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## Contents

Weekly news roundup (13-17 November)  
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# Weekly news roundup (13-17 November)

## International

The natural gas industry can expect to benefit from growing consumer demand [1] even in a world energy economy driven by determined action to mitigate climate change, eliminate energy poverty and reduce air pollution, the International Energy Agency said in its World Energy Outlook 2017 report.

The UK's carbon price floor has driven a strong reduction in the carbon intensity of the power mix, propelling the country into the "top ten low carbon power league" [2], according to studies published to coincide with this week's COP23 climate talks in Bonn.

Crude oil has become markedly more expensive over the past five months, having gained some 30% in value since June, but futures curves and reports by the US government and the Paris-based International Energy Agency (IEA) all suggest prices have more reason to fall than rise next year [3].

The mooted climate credentials of natural gas failed to make headlines at the COP23 climate conference, where major announcements instead focussed on somewhat misleading pledges to phase out coal-powered generation [4] by 2030.

## US & Canada

**US** – Tellurian has signed four fixed price, lump sum turnkey agreements worth USD 15.2 billion with Bechtel for the engineering, procurement and construction (EPC) for its proposed Driftwood LNG plant [5].

Energy secretary Rick Perry's controversial "grid resiliency" plan [6] flies in the face of market forces and will not deliver any new power generation capacity, according to Maryland-based developer Competitive Power Ventures.

US LNG producer Cheniere Energy has outlined plans to potentially double its liquefaction capacity [7] in the coming decade in anticipation of an improving long term global LNG market environment.

Flaring of associated gas in the oil-rich Permian Basin is at risk of returning record levels as regulations and industry efforts failed [8] to tackle the issue before the onset of the 2017 drilling "boom", a new study warns.

## Africa

**Angola** – President Joao Lourenco has ousted Isabel Dos Santos [9] from her position as head of Angola's state-owned energy company Sonangol.

## Asia Pacific

The Asian LNG market appears to be tightening [10] more than anticipated heading into winter as

unconfirmed reports suggest that swing producer Qatar has sold nearly all cargoes out to April amid soaring gas demand in China.

**China** – French LNG outfit Gaztransport & Technigaz (GTT) has received an order from Chinese shipyard Hudong-Zhonghua Shipbuilding to design LNG tanks for two vessels capable of operating as LNG carriers or FSRUs [9].

**India** – Petronet wants to invest in Qatar's planned LNG expansion projects and the Mozambique LNG project as it aims to diversify its portfolio [11], Petronet CEO Prabhat Singh was quoted as saying.

**Japan** – Japanese conglomerate Mitsui & Co has dipped its toes into the floating storage and regasification (FSRU) sector, forming a joint venture with maritime player BW Group [12].

**Pakistan** – A consortium formed to deliver Pakistan's third LNG import terminal [13] has been dissolved after partners failed to reach an agreement on execution of the project.

**Vietnam** – Vietnamese LNG ambitions are gaining momentum after state-backed PetroVietnam penned a tentative agreement with Alaska Gasline Development Corp [14] and sounded out Gazprom over potential LNG supplies.

#### Australasia

**Australia** – Shell has sold its entire 13.28% stake in Woodside Petroleum [5], leaving the Anglo-Dutch company with a 4.8% stake in the Australian company.

Newly-formed and privately-owned Western Gas has acquired the undeveloped Equus gas project [5] off Western Australia's coast from Hess.

Santos fended off a takeover bid from Harbour Energy [15] earlier this year but has dismissed reports it still negotiating an improved follow-up offer from the US private energy investment company.

**Papua New Guinea** – Partners in Papua New Guinea's sole operational LNG plant are reaping the benefits of higher-than-expected production and strong spot prices [16], and are relaxed about committing to term contracts.

#### Europe

**Germany** – RWE is de-mothballing two gas-fired power plants [9] for the coming winter, with the decision due to expected improved generation margins and tightened supply

**Italy** – Italy has set in stone its ambition to eliminate coal-fired power [17] from the electricity mix by 2025, five years earlier than planned, and underscored its commitment to developing new gas and LNG import infrastructure.

**Netherlands** – Hague and London Oil has completed a deal for Tullow's Dutch North Sea assets [5] first announced in April, which sees HALO taking Tullow's 11 licences through a reverse takeover.

Gas production at the Groningen field [9] in the Netherlands will remain capped at 21.6 Bcm/y to 1 October next year after a court ordered the government to review its plan to sustain that level of production for the next five years.

**Norway** – Statoil is forging ahead with exploration drilling in the Barents Sea [18] despite a lawsuit filed

this week by environmental groups against the Norwegian government for granting licences in an allegedly ecologically sensitive area.

**Sweden** – The Arbitration Institute of the Stockholm Chamber of Commerce has postponed a ruling on the arbitration case between Gazprom and Naftogaz [9].

**UK** – Large manufacturers have joined forces with trade unions and energy storage companies to ratchet up pressure on the UK government to reassess British gas security [19] in the wake of the closure of the Rough gas storage facility.

#### **Middle East**

**Israel** – Israel has concluded its first [20]-ever competitive exploration tender [20], with Energean and a consortium of Indian companies the only two bidders in the round that offered 24 blocks.



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