



NEWSLETTER #5

HEKLA – Helsingborg & Klaipeda
LNG Infrastructure Facility Deployment



e-Newsletter #5

PROJECT UPDATE – KLAIPEDA PORT LNG DISTRIBUTION HUB



Three of the five giant cryogenic storage tanks have already been installed at the site and the remaining two were loaded onto the water last week to begin their journey from Chart's facility in Decin, Czech Republic to the job site.

If placed end on end, the two cryogenic storage tanks would easily cover the length of a football field and the diameter of each is larger than the diameter of London's underground train network. Despite that though, and largely due to the skills of our own people and project partners, the logistics have been executed without a hitch.

The LNG distribution station will create a small-scale LNG infrastructure and establish the port of Klaipeda as an LNG hub for the Baltic countries and north-eastern Poland. Gas from the floating storage and regasification unit (FSRU) Independence will be delivered to the facility and Chart's primary role is preparation and delivery of the cryogenic section, comprising storage tanks, two truck loading bays, marine bunkering jetty and the regasification plant. The overall plant design incorporates future expansion, capable of doubling the storage capacity and Chart is further supporting the customer in follow up projects to develop additional small-scale LNG solutions for power generation, vehicle fueling and other end-use applications.

NORDIC INVESTMENT BANK FINANCES KLAIPEDOS NAFTA'S LNG RELOADING STATION AND OIL TERMINAL



NIB and Lithuania's company Klaipedos Nafta AB have signed a loan agreement totalling EUR 20.4 million with a 15-year tenor for the construction of a reloading station for liquefied natural gas (LNG) and the extension of an oil terminal in Klaipeda, Lithuania.

The new LNG reloading station will be able to store up to 5,000 cubic metres of gas to be transported to those potential consumers in the Baltic countries and north-eastern Poland, who are not connected to the existing gas pipeline networks. The station is expected to be ready in late 2017.



The company's oil terminal will be extended with new storages that will allow reloading wider range of oil products. A new pumping station, automation systems, pipelines and other equipment will ensure more effective reloading of oil products.

MEMORANDUM OF UNDERSTANDING SIGNED BY KLAIPEDOS NAFTA AND FLUXYS



Operator of oil and liquefied natural gas (LNG) terminals AB Klaipėdos nafta (KN) as part of a Lithuanian energy delegation visited Fluxys' Zeebrugge LNG terminal and its small-scale LNG facilities in Belgium.

Both companies agreed in a memorandum of understanding (MoU) to collaborate closely in the development of small-scale LNG projects and infrastructure in Europe.

'BLUE BALTICS' – LNG VALUE CHAIN WILL INTERCONNECT FOUR COUNTRIES



On 14 March, the 'Blue Baltics' project partners met for the first time in Klaipeda and discussed the infrastructure synchronisation of the Baltic Sea Region LNG perspectives project progress. The European Coordinator for the Motorways of the Sea (MoS) Brian Simpson attended the meeting and introduced the financial possibilities for the transport sector in the framework MoS programme.

The LNG reloading station under the construction by the appointed coordinator of the project "Blue Baltics" KN (Klaipėdos Nafta, AB) becomes the core axis of the LNG value chain. Klaipeda is expected to become the LNG hub interconnecting four states of the Baltic Sea Region into a single value chain.

The implementation of the LNG reloading station project is financed from the company's own and borrowed funds and EU support. Once the station is launched, LNG terminal maintenance costs can be reduced in the cases when LNG for the reloading station will be imported through

Event

HEKLA ON-THE-ROAD CAMPAIGN IN LUBECK

On June 27th, 2017, the West-Baltic on the road campaign will be launched. HEKLA on-the-road campaign aims to contribute to the development the future market capacity for LNG bunkering, and to drive the investments into industrial LNG adoption.

The objective will be achieved through the transfer of practical knowledge generated along with the implementation of the LNG infrastructure by the two key stakeholders – Ports of Helsingborg and Klaipėdos Nafta.

The campaign is addressed to key stakeholders representing transport and energy sector as well as other relevant business areas, such as:

- ship owners and operators of shipping lines (using LNG as a marine fuel),
- the shipyard and shipbuilding industry (implementation of LNG technology on-board),
- seaport terminals and the transshipment industry (LNG as a fuel for port equipment),
- road transport companies, including road haulage and public transport companies (LNG as a land transport fuel),
- the transport and transshipment equipment industry (implementation of LNG technology for vehicles),
- industry and enterprises (LNG as an energy source especially for off-grid locations),
- household energy suppliers (LNG for off-grid urban areas),
- public authorities issuing permits for investments and procedures related to the LNG bunkering.

Consortium of HEKLA Project cordially invites to the HEKLA on-the-road event that is held in the Port of Lubeck, on 27th June 2017.



the big terminal. The station is planned to be put into operation in the end of summer 2017.

The 'Blue Baltics' project focuses the investments into the LNG infrastructure development by promoting sustained system of transport by sea and land and reduction of greenhouse gas emissions. This project refers to the successful experience of the previous projects, such as KN controlled LNG terminal, AGA AB controlled small-scale Nynäshamn (Sweden) LNG terminal, also by including other partners: German Bernhard Schulte GmbH & Co., KG, which is implementing the LNG transport ship project, Estonian Alexela Energia AS, which is planning to develop the chain of LNG filling stations for public, commercial, sea transport and outermost consumers from the gas network, and Klaipeda State Seaport Authority, which is partly implementing the works of adaptation of the KN operated jetty to LNG loading.

The support of approximately EUR 3.1 million is allocated in the 'Blue Baltics' financing programme for the KNLNG reloading station. The total investment into five projects amounts to EUR 47.6 million, the funds allocated under the MoS programme amount to EUR 15 million.

KLAIPEDA LNG TERMINAL HANDLES THE FIRST SMALL-SCALE RELOADING FROM FSRU OPERATION



2nd January 2017 the first small-scale LNG carrier Coral Energy was being filled from FSRU Independence. This operation is unique in

that it is the first practical implementation of continuous reload service from FSRU type terminal for small-scale LNG market.

The most meticulous preparation was made for the arrival of Coral Energy. KN carried out a small study on technical feasibility and risk assessment of reloading LNG on small-scale carriers. The study outlines the conditions of docking and reloading of 1,000-30,000 m³ small-scale LNG carriers at the terminal.

Contact us



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