

## RIA CHAITRAM

**G**OVERNMENT is being urged to make the most of current high global energy prices by getting the right investments to maximise foreign exchange earnings from all of TT's hydrocarbon assets.

The call was made by the TT Energy Chamber's CEO Dr Thackway Driver told Business Day that government needed to get more investments into the gas sector in which there were a lot of potential projects.

"There is the bp Matapal project which just came on stream, Shell has some projects and there are some big potential projects in the deep water for gas as well.

"It's now about getting the right investments for this to happen and then investing in decarbonising the production of that natural gas as far as possible to reduce the carbon footprint," Driver said.

On Wednesday, Brent crude oil and West Texas Intermediate (WTI) crude oil were US\$79.09 and US\$75.29 per barrel, respectively. Natural gas was selling at US\$5.84 per mmbtu.

TT's 2020/2021 budget was based on an oil price of US\$45 per barrel and gas price of US\$3 per mmbtu.

Driver said, "It is a good opportunity for us to bring in as much investment in the oil and gas sectors in TT. In the case of

Energy chamber on world energy prices

## Govt must make right investments



BPTT Matapal platform



TT Energy Chamber president Dr Thackway Driver. FILE PHOTO

the oil sector, it would be great to produce as much oil as we can as fast as we can in order to take advantage of the market because it will not last forever.

"It would be a risk if we don't produce fast enough because then it can become strand and left in the ground, as has happened in other countries. We need to really accelerate our oil production, so the focus for the country is increasing the investments in producing oil and bringing that to market as quickly as we possibly can."

Driver added that with oil in particular, the time frame and potential for financial gain was shorter than it was for natural gas. He said a main factor behind this was its link to the transport sector, which has moved to electric.

"We are seeing the electrification of transport, so it is reducing the demand for fossil fuels for transportation, not that it is going to go away but it is going to be reduced a lot more.

"In the long term the market

for oil is likely to be on a downward trend. Right now, there is good pricing in the oil sector and that is because the bounce back from the covid19 pandemic is creating a sort of better environment."

Driver said changes to the Supplemental Petroleum Act were paramount for a successful oil and gas sector, and some changes have already been fruitful. His hope is that these changes to the tax regimes will be extended and implemented in other areas of the sector, namely, offshore drilling.

"We have advocated for changes in the Supplemental Petroleum Act tax regime, which was introduced last year, which has been very useful and helped spur some of the explorations and the development work which we are seeing onshore in TT.

"We think those changes should be extended to the offshore sector and to larger producers as well. We need to get investments coming into our gas sector and there are a lot of potential projects."

Taxes, changes to royalty rates to encourage development, and other taxes to encourage investment, reduction of TT's carbon footprint, use of and more investments in solar energy. Driver hoped would be addressed in Monday's budget.

He said, overall, TT's oil and gas sectors has to take into consideration everything that is happening in the sector, globally, and transition towards it.

## National Energy, Methanex partner on methanol-fuel feasibility study

**T**HE National Energy Corporation and Methanex Trinidad Ltd have partnered to conduct a feasibility study on the viability of methanol as an alternative fuel for transport.

On Wednesday both sides signed a memorandum of understanding (MOU) which represented a public-private sector partnership, in support of the Government's commitment to the Paris Agreement to reduce greenhouse gas emissions by 15 per cent by 2030 from a 2013 baseline.

In a media release, National Energy said the study will determine the feasibility of the use of domestically produced methanol as a marine fuel in the region and in TT as a vehicle fuel.



National Energy president Dr Vernon Paltoo, left to right, the company's manager of legal and corporate services secretariat Camille Blackman, Methanex president and managing director Colin Bain and manager of commercial and stakeholder relations Leiselle Harripersad at the signing of a memorandum of understanding on Wednesday.

PHOTO COURTESY NATIONAL ENERGY

Its president Dr Vernon Paltoo said, "With over 40 years' experience in the development of the energy industry, the company is well-positioned to play an inte-

gral role in transitioning TT to a low-carbon future.

"The work arising out of this MOU will surely change the narrative for using alternative

fuels locally. As a member of the NGC Group, the execution of this MOU between National Energy and Methanex advances the group's green agenda for a sustainable future for the people of TT."

Methanex has been actively supporting the adoption of methanol as an alternative marine and automotive fuel and has offered expertise towards the partnership.

Its president and managing director Colin Bain said, "The MOU is a key step forward for TT. Methanol, with its clean burning characteristics, makes it an attractive pathway compared to conventional transport fuel and a step towards TT's green agenda targets.

"Methanex and National Energy have a rich history of collaboration, so we are very thrilled to be partnering with National Energy once again for the benefit of the country and by extension the region."

Methanex, through its subsidiary Waterfront Shipping, operates a fleet of 12 methanol-fuelled ships and by 2023, about 60 per cent of its 30-ship fleet will operate on methanol dual-fuel technology, creating lowest emission profiles.

Methanol as a clean-burning liquid fuel has the immediate ability to meet the International Maritime Organisation regulations (IMO) 2020 air quality emissions regulations that benefit human health, when compared to conventional marine fuels, National Energy said.

As a marine fuel, it can reduce sulphur oxide and particulate matter emissions by more than 95 per cent, nitrogen oxide by up to 80 per cent and CO2 emissions during combustion by up to 15 per cent.

Methanol also offers multiple pathways to decarbonisation to meet future emission compliance, including the IMO's 2030 and 2050 decarbonisation goals.