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News: Feedgas deliveries to Freeport LNG spike as production restart target nears

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- Freeport scheduled for 54.5 MMcf/d of feedgas Dec. 21
- · Additional tankers set destinations for terminal
- Regulatory approval for restart remains pending

The offline Freeport **LNG** export terminal in **Texas** was on track to receive some 54.5 MMcf/d of **feedgas** on Dec. 21, a day after a spike in deliveries from a pipeline feeding the facility as the operator's year end target for resuming production approaches, S&P Global Commodity Insights data showed.

The reason for the uptick in **feedgas** deliveries to Freeport was not immediately clear -- the facility also takes deliveries of **gas** to generate power -- but flows continuing at a steady rate could be consistent with the developer preparing to restart **LNG** production. Freeport has maintained a target for a partial restart by the end of December.

Two unladen **LNG tankers** – the Prism Agility and the Elisa Larus – set captain's destinations for the Freeport terminal, according to <u>Platts cFlow</u> ship and commodity tracking software from S&P Global. Two additional **LNG** vessels, the Prism Courage and Prism Diversity have remained anchored for weeks in the **Gulf of Mexico** near the channel that feeds the terminal. The Elisa Larus was showing a captain's estimated arrival at the **Texas** facility on Dec. 27, while the Prism Agility was showing a captain's estimated arrival on Dec. 30, although estimated arrival times and destinations in **LNG** shipping can and sometimes do change.

Flows to the terminal south of Houston were about 22.5 MMcf/d on Dec. 20, with a segment of **Boardwalk Pipeline Partners** 'Gulf South pipeline delivering about 20 MMcf/d, S&P Global data showed. Gulf South confirmed its Dec. 20 deliveries. The data for expected Dec. 21 **feedgas** flows to Freeport were based on nominations for the morning cycle that could later be revised.

The three-train, 15 million mt/year capacity Freeport terminal south of Houston has been offline since an explosion and fire June 8. The developer has maintained its end-of-the-year target even as some market observers questioned whether an extensive information request outlined in a Dec. 12 letter from the **Federal Energy Regulatory Commission** would lead to further delays. Freeport is required to respond to the list of requirements before it can restart.

"We continue to work collaboratively with regulatory agencies, providing the documentation and information requested of us," a Freeport spokesperson said Dec. 21. "We are working towards the safe, initial restart of our liquefaction facility which remains targeted for around year end, provided we obtain the necessary regulatory approvals required."

Freeport would need the signoff by regulators by around Dec. 24 to be able to meet its year-end goal, given the time needed to ramp up after a lengthy outage.

"We would like to get the project up and running as soon as possible -- it's very important for **Europe** and others," **FERC** Chairman Richard Glick told reporters Dec. 15. "But it's also very important that we make sure that the public is safe, and so we are trying to do that."

"In terms of how long it's going to take to respond, I just don't know enough in terms of the internal Freeport process to know how long it is going to take them to put together the information we requested," Glick said.

Total **US feedgas** deliveries were about 13.1 Bcf/d on Dec. 21 as terminal operators prepared cargoes to supply strong winter demand, S&P Global data showed. **Feedgas** demand could increase by some 2 Bcf/d when Freeport returns to full production in January, per the developer's target.

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