

# LNG Liquefaction and Storage - Avonmouth

Operational Forum - Dec 2014



## Consultation on Avonmouth LNG facility

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- National Grid LNG Storage announces a stakeholder consultation on its proposal to cease operational activities at Avonmouth LNG storage facility from 30<sup>th</sup> April 2016.
- The consultation runs between 27 November 2014 and 16 January 2015
- Further information is available from
  - <http://www2.nationalgrid.com/UK/Services/LNG-Storage/consultation/>
  - [Ed.carter@nationalgrid.com](mailto:Ed.carter@nationalgrid.com)
    - [01634 273203](tel:01634273203)
  - [Nicola.Hill@nationalgrid.com](mailto:Nicola.Hill@nationalgrid.com)
    - [01634 273217](tel:01634273217)

## Avonmouth Facility

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- NG LNG Storage has previously engaged market participants seeking long term commercial contracts to underpin reinvestment in its facilities
  - Clear market signal - no requirement given diversity in supplies and demand side markets.
  - Conversion of Isle of Grain, Sale and Closure Dynevor, Glenmavis, Partington
- Lack of operational resilience and repeated failures of the aging process plant at Avonmouth (30+ years old).
  - 7 unplanned outages in last 7 years
  - Last 2 years liquefaction failure has occurred with extended lead-times necessary for repair impacting LNG stock replenishment and strategic spare provisions.
- NG LNG Storage have reminded stakeholders of the resilience risks of the plant and single point of failure
  - NGG Operating Margins already implemented contestable supply / demand side contracts
  - Discussions ongoing with SGN with regard to the Statutory Independent Undertakings.
  - LNG retailers already importing from NW European terminals