



JOINT PRESS RELEASE

No: 429/2016

Date: 22nd August 2016

HM Government of Gibraltar and Shell Sign Agreement for Liquefied Natural Gas Supply and Terminal

Her Majesty's Government of Gibraltar and Shell have today (Friday) signed an agreement for the supply of liquefied natural gas (LNG) for use in power generation in Gibraltar.

This agreement includes the construction of a small regasification unit that will receive, store and re-gasify the LNG arriving by ship for use in Gibraltar's adjacent gas-fired power plant, which is already under construction.

The regasification unit will be operated by Gasnor, a 100% Shell-owned subsidiary with over ten years of operational experience in LNG for marine and small scale LNG in North Western Europe. The LNG will be stored before being warmed up to its original gaseous state and then piped to the power plant. The unit will also include a berth for a small LNG carrier that will supply the LNG at night, minimising disruption to the neighbouring port, airport and housing estates. There is also potential for LNG bunkering operations in the future, following the appropriate environmental assessments and safeguards.

The Chief Minister, the Hon Fabian Picardo QC said: "My Government is delighted with this major step forward in the provision of LNG, the best option for an environmentally-friendly and safe solution for guaranteed power generation. Shell, a world leader in this field has been our preferred bidder for a long time and we are confident that their plans conform to standard, best-in-class practices in project development. This important project is one for Gibraltar to be proud of and which I am very pleased to see now starting construction. This is a massive advance also in respect of guaranteeing the integrity and security of electrical supply for Gibraltar for the next thirty years which is hugely important for our modern tech industries, for all our businesses and for every residential consumer also. This excellent project will sit alongside our continued commitment to the introduction of other sources of renewable energy. A proud day indeed for Her Majesty's Government of Gibraltar and for the people of Gibraltar."

Maarten Wetselaar, Director of Shell Integrated Gas said; "With today's signing, Gibraltar has led by example and put itself at the forefront of a cleaner, flexible energy system that will reliably and consistently deliver power to the people of Gibraltar. This project will draw on Shell's combined expertise across 50 years of excellence in innovation, technology and safety. It proves once again that small-scale projects can deliver big benefits and bring more clean-burning gas to the markets that want it."

Following the recent approval of a robust Environmental Impact Assessment report, construction of the regasification unit is planned to start towards the end of 2016 with commissioning and first



delivery of LNG expected to take place ahead of the start-up of the power plant, expected during the second half of 2017.

For a supporting infographic please [click here](#)

Ends

Notes to Editors:

Royal Dutch Shell

As a world leader and pioneer of the Liquefied Natural Gas and Gas-to-Liquids sectors, Shell has a rich heritage in gas and developing proprietary technologies. Shell was involved in the world's first commercial LNG plant in Algeria in 1964 and has been designing and building such plants ever since. Today, Shell is present across the full LNG value chain, in what is still the fastest growing sector of the natural gas market. This includes oil and gas production, liquefaction, marketing, trading and regasification. We continue to be at the forefront of the industry today as we build the largest floating LNG (FLNG) production facility in the world, and help to establish LNG as a transport fuel.

With our proprietary technology, we opened the world's first commercial Gas-to-Liquids plant in Bintulu, Malaysia and the world's largest GTL plant, Pearl GTL, in Qatar, unlocking value from natural gas by converting it into valuable, high-quality liquid hydrocarbon products, ranging from transportation fuels, motor oils and the ingredients for everyday necessities like plastics, detergents and cosmetics.

Natural gas is abundant and versatile, helps meet the growing energy demand and is the perfect partner for renewables. As we transition to a lower-carbon world, natural gas will play a reliable and affordable part in shaping a cleaner energy future.