

Petrobangla to set up 3 more LNG terminals to meet growing gas demand

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Online Desk: State-owned Petrobangla has moved to set up three more liquefied natural gas (LNG) terminals in addition to the existing two currently being operated to regasify imported gas. The proposed three new LNG terminals will be set up in Payra, Moheshkhali and Matarbari whose total regasification capacity would be 2000-3000 MMcf/d, said Petrobangla Chairman Zanendra Nath Sarker, reports UNB.

Sarker informed that of the three LNG terminals to be set up, two will be floating – known as floating storage and regasification unit (FSRU), while one will be land-based terminal. According to official sources, all three LNG terminals will be set up on the basis of unsolicited offers received from local and foreign companies. Two floating storage and regasification units have been in operation since 2018, of which one was set up by Excelerate Energy of USA at Moheshkhali of Cox’s Bazar with 500 million cubic feet per day while another with the same capacity was set up by the Summit Group in the same area.

Of the three terminals to be set up, Excelerate Energy has made an offer for the Payra site while Summit Group made an offer for Moheshkhali. Petrobangla has shortlisted 12 firms for the Matarbari site. Each of the FSRUs in Payra and Moheshkhali will have the capacity to regasify 500-1000 MMcf/d gas. “Negotiations are progressing fast. We have prepared the term sheet agreement for Payra and Moheshkhali terminals and sent those to the concerned ministry for approval,” the Petrobangla chairman said recently.

For the Matarbari land-based terminal, Petrobangla is waiting to receive a no-objection certificate from Bangladesh Power Development Board (BPDB) which is the original owner of the land. “Once we receive the NOC, our team and consultant are ready to select the firm for the Matarbari terminal,” Sarker said, adding that there will be options to increase the capacity of Matarbari land-based terminal from its initial capacity.

He, however, said that if the government gives approval for setting up the terminals now, it will take 3-5 years to get them installed and ready for operation. He also justified Petrobangla’s move to setting up the new LNG terminals, saying that the country’s demand for gas supply is growing rapidly and it will reach 6500 MMcf/d by 2030 from the current demand of 4,000 MMcf/d against a supply of 3,000 MMcf/d. If the moves are not undertaken, the country will experience more deficit in gas supply, the Petrobangla chairman said.