

**TIMES CITY**

# AP to get east coast's 1st floating LNG terminal

To Be Built At A Cost Of ₹1,800 Cr In 18 Mnths

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**Hyderabad:** The first Liquid Natural Gas (LNG) terminal in the east coast will come up in Andhra Pradesh. On Friday, the AP Gas Development Corporation, Gas Authority of India, GDF Suez and Shell signed two MoUs to set up a floating LNG terminal at Kakinada deep water port.

The first MoU set up a terminal company between APGDC, GDF Suez and Shell. The APGDC, a joint venture company of AP government and GAIL, GDF Suez and Shell will have 48%, 26% and 26% equity in the project respectively. The second MoU is to set up a trading company and covers both the sourcing of LNG and the marketing of the regasified LNG from the terminal. GAIL, GDF Suez and Shell will have 48%, 26% and 26% equity in the trading company, respectively.

The MoU signing took place in the presence of chief minister Chandrababu Naidu and CMD of GAIL B C Tri-

<b>THE PROJECT</b>	
<b>Where?</b>	<ul style="list-style-type: none"> <li>▣ <b>Kakinada</b> deep water port. Ideal due to natural back-water in Hope Island</li> </ul>
<b>Who's involved?</b>	<ul style="list-style-type: none"> <li>▣ AP Gas Development Corporation, <b>GAIL, GDF Suez and Shell</b></li> </ul>
<b>Cost &amp; Time</b>	<ul style="list-style-type: none"> <li>▣ <b>₹1,800 cr.</b> Likely to be ready in the next <b>18 months</b></li> </ul>
<b>Advantages</b>	<ul style="list-style-type: none"> <li>▣ AP to become a magnet for <b>gas-based industries</b></li> <li>▣ Project to help make state a <b>logistics hub</b></li> </ul>

pathi, CEO of GDF Suez Philip Olivier and Anindya Chowdhury of Shell India in Vijayawada.

Estimated to cost Rs 1800 crore, the floating LNG platform is likely to be ready in the next 18 months. The Kakinada port was identified as suitable for a project of this nature owing to its availabili-

ty of a natural back-water in the Hope Island – a barrier that protects against the impact of high seas.

The LNG terminal is expected to give a fillip to gas-based industries in the state. With the current shortage of gas standing at 15 mmscmd (million metric square cubic metres daily) likely to touch 40 mmscmd very soon, AP is set to gain major advantage in roping in gas-based industries. As natural gas is emerging as a significant fuel for economic development of the country and the LNG terminal termed as the safest gas storage system, the Kakinada terminal is set to play a far reaching role in making natural gas available to various consumers in industrial, commercial and domestic sectors.

“This will be the first LNG terminal on the east coast of India. In my efforts to boost port-led development, I realise that this project will help us in making the state a logistics hub,” said Naidu.