

Tamil Nadu: AG&P breaks ground to set up LNG Terminal at Karaikal Port

The new terminal on becoming operational would provide natural gas to power plants besides industrial and commercial operations within a 300kms radius

PTI | February 21, 2020, 07:18 IST



Chennai: The ground breaking ceremony for setting up an **LNG** Import facility by AG&P (**Atlantic Gulf and Pacific Company of Manila**) at **Karaikal** Port was held in the presence of top government and senior company officials here on Thursday. The LNG Import facility at Karaikal Port in Puducherry is coming up on a 12 hectare site and is expected to commence commercial operations

by fourth quarter of 2021, officials said.

Puducherry Chief Minister V Narayanaswamy, AG&P Group, chief executive officer JM Sigelman, Karaikal Port CEO Muralidharan took part in the ground breaking ceremony.

The new terminal on becoming operational would provide natural **gas** to power plants besides industrial and commercial operations within a 300kms radius.

Karaikal LNG would serve the gas networks of AG&P and other city gas companies that bring CNG and LNG to vehicles and piped natural gas to households and other establishments, company officials said.

"AG&P is deeply honoured to have the opportunity to bring Karaikal LNG to fast-growing and dynamic Southeast India. It will become a landmark infrastructure development for the region," AG&P CEO, JM Sigelman said.

Karaikal LNG is a cornerstone project for Puducherry, Tamil Nadu and Karnataka that would provide clean and affordable fuel, he said.

AG&P Terminals and Logistics President Karthik Sahtyamoorthy said "with the addition of LNG import terminal, Karaikal Port will become a gateway for the delivery of cleaner and lower-cost fuel to downstream demand centres."

"Our goal is to bring down the unit cost of regasification terminals for smaller volumes to make LNG commercially viable for customers," he said.

Karaikal LNG Terminal would have an initial capacity of one million tonnes per annum and include a floating storage unit leased through a long term agreement with **ADNOC Logistics** and Services from 2021 to provide an efficient solution that would enable supply of clean fuel to customers.

AG&P is one of the largest players in the gas sector and has set up city gas distribution networks across Tamil Nadu, Andhra Pradesh, Kerala, Karnataka and Rajasthan.