



CORE LNGas hive

A more sustainable
transport

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COORDINATOR



Co-financed by the European Union
Connecting Europe Facility



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New projects selected by the EU to receive co-financing under 'LNGhive2' strategy

These new projects are framed within the 'LNGhive2' institutional strategy led by Puertos del Estado to support the market development of LNG as maritime fuel and guarantee its bunkering in the ports accomplishing EU Directive 94/2014 of alternative fuels. Currently 7 projects are in execution under the umbrella of 'LNGhive2' Strategy and, together with CORE LNGas hive, they represent around 300 M€ investment from 49 partners and a co-financing through Connecting Europe Facility (CEF) of around 62 M€.

Two projects coordinated or supported by Enagás and Scale Gas

Specifically, the European Commission will support and allocate 20 M€ through the Connecting Europe Facility (CEF) mechanism for the development of new projects to supply liquefied natural gas (LNG) to ships—bunkering—in Barcelona and Algeciras, coordinated by Enagás.

The partners in these initiatives are Enagás, Scale Gas—a subsidiary created through its Enagás Entrepreneurship programme—Knutzen and the Port Authorities of Barcelona and Bahía de Algeciras.

One project presented by Baleària

Baleària started in November the retrofit of the Martín i Soler ferry, which will be the fifth of its fleet to which the engines are adapted to be able

to run with natural gas. The work is being carried out at the West Sea shipyard in Viana do Castelo (Portugal) and is expected to be completed in April 2021. In addition, the ship will also be fitted with sensors to measure consumption and emissions in real time. When operating with natural gas, it is estimated that the Martin i Soler will stop emitting some 9,200 tons of CO₂ annually, which is equivalent to some 6,000 conventional cars or planting some 18,000 trees.

Baleària is firmly committed to the use of natural gas as a fuel for its ships. In fact, its fleet plan contemplates having 9 vessels powered by this clean energy next year (3 new constructions and 6 retrofitting). In total, Baleària will invest around 380 million euros in these projects and part of the retrofit operations will be co-financed through the European Union's CEF funds (around 6 ships)

Natural gas in decarbonising maritime transport

These new co-financing show how Europe acknowledges the role that natural gas, and in particular LNG, will play in the decarbonisation of the maritime sector. The funds granted by the Connecting Europe Facility, which have been used to support a total of eight projects in Spain in the latest calls, will help to achieve the climate objectives set out in the European Green Deal.

To reduce emissions from ships in ports, the EU gives priority to short sea shipping projects using alternative fuels and to the installation of shore-side energy supply systems.

The initiatives proposed by 'LNGhive2' will further strengthen Spain's position as a European reference in LNG and in LNG bunkering. They follow the initiatives for small-scale supply and adaptation of infrastructure and logistics that are already underway under the 'CORE LNGas hive' project.

The seven regasification terminals in Spain are already adapted to supply LNG in transport, as are some ports, barges and tugboats, port cranes and trains.

It should be remembered that the use of LNG contributes to reducing greenhouse gas emissions: in particular, it reduces CO₂ emissions by 30%, NO_x by 85% and eliminates sulphur and particle emissions that are harmful to health. The use of LNG as a marine fuel in Spain will reduce around 2 million tonnes of CO₂ by 2030, which would be equivalent to the introduction of more than one million electric vehicles on the market.

Bunkering operations in Spain

Beyond the valuable institutional support, the number of bunkering operations keeps growing every year. In 2020, until October, bunkering operations have increased 5.2 times from 108 operations in 2019 to 562 operations at the end of September. Also, the volume supplied has almost doubled from 59,503 m³ in 2019 to 98,788 m³ in 2020.

In September, the company Baleària launched the world's first fast ferry for passengers and cargo powered by natural gas, the "Eleanor Roosevelt". This ship joins the world fleet of 175 LNG-powered boats now. Furthermore, there are 228 on order and 126 labelled "LNG ready". To meet this level of demand, it is estimated that there will be an exponential increase in the number of tankers in the coming years. Six of the 20 barges currently supplying LNG in the world have operated in Spain in recent years, reinforcing the country's role in supplying LNG to ships from trucks, ships or terminals.

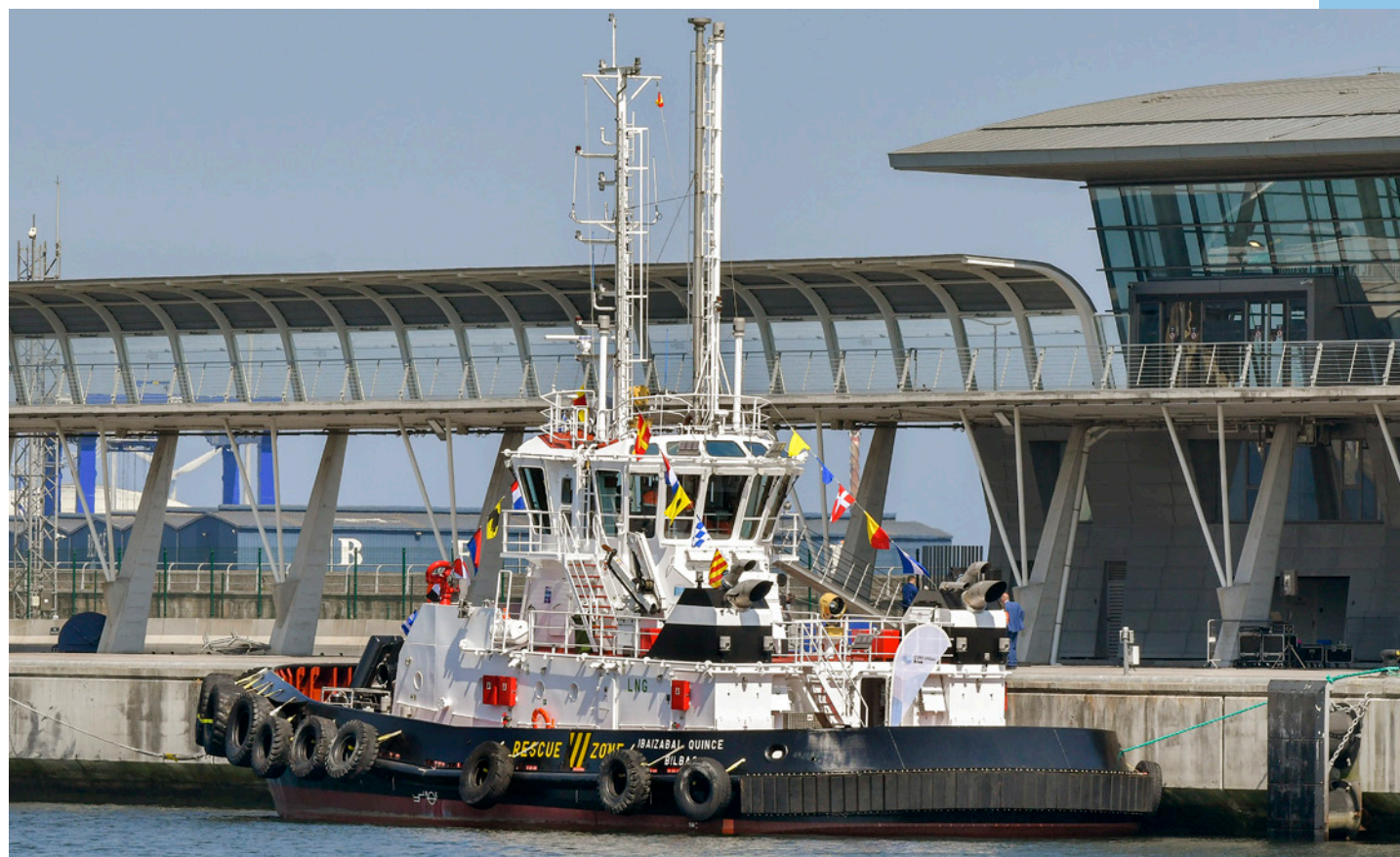
This has been made possible by the development and progress of the 'CORE LNGas hive' and 'LNGhive2' public/private initiatives, co-financed by the European Commission. A total of 49 partners are taking part in these initiatives—21 public (including 13 port authorities) and 28 private/ industrial partners.

Inauguration of 'Ibaizabal Quince', the new tugboat in the Port of Bilbao

The tugboat 'Ibaizabal Quince', powered by liquefied natural gas and diesel, is already part of the fleet of the Port of Bilbao towing service after having been inaugurated on July 27th. The inauguration ceremony was held on the Getxo dock in Bilbao. It is the first tugboat with dual propulsion built in Spain.

The vessel, part of CORE LNGas hive project, is owned by the Ibaizabal Tugboat Company, which holds the licence to provide the port towing service in the Port of Bilbao, and its construction has been carried out by Murueta Shipyards.

The ship is 28 metres long, 12 metres wide, with a gross registered tonnage of 397 GT and a draught capacity of 55 tons, and it reaches a speed of 12 knots.



Its main characteristic is that it can use liquefied natural gas as fuel and is therefore an example of the use of a cleaner energy for transport and the environment, which will improve air quality in Bilbao Port. Furthermore, Naturgy has

been awarded in October the second contract for regular operations of liquefied natural gas ('bunkering') by winning the tender of the maritime services company Ibaizabal for a total of 8 gigawatt hours (GWh) over the next two years.

Dissemination and communication

This year 2020 COVID-19 and the present situation affected the developments foreseen within the project in this area and other. We keep track, as project coordinator, of the well-being of all partners and health security and we went more digital and participating in events and webinars on line. Such as the [SimLog webinar](#) that took place in July 8th. On the other hand, the LNG tugboat built in Bilbao was presented in a minimalist format in July 27th and soon a video of this activity will be available in the website.

We continue feeding the project website and twitter. We keep on the coordination efforts, as such, the next General Assembly and Steering Committee is foreseen for December 16th on line. Keep reading next piece to know more about our participation in Green Gas Mobility Online Event, last September.



Our project and 'LNGhive2' strategy presented at the Green Gas Mobility Online Event held by Gasnam on 22-24 September 2020



The maritime part of the Gasnam Congress took place on September 23rd; the speakers proceeding from different institutions (both public and private), claimed Spain as a reference in the bunkering of liquefied natural gas (LNG).

The opening was done by the Secretary General of Transport, María José Rallo, who presented the new mobility law and the strategy for safe, sustainable and connected mobility in 2030, which places “low emission mobility” as one of its key pillars. She stated, in relation to the use of LNG in transport, that “Spain has positioned itself as a reference for the supply of LNG to ships and the CORE LNGas hive project is a successful example of public-private collaboration that has allowed the development of the sector”.

Furthermore, she was confident about the potential of LNG in the heavy segments of transport, especially in the maritime and railway segments, where Spain has been leading the development of practical experiences at European level since 2014. She considers that in railway field synergies must be created and that all the potential that the use of gas can have must be explored”. In this sense, she mentioned the project of the locomotive between Huelva and the Dry Port of Seville, part of the LNGhive2 strategy.

At the Congress, which counted with the attendance of representatives from Enagás, Puertos del Estado, Port of Huelva, Port of Tenerife and Balearia, Bureau Veritas, Naturgy, CEPSA and the Jovellanos Centre, among others (all of them are partners in the CORE LNGas hive project or the 'LNGhive2'), the fact that LNG is the best alternative for decarbonisation of maritime transport has been stressed.

Marcelino Oreja, Enagás CEO, highlighted that "in 2020, LNG bunkering operations carried out in Spain have been multiplied by four compared to 2019, which is a symptom of the success of the CORE LNGas hive project". And presented the information prepared jointly by Enagás, Gasnam and Sedigas ["Sustainable mobility is already possible with natural gas"](#).

Claudio Rodríguez, Enagás' General Manager and Álvaro Rodríguez Dapena, Technical Director of Puertos del Estado, stressed that Spain is a benchmark in the bunkering of LNG to ships that use this fuel, and is committed to becoming the first and most competitive LNG hub in Europe.

Fernando Impuesto, Enagás Entrepreneurship General Manager and Coordinator of the project, said that "these LNG bunkering operations to ships in Spanish ports have multiplied, largely

thanks to the developments carried out within the framework of the CORE LNGas hive project co-financed by the European Commission". He also highlighted that Spain's strategic positioning in LNG bunkering has been strengthened thanks to the EU's support also in the follow-up of this project through the 'LNGhive2' strategy which, among other developments, will allocate 20 million euros to the construction of two new LNG bunker vessels for the ports of Barcelona and Algeciras, which is a recognition by Europe of the

role played by LNG in the decarbonisation of the maritime sector and in improving air quality in ports.

This is one of the many advantages of public-private cooperation for the development of the sector. Fernando Impuesto, "believes that the objective now is to develop projects based on meeting real client demand and investing in assets that will enable the bunkering chain to be boosted in Spain".





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TARGET 1

Push forward the process of decarbonization in the Iberian Peninsula

TARGET 2

Contribute to the reduction of pollutant emissions in shipping

TARGET 3

Promote LNG as maritime fuel within maritime and natural gas industry

TARGET 4

Increase Iberian LNG sector visibility at European level

89

Skateholders

€60M

financial support
from the European Commission

€300M

project budget



49

8 public partners
13 port authorities
28 industrial partners





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