

**MONTERREY**

## Cydsa Goes For the Business of Storing Natural Gas

- Cydsa looks for a financing plan for \$157 million dollars, which it expects to have ready in June.

By Esther Herrera 03/23/2018



Directors: Tomás González Sada, Chairman of the Board of Directors of Cydsa at the press conference.

Cydsa is looking to expand its portfolio in the energy processing and logistics business with a natural gas storage project, given that this fuel is very important for the development of the country and there is a national strategic inventory of only a few days.

Alejandro van Rossum Garza, general director of the Chemical Division of Cydsa, explained that they are evaluating the development of a natural gas storage project in salt caverns that the company has.

"We hope that the commitment can be finalized in this same year and start it in 2019; a large part of the electricity generated is made with natural gas, so it is strategic not only for Cydsa but for the country."

Tomás González Sada, president of the board of directors of Cydsa, explained that the investment would amount to \$150 million dollars, and they are in the advanced stages of obtaining that financing.

"We are talking about \$157 million dollars and we hope to have it authorized in June of this year," he added.

To nail down this storage project will depend if bank financing is obtained, and Cydsa expects that in the following quarter it can be settled, added the businessman.

He mentioned that they have not yet defined whether it will be butane or natural gas since there are several interested parties.

It would have a capacity greater than two million barrels, and the final number will depend on the number of customers that are involved.

González Sada, mentioned that along with their partner ATCO, they are analyzing business opportunities in the midstream segment including ports, storage, processing natural gas and separating LP gas streams and railroads and pipelines.

"Last year we signed a letter of intent with ATCO to explore opportunities in midstream and other businesses," said Alejandro von Rossum Garza, general manager of Chemical Division of Cydsa.

González Sada also mentioned that they are analyzing the construction of a new chlorine and caustic soda plant in the Isthmus to continue with the process of making our plants as efficient and ecological.

For which they estimate to invest another \$150 million dollars.

He said that when this year is complete they will be able to consolidate the results and profits generated by the energy business and trusts that the indicators in terms of sales and EBITDA will be favorable.

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