

Pilot LNG and GAC Bunker Fuels partner to supply LNG Marine Fuel from Galveston

- Pilot LNG has executed a Heads of Agreement (HOA) with GAC Bunker Fuels for the supply of LNG marine fuel from its proposed Galveston LNG Bunker Port, which will be the region's first dedicated LNG bunker terminal.
- GAC Bunker Fuels is the world's only bunkering company with an integrated ISO 9001, 14001, and 45001 certification for bunker procurement which also covers LNG as a marine fuel.
- The HOA demonstrates growing market interest in cleaner marine fuels as industry seeks to reduce emissions to meet tightening global regulations, including the IMO sulphur limit in force since January 2020.
- In July, Pilot filed regulatory applications with the US Army Corps of Engineers and other relevant agencies, paving the way for a Final Investment Decision expected in 2021 and the planned start of operations in 2024.

Houston, Texas, USA (20 October 2020) – Texas-based Pilot LNG, LLC (Pilot) has laid the foundation for a partnership with GAC Bunker Fuels (GAC) for the supply of Liquefied Natural Gas (LNG) as a marine fuel from its proposed Galveston LNG Bunker Port terminal project, which will be the first dedicated LNG bunker terminal in the region.

The two companies have executed a Heads of Agreement (HOA), which outlines the terms of a partnership. It prepares the ground for Pilot to provide LNG marine fuel to GAC on a Delivered Ex-Ship (DES) basis for its customers in the Galveston Bay Port complex, including the ports of Houston, Galveston and Texas City, as well as Galveston Offshore Lightering Area, on a long-term basis.

“The Galveston LNG Bunker Port will provide the LNG to supply GAC’s growing market for cleaner marine fuel, particularly as its customers seek economic ways to comply with tightening emissions regulations, including IMO 2020,” says Pilot Chief Executive, Jonathan Cook. “The opportunity to work with such a strong global player like GAC is a very exciting step forward for Pilot and the Galveston project.”

GAC Bunker Fuels’ Global Director Nicholas Browne adds: “We have a proven track record of more than three decades supplying quality marine fuels to the shipping sector, and we continually adapt to meet our customers’ evolving needs. This agreement with Pilot will allow us to grow our portfolio of alternative fuels, with LNG as the cleanest and most cost-effective way for shippers to meet compliance.”

GAC Bunker Fuels is the world's only bunkering company with an integrated ISO 9001, 14001, and 45001 certification for bunker procurement that also covers LNG as a marine fuel. In September, GAC acted as bunker broker for the Swedish dual-fuelled vessel FURE VEN when it became the first non-US flagged vessel to bunker LNG in the United States, taking on supplies at the Port of Jacksonville (JAXPORT).

As international regulators tighten emissions standards, the maritime industry is increasingly turning towards LNG as the marine fuel of choice due to its significantly lower emissions profile and cost competitiveness; however, additional LNG bunkering infrastructure is needed before widespread adoption can occur.

The HOA with GAC follows Pilot's announcement in July that it had filed regulatory applications with the US Army Corps of Engineers (USACE) and other relevant regulatory agencies, paving the way for a Final Investment Decision (FID) in 2021 and allow operations to begin in late 2024.

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Picture Caption

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Editor's Notes

About Pilot LNG LLC

Pilot LNG is a clean energy solutions company focused on the delivery of liquefied natural gas (LNG) to both new and existing markets by developing and operating LNG import and LNG fuel/bunkering terminals and related infrastructure. The company aims to establish LNG terminal and logistics opportunities worldwide to meet growing natural gas demand. Pilot LNG is working with the Port of Galveston on the development of an LNG bunker terminal that will be located on Pelican Island. The LNG bunker fuel will serve the Galveston Bay Port complex including the Ports of Houston, Galveston, and Texas City, as well as to Galveston Offshore Lightering Areas, by supplying clean-burning LNG to the rapidly expanding fleet of LNG-fueled vessels. For more, visit: www.pilotlng.com

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About GAC Group

GAC is a global provider of integrated shipping, logistics and marine services. Emphasising world-class performance, a long-term approach, innovation, ethics and a strong human touch, GAC delivers a flexible and value-adding portfolio to help customers achieve their strategic goals. Established since 1956, the privately-owned group employs over 9,000 people in more than 300 offices worldwide.

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