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Weekly news roundup (11-15 February)
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International

Inpex has hiked income forecasts for FY 2018 [1] by 37% thanks to an expected increase in revenue from the Ichthys LNG project in Australia.

Gas and renewables will provide 85% of the growth in primary energy demand over the coming two decades, according to BP's long-term Energy Outlook [2] – if policies, technology advances and societal preferences follow current trajectories.

Africa

Nigeria – Nigerian National Petroleum Corporation has reached an FID on the Assa North Ohaji South Fields gas project [3] with partner Shell, despite lingering doubts on the development and associated infrastructure.

South Africa – Government is reviving efforts to unbundle state utility Eskom after the country endured a record level of electricity 'load shedding' [4], while some hope Total's recent offshore gas discovery can save South Africa's failing power sector.

Asia Pacific

Philippines – Tanglawan LNG – a planned joint venture between Philippine fuel retailer Phoenix Petroleum and CNOOC – has confirmed it is discussing a strategic alliance with state-owned PNOC that would boost the credibility of its LNG-to-power project [5].

South Korea – Chevron has signed a new LNG sales and purchase agreement [6] with US-South Korean joint venture GS Caltex Corporation for imports starting this October.

Australasia

Australia –BP has contracted Diamond Drilling's Ocean Apex semisubmersible rig to drill the Ironbark prospect [6] offshore Western Australia, with activity expected to start in late 2020.

Woodside and Chevron have planned major maintenance at [6]LNG plants [6] in Western Australia over April to September.

Central & South America

Argentina / Bolivia – The two states both claim to be winners after renegotiating long-term gas supply contract [7]s [7] for a fourth time, with Buenos Aires again lowering contracted volumes, which raises questions over Bolivia's future as a key gas exporter.

Brazil – Shell has teamed up with Mitsubishi Hitachi Power Systems and Latin American private equity group Patria Investimento to build a new 565 MW CCGT power plant [8] in Rio de Janeiro state, with feedgas expected from Shell's acreage in Brazil's highly prolific pre-salt basin.

Europe

EU – Denmark has been tipped to approve installation of the Gazprom-led Nord Stream 2 pipeline [9] through its territorial waters after the European Union reached a provisional agreement over amending policy on gas pipelines entering the bloc from non-EU countries.

France / UK – As much as 40% of French gas demand is “at risk” [10] of shortages and price increases if the UK leaves the European Union without a formal deal, a new report by the Oxford Institute of Energy Studies has revealed.

Italy – Parliament has approved an 18-month moratorium on oil and gas exploration [11] to allow the coalition government time to evaluate areas for sustainable exploration, which would increase the likelihood of greater gas imports into Europe's third largest gas consumer.

UK – Government has cast further doubt over the UK's nascent shale sector after refusing Cuadrilla permission to frack [12] at its Roseacre Wood site in Lancashire shortly after rejecting the company's calls to review seismicity regulations.

Middle East

Yemen – Yemen is preparing to export its first LNG cargo in four years [13], the country's oil minister was quoted as saying this week, but restart efforts will face both security and political obstacles as the civil war rages on in the Middle Eastern nation.

North Africa

Egypt – BP has brought online more fields at the West Nile Delta gas megaproject that should help propel domestic production [14] to all-time highs [14], suggesting Egypt could regain status as a net exporter of gas later this year.

Egypt has snared the energy majors following the conclusion of two 2018 licensing rounds [15], with Shell emerging as a major winner after picking up five blocks of the 27 on offer and reports suggesting ExxonMobil has made its maiden entry into the nation's upstream sector.

North America

US – US gas pipeline and LNG export projects [16] may face delays [16] after federal watchdog FERC reopened the public comment period on environmental assessments of several projects due to the recent government shutdown, with reports suggesting a second closure is looming.

Reliance on LNG imports to meet peak demand [17] in the constrained US north-east reached a new level during a recent bout of extreme cold weather, as send-out from Boston's deepwater terminal hit a fresh record on 1 February.

National Grid has failed to convince local opponents of the need for a small-scale liquefaction facility [18] at its LNG storage site in Rhode Island, despite a recent supply outage that left scores of islanders without gas during an intense cold snap.

LA mayor Eric Garcetti has announced the “beginning of the end of natural gas” [6] in the city following a decision not to repower three coastal gas-fired power plants – Scattergood, Haynes, and Harbor.

BHP has approved a nearly USD 700 million investment to develop the Atlantis Phase 3 project [6] in the US Gulf of Mexico with project partner BP who sanctioned its share of the funding earlier this year.

Russia & CIS

Russia – Gazprom faces an uphill battle [19] over Chechnya paying its gas debt [19], after a court ruled to cancel over half the debt – a decision that Gazprom is appealing as it looks to prevent other districts from taking a leaf out of Chechnya’s book.



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