



Cenagas to Expand Natural Gas Inventory

By Karla Omaña

Mexico City (August 29, 2019) .- The National Center for Natural Gas Control (Cenagas) works on natural gas storage projects to reach a total of 30 billion cubic feet in reserve by 2024.

To do this, it will resume strategic storage projects proposed by the past administration.

These will begin to operate next year, according to a presentation of the project made by Cenagas.

According to the fourth annual review of the five-year plan for the expansion of the national integrated natural gas transportation and storage system (2015-2019), Cenagas has three projects planned for storage.

The strategic storage plan in the Jaf field; **operational storage in Shalapa salt caverns**, as well as operational storage in the Altamira liquefied natural gas terminal.

The Jaf field project is located in Veracruz and was declared a depleted site in the past administration.

The Jaf field was rich in dry gas and began production in July 2009; it shut down in December 2014.

According to the presentation of Cenagas, there are currently only two liquefied natural gas storage terminals available in the country, which are equivalent to 1.5 days of current consumption.

On March 28, 2018, the Ministry of Energy announced a new public policy regarding the storage of natural gas which obliges the new administration to build strategic inventories in the country to have the security of gas supply.

By law, Cenagas must constitute a strategic inventory by 2026, with a minimum of five days of projected demand by 2029, equivalent to approximately 45 billion cubic feet.

"Cenagas will be responsible for coordinating the development of storage infrastructure for these purposes, so it will propose strategic projects and, through open seasons, the market will also have access to them.

"The policy establishes the obligation to report production, transport and inventory statistics, which will allow the publication of aggregate information that gives the market the right signals for the best decision-making," Sener said.

The Center said that the work of this Administration will be to leave an integrated transport and storage system that supplies the entire country, in particular, to the south-southeast, as indicated by the President of the Republic, Andrés Manuel López Obrador, in the Oaxaca plan.