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Weekly news roundup (9-13 October)
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Weekly news roundup (9-13 October)

International

BP is adding six new "state-of-the-art" LNG carriers [1] to its fleet in 2018-19, with the more fuel-efficient vessels set to help lift LNG volumes from the Freeport LNG project and "other international LNG projects".

European utilities E.ON and Enel have carried out a small volume trial trade of wholesale electricity in a marketplace called Enerchain built using blockchain technology [2], which the companies think might help minimise trading costs and deliver cheaper energy to endusers.

French classification society Bureau Veritas has published rules for floating regasification facilities [3] that distinguish between vessels operating solely as floating storage and regasification units (FSRUs) and those that sometimes trade as LNG carriers (LNGCs).

International banking group BNP Paribas plans to stop financing oil and gas companies [4] or projects whose core operations lie in the shale or tar sands sectors.

Royal Dutch Shell has signed an agreement to buy NewMotion, a major European electric vehicle (EV) charging [5] provider, to offer EV users the option to recharge their cars at home or at work.

Natural gas-fuelled vehicles (NGVs) already hold a substantial lead over their electric counterparts, numbering over 24 million world and the number is also growing rapidly. Read more in our feature [6].

The world's largest LNG buyer, JERA, is closing in on signing its first LNG supply contract without destination restrictions [7], and is negotiating several similar deals, a spokesperson for the company confirmed with Gas Matters Today.

US & Canada

US – Houston-based Targa Resources has sold a 25% interest in [8]the Grand Prix NGL pipeline [8] project to funds managed by Blackstone Energy Partners.

Cheniere has received the green light to place the fourth liquefaction train at Sabine Pass [8] into service. US regulatory body, the Federal Energy Regulatory Commission granted the approval "to commence service for liquefaction and export activities from Train 4".

Roughly half of offshore oil and gas remained shut-in [9] across the US Gulf of Mexico last week, the Bureau of Safety and Environmental Enforcement said, following Hurricane Nate which hit the US Gulf coast last weekend.

Cheniere is aiming to file an application with the Federal Energy Regulatory Commission (FERC) early next year seeking permission to redesign the Corpus Christi LNG expansion project [10], switching from two large-scale liquefaction trains to seven mid-scale trains.

The Federal Energy Regulatory Commission has approved Nexus Gas Transmission to build its 1.5 Bcf/d interstate gas pipeline project

[11] connecting the Utica and Marcellus shales to consumers in Ohio, Michigan and Canada.

A US government-backed CCS project [11] is making strides in carbon capture after having captured and transported its 4-millionth metric ton of CO₂.

Africa

Cameroon – Golar LNG's floating LNG (FLNG) vessel the Hilli Episeyo [11] has left Singapore on a 40-day journey to Cameroon.

Egypt – Rosneft has completed its purchase of a 30% stake in the offshore Zohr gas field [8] from operator Eni for USD 1.1 billion.

Asia Pacific

India – Reliance Industries has reportedly lost a court case against the Indian government [8] related to a dispute on a penalty to be paid for allegedly not finishing a 'work programme' in four oil blocks.

Saudi state-owned oil firm Saudi Aramco is looking to invest [8] across India's downstream value chain and form partnerships with leading Indian energy companies following the inauguration of its subsidiary Aramco Asia India, based in Delhi.

Japan – Mitsui & Co has finalised a 10-year LNG supply deal [8] with Hokkaido Gas, whereby Mitsui will supply three LNG cargoes – with a total capacity of about 200,000 tonnes – annually. Hokkaido will receive the LNG on a DES basis at its Ishikari LNG import terminal from 2019.

North Korea – The European Union has strengthened sanctions against North Korea by placing a ban on [8]sales of natural gas liquids [8] to Pyongyang.

Australasia

Australia – Chevron's Wheatstone LNG project [12] in Western Australia has begun LNG production from the first train of the two-train plant, with the first cargo due to be shipped in the coming weeks.

The Port of Gladstone in Queensland reported record LNG exports to China [13] in September, while volumes to Japan slumped heavily to the smallest amount in 17 months.

The Queensland state government is releasing fresh acreage for gas exploration [14] to aid local manufacturing and generate LNG royalties.

Chevron has abandoned plans to explore the Great Australian Bight [15] [15], claiming the highly prospective ultra-deep offshore region is "not able to compete for capital in Chevron's global portfolio" in the current low oil price environment.

Europe

Finland – Start-up of the Olkiluoto-3 nuclear plant has been delayed [8] for two years after plant supplier – French reactor manufacturer Areva – reportedly asked for more time to adjust the production plan.

Greece – State-controlled gas company DEPA has signed an agreement to develop Gastrade's LNG terminal [11] in Alexandroupolis, northern Greece.

Lithuania – Lithuania's Klaipeda LNG terminal is set to start supplying LNG via trucks [16] after Litgas signed a deal to supply LNG to Poland's largest independent LNG supplier Duon Group.

Netherlands – The new four-party coalition government has announced plans to reduce production at the Groningen gas field [17] by a further 1.5 Bcm and cut domestic demand by 3 Bcm by 2021.

Norway – The cost of developing Total's Martin Linge field [11] off the coast of Norway has risen by 42% to NOK 41.3 billion (USD 5.2 billion) since first announcement in 2012.

Spain – Gas Natural Fenosa has temporarily relocated its head office from Barcelona to Madrid due to ongoing tensions in Catalonia [8].

UK – Services company Amec Foster Wheeler has disposed of the majority of its UK upstream oil and gas operations, securing its USD 2.8 billion acquisition [18] by compatriot Wood Group.

The share price of [19]North Sea-focussed Independent Oil and Gas [19] has shot up after the 2P gas reserves of the company's southern North Sea assets were revised upwards almost ten-fold.

The UK Environment Agency has approved Third Energy's plans to frack [11] at the KM8 well in North Yorkshire.

Latin America & Caribbean

Argentina – Finland's Wartsila has brought online the Central Termica Pilar power plant, the first of two 100 MW power plants [8] for Pampa Energia, powered by six Wartsila 50DF multi-fuel engines running on natural gas, and when necessary, heavy fuel oil.

Brazil – Shell has sold its stake in Brazil's largest gas distribut [20]or [20] to Brazilian conglomerate Cosan, as part of the Anglo-Dutch major's divestment programme.

Cuba – Russia-based Rosneft is expanding cooperation [8] with Cuba by increasing oil deliveries, participating in joint extraction projects and possible cooperation to modernise Cuba's Cienfuegos oil refinery.

Ecuador – Ecuador is moving away from service contracts and will offer new production sharing terms [21] for an exploration tender that will open in November, under which an estimated 24 exploration blocks will be offered, the country's hydrocarbon ministry has said.

Jamaica – Tullow Oil is reportedly planning to conduct a 3D seismic survey off Jamaica's south coast following "encouraging" results from [8]2D surveys [8] conducted over the past 18-months.

Middle East

Iraq – Kurdistan-focussed Genel Energy has lost another senior officer [11] after COO Paul Schofield resigned for undisclosed reasons.

Lebanon – The first round of Lebanon's offshore block tender [11] has closed with two consortiums having submitted bids, which will be reviewed by the country's petroleum authority and cabinet before announcing a winner.

Russia & CIS

Turkmenistan – Trouble in Turkmenistan's economy became obvious this week when President Gurbanguly Berdymukhamedov signed a decree eliminating free utilities [22] such as gas, electricity and water, but promised to boost investment in the hydrocarbon industry.

Markets & prices

US oil futures have eased [23] over the past week, as platforms in the US Gulf of Mexico began to come back online after the latest tropical storm swept the region and the number of operating rigs in the country appears to have reached a new plateau.

US President Donald Trump this week revived talk of ending the so-called “war on coal” [24] supposedly waged under his predecessor Barack Obama, but the latest forecast by the state-funded Energy Information Administration (EIA) puts an interesting twist on that narrative.



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