



*Sent via email on 19th October 2022*

Our market consultation to change the Vessel Type and Boil Off rate for the Spark30 and Spark25 contracts from 1st January 2024 (launched on 12th July 2022 [here](#) and then extended [here](#)) closed on Friday 30th September 2022.

Below is the feedback and the next steps.

### **What did we propose?**

Change the Vessel Type and Boil Off rate specifications for the Spark30/Spark25 contracts from 160 TFDE (160) with a 0.1% Boil Off rate, to 174 2 Stroke (174) with a 0.085% Boil Off rate **effective from 1st January 2024.**

### **What did the market say?**

The vast majority of firms - including traders, brokers and owners - who gave feedback supported the change of the Vessel Type to a 2 Stroke (174) with a 0.085% Boil Off rate. They also supported the proposed timetable for implementing the change on 1st January 2024.

No firms formally objected to the assumption of no onboard liquefaction system for the benchmark vessel.

### **What happens next?**

On **1st January 2024** the Spark30S and Spark25S methodology will be changed as follows:

Current wording:

- Vessel Type: 160,000 m<sup>3</sup> TFDE
- Boil Off Rate: 0.1% of cargo tanks at 98.5% capacity for 160,000 m<sup>3</sup> TFDEs

Replaced with:

- Vessel Type: 174,000 m<sup>3</sup> 2 Stroke with no onboard liquefaction capabilities
- Boil Off Rate: 0.085% of cargo tanks at 98.5% capacity for 174,000 m<sup>3</sup> 2 Strokes

On **1st December 2022** the Spark30FFA and Spark25FFA prices will be updated as follows:

The SparkFFA forward curves are currently assessed monthly to the end of 2023 and a single Cal24 assessment. Due to the result of this consultation the Cal24 SparkFFA assessments will be adjusted to reflect the methodology change. Eligible FFA broker submitters will be asked to reflect the changes within their curve submissions from 1st December 2022 in order to provide an orderly adjustment, and as such you can expect to see a realignment of Cal24 assessments from this date.

Spark already publishes a calculated 174,000 2 Stroke to 160,000 TDFE differential. However, please note that we will send further communication in due course about introducing a market assessed 174 2 Stroke to 160 TFDE differential well in advance of 1st January 2024, to provide further information on the impact of the change ahead of implementation.

Thank you again to all the firms that engaged on this market consultation. We really appreciate your continued support and remain committed to building the price assessments you need as the markets evolve.