

Gate terminal starts construction of LNG break bulk facility at the port of Rotterdam

- Gate terminal to be expanded with harbour basin for small scale LNG with a maximum capacity of 280 berthing slots per year
- New infrastructure will enable distribution of LNG as low emission fuel alternative to transporters all over Europe
- Port of Rotterdam has started ground breaking for new multi-user LNG break bulk facility
- Full scope of LNG services strengthens position Gate terminal and Port of Rotterdam as leading European LNG hub
- Shell is launching customer
- Commissioning and commencement of the first services scheduled towards the end of H1 2016

Rotterdam, 30 March 2015 – Gate terminal (main shareholders Gasunie and Royal Vopak) announces the ceremonial start of the construction activities for the new LNG break bulk infrastructure at its site at the Maasvlakte in Rotterdam. The Port of Rotterdam has begun with the excavation of a new harbour basin next to Gate terminal. The new facility is expected to boost the use of liquefied natural gas (LNG) as a cleaner and affordable transportation fuel in the Netherlands and Northwest Europe.

Break bulk (or small-scale) services aim to split up large-scale LNG shipments into smaller parcels. This enables the distribution and use of LNG as a cleaner fuel alternative for maritime vessels, ferries, trucks and industrial applications. Since 2011 Gate terminal enables overseas LNG import into Europe. Gate terminal contributes to diversifying the European gas supply by providing access to LNG from around the world. At Gate terminal, LNG is received, stored, reloaded or regasified for the Northwest European gas grid. These activities have formed the basis for the current development of small-scale services.

Ground breaking event

To mark the start of the development of LNG break bulk infrastructure and services Gate terminal has organized a ground breaking event on 31 March. Chief Executives representing players from across the complete LNG and logistics chain will be challenged to expose their visions on the future of LNG in a substantive debate. Dick Meurs, managing director Gate terminal: "Gasunie, Vopak and Gate have jointly developed an innovative LNG break bulk concept upgrading the LNG hub capabilities of Gate terminal and enabling our customers to supply LNG as cleaner fuel for transport, shipping and industrial applications." Allard Castelein, CEO of Port of Rotterdam Authority: "We are striving to make logistics more sustainable and promote the transition from fuel oil to LNG as fuel for shipping. Furthermore, we want to strengthen our position as the most important European LNG hub."

Construction

The new infrastructure will be located next to Gate terminal. The Port of Rotterdam Authority will build a new harbour basin and quay wall, which is planned to be delivered end of 2015. Gate will construct the LNG installations, including berthing and loading facilities dedicated to bunkerships and smaller tankers enabling LNG bunker operations in the port of Rotterdam and further distribution of LNG in Northwest Europe. The new facilities are based on a multi-user service model, open to all interested parties, and will have a maximum capacity of 280 berthing slots per year. The finalization of the construction, commissioning and first loading operations are planned towards the end of H1 2016.

LNG as fuel for the transport sector

This new facility in the port of Rotterdam will be a boost to the use of LNG as a fuel for the transport sector in the Netherlands and Northwest Europe. The use of LNG as a fuel is expected to grow substantially following the introduction of stringent new emission regulations (SECA) for the marine sector in the North Sea and in the Baltic Sea from 2015. By using LNG as a fuel, barges, coasters, ferries, as well as heavy duty trucks, can reduce their carbon dioxide (CO₂) emissions by up to 20%, their nitrogen oxide (NO_x) emissions by up to 85%, while reducing sulphur and particle emissions to almost zero. For these reasons, the Dutch government and the European Union encourage the development of LNG as a transportation fuel. Surveys by the Dutch ministry of Economic Affairs indicate that the introduction of LNG as a transport fuel could also bring considerable economic growth and employment.

Port of Rotterdam: full scope LNG supply services

The Port of Rotterdam Authority is involved in this project with the design and construction of a dedicated harbour basin for LNG break bulk operations and has already introduced new regulations that allow LNG bunkering for inland barges and ship-to-ship bunkering of seagoing vessels. The final result will put Rotterdam firmly in place as leading European hub for the complete LNG supply chain. The project adds an important step in achieving the goals of the 'Green Deal Rhine and Wadden', a partnership between the Dutch government, business and knowledge institutes aimed at promoting green growth. In 2016, a full scope of supply services for LNG will be available in the port of Rotterdam.

Shell launching customer

Shell, as launching customer, has committed to buy capacity from Gate terminal, which has enabled this investment in the terminal expansion. Shell has recently ordered a specialised LNG bunker vessel, to supply LNG-fuelled vessels in Northwest Europe. The new vessel will be based at the port of Rotterdam in the Netherlands, and will load from the new LNG break bulk infrastructure. "The new infrastructure will enable us to further improve our service to customers," says Dick Benschop, president director of Shell Netherlands. "We expect LNG will form a bigger part of the transport fuel mix in the future."

European Union's TEN-T programme

The project is key to facilitate LNG distribution and to secure LNG supply in Northwest European ports, such as Gothenburg. The maritime connection between Rotterdam and this area is regarded as a part of the EU 'motorways of the sea' concept and has therefore been selected for co-financing under the European Union's TEN-T programme.

Note for the editors

More information

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Company profiles

Gate terminal

N.V. Nederlandse Gasunie and Koninklijke Vopak N.V. are the initiators and partners in Gate terminal B.V.. The terminal is operational since September 2011. The imported LNG is unloaded at the terminal, stored and evaporated to natural gas before it is delivered to the transmission network for the European markets. The terminal has an initial throughput capacity of 12 billion cubic meters per year (bcma), which in the future can be extended to 16 bcma. Gate terminal has also introduced back loading services for a wide range of LNG vessels. In January 2014, Gate has started loading LNG tank trucks and containers, with a total capacity of 5,000 trucks, to further support break bulk market developments.

Port of Rotterdam Authority

The aim of the Port of Rotterdam Authority is to enhance the port of Rotterdam's competitive position as a logistics hub and world-class industrial complex. Not only in terms of size, but also quality. The core tasks of the Port Authority are to develop, manage and run the port in a sustainable way and to maintain a speedy and safe service for shipping.

Gasunie

Gasunie is a European gas infrastructure company. Gasunie's network ranks among the largest high pressure gas pipeline grids in Europe, consisting of over 15,000 kilometers of pipeline in the Netherlands and northern Germany, dozens of installations and approximately 1,300 gas receiving stations. The annual gas throughput totals approximately 125 billion cubic meters. Gasunie offers transport services via its subsidiaries Gasunie Transport Services B.V. (GTS) in the Netherlands and Gasunie Deutschland in Germany. With its cross-border gas infrastructure and its services Gasunie facilitates TTF, which has developed into a leading and strongly growing European gas trading hub. The company also offers other services in the gas infrastructure field, including gas storage and LNG.

Royal Vopak

Royal Vopak is the world's leading independent tank storage provider for the oil and chemical industry. Vopak operates 78 terminals in 28 countries with a combined storage capacity of 33.5 million cbm, with another 6.2



million cbm under development, to be added by 2019. Vopak's mission is to ensure safe, reliable and effective storage and handling of bulk liquid products at key marine locations that are critical to our customers around the world.

Royal Dutch Shell

Shell is a global group of energy and petrochemicals companies with around 94,000 employees in more than 70 countries and territories. Shell uses advanced technologies and takes an innovative approach to help build a sustainable energy future. Shell is a pioneer and a leader in the LNG industry with 50 years experience; the company helped design and build the first commercial onshore LNG plant in 1964 – and has been designing and building such plants ever since. We have a long track record in innovation and technology and we are at the forefront of massive floating production and storage facilities as part of our deep-water oilfield developments.