

24 April 2024

Contents

Weekly news roundup (8-12 May)
Publication date: 15 May 2017

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Flame 2017

European gas demand will gradually decline next decade [1], then collapse rapidly post-2030, if governments implement climate policy pledges, Flame conference heard on Tuesday 9 May.

Gazprom has poured scorn on the prospect of engaging in a gas price war with US LNG [2], and played down the importance of hub pricing in the company's European portfolio.

The European Commission (EC) is doing all it can to carve out a place for natural gas in the transition to a low-carbon economy [3], but policy measures cannot guarantee security of demand.

Construction of the Trans-Adriatic Pipeline is nearing the mid-way point [4] and works on the landfall in Puglia have resumed following the lifting of a court order that was protecting olive trees along the route.

International

Gazprom has kicked off construction of the 910-km offshore section of the 31.5 Bcm TurkStream pipeline [5] in the Black Sea near the Russian coast.

A supposedly imminent agreement between Israel and Turkey to build a pipeline in the East Mediterranean to supply gas from Israel's giant Leviathan field to the Turkish market is facing economic and political headwinds. Read more in our exclusive analysis [6].

Growing regional and local imbalances in gas supply and demand drove strong growth in international gas trade last year [7], new figures reveal.

US and Canada

US – President Donald Trump is facing a reality check in his efforts to expand offshore drilling and scrap the Clean Power Plan (CPP), the Obama-era regulation that would limit CO2 emissions from the electricity sector nationwide.

Tokyo Gas has purchased a 30% stake [8] in US shale explorer Castleton Resources (CR), the Japanese utility said on Monday 8 May.

Having spent over a decade planning the proposed Jordan Cove LNG plant in the US West Coast, its developer now faces a local ballot measure seeking to ban the transportation of fossil fuels [9] through the county.

Donald Trump has proposed two candidates to fill three empty seats [10] at national watchdog the Federal Energy Regulatory Commission (FERC), in a move that industry groups hope will unlock billions of dollars worth of pending projects.

Africa

Nigeria – Africa's second-largest gas producer, Nigeria, is planning to nearly quadruple its output [11] by fast-tracking upstream projects, while lawmakers in the country eye a reduction in flaring by state-backed export firm Nigeria LNG (NLNG).

Senegal – BP and joint venture partner Kosmos Energy unveiled a “major gas discovery” [12] in deep waters offshore Senegal.

Asia Pacific

India – Indian LNG importer Petronet reported on Wednesday 10 May a 46% increase in profits [13] for the 2016/2017 financial year, which it attributed to higher LNG imports.

Malaysia – The country's state-run Petronas will start commercial operations [14] at its first floating LNG project, the 1.2 mtpa PFLNG Satu facility, next month as part of plans to expand liquefaction capacity in the coming years, the company said at the Asia Oil & Gas Conference event in Kuala Lumpur this week.

Europe

EU – A window for gas investment has opened in the wake of new European emission limits [15] that will force 108 of the EU's largest coal-fired power stations to close or implement costly upgrades.

France – France's Engie is stepping away from the upstream sector by striking a deal to sell its 70% stake [16] in Exploration & Production International (EPI) to newcomer Neptune Energy.

Netherlands – Falling production at the giant Groningen field and decarbonisation efforts raise major questions for the Netherlands [17] and its prominent role in the European gas market, according to a report by the Oxford Institute of Energy Studies (OIES) published on Tuesday 9 May.

UK – Independent UK-based explorer Parkmead Group has signed a deal to take full ownership of Licence P.2209 [18] from Verus Petroleum, doubling its stake in the North Sea gas play from 50%.

Latin America

Mexico – For decades, Mexico's national oil and gas company Pemex served as the nation's integrated energy supplier. But in 2014, amid weak oil and gas production, the government introduced groundbreaking reforms to open up Mexico's energy sector and increase production, as well as imports. Read more in our feature [19].

Panama – French energy group Engie and US utility AES Corporation have agreed to use an LNG import terminal [20] in Panama as a hub for marketing and sales throughout Central America.

Middle East

Egypt – UK major BP has started gas production along with partner RWE Dea from its Western Nile Delta (WND) project [21], offshore Egypt, eight months ahead of schedule, with peak production from the project to hit 1.3 Bcf/day – equivalent to 30% of Egypt's current gas production.

Israel – Greece's Energean Oil & Gas needs long-term contracts for at least 3 Bcm/year [22] in Israel's domestic market to make the offshore Karish and Tanin gas fields project work financially, CEO Mathios Rigas told Gas Matters Today this week.



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