

U.S.-Vietnam JV Plans to Invest Up to \$6 Billion in LNG Power Project: CEO

By Reuters

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HANOI — Chan May LNG, a U.S.-Vietnamese joint venture, plans to invest up to \$6 billion in a power project in Vietnam as it seeks to cash in on the Southeast Asian country's rising demand for electricity, its chief executive officer said on Wednesday.

Vietnam faces the risk of severe power shortages from 2021 as demand outpaces construction of new plants.

The project in Thua Thien Hue province will include a 4-gigawatt power plant, an LNG terminal and storage facilities, John Rockhold told Reuters on the sidelines of the Vietnam Energy Summit.

Construction of the power plant is scheduled to begin next year, so that the first phase of 2.4 GW will be operational from 2024 and the entire plant from 2027, Rockhold said.

"We have big support from the U.S. government for the project, as they have LNG to sell," he said. "We have a number of U.S. LNG suppliers and we are doing the shopping right now."

When fully operational, the project will import around \$1.2 billion worth of U.S. LNG a year, he said, adding it would help narrow the trade deficit the U.S. has incurred with Vietnam.

Vietnam has been seeking to import more U.S. goods, such as coal and LNG, to narrow the trade gap after President Donald Trump threatened tariffs on its products amid the Chinese-U.S. trade war.

Chan May LNG, which is 60% owned by U.S. investors and 40% by Vietnamese investors, said a number of institutions had shown interest in financing the projects, including U.S. Exim Bank, the U.S. International Development Finance Corp. and the International Finance Corp.

Rockhold said the plant will use turbines from General Electric.

"The project is now on the table of the Prime Minister (of Vietnam) and we hope to receive an investment licence this fall," he said.

(Reporting by Khanh Vu; Editing by Ed Davies)