



Note: The following is an English translation of the Japanese-language original

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JAPEX Conducts Feasibility Study of Energy Service Utilizing LNG to the Industrial Park in Northern Vietnam

Japan Petroleum Exploration Co., Ltd. (hereinafter “JAPEX”) will conduct a feasibility study on Energy Service using LNG (Liquefied Natural Gas) to users in the industrial park in Hai Phong City (hereinafter “the Study”), located in the northern part of the Socialist Republic of Vietnam (hereinafter “Vietnam”), starting in August 2023.

In Vietnam, the demand for energy is increasing with the steady growth of an economy. At the same time, there is a growing need for promotion of energy conservation and the use of low-carbon energy, mainly in industrial sectors, in order to contribute to the goal of a carbon-neutral society by 2050. Under these circumstances, LNG, which has a lower environmental impact, is expected to play a critical role in the energy transition for Vietnam.

The study aims for Energy Service to respond to the fuel conversion from coals and fuel oils to LNG, and for the optimization of energy usage at the industrial park, anticipating a LNG receiving terminal construction plan at Hai Phong City, Vietnam, which is under consideration. In the study, we will consider the feasibility of the Energy Service, by examining specifications and scales of the facilities which meets end-user’s requirements, and cost estimate of the required investment.

The Energy Service facility would consist of a LNG satellite facility equipped with LPG supply capability for optimal adjustment of heat value with alternative sources for supply, co-generation systems to utilize biogas emitted from sewage plants, and storage battery for supply and demand adjustment. Such facilities can supply multiple end-users in a cluster to further improve efficiency. In the Study, we will also include digital technology, such as remote monitoring of facilities and technical training for local employees using 3D images during the operation phase.

The Study is adopted as FY 2023 “Subsidy for the feasibility study for overseas deployment of high-quality energy infrastructures (Study on the promotion of the overseas deployment of infrastructure by the companies of Japan)” by the Ministry of Economy, Trade and Industry of Japan, and the final report is planned to be submitted around February 2024.

JAPEX will continue the effort to respond to various demands of our customers towards a carbon-neutral society in 2050, such as the supply of natural gas and LNG, which has a lower environmental impact in Japan and overseas, and energy service that enables efficient energy usage.

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