



Market Test

Expression of Interest for LNG import terminal services

January - February

2023



Sociedad Portuaria El Cayao S.A. E.S.P.

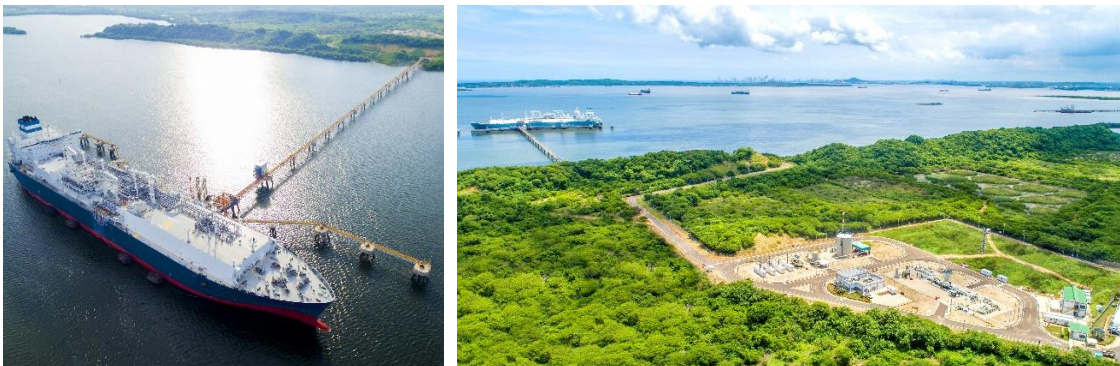
1. Conflict Between Documents

This document is a translation from the original version provided to interested market participants for reference purposes only. In case of any conflicts between the English translation and the Spanish version, the later one will prevail.

2. SPEC LNG's General Description

2.1. About SPEC LNG

Sociedad Portuaria El Cayao S.A. E.S.P. ("SPEC LNG") is the only Liquefied Natural Gas ("LNG") import of Colombia, located in the Cartagena de Indias Bay, a strategic location in close proximity to the LNG supply (US Gulf and the Caribbean) and developing LNG markets in the region.



SPEC LNG shareholders are Promigas¹ and Vopak², two Companies with broad experience in the natural gas and LNG industry, on a national and international level, which guarantee the suitability, experience, and quality for operating the LNG Terminal.

For over 6 years, SPEC LNG has provided the country access to the LNG markets to ensure reliability to Colombia's energy system by supporting nearly 2,000 MW, equivalent to 60 % of Colombia's gas-fired electricity generation, ensuring a sustainable, competitive, and clean energy matrix.

Operating under safe conditions is a foremost importance for SPEC LNG, through our internal safety, health, and environmental framework, we strive to be a responsible member of society and the communities we operate. We are mindful of the potential

¹ For more information, please visit: www.promigas.com

² For more information, please visit: www.vopak.com



impact of our business activities on people’s safety, health, and well-being and on the environment. SPEC LNG carries its activities with the highest standards and has Icontec certifications in ISO 9001, 14001 and 45001 standards, as well the Code for the Protection of Ships and Port Facilities (PBIP).

SPEC LNG is supervised by the governmental authorities Superintendencia de Servicios Públicos Domiciliarios and the Superintendencia de Transporte.

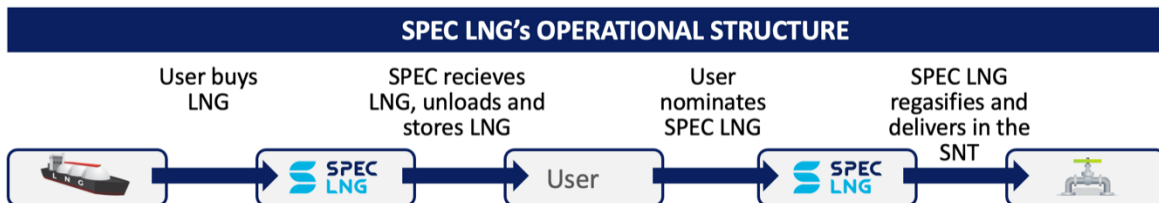
Further information about SPEC LNG, our beliefs, values, and principles, available at WWW.SPECLNG.COM.

2.2. Terminal Infrastructure and Operation

SPEC LNG infrastructure consists of a Floating Storage and Regasification Unit ("FSRU"), onshore facilities, and a 10kms pipeline connecting to the national natural gas grid system. The Terminal’s current regasification and delivery capacity is 400 million standard cubic feet of natural gas per day (“MMSCFD”) and at a minimum regasification volume of 10 MMSCFD.

On board the FSRU, the Terminal has a storage capacity of 170,000 m3 of LNG and a total installed regasification capacity of 533 MMSCFD, distributed in 4 regasification trains of 133 MMSCFD each. For LNG unloading, the FSRU has a manifold connection composed of 6 10-inch hoses, 4 for liquid (LNG) and 2 for vapor exchange, with a maximum flow of 9,000 m3/hour.

The services provided by SPEC LNG include vessels receipt, unloading, storage and regasification of LNG, as well as the delivery of natural gas in the national natural gas grid (“SNT”), under the following structure:



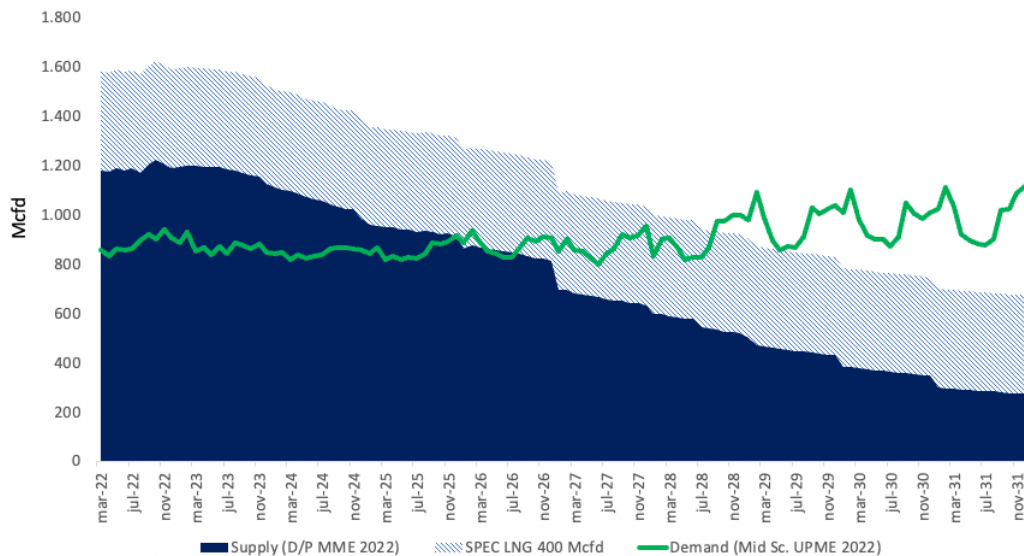
For more information regarding the general operating conditions of the Terminal, please watch [Video operaciones SPEC LNG](#) and visit SPEC LNG’s web page WWW.SPECLNG.COM.

3. Energy Context for LNG in Colombia

3.1. LNG to assure supply considering a projected natural gas shortage in Colombia

According to the latest natural gas supply and demand projections published by the national energy planning entity, the Unidad de Planeación Minero Energética³ (“UPME”) and the Ministry of Energy of Colombia⁴, there could be a potential natural gas shortage starting in 2026-27.

Natural gas supply and demand Balance in Colombia carried out by SPEC LNG based on official data.



 UPME Natural Gas median Projection 2022 - 2036

 MINMINAS Declaration of Production 2022

In case of an extreme dry season, such as *El Niño* Phenomenon, the need for natural gas could increase between ~150 – 250 MMSCFD during those periods, rising natural gas supply tightness. In addition, by 2025 the central part of the Colombia could face a

³ UPME. Demand forecasts for energy resources. <https://www1.upme.gov.co/DemandayEficiencia/Paginas/Proyecciones-de-demanda.aspx>

⁴ Ministry of Energy of Colombia. Natural Gas Declaration of Production 2022- 2023. <https://www.minenergia.gov.co/es/misional/hidrocarburos/funcionamiento-del-sector/gas-natural/#:~:text=Declaraci%C3%B3n%20de%20Producci%C3%B3n%20de%20Gas%20Natural%202022%20%2D%202031,comercializado%20de%20gas%20natural%20importado>



natural gas shortage caused by the natural decline of the *Cusiana* and *Cupiagua* gas fields.

The UPME two-way gas transportation system project for the Atlantic Coast, estimated to start operations in 2026 would enable a 170 MMSCFD flow from Barranquilla to Ballena gas station located in Guajira (currently only working one way – Ballena to Barranquilla). As a result, SPEC LNG’s regasified natural gas could reach both the Atlantic and central part of the country.

In Document 101 017 of 2022⁵ the national energy regulatory entity, the Comisión de Regulación de Energía y Gas (“CREG”) states “that before 2025, national non-thermal demand attention is already expected from SPEC LNG, and on the long term a regasification capacity expansion at that point in the supply system is considered”. The analysis demonstrates the importance of SPEC LNG as a source of supply to guarantee reliability of natural gas in Colombia. This is also ratified, by the UPME, which includes SPEC LNG as a required source to meet the natural gas demand in Colombia on its natural gas supply and demand balance exercise.

3.2. LNG for the Energy Transition in Electricity Generation

The Energy Transformation Mission⁶ - Focus 2 (“Natural gas in the energy transformation – provisioning, supply, and demand”) carried out in Colombia in recent years, concluded that out of the 3,925 MW of natural gas power plants installed in the country, 1,647 MW declared fuels other than domestic and imported natural gas to support their firm energy obligations (“OEF”). This represents a potential increase in demand for LNG in the country, considering the flexibility this fuel provides through the terminal, allowing variable consumption pattern required by thermal generation. Experts propose that public policies and regulatory framework establish measures to enable more power plants to use LNG through “strategic regasification projects that, together with domestic production, allow full attention to the current and potential demand for this energy”.

Today there are regulatory and market signals seeking greater LNG use as a backup for electrical generation. CREG Resolution 101 017 of 2022 grants the possibility of accessing a longer-term reliability charge to existing power plants with a defined efficiency when supported by natural gas or LNG.

⁵ CREG. Document 101 017 2022. Option to access Firm Energy Obligations for efficient existing plants that use natural gas. [http://apolo.creg.gov.co/Publicac.nsf/1c09d18d2d5ffb5b05256eee00709c02/4fbdfb8b5385475052588770057cd1d/\\$FILE/D-101%20017-2022%20OPCI%C3%93N%20PARA%20ASIGNACI%C3%93N%20DE%20OEF%20A%20PLANTAS%20EXISTENTES%20EFICIENTES%20RESPALDADAS%20CON%20GAS%20NATURAL.pdf](http://apolo.creg.gov.co/Publicac.nsf/1c09d18d2d5ffb5b05256eee00709c02/4fbdfb8b5385475052588770057cd1d/$FILE/D-101%20017-2022%20OPCI%C3%93N%20PARA%20ASIGNACI%C3%93N%20DE%20OEF%20A%20PLANTAS%20EXISTENTES%20EFICIENTES%20RESPALDADAS%20CON%20GAS%20NATURAL.pdf)

⁶ Chahín, Carmenza. Ferreira, Ana María. Madero, David. Vásquez, Miguel. Natural gas in the energy transformation. <https://www.minenergia.gov.co/documents/7683/2. El Rol del Gas en la Transformaci%C3%B3n Energ%C3%A9tica.pdf>



In addition, we must highlight, CREG's⁷ suggestion for an auction for electricity generation expansion for 2027-2028 as a potential solution to the foreseen deficit of 1,568 GWh/year of firm energy.

3.3. LNG for Road Trucks as part of the Energy Transition

A recent study carried out by Minciencias, UPME, and the Universidad Tecnológica de Pereira (“UTP”) suggests replacing diesel used in cargo truck fleet with LNG-based technology. Based on the results of such study, the National Energy Plan 2020 - 2050 prepared by the Ministerio de Minas y Energía and UPME assumes a gradual entry of the fleet of cargo trucks running on LNG, which undoubtedly promises incorporating this fuel in markets traditionally dominated by liquid fuels as part of the Country's energy transition roadmap.

4. SPEC LNG's Expansion Plans

SPEC LNG is committed to continue contributing to the national energy transition objectives and, through potential capacity expansions, could offer its services to complement local gas production and guarantee supply in the mid and long term as well as developing a domestic LNG market.

SPEC LNG is evaluating expanding its capacity as follows:

4.1. Regasification:

- Capacity increase to 450 MMSCFD for the second semester 2023.
- Capacity increase to 530 MMSCFD or more for the second semester 2026.

4.2. Other services:

Through its current infrastructure, SPEC LNG's can provide additional services, such as:

- Reloading to small, medium, and large-scale vessels.
- LNG truck loading station: Within its portfolio of potential services, SPEC LNG also considers the possibility of commissioning an LNG truck loading station (construction period: 24 months).

⁷ CREG. Document 701 014 2022. Reliability Charge Auction Analysis 2027-2028.

[http://apolo.creg.gov.co/Publicac.nsf/1c09d18d2d5ffb5b05256eee00709c02/15dd856fcfbf431052588950081b173/\\$FILE/D-701%20014-2022%20AN%C3%81LISIS%20SUBASTA%20DEL%20CARGO%20POR%20CONFIABILIDAD%202027-2028.pdf](http://apolo.creg.gov.co/Publicac.nsf/1c09d18d2d5ffb5b05256eee00709c02/15dd856fcfbf431052588950081b173/$FILE/D-701%20014-2022%20AN%C3%81LISIS%20SUBASTA%20DEL%20CARGO%20POR%20CONFIABILIDAD%202027-2028.pdf)



5. Market Test

To advance to a final investment decision involving the foreseen expansion plans, SPEC LNG is interested in conducting a Market Test, via a non-binding Expression of Interest (EOI) process, to assess the market participants' demand for the potential additional capacity the LNG import terminal could offer.

Through this document and its attachments, the terms and conditions of participation ("Guidelines") are set for those interested in participating in the Market Test.

The Guidelines are available on SPEC LNG's website, WWW.SPECLNG.COM. Modifications will be informed through an addendum which will be published on the website.

The Guidelines do not constitute, nor can they be considered for any reason, a binding agreement, contract, or commercial proposal between the parties (*i.e.*, Interested Party and SPEC LNG).

6. Expression of Interest

Interested parties are invited to express their interest in regasification capacity and other services that the terminal could possibly offer, by formulating an Expression of Interest.

Interested parties wishing to participate, should submit the expression of interest form contained in ATTACHMENT 1 of the current Guidelines and corresponding attachments to the following email address: interes@speclng.com before February 20, 2023 at 18:00 (UTC -5; COT time) in PDF, signed by the legal representative.

Requests for clarification and inquiries regarding the participation to the Expression of Interest, can be addressed to the following email address: interes@speclng.com by February 7, 2023.

Answers to all inquiries submitted by Interested parties, will be answered by SPEC LNG by no later than February 13, 2023, via email.

An Information Session has been scheduled for February 2, 2023. For registration and further information, please visit SPEC LNG's web page WWW.SPECLNG.COM.



The following is the timeline for the Market Test and Expression of Interest:

Milestone	Date
Market Test Launch	January 30, 2023
Information Session	February 2, 2023
Deadline for Inquiries	February 7, 2023
SPEC LNG response to questions	February 13, 2023
Deadline to submit Expression of Interest	February 20, 2023 at 18:00 (UTC -5; COT time)

SPEC LNG may request clarification to submitted expression of interests and corresponding attachments.

The Expression of Interest is confidential and non-binding, and, as well as the Guidelines, does not constitute a capacity reservation, service agreement, priority granting, offer, or proposal of agreement.

6.1. Expression of Interest Content

The Expression of Interest shall be submitted under the format provided in ATTACHMENT 1, and shall include the following attachments:

6.1.1 Certificate of Existence and Legal Representation, with expedition date not older than thirty (30) calendar days to the date of the Expression of Interest, or its equivalent if it's a foreign company.

6.1.2 The document providing existence and representation for companies of public nature, or its equivalent if it's a foreign company.

7. Information of interest

7.1. Confidentiality of the Information Provided

All information provided by the Interested Party to SPEC LNG in the Expression of Interest will be treated as Confidential.

SPEC LNG will share the Expression of Interest with SPEC LNG's officers, employees, directors, contractors, or agents, as well as its shareholders and the shareholder's officers, employees, directors, contractors, or agents, that need to access the



information given to SPEC LNG in the Expression of Interest to assess SPEC LNG in relation to the Market Test.

7.2. No Bindingness

The Interested Parties understand that presenting an Expression of Interest does not grant any right to the Interested Party to be awarded the available capacity, nor does it constitute a binding agreement, contract, or commercial proposal between the parties (i.e., Interested Party and SPEC LNG). Likewise, it is understood that the Market Test does not generate any obligation or duty upon SPEC LNG to carry out the Process.



ATTACHMENT 1

EXPRESION OF INTERES FORMAT

City and date

Mr.

Jose María Castro Martelo

Legal Representative

Sociedad Portuaria El Cayao S.A. E.S.P.

interes@speclng.com Cartagena de Indias, Bolívar

Reference: Expression of Interest to participate in the Market Test for regasification and other service needs the Terminal could offer.

[*Insert Legal Representative's name*], a citizen of [*insert nationality*], of legal age, domiciled and resident in the city of [*insert city of residence*], acting in my capacity as legal representative of [*INSERT COMPANY'S NAME*] ("Company"), through this document, I'm expressing our interest to participating in the Market Test process carried out by Sociedad Portuaria El Cayao S.A E.S.P. ("SPEC LNG"), which purpose is to assess the market's interest for the potential additional capacity and other services SPEC LNG could offer.

Consequently, I hereby commit and declare the following:

1. I have the legal authority and capacity to sign and submit the Expression of Interest.
2. I'm not acting in representation of another person or company, different than the above-mentioned, and who could have interest in the Expression of Interest.
3. Through this document, I express our interest in participating in the Market Test
4. This Market Test does no generate binding effects or obligations for the Company or SPEC LNG, nor does it grant any rights for the Company.
5. The Expression of Interest does not constitute a capacity reservation, service agreement, priority granting, offer or proposal of agreement.
6. The Company's regasification services requirements are the following:



Question	Response
Required regasification capacity (MMSCFD) Daily minimum volume: 10 MMSCFD	
Regasification Profile	<input type="checkbox"/> Continuous <input type="checkbox"/> Intermittent
Initiation Year	
Service Term	

7. The Company's requirements regarding other services the Terminal could offer are:

Question	Response
Service type (Please select the ones that apply)	<input type="checkbox"/> LNG Reloading <input type="checkbox"/> LNG Truck loading <input type="checkbox"/> Others: _____
For LNG reloading, please indicate the vessel size which will carry out the unloading (Optional)	
For LNG truck loading operations, please indicate the LNG volume (in m3) and frequency of loads (number of trucks. (Optional)	
Initiation year	
Service Term	



8. Please provide any other information deemed relevant for the Company in connection to the Market Test (Optional):

Comments (Free Text)

9. For contact purposes, please provide the following information:

Question	Response
Contact:	
E-mail:	
Phone number:	

10. The Company, or any of its managers or employees are included or listed in restrictive lists of restrictive agencies or international sanctions lists including, but not limited to, OFAC (Office of Foreign Assets Control), UN (United Nations Organization), DFAT (Department of Foreign Affairs and Trade), INTERPOL , bulletins from the UIAF (Financial Information and Analysis Unit), DAS, Prosecutor's Office, FCPA, or anyone who modifies, adds or replaces them or lists that pursue the same object.



- 11.** The Company, authorizes SPEC LNG to share information contained in the Expression of Interest with SPEC LNG's officers, employees, directors, contractors, or agents, as well as its shareholders and the shareholder's officers, employees, directors, contractors, or agents, that need to access the information given to SPEC LNG with regards to the Markey Survey.

- 12.** In addition to the Expression of Interest form, enclosed please find the following documents:
 - a) Certificate of Existence and Representation or the incorporation act of the entity, or its equivalent if it's a foreign company.

 - b) The document providing existence and representation for companies if public nature in case it applies.

Regards,

Name and Signature
Identification No.
Position:
Company:

