

PPGPL president: We are meeting LPG supply gap left by Petrotrin

JULIEN NEAVES FRIDAY 31 JULY 2020



PPGPL president Dominic Rampersad. - PHOTO COURTESY PPGPL

PHOENIX Park Gas Processors Limited (PPGPL) president Dominic Rampersad said the company was filling the supply gap in liquid petroleum gas (LPG) left by the closure of the Petrotrin refinery.

He was speaking Thursday during the Trinidad and Tobago NGL Ltd (TTNGL) fifth annual meeting and the first to be held virtually.

He said the company successfully replaced the LPG supply that was provided by Petrotrin

"Other entities may take credit, But under every good pot is PPGPL, TTNGL and NGC group of companies."

He said the demand for propane and butane has been sustained as people continued to cook. The company provides an average of 2,200 barrels of LPG per day which is about 12 per cent of total production of 16,000 barrels per day. Rampersad explained that the company sells to National Petroleum (NP) at open-market price and NP pays 60 per cent in US currency and 40 per cent in TT currency.

He recalled, there was an increase in demand during the covid19 lockdown likely because people were cooking more because they could not buy food outside.

"On January 1, 2020 I was happy to see the back of 2019, only to be faced with another '19' – covid19."

He said, because of the work the company did in 2019, PPGPL is positioned to withstand the impact of covid19.

"2020 has been all about covid19. But (for PPGPL) it has also been about growing and expanding in a deliberate way to improve resilience."

Rampersad said 2019 was characterised by very low energy prices and there was a sustained low-price environment for natural gas liquids. He explained, to withstand the shocks it was key to secure markets and he pointed out that 90 per cent of their product is shipped to the Caribbean and Latin America.

"Not only were we able to secure markets, but we renewed three sale contracts."

He said the Eastern Caribbean market has been the most lucrative and this continued into 2020. He added, the company continued to renew contracts under lucrative terms, and the company was successful in penetrating new markets and went into the Cuban

markets until they had to leave owing to US sanctions. The company, however, has gone into Puerto Rico and in February acquired US company Twin Eagle Liquids Marketing – the first company in the state sector to acquire a US business.

"It was not only a huge stepping stone for PPGPL but TT."

Rampersad also reported, that company closed out 2019 in a similar operating-cost position as 2018 and diversified its stream of income by expanding into condensate with sales of close to US \$6 million per annum.

He said the auditors could not find a single item to be concerned about which was testament to the governance of the company.

TTNGL chairman Conrad Enill said the covid19 pandemic cannot be ignored, but the crisis can signify opportunity and adaptation for sustainable changes. He added, PPGPL is assessing the impact of covid19 on its markets but, because of its unwavering objectives, the company will guide through its medium and long term growth plans.

He said the four main goals are: Secure current business; develop organisation; grow locally and internationally; and strengthen the national contribution.

"Although 2019 was a challenging year for many companies, including PPGPL, the company responded robustly. It has expanded and solidified its position on the energy value chain."

He noted that he was appointed on August 8, 2019 after chairman Gerry Brooks resigned on June 30, 2019.

"I want to thank him for navigating TTNGL through its first four years of existence as a public entity. The company benefited from his wealth of experience and strong leadership. I want to thank him for his work."