

20 May 2024

## Contents

Weekly news roundup (3-7 July)

Publication date: 10 July 2017

### **Gas Strategies Group**

10 Saint Bride Street  
London UK  
EC4A 4AD

ISSN: 0964-8496

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

### **Editorials**

+44(0) 20 7332 9957  
[editor@gasstrategies.com](mailto:editor@gasstrategies.com)

### **Subscriptions**

+44(0) 20 7332 9976  
[subscriptions@gasstrategies.com](mailto:subscriptions@gasstrategies.com)



# Weekly news roundup (3-7 July)

## International

With economic conditions having shaken investor confidence in new global-scale LNG projects, companies like Dresser-Rand, Linde Group, GE and Wartsila are seeking to make big business out of mini liquefaction plants. Read more in our feature [1].

Japan and the European Union are preparing to sign a memorandum of cooperation in the coming days to deepen liquidity in the global LNG market [2] and further hinder the restriction of reselling cargoes.

## US and Canada

**Canada** – Apache Corporation is to withdraw completely from Canada [3] following the closing of three separate transactions, netting USD 713 million that will help the Houston-based company reduce debt and fund capex.

**US** – The Environmental Protection Agency (EPA) is mulling a possible Supreme Court challenge to this week's federal court decision reinstating methane emissions limits on oil and gas companies [4], according to reports.

Baker Hughes and GE Oil and Gas have merged and created a new oilfield service provider branded BHGE [5], which was expected to begin trading on the US stock market last week.

LNG Limited has signed a new deal with US investment firm Stonepeak Partners for the equity portion of the 8 mtpa Magnolia LNG project [6] in the Gulf of Mexico.

## Africa

**Cameroon** – The world's first converted floating liquefaction vessel (FLNGV) [7], the Hilli Episeyo, is expected to hit open waters imminently, bound for the Cameroon FLNG project off the west coast of Africa.

**Nigeria** – The West African state has set out ambitious plans to reshape its economy around natural gas [8] as well as oil to tackle a “full-blown energy crisis”, following approval of a national gas policy.

**South Africa** – Total has roped Norwegian services outfit Odfjell Drilling to drill an offshore well in South Africa [5] under a USD 55 million contract that runs between June 2018 and April 2019.

## Asia Pacific

**China** – Short term demand for gas-fired power generation is unlikely to change significantly in the country despite heavy rain having forced over 6 GW of hydro capacity offline [9].

**Japan** – The world's largest LNG buyer JERA has responded cautiously to the ruling by the Japanese Fair Trade Commission [10] that LNG destination clauses could be illegal, telling Gas Matters Today that

it is notifying its sellers.

**Pakistan** – After a decade of trying, Pakistan became an LNG importer in 2015 thanks to the Exquisite FSRU, with the country's oil ministry subsequently calling regasified LNG the “most cost-effective fuel for power generation”. Read more in our feature [11].

#### Australasia

**Australia** – Oil and gas company AWE has recorded better-than-expected results from its third appraisal well [12] drill in the southern portion of the Waitsia gas field in the Perth basin.

#### Europe

**Netherlands** – The nascent carbon capture and storage (CCS) sector took a fresh hit last week after Uniper and Engie withdrew from the ROAD pilot project [13] in the Netherlands, but the possibility of EU aid hints at green shoots elsewhere on the continent.

Dutch transporter Gasunie and subsidiaries EnergyStock and New Energy are investing in a 1 MW power-to-gas pilot project [5], which would come online in September 2018 and become the first facility of its kind in the country.

**Norway** – A court has rejected an appeal by four shareholders in Gassled [14], which owns 8,000 km of the country's pipeline network, against a previous verdict that ruled in favour of the government's decision to cut offshore gas pipeline tariffs.

Gassnova, the Norwegian state-owned carbon capture storage (CCS) company, has selected Statoil to evaluate the development of a new CO2 storage project [15] in the country's continental shelf.

French major Total has delayed the start-up of its Martin Linge field [16] offshore Norway until the first half of 2019, due to ongoing investigations following a devastating crane accident in May that left six people dead and a dozen others injured.

**Poland** – State-run gas company PGNiG began negotiating an increase of US LNG imports [5] during US president Donald Trump's visit to Warsaw last week, according to Reuters. PGNiG received its first spot delivery of US LNG from Cheniere Energy in June.

**UK** – CCGTs and other large scale gas-fired plants will struggle to capitalise [17] on the latest delays and cost overruns blighting the country's 7 GW state-backed portfolio of new nuclear projects, industry experts have warned.

Shale player Third Energy has submitted its hydraulic fracture plan (HFP) [18], the final piece of paperwork required to be approved before fracking can begin at its site in North Yorkshire.

The UK is set to receive its first cargo from Cheniere's Sabine Pass LNG [19] plant in Louisiana, with the Maran Gas Mystras LNG carrier expected to arrive at National Grid's Isle of Grain LNG terminal in Kent on Saturday.

#### Latin America and Caribbean

**Argentina / Bolivia** – Argentina has expressed an interest in renewing its supply agreement with Bolivia [20] after the current deal expires in 2026, amid declining appetite for more expensive LNG imports.

**Brazil** – Petrobras has signed a memorandum of understanding (MOU) with China National Petroleum Corporation (CNPC) [5] to structure a strategic partnership that will see the companies evaluate opportunities in Brazil and abroad.

#### Middle East

**Iran** – Total has become the first oil and gas major to sign an Iranian petroleum contract (IPC) [21] with the aim to develop phase 11 of South Pars, the world's largest offshore gas field.

**Israel** – Delek Group has revised reserves at the Tamar field up by 13% [5] to 11.2 Tcf (318 Bcm) of gas and 14.6 million barrels of condensate following updated well and production data.

**Qatar** – Qatar Petroleum has announced plans to increase national LNG production by 30% to 100 mtpa [22] within the next five to seven years while doubling the size of a new project in the giant offshore North Field in the Persian Gulf.

Qatar Petroleum's plan to boost LNG production will put pressure on liquefaction projects targeting first LNG in 2022-24 and help the country market an additional 23 mtpa, market sources told Gas Matters Today. Read more in our analysis [23].

#### Russia and CIS

**Russia** – Gazprom Neft has secured a 25% stake in Evrotek-Yugra, a subsidiary of Spain's Repsol which owns oil blocks in Siberia, as part of a new joint-venture agreement [5] that includes the right to increase ownership to 50%.



### **Consulting**

+44 (0) 20 7332 9900  
[consult@gasstrategies.com](mailto:consult@gasstrategies.com)



### **Alphatania Training**

+44 (0) 20 7332 9910  
[training@gasstrategies.com](mailto:training@gasstrategies.com)



### **Information Services**

+44 (0) 20 7332 9976  
[subscriptions@gasstrategies.com](mailto:subscriptions@gasstrategies.com)