

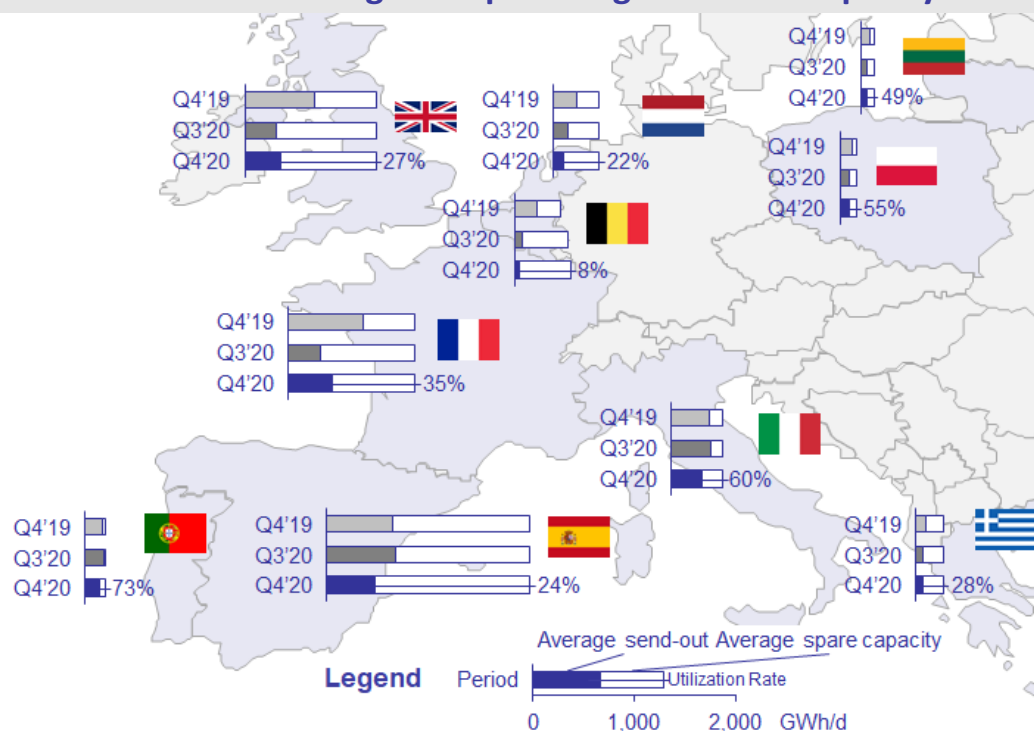
# LNG MARKET RADAR

19.01.2021

## KEY POINTS

- In the fourth quarter of 2020, the average utilization of European LNG import terminals decreased again. The effect of a declining average utilization in Southern Europe outweighs the effect of a small increase in Northern Europe.
- The buildup of LNG filling stations in Germany is accelerating. In the beginning of 2019, there were only four LNG filling stations in operation. At the end of 2021, over 80 filling stations are expected to be operational.
- Along with that, the funding guideline 'energy efficient and/or low CO<sub>2</sub> heavy commercial vehicle' (EEN) came to fruition. In total, applications for the funding of almost 4.000 LNG-driven trucks were submitted. What the end of this funding program means to the LNG truck business in Germany, only the future will show.

## Average European Regasification Capacity Utilization

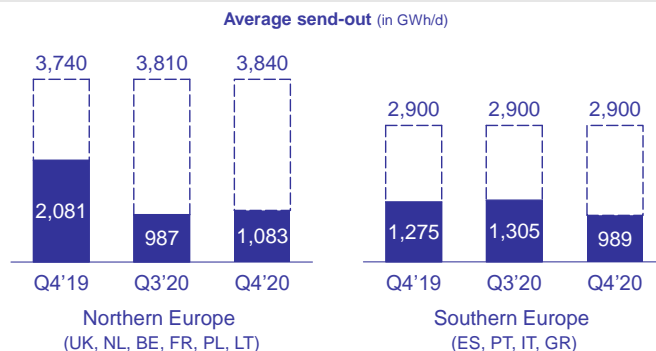


- In the fourth quarter of 2020, the total utilization of all European LNG terminals decreased to 31 % and even undercut the previous quarter by 3 % (Q3 2020: 34 % total utilization).
- Compared to the same quarter of the previous year (Q4 2019: 51 %), the latest total utilization rate is much lower. The currently low LNG influx to Europe is i.a. a result of an ongoing cold spell in Asia, causing higher Asian LNG import demand and, along with that, record highs in LNG spot market prices.

Source: Gas LNG Europe (GLE), Team Consult Analyse;

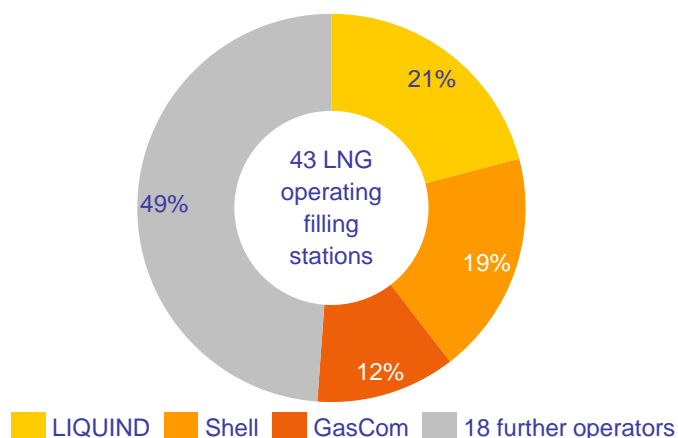
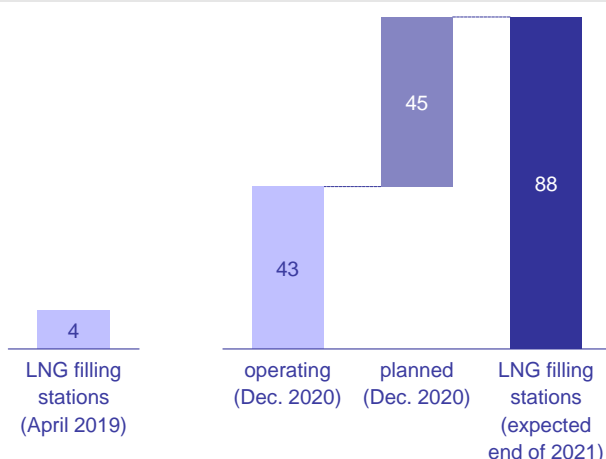
## Average send-out of European Regasification Facilities

- Because of the seasonality of gas demand, the total utilization of regasification facilities usually increases in Q4 compared to the summer months.
- In the last two years, the send-out rate in Northern Europe doubled between Q3 to Q4. This year, a moderate increase of only 10 % occurred, leading to utilization in Q4 2020 of only half of utilization in Q4 2019.
- In Southern Europe in Q4 2020, the average send-out rate decreased below 1,000 GWh/d for the first time since 2018 and is more than 20 % below Q4 2019 (1,275 GWh/d).



Source: Gas LNG Europe (GLE), Team Consult Analyse

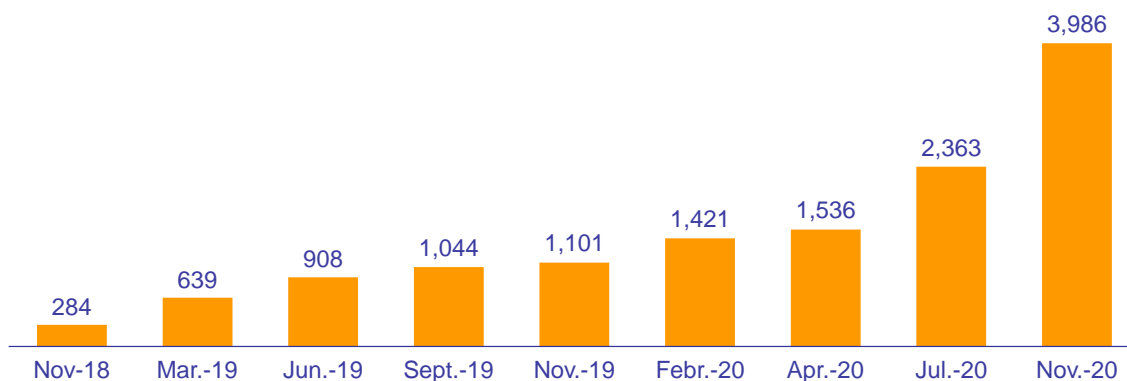
## Overview of LNG filling stations in Germany



Source: dena, Team Consult Analyse

- In April 2019, only four operational LNG filling stations existed in Germany. At the end of 2020, there were already ten times as many LNG filling stations in operation.
- In addition to the already existing filling stations, the same number of new filling stations is planned to be built. They will be predominately built this year, so at the end of 2021, over 80 LNG filling stations will be available in Germany. For comparison: In Europe, currently 353 operating LNG filling stations are in place.
- There are 21 different operators of LNG filling stations in Germany. The biggest three operators have a market share of over 50 %.
- Five new operators have announced filling stations, including established filling station brands like 'Total'.

## Cumulative requested amount of EEN\* funded LNG-trucks



Source: dena, Zukunft Erdgas, Team Consult Analyse

\*Funding guideline 'energy efficient and/or low CO2 heavy commercial vehicle'

- In July 2018, funding guideline 'EEN\*' started, whereby new LNG-trucks get funded with 12,000 €. Until November 2020, total funding applications for 3,986 new LNG-driven trucks were submitted. The funding program reached the maximum funding volume of 10 million Euro per year prematurely and was not able to meet all total demand.
- The demand for LNG-trucks was synchronous with the buildup of LNG filling stations, whereby apparently the 'chicken-and-egg problem' was solved.
- However, the funding program 'EEN' ended in December 2020, but LNG-trucks are still profiting from toll exemptions at least until 2023 and from reduced energy taxes until 2026. The next few years will show whether this trend is self-sustaining.

### Imprint

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