

Proman positions methanol to strengthen Caribbean energy security

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AS geopolitical uncertainty, volatile fuel prices and global decarbonisation pressures reshape energy markets, Proman is positioning methanol as a key transition fuel to diversify its markets and support energy security across the Caribbean.

Ahead of its participation in the Energy Conference starting today, Proman Trinidad deputy managing director Giselle Thompson and Power32 managing director David Knipe outlined the group's strategy, including pilot projects in methanol- powered transport and a growing push into methanol- to-power solutions for Caricom states still reliant on imported diesel and heavy fuel oil.

Power32 is a company under the Proman purview.

Speaking in an interview with the *Express*, Thompson said the company's long-standing presence in T&T gives it a unique platform to help the region navigate rising energy costs and infrastructure challenges.

'We've been operating in T&T for more than 35 years, and we remain very proud to be the largest downstream energy investor, operator and producer in the country. But like all businesses today, we're operating in a world with significant uncertainty, geopolitical instability, market disruption, and the global shift towards lower-carbon energy. In that uncertainty, we also see opportunity,' Thompson said.

Shifting dynamics

As the world's second- largest methanol producer and a major ammonia supplier, Proman has traditionally served global industrial markets. However, shifting trade dynamics, tighter emissions standards and the global push toward net-zero targets have prompted the company to explore non-traditional uses for methanol.

'Historically, methanol went into solvents, adhesives and other industrial applications. What we're seeing now is methanol's versatility as a cleaner-burning, lower- emissions fuel. As the world looks for transition fuels, methanol creates an opportunity for us to pivot our business and explore new markets,' Thompson said.

She noted that one of Proman's earliest steps into this space has been marine transport. The company now owns and operates six methanol-powered tankers already in service globally, supplying maritime customers seeking fuels with lower carbon intensity.

The company is also moving onto land transport and Thompson said for the first time, Proman confirmed it is piloting methanol- powered trucking in T&T in partnership with DUMO Enterprises.

'This week, we expect four 100% methanol-powered trucks to arrive in Trinidad. This is a pilot project where we'll be testing everything from emissions and engine performance to maintenance and fuelling logistics. The intention is to understand feasibility and, hopefully, begin what could be a wider rollout of methanol-powered trucking over time,' she said.

While timelines for the pilot are still being finalised, Thompson said the focus is on setting clear performance benchmarks before scaling.

'We're at an early stage. But we're hopeful this will be the beginning of many more methanol-powered trucks on our roads,' she said.

Methanol offers an interesting solution Thompson also noted that a major pillar of Proman's strategy is methanol-to-power, driven through its subsidiary Power 32, which was formally established last year.

Knipe said that the unit was created to develop new power installations or convert existing ones to run on methanol, particularly in regions facing high energy costs, grid constraints and strict emissions regulations.

Virtually attending the interview, he said, 'The world is electrifying, and it needs power that is affordable, secure and cleaner. Methanol offers a very interesting solution. It's a liquid at room temperature, easy to store and transport, and when used in power generation it produces no soot, almost no sulphur oxides, very low nitrogen oxides, and reduced carbon emissions.'

Knipe stressed that methanol-to-power is not intended to compete with natural gas grids where those exist.

'If you have access to gas or a robust electric grid, this isn't what you'd choose. But if you're operating islanded power systems, relying on imported diesel or heavy fuel oil, or facing long delays in grid expansion, methanol provides a solution you can deploy today,' he said.

Stability and pricing certainty Knipe said for the Caribbean, the appeal lies in both fuel stability and pricing certainty.

'Many islands have been badly exposed to global price shocks over the past five years. Diesel prices spiked, LNG prices went over US\$50 per MMBtu after Russia's invasion of Ukraine, and those shocks hit consumers, businesses and government budgets. What we can offer is competitively priced fuel with long-term stability, often at the low end of historical diesel prices, with inflation indexation rather than volatility,' he said.

Proman believes this model could be particularly attractive as Caribbean utilities face ageing infrastructure and the need for replacement investment.

Thompson said Trinidad and Tobago is well positioned to capitalise on emerging opportunities in methanol.

'As those investments are happening anyway, the question becomes: can methanol step in as a cleaner, more stable alternative fuel. There's a real opportunity here for T&T's methanol industry to support regional energy security, much like Petrotrin once supported the region through fuel supply,' she said.

While methanol-to-power is not positioned as a domestic solution for T&T, given the country's natural gas reserves, Proman sees it as a major export opportunity.

'For T&T, this is about exports and market diversification. But for Barbados, Grenada, St Kitts and others, it could mean more stable electricity prices, fewer surprises when global markets are disrupted, and better fiscal planning for governments,' Thompson said.

Knipe added that Proman's fully integrated model strengthens its offering.

'We produce the methanol, we ship it, we have our own engineering, procurement and construction capability, and now we operate power assets. That allows us to offer end-to-end solutions and fixed-price structures that many independent power producers simply can't,' Knipe said.

Beyond the Caribbean, the company is exploring methanol-powered solutions in Europe and Africa, including floating power generation and bridging power for data centres constrained by grid access.

'This is a solution with different applications in different regions. But the common theme is speed, stability and cleaner power,' Knipe said.

For Proman, the strategy reflects a broader philosophy.

'We're not sitting still. There will always be uncertainty in global markets. Our approach has always been to innovate, pivot when needed, and work with government as a long-term partner. That's what we've done for 35 years, and that's what we intend to continue doing,' Thompson said.



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EXPLORE NEW MARKETS: Proman Trinidad deputy managing director Giselle Thompson.