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Weekly news roundup (3-7 December)
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Gas Strategies Group

10 Saint Bride Street
London UK
EC4A 4AD

ISSN: 0964-8496

T: +44(0) 20 7332 9900
W: www.gasstrategies.com
Twitter @GasStrategies

Editorials

+44(0) 20 7332 9957
editor@gasstrategies.com

Subscriptions

+44(0) 20 7332 9976
subscriptions@gasstrategies.com



Weekly news roundup (3-7 December)

Analysis

International oil companies are preparing to restart negotiations with Tanzania towards a host government agreement for a proposed onshore LNG project [1], but hopes remain dim amid a worsening outlook for investment in the east African country.

International

Qatar is set to become the first Gulf country to withdraw from OPEC [2], the country's energy minister announced last week, citing Doha's aim to focus on increasing gas exports as the reason for its exit and dismissing geopolitics as a factor in the move. Separately, oil prices surged later in the week [3] after OPEC and non-OPEC producers agreed to cut their combined oil production by 1.2 million barrels/d.

Shell has caved in to growing pressure from investors over climate change and expects to have shareholders vote on a plan to link executive pay to carbon emissions targets [4] at the company's upcoming annual general meeting in 2020.

November was a record-breaking month in the LNG sector [5] as Australia usurped Qatar as the world's largest exporter and China seized the crown as the largest importer from Japan, trade sources told Gas Matters Today.

Chevron has increased its capital and exploratory budget [6] for the first time in four years, with the USD 20 billion budget to go toward high-return short-cycle projects including those in the Permian shale basin and the Tengiz field in Kazakhstan.

Tellurian is hoping to break new ground in the LNG industry [7] after agreeing a preliminary deal to sell 1.5 mtpa from its Driftwood liquefaction plant in Louisiana to trading house Vitol indexed to the Platts Japan-Korea Marker (JKM) for 15 years.

Asia Pacific

Japan – Tokyo Gas has joined the race to launch the first LNG terminal in the Philippines [8] after signing a joint development agreement with power utility First Gen, which is looking to build a terminal in the province of Batangas.

Singapore – Turnkey service provider SSB has signed a USD 50 million collaboration agreement with Global Petro Storage Singapore to develop small- to mid-scale LNG projects [9] in south-east Asia that could include development of an LNG bunkering facility.

South Korea – Shipyard Hyundai Heavy Industries has reportedly bagged the order for two LNG carriers [9] from Greek shipowner Latsco scheduled for delivery in 2021.

Australasia

Australia – Newly-formed South Korean LNG project developer EPIK has announced plans for its first project, a floating LNG terminal at Newcastle port [10] in New South Wales, which is now the fifth proposed terminal in Australia.

Caribbean

Trinidad and Tobago – The government and stakeholders have agreed to extend the life of train one at the country's sole LNG plant [11] for a further five years, a government minister for Trinidad and Tobago confirmed.

Central & South America

Brazil – Petrobras has unveiled a nearly USD 10 billion boost to capex in its latest five-year plan [12], but the announcement has been overshadowed by news of further corruption by company employees and some of the world's largest trading houses.

Europe

Baltics – Babcock Schulte Energy – a 50/50 joint venture between Babcock and Bernhard Schulte Shipmanagement – has reportedly taken delivery of what is understood to be the world's largest LNG bunkering vessel [9].

France – The Dunkirk LNG terminal is poised to undergo jetty modifications to accommodate larger vessels bunkering LNG [9], with reports suggesting the upgrades will enable the port to receive vessels up to 30,000 cm in size.

The port of Marseille Fos has released a master plan for LNG bunkering development [9] as part of its plan to cut ship pollution, including "rapid development" of a truck refuelling system to serve ferries.

Germany – Gazprom has voiced its intent to hike gas exports to Europe amid surging demand, while turning a blind eye to renewed political wrangling in Germany over Nord Stream 2 [13] following a re-escalation in tensions between Russia and Ukraine.

Italy – Spanish firm Balearia aims to become a "world pioneer" in the LNG-fuelled vessels [9], having floated its Marie Curie LNG ferry at an Italian shipyard, and is working to convert two other ferries powered by LNG.

Norway – Cruise line operator Hurtigruten has set a target of running at least 6 of its 17-vessel fleet with a mix of biogas [9] – produced from dead fish and other organic waste – LNG and battery-hybrid technology by 2021.

Spain – The European Commission will fund 20% of the cost of the L NGHIVE2 project [9] being developed by Enagas, which includes modifications at the Huelva and Sagunto regas terminals in Spain.

North America

Canada – British Columbia has called on upstream producers to cut methane emissions by 45% by 2025 [14] and for LNG players to use the "greenest technology available" as part of the provincial government's new climate emission plan.

Mexico – New president Andres Manuel Lopez Obrador has reportedly announced plans to halt oil and gas auctions

[15] for the next three years in a move the previous administration warns could roll back efforts to bolster hydrocarbon production.

US – Excelerate Energy has cancelled the proposed Aguirre Offshore GasPort project [16] in Puerto Rico, with the move coming after a series of challenges that beset the project since it was first mooted nearly a decade ago.



Consulting

+44 (0) 20 7332 9900
consult@gasstrategies.com



Alphatania Training

+44 (0) 20 7332 9910
training@gasstrategies.com



Information Services

+44 (0) 20 7332 9976
subscriptions@gasstrategies.com