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Yara and Enbridge to develop a low-carbon blue ammonia project at Texas

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Norway based Yara Clean Ammonia (Yara), a Yara International ASA company, and Enbridge Inc., are pleased to announce the signing of a letter of intent to jointly develop and construct a world scale low-carbon blue ammonia production facility as equal partners. The proposed facility, which includes autothermal reforming with carbon capture, will be located at the Enbridge Ingleside Energy Center (EIEC) near Corpus Christi, Texas.

Once operational, the production facility will be capable of supplying low-carbon ammonia to meet growing global demand, with an expected capacity of 1.2â??1.4 million tons per annum. Approximately 95 per cent of the carbon dioxide (CO2) generated from the production process is anticipated to be captured and transported to nearby permanent geologic storage. If confirmed through the Front-end Engineering Design (FEED) phase and approved, total project investment is expected in the range of US$2.6â??US$2.9 billion, with production start-up in 2027/2028.

Enbridge and Yara will utilize their complementary strengths to develop and execute the project. Yaraâ??s industry-leading experience in ammonia development, production, operations and distribution, combined with Enbridgeâ??s large-scale infrastructure development expertise and world-class EIEC deep water docks and export platform, will be critical to advancing the project from development through to commercial operation. In addition, Yara, the worldâ??s largest ammonia distributor, is expected to contract full offtake from the facility, which further enhances the strategic value and commercial viability of the project.

â??Yara is pleased to be joining Enbridge in developing this significant clean ammonia project. As presented at our Capital Markets Day, we are working systematically to develop project opportunities in the U.S. and this project will significantly contribute to our strategy of decarbonizing agriculture as well as serving new clean ammonia segments such as shipping fuel, power production and ammonia as a hydrogen carrier,â? said Magnus Krogh Ankarstrand, President of Yara Clean Ammonia.

Enbridgeâ??s Texas Eastern Transmission Pipeline is expected to provide the transportation service for feed gas that will be used for the production process, and Enbridge, along with Oxy Low Carbon Ventures, is advancing a nearby CO2 sequestration hub which is a potential destination for the projectâ??s captured CO2.

â??We are excited to partner with Yara and collaborate on this clean energy project, especially given their expertise in global ammonia projects, operations and distribution,â? said Colin Gruending, Enbridge Executive Vice President and President, Liquids Pipelines. â??EIEC is well positioned to become the most sustainable export terminal in North America through low-carbon fuel production, carbon capture and solar self-power.â?