

## Press release

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## The Port of Barcelona and Enagás energise the port area with an LNG distribution hub in the Mediterranean

Both entities have signed an agreement to promote liquefied natural gas (LNG) as an alternative fuel to conventional mobility fuels

Sixte Cambra, the President of the Port of Barcelona, and Marcelino Oreja, the CEO of Enagás, signed an agreement this morning for the setting up of new logistics services for liquefied natural gas (LNG) at the regasification plant that the energy company manages in the port area. The agreement involves initiatives to be developed jointly to convert the Port of Barcelona into an LNG distribution *hub* in the Mediterranean.

Both the Port of Barcelona and Enagás are firmly committed to natural gas, which is currently internationally recognised and promoted as a fuel for the transportation of goods because it represents a truly sustainable alternative to conventional fuels derived from crude oil. In fact, natural gas in a liquefied form has begun to be used in shipping (tankers) and land transportation (trucks). It is estimated that by the end of 2016 a hundred ships will be powered by natural gas.

The main benefit that changing to this fuel will bring to the Port of Barcelona will be a reduction of gaseous and particulate matter, resulting in improved air quality for the environment and the city. The President, Sixte Cambra, highlighted the contribution that the use of LNG as a fuel would have on reducing environmental pollution: "Compared to petroleum-based fuels, LNG emits 80% fewer NOx emissions and no particulates and sulphur oxide emissions," he stressed.

## **Competitive advantages**

For its part, the CEO of Enagás, Marcelino Oreja, highlighted the more than 45 years of experience that the company has in the natural gas sector and the important role that the regasification plant in Barcelona can play as a logistics centre, especially given the growing demand for it. In addition to the environmental benefits, he stated that "the use of natural gas can help improve the competitiveness of transport activity, as it is a cheaper fuel than petroleum."

The presence of an LNG supply infrastructure in the port itself is essential to encourage the promotion of this product as an alternative transportation fuel. The Enagás storage and regasification plant in the Port of Barcelona – in operation since 1969 – has much accumulated experience and know-how regarding the treatment of LNG. The availability of this plant constitutes a great opportunity to develop the process of changing the type of fuel used in the Port.



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The agreement will afford greater speed to the supply chain that is needed to convert the Port of Barcelona into an LNG distribution *hub* in the Mediterranean. Thus, the introduction of this alternative fuel will improve the air quality of the environment, increase the competitiveness of logistics and transportation (as its price is lower than that of diesel) and also help to attract new shipping lines with modern LNG-fuelled ships.

The collaboration between the Port of Barcelona and Enagás to boost LNG as an alternative mobility fuel extends to other areas such as the European Core LNGas Hive project, headed by Enagás in collaboration with over 40 organisations and companies, in which the Port of Barcelona is a partner and the coordinator of five initiatives. These actions include the adaptation of a berth from which LNG can be supplied to barges and small-size ships; the modification of a barge to supply LNG to ships; the design and installation of an LNG-fuelled natural gas engine to generate electricity and supply it to a cargo ship during its stay in port; the transformation of two *straddle-carriers* (terminal equipment) in the two container terminals of the Port of Barcelona (TCB and BEST) to be powered by LNG; and the design of a natural gas powered tug.