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Weekly news roundup (2-6 October)
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International

Volvo Trucks is introducing a line of heavy-duty trucks fuelled with LNG or biogas [1] to reduce emissions across its European operations.

Gazprom is pushing to encourage take-up of natural gas vehicles across Russia and further afield by subsidising production of gas-fuelled automobiles [2].

Norway's Statoil has become the latest NOC to enter the utility-scale solar sector [3] by snapping up a 40% stake in the "construction ready" 162MW Apodi solar plant in north-east Brazil – in the same week the International Energy Agency predicted record PV growth globally out to 2022.

Pakistan could be the fastest growing LNG market ever [4], with the South Asian nation set for a five-fold increase in LNG imports by 2025 – a striking development considering it only joined the LNG importers' club in 2015, Adnan Gilani, chief operating officer of Pakistan LNG, tells Gas Strategies.

Gazprom has penned [5]MoUs [5] with Thailand's PTT for "potential collaboration" in international E&P, and with Saudi Aramco to work together in areas including "drilling and well workover" and development of "large-scale non-metal pipes".

US & Canada

Canada – Alton Gas Natural Storage, subsidiary of Calgary-based Landis Energy Corp, has been ordered to fork out CAD 75,000 (USD 60,000) in court costs to the Mi'kmaq First Nation [1] in Nova Scotia province.

Calgary-based Sterling Resources has received "third party interest" and is in preliminary discussions regarding a "potential reverse takeover [1]".

Petronas subsidiary Progress Energy has enlisted BMO Capital Markets to offload upstream assets in Alberta [6], months after the Malaysian state-owned company made assurances that it remained "committed" to the country despite cancelling an LNG export project in British Columbia.

US – New regulations that would favour coal and nuclear power stations over those fuelled with natural gas have been proposed by US energy secretary Rick Perry in a move that could eventually lead to one of the most significant reforms to electricity markets [7] in decades.

A coalition of energy trade associations has attacked the "aggressive timeframe" for implementing US energy secretary Rick Perry's [8]controversial proposals [8] to boost resilience in the US electricity system.

LNG developer Tellurian has chartered a carrier vessel for a six-month period from Maran Gas Maritime, as part of the company's efforts to build LNG marketing capabilities [9] before launching its Driftwood plant in 2022.

Anadarko has reshuffled its management team [5], including executive level positions in International & Deepwater Operations, US Onshore Operations and Exploration.

Africa

Equatorial Guinea – Ophir Energy has awarded an upstream construction contract for [1]the Fortuna FLNG project [1] to Subsea Integration Alliance, a partnership between Subsea 7 and Schlumberger subsidiary OneSubsea.

Asia Pacific

India – Schlumberger has won an EPC contract from Reliance Industries [5] to supply the subsea production system for the Indian company's R-Cluster project, off the east coast of India.

Japan – GE Power has fired up six gas turbines at Chubu Electric Power's revamped 1.1 GW Nishi-Nagoya CCGT [1] plant that will run on LNG.

Japan's nuclear watchdog has given TEPCO initial approval to bring two reactors online [10] at Japan's largest nuclear power station, which could begin to ease the country's demand for LNG imports, however a restart could still be years away.

Pakistan – Siemens is to supply a 1.3 GW LNG [11]-fuelled "power island" [11] to a state-backed project in power-starved Pakistan.

Thailand – Shell will hang onto its share of Thailand's strategically-significant Bongkot gas field after a USD 900-million deal with Kuwait Foreign Petroleum [12] fell through, due to an overly-long negotiating process with the Thai government.

Australasia

Australia – E&P player Armour Energy has commenced commercial sales from the recommissioned Kincora project [13] in Queensland, with gas to go to the APLNG export project and the domestic market, helping ease concerns of a supply shortfall on the east coast.

Chevron and Woodside Energy have expanded their assets base offshore Western Australia after entering into an equal partnership to explore three new blocks [14], while BP has been given a deadline extension to participate in Cue Energy's exploration licence in the same region.

LNG Limited has suspended plans to redomicile [5]in the US [5], and will reexamine the move "at an optimal time for the company and its shareholders".

Europe

Cyprus, Republic of – Cyprus is gearing up to issue tenders early next year for installation of a floating storage and regasification unit (FSRU) and [15]LNG supply [15] for the island.

Denmark – Renewables-focussed energy company DONG Energy will change its name [1] to Ørsted, in honour of 19th-century scientist Hans Christian Ørsted.

Finland – Technology group Wartsila has been awarded a turnkey contract with Hamina LNG Oy to supply an LNG [16]import terminal [16] in Hamina on the south coast of Finland.

France – Creditors of debt-ridden seismic firm CGG have accepted the company's restructuring proposals [1] in a Chapter 11 vote.

Italy – Saffron Energy has signed a non-binding heads of agreement to acquire Sound Energy and Po Valley Energy's assets [5] in Italy.

Malta – Malta's energy department has signed a letter of intent to reaffirm a commitment towards building a gas pipeline [1]to Sicily [1].

Norway – Shell and Total are teaming up with Statoil to develop a large-scale carbon capture and storage (CCS) site [17] on the Norwegian continental shelf to store captured CO₂ from some of the country's largest industrial sites.

Sweden – Finnish corporation Wartsila has reached an USD 34 million agreement to acquire Swedish biogas outfit Puregas Solutions in a move to expand its position in biogas liquefaction [1].

UK – Independent Oil and Gas is progressing with its plan to develop a gas hub in the southern North Sea [18] after signing a letter of intent with Heerema Fabrication Group for four platforms.

Scotland's government has effectively banned fracking [19], after deciding not to support the development of shale hydrocarbons, two years after a moratorium was put in place against the drilling technique.

Latin America & Caribbean

Argentina – The South American country is reportedly planning an offshore exploration tender [5] next year aimed at emulating the offshore success of neighbour Brazil.

Guyana – ExxonMobil has made its fifth [5]offshore oil discovery [5], following separate discoveries in the Liza, Payara, Snoek and Liza Deep plays.

Mexico – Pemex has farmed out two onshore fields [5] to Germany's Dea and Egypt's Cheiron. The Egyptian company agreed to pay USD 166.5 million and royalties of 13% for a 50% stake in the Cardenas-Mora block.

Peru – The South American state's first small-scale LNG plant [20] is nearing completion in Piura, on the country's northern coast, where it will serve as a virtual pipeline to cater for the increasing gas demand from the remote areas of the country.

Russia & CIS

Kazakhstan – Kazakhstan is set make its maiden exports to China [21] this month after state-backed KazTransGas concluded a USD 1 billion deal to sell PetroChina 5 Bcm of gas over the course of a year.

Markets & prices

Brent crude futures rallied [22] sharply in late September, momentarily touching levels unseen since the summer of 2015, but the opposite has happened at the far end of the curve.

LNG futures last week hit a seven-month high [23] and the curve suggests upward momentum will continue building throughout this winter thanks to a combination of rising demand in Asia and Europe and news that some Australian exports could be curtailed.

Contracts for global oil and US NGLs have risen [24] as markets react to OPEC discussing a steeper production cut and potential effects from another tropical storm hitting the Gulf of Mexico.



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