



bp signs gas supply agreement with ENN

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Integrating international gas value chains to create lower carbon energy solutions for China

bp has signed a gas supply agreement with ENN Group (ENN) to jointly support the growing energy needs of China's southern Guangdong region.

Under the terms of the agreement, bp will provide ENN with 300,000 tonnes per year of pipeline gas re-gasified from LNG for two years from 1 January 2021 in Guangdong. The LNG will be received and re-gasified through the LNG receiving terminal of Guangdong Dapeng LNG Company Limited (GDLNG) where bp holds regasification capacity.

Dev Sanyal, executive vice president of bp gas & low carbon energy, said: "Our strategy is to integrate energy value chains and, with this transaction, we have created an innovative model that integrates upstream gas resources, transportation and trading, into downstream markets in China. This is the first time an international energy company will re-gasify LNG through a Chinese terminal and also directly supply gas to customers. We look forward to further cooperating with ENN and contributing to China's ever-growing energy demand."

Wang Yusuo, chairman of ENN Group, said: "Today's cooperation will enable ENN to provide better resources and services to our customers. It will also empower the energy industrial reform and development in China. Looking into the future, bp has announced its respected 'Net Zero' ambitions. ENN is also dedicated to building a modern energy system by adopting digital technologies. These visions to better build our planet, will need support from all aspects. It's a great beginning. We hope to deepen cooperation with innovative outcomes, together contributing to the development of global clean energy."

According to bp's 2020 Statistical Review of World Energy, global natural gas consumption grew by 2% in 2019, with a 54 billion cubic metres increase in LNG exports. The strong growth was boosted by China, where the country's LNG imports rose by 11.3 billion cubic metres, making it the biggest increase in a single country.

"As China progresses the coal to gas switch and advances the energy transition, bp is committed to being a trusted and valued partner, bringing smart and low carbon solutions to

contribute to a net zero future,” added Simon Yang, bp China president and bp senior vice president, regions, cities & solutions for China.

To date, bp is the first international energy company to invest in an operating LNG terminal in China. GDLNG, which bp has a 30% stake in, is China’s first pilot LNG import and regasification terminal. Dongguan ENN is an important customer of GDLNG, cooperating more than ten years. For the past decade, GDLNG has delivered approximately 50% of the accumulative gas consumption to its customers in Guangdong region, making it one of the most utilized terminals in China.

Zheng Hongtao, senior vice president of ENN Group gas business, said: “The cooperation has enriched gas supply in the Guangdong region, providing support to the development of ENN’s gas business. Meanwhile, the innovative business model of LNG import, processing and transportation, sets a good example for China’s LNG industrial market reform.”

Notes to editors

- bp is one of the leading foreign investors in the Chinese oil and gas sector. bp’s business activities in China include oil and gas exploration and development, petrochemicals manufacturing and marketing, aviation fuel supply, oil products retailing, lubricants blending and marketing, oil and gas supply and trading, LNG terminal and trunk line operation and chemicals technology licensing. Building on its business successes in China, bp has also expanded partnerships with Chinese national energy companies internationally. Further information about bp China is available on www.bp.com.cn.
- ENN Group is one of China’s largest private-owned energy company. It has established a clean energy industry chain of downstream distribution; midstream trade, storage and transport; upstream production. ENN aims to develop a modern energy system and establish a clean energy ecosystem. ENN has been cultivating in the energy industry for over 30 years. As the end of 2019, it operates over 200 city gas projects, providing gas services to over 20 million households and 149 thousand industrial and commercial enterprises, reaching one hundred million people. Further information about ENN group is available on www.enn.cn.

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