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Weekly news roundup (14-18 May)
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Flame 2018 – Amsterdam

The success of Novatek's proposed 19.8 mtpa Arctic LNG 2 project in northern Russia is not at risk from sanctions imposed by the US [1] and European Union, an executive with the firm claimed on Monday.

Dutch trader GasTerra has warned that the low-calorie gas market in north-west Europe may face a supply flexibility issue in the medium term [2] as production from Groningen is ramped down and ultimately curtailed.

Analysis

US Gulf Coast LNG producers may be in for a treat later this year, as futures curves currently show that by the end of this year, spot cargoes from the region will sell at their largest premium over Henry Hub since exports began [3] in early 2016.

International

Shell has slammed a corporate governance advisory firm for attempting to lead a revolt at next week's annual general meeting [4] over what is claimed to be excessive remuneration for top executives.

The International Energy Agency has said it is ready to intervene "to ensure that markets remain well supplied" [5] because of concerns about output from Iran and Venezuela, with supply worries driving prices in recent weeks to levels not seen since late 2014.

US & Canada

Canada – The government of Alberta has passed a controversial bill giving power to restrict flows of hydrocarbons to British Columbia [6] in a deepening spat between the two Canadian provinces over the Trans Mountain crude pipeline.

Africa

Ghana – The country is set to award nine new offshore blocks [7] over the next two years through tenders and direct negotiations, Ghana's energy ministry has reportedly said.

Equatorial Guinea – Ophir Energy has farmed out a 40% interest in an exploration block [8] to Kosmos Energy in a bid to develop the gas field.

Asia Pacific

Bangladesh – Exmar has found a home for the world's first barge-based FSRU [9], after the Belgian company concluded a 10-year charter with Gunvor, which will deploy the vessel in Bangladesh.

Japan – Inpex has unveiled an ambitious long-term strategy [10] to double hydrocarbons production, invest in “non-core” areas such as renewables and batteries, and triple profits in the coming years.

The Japanese government has released new policy proposals [7], which forecast nuclear power to cover 20-22% and renewables to take 22-24% of the country's energy mix in 2030.

Vietnam – Rosneft has started drilling an offshore well [8] at the Lan Do field off Vietnam's southern coast, which is estimated to hold 23 Bcm of gas, according to the Russian company.

Australasia

Australia – Santos' largest shareholder ENN Ecological Holdings suspended trading on the Shanghai stock exchange in response to Harbour Energy's USD 10 billion takeover bid [11] for the Australian company. Days later, Harbour Energy lodged a binding bid for Santos [12] after receiving approval from its major Chinese shareholders.

Papua New Guinea – The failure of royalties from the PNG LNG plant [13] to reach landowners has been linked to mounting anger spilling over into a wave of violence and tribal protests, according to a new report from advocacy group Jubilee Australia.

Europe

Finland – Wartsila has started building a third LNG terminal in Finland [14] after the project at the port of Hamina, in the south-east of the country, reached financial close and received the necessary permits for construction.

Norway – The government has provisionally scrapped funding for two industrial carbon capture and storage projects [15], with Oslo deeming only one other pilot project to be viable.

UK – Ophir Energy CEO Nick Cooper [7] has stepped down with immediate effect, but will remain employed at the Asia and Africa-focussed exploration firm during a short handover period.

Cuadrilla, Third Energy and other UK shale explorers will start dealing with a new industry-focused “shale gas regulator” [16] later this year, as part of a government initiative to kick-start the country's slow-moving domestic fracking sector.

Latin America & Caribbean

Siemens and fellow engineering firm WorleyParsons have joined forces to tap into nascent demand for energy infrastructure in South America and the Caribbean [17].

Brazil – Engie is in pole position to purchase Petrobras' 90% stake in [18] pipeline operator TAG [18], according to reports quoting the French company's CEO Isabelle Kocher.

Venezuela – ConocoPhillips has reportedly seized oil assets of state-backed oil firm PDVSA [8] in compliance with an arbitration award issued last month.

Middle East

Iran – French major Total has said it is not in a position to continue working on the South Pars 11 gas project [19] in the Persian Gulf after the US' withdrawal from the Iranian nuclear deal, adding it will

“unwind all related operations” unless the company is granted a project waiver by US authorities. But Total is unlikely to secure a waiver [20], experts told Gas Matters Today.

Kuwait – The Kuwait Integrated Petrochemical Industry Company, the state-owned energy company that is developing the country's second LNG terminal, has approached banks to finance its proposed USD 3.3 billion onshore LNG terminal [8].

Oman – Total has signed a memorandum of understanding with the Sultanate of Oman to develop an integrated gas project with an LNG bunkering hub [21] at the port of Sohar on the Arabian Peninsula, which if achieved could become one of the first in the Middle East.

Russia & CIS

Uzbekistan – More than 20 business deals worth over USD 4.8 billion [7] were signed between Uzbekistan and US companies such as ExxonMobil and GE after leaders of both nations met last week.



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