AG&P predicts LNG Fuelling growth in Southeast Asia

The remote island geography of the Philippines and Indonesia coupled with a fall in the cost of LNG is driving growth in LNG fuelling infrastructure and demand, according to technology developer Atlantic Gulf and Pacific (AG&P).

“With the archipelagos of Indonesia and the Philippines as growth markets because of the anticipated switch from coal as a fuel for power to LNG, particularly as the landed cost of LNG is now roughly one-third of what it was just a few years ago,” Jose P. Leviste Jr., chairman of AG&P, told LNG Fuelling.

Launch of virtual LNG pipeline

AG&P recently launched its ‘virtual LNG pipeline’ solution to bridge the capacity demands for power in Southeast Asia. Albert Altura, president of AG&P, compared the new solution with traditional power delivery models described as “too bulky” and stated that many “stranded” markets in the region were either inaccessible or too small to be feasibly served by the current power supply model.

“Our virtual LNG pipeline comprises a network of smaller scale economical delivery systems including vessels, re-gasification terminals, and smaller power plants. We are already seeing considerable demand for these products and anticipate this continuing in the next few years,” Altura said.

The firm now operates a fleet of LNG transport solutions that includes a small LNG carrier, LNG-fueled commercial vessels including conversion to dual-fuel, and new-build vessels and cold storage solutions. It is also developing a number of onshore storage solutions utilizing GTT’s membrane technologies.

“The impact of the technologies we are using in our new LNG solutions is that we can provide customers with a turn-key service line from procurement through to maintenance. These new customized LNG solutions enable LNG to be delivered to previously inaccessible locations with less upfront investment and faster delivery times,” Leviste said.

FLP advances refueling options

One of the notable innovations the company has introduced recently in its flexible modular platform (FLP) which comprises a prefabricated ballastable concrete sub-platform that is towed to site, submerged to the sea floor and acts as a concrete pier, and acts as a fuel island and moored a float-over FSU. “The FLP can serve as a quayside for LNG vessels, LNG-fuelled ships, workboats and other vessels, acting as a drop-in-place port solution in remote locations, saving CAPEX otherwise spent on terminals and breakwaters. The FLP may be configured for LNG storage, regasification, bunkering, liquefaction and floating power applications,” Leviste explained.

AG&P predicts that the distributed population of the Philippines will mean the country is one of the first to see widespread uptake of LNG fuelling in the coming years. To support this AG&P is investing heavily in full chain infrastructure to ensure LNG can be accessed where pipelines or large-scale plants are not available.

“This means that everything from depot tested, carrier vessels, floating storage, land-based storage, floating and land-based re-gasification facilities and new small-scale floating and land-based power plants (from 50MW to up to conventionally-sized plants) will need to be designed and built,” Leviste explained.

Neighbouring Indonesia is also expected to show similar growth, following the government’s announced plans to install 35 GW of additional power capacity over the next four years (up to 2020) with an estimated US$88 billion expected to be invested in power projects up to the end of 2020.

Headquartered in Manila, AG&P operates two manufacturing facilities near the capital and provides infrastructure solutions throughout Southeast Asia.