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Weekly news roundup (1-5 April)
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Analysis

Total is planning potentially game-changing investments in US LNG developer Tellurian [1] and its Driftwood liquefaction project in Louisiana, and intends to lift 2.5 mtpa under long-term agreements – but only if the facility's first phase achieves final investment decision this year.

Saudi Arabia is considering bankrolling the Turkmenistan-Afghanistan-Pakistan-India pipeline [2] project, in a move that would play to the Kingdom's regional geopolitical and economic diversification priorities.

International

The LNG business became more liquid [3] in 2018 as the proportion of trades transacted on a short-term and spot basis registered further incremental gains, according to the latest annual report from importers' group GIIGNL.

Shell will break away from a refining and petrochemical association after reviewing its membership with 19 oil and gas industry bodies and their compatibility with Shell's position on climate change [4].

Africa

Nigeria – State energy company NNPC will not approve any new gas project that does not abide by its zero-gas flare policy [4].

Equatorial Guinea – Noble Energy has sanctioned its offshore Alen project [5] that will see a 70 km pipeline built to connect the resource to onshore processing facilities including the EGLNG export plant.

Asia Pacific

China – Total has signed a 10-year LNG supply deal with Chinese independent gas company Guanghui that will see the French supermajor deliver 0.7 mt of LNG [4] to Guanghui's regasification terminal.

Japan – Shell is to supply Tokyo Gas with LNG under a contract with a pricing formula partially linked to coal [6] to ensure it remains competitive in Japan's electricity generation market.

Australasia

Australia – The opposition Labor Party has promised to beef up emission rules [7] on industrial polluters and make the country carbon neutral by 2030 if victorious in May's federal election.

Australia's LNG export earnings are forecast to peak just as the country expects to become the world's largest LNG exporter [8] for a brief period, according to the government's industry department.

Caribbean

Trinidad & Tobago – The Hispania Spirit LNG carrier [9] owned by Teekay Shipping – and reportedly

chartered by Shell – has been held by police authorities in Trinidad and Tobago following the discovery of cocaine worth an estimated USD 17.6 million.

Central & South America

Brazil – Joint venture Gas Natural Açú has concluded financing arrangements for phase one of its USD 1 billion integrated LNG-to-power project [10] in Rio de Janeiro state, giving Siemens the all clear to begin construction on the 1.3 GW power plant.

Ecuador – Residents who brought a pollution lawsuit against Chevron [11] will continue to pursue legal measures to try and enforce a USD 9.5 billion judgment on the US oil major after failing to gain legal favour from Canada's highest court.

Europe

Bulgaria / Greece – Bulgaria is set to receive gas from Greece [12] this month amid soaring LNG imports into Athens, marking the first time the Balkan nation has bought gas volumes outside of its historic supply deal with Russia.

EU – Construction of the Gazprom-led Nord Stream 2 pipeline between Russia and Germany will continue apace regardless of the EU Parliament ratifying potentially problematic new rules [13] governing pipelines entering the bloc, according to a Russian official.

Norway – Three institutional investors have agreed to sell their conjoined 25% indirect interest in Norway's Gassled pipeline [14] to European private investor HitecVision, purportedly for a significant discount on the initial purchase price.

North Africa

Libya – Italy's Eni and Libya's National Oil Corporation have agreed to boost gas production [15] in the North African country by developing the Sabratha offshore gas project, despite ongoing security risks in the civil war-ravaged nation.

North America

US – NextDecade has pushed home the message that oil indexation continues to drive global LNG pricing [16], after luring Shell to buy 2 mtpa from its Rio Grande LNG plant in Texas at a price indexed to Brent crude.

Prices on the Texas gas hub Waha plunged to record lows [4] last week amid worsening pipeline capacity constraints and strong production of shale gas associated with oil output.

The Jordan Cove LNG project [17] in Oregon has cleared a significant hurdle after the Federal Energy Regulatory Commission said there was no major environmental impediment to it going ahead.

Industry associations in Colorado remain "firmly opposed" to a controversial new bill [18] moments away from being passed into law, despite several amendments to the text in response to industry concerns and calls to put alternative legislation to a public vote.

Russia & CIS

Russia – Gazprom has enlarged [19]the [19] Baltic LNG plant [19] by 30% and added a new gas

processing industrial complex to the proposed facility near the settlement of Ust-Luga, Leningrad Region, to bolster project economics that hitherto appeared questionable.

Novatek is to supply LNG trader Vitol with 1 mtpa [20] over 15 years from its Arctic LNG 2 export project, under a preliminary deal that marks the company's first step towards creating LNG hubs in the Asia Pacific and Atlantic basins.



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