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Weekly news roundup (7-11 May)
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Weekly news roundup (7-11 May)

Analysis

The US withdrawal from the Iranian nuclear deal has threatened to derail billions of dollars in foreign investment [1] in the Persian Gulf country and raised questions over Total's future in the South Pars offshore gas project.

International

Crude prices spiked last Wednesday after US President Donald Trump confirmed his intention to re-impose sanctions on Iran, but in the futures markets, oil barrels continue getting cheaper [2] in the years to come.

US & Canada

Total has agreed to buy a 25% stake in Clean Energy Fuels [3], North America's largest provider of natural gas fuel for transportation, in a bid to drive use of gas among heavy-duty trucks across the continent.

US – BP has agreed to sell its share of gas from two fields in Alaska's North Slope to supply the Alaska LNG project [4], advancing the prospects of the decade-long LNG project.

A consortium of gas, renewables and energy efficiency associations led by the American Petroleum Institute has called on the government to reject bankrupt utility FirstEnergy's request for subsidies for nuclear and coal [5] plants.

Energy Secretary Rick Perry has questioned the right of states to block gas and oil pipeline projects [6] and suggested regulators heed national security concerns when deliberating pipeline applications.

Cheniere Energy expects to take FID on Train 3 at the Corpus Christi LNG export facility [7] in Texas "imminently", the company said on the back of its Q1'18 corporate results.

Canada-based Enbridge has sold its US midstream business [7] including gas and NGL processing facilities to an affiliate of ArcLight Capital Partners for USD 1.12 billion, as part of a wider divestment plan.

LNG player Tellurian has said over 20 companies have shown an interest in partnering to develop the proposed Driftwood LNG plant [8].

Canada – Shell has agreed to offload its stake in Canadian Natural Resources [9] which it acquired last year as part of its retreat from the Canadian oil sands sector.

Pieridae has signed a term sheet with an unnamed European utility which is interested in purchasing LNG [9] from the proposed Goldboro LNG plant.

Average spot prices dipped below zero [10] on western Canada's main virtual gas hub last week, meaning producers had to pay customers to take their gas – the latest in a series of negative pricing events

recorded last autumn.

Africa

Egypt – Eni is ramping up production [7] at the giant Zohr field on schedule, with a third production unit coming online and boosting installed capacity to 1.2 Bcf/d.

Equatorial Guinea – Marathon Oil and the government have concluded a deal under which US-based Noble Energy will supply feedgas to the country's sole 3.7 mtpa LNG plant [11] project.

Nigeria – The House of Representatives has reportedly passed a motion urging the government not to sell its 49% stake in the Nigeria LNG project [8].

Asia Pacific

Bangladesh – Petrobangla has concluded a 10-year LNG sales and purchase agreement [8] with Oman Trading International, the state-owned company has said.

India – State-owned GAIL has relieved itself of most US LNG cargoes [7] it had committed to buy from Cheniere and Cove Point over the next two years, according to reports.

Vietnam – Dallas-based Energy Capital Vietnam has signed a memorandum of understanding with the People's Committee of Bac Lieu Province to develop the Asian country's first LNG-to-power project [7].

Australasia

Australia – Western Gas has secured the basis of design for its Equus offshore project [7] in Western Australia and is hunting for business partners, the company has said.

The Chevron-operated Gorgon LNG facility in Western Australia is facing an inquiry into a delay in burying carbon dioxide emissions [8] at the LNG plant.

Europe

Croatia – LNG Croatia has gone back to the drawing board after cancelling a tender for a 2.6 Bcm FSRU [12] and begun looking for a smaller vessel in an effort to make the struggling project viable. The Croatian government has also proposed a new law aimed at expediting the FSRU project [8] by untangling property issues, according to reports.

Lithuania – LNG imports at the country's sole LNG terminal in Klaipeda slid by nearly 20% year on year in April owing to offtakers dialling down reserved capacity [8], according to reports.

Norway – The Norwegian energy ministry has announced the next oil and gas licensing tender [8] will open in September and offer over 100 offshore blocks in the Norwegian Sea and Barents Sea.

Poland – Competition regulator UOKiK has opened legal proceedings against Gazprom [7] and western backers of Nord Stream 2 – Shell, OMV, Wintershall, Uniper and Engie – and threatened to impose a 10% fine on annual turnover.

Latin America & Caribbean

Bolivia / Peru – Bolivia and Algeria will carry out a feasibility study for an LNG liquefaction plant [13] in

Peru and interest is growing in E&P and petrochemical plants in Bolivia, the Andean country's oil ministry said last week.

Brazil – Japan's MODEC, Mitsui, MOL, Marubeni and Mitsui have all agreed to invest in a floating production, storage and offloading system (FPSO) [8] leased by Petrobras.

Chile – EDF and AME's joint venture has finalised the acquisition of AES Gener's 750 MW [8] of gas and thermal generation capacity for USD 300 million.

Middle East

Bahrain – Bahrain has launched a fund aimed at raising USD 1 billion for developing oil and gas projects [14] across the up-, mid- and downstream.

Israel – A delegation including Israeli Prime Minister Benjamin Netanyahu has met with his Cypriot counterpart to discuss "energy-related issues" [15] including the EastMed gas pipeline and the Aphrodite field dispute.



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