package
- **2014**: Completed implementation of the Klaipeda LNG terminal
- **2018**: Completed implementation of the GIPL

Lithuania plays a leading role in developing regional gas market.
Ensuring energy security and access to new markets

### LNG regasification markets

Markets accessible starting the 1st of January, 2015

### LNG ship reloading markets

Markets accessible after regional interconnections are finished

### LNG trucking markets

Markets accessible after on-shore LNG reloading station is finished

- Baltic-connector
- GIPL

LNG terminals (5,000-30,000m³) in development
LNG reloading station concept

LNG Supply Route

KN oil terminal

LNG unloading

LNG supply route

Integrated service

LNG Reloading station

Flexible hose

C-type containers

LNG dispenser

LNG trailer

LNG reloading service
(regulated service by the Operator)

LNG transportation

LNG reloading into LNG trailers
Synergies with oil terminal

- Boil off would feed existing boilers
- Existing jetty sufficient to hold required equipment
- Existing firefighting systems
- Instrument air and electrical systems
- Qualified staff
- Existing sufficient security measures
- Truck loading performed already (light oil products)
- Safe distance from neighbors
Technological concept

LNG reloading (bunkering) to ships

LNG loading from small-scale carrier (1,000 m³/h)

LNG pumps

LNG storage 5x1,000 m³

BOG management unit

Gas fired heating boilers

LNG reloading to trucks (2-3 loading bays)
Preliminary Project timeline

Preparatory works
(partially financed by EU)

Construction works

Financing

Commercial part

Co-financed by the European Union
Trans-European Transport Network (TEN-T)

2014

Technological concept

2015

FEED

EIA screening

EPC tender

2016

EPC contract

Bid for EU subsidy

Financing from institutional banks (EIB, NIB)

Market consultation

Preliminary capacity reservation agreements

2017

Detailed scheduling

Commissioning and start-up

Off-take contracts
Closing remarks

1. Energy security for the Baltics states and for Finland/Poland after the interconnections are completed.

2. Opportunity for market players to import gas from the global market.

3. Gas storage in Inčukalns creates opportunities to benefit from seasonal LNG price fluctuations.

4. Availability to bring in spot cargoes and to break-bulk into smaller cargoes.
Thank you for your attention.