

AG&P's Karaikal LNG terminal to commence operations by December 2021

The company also plans to set-up truck loading bays and operate company-owned fleet of LNG trucks for delivery to remote consumers.

ETEnergyWorld | February 20, 2020, 19:24 IST

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New Delhi: [Atlantic Gulf and Pacific Company](#) of Manila (AG&P) announced its Liquefied Natural Gas (LNG) import facility at [Karaikal Port](#) in Puducherry is expected to start commercial operations by the fourth quarter of 2021.

"Karaikal LNG, which will have an initial capacity of 1 million tonnes

per annum (MTPA), will include a Floating Storage Unit (FSU) leased through a long-term charter agreement with ADNOC Logistics and Services (ADNOC L&S) from 2021, providing an efficient solution that will enable the supply of this clean fuel to be affordable," it said in a statement.

The terminal is expected to cater to power plants, industry and commercial customers within a 300 Kilometer radius of the import facility, along with city gas distribution companies. The company also plans to set-up truck loading bays and operate company-owned fleet of [LNG trucks](#) for delivery to remote consumers.

"It (the terminal) will become a landmark for infrastructure development in the region and is ideally suited for the Karaikal Port, a critical center of trade. AG&P takes on the value chain from import of LNG to delivery of gas to end-customers – vehicles, kitchens, large and small factories, power, restaurants and malls," AG&P CEO [M Sigelman](#) said.

The company had won rights to set-up city gas distribution networks in 12 Geographic Areas across Tamil Nadu, Andhra Pradesh, Kerala, Karnataka and Rajasthan under the ninth and tenth City Gas Distribution auction rounds .

AG&P said it expects to set-up 1,500 CNG stations and provide 1 million Piped Natural Gas connections by end-2028.