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Weekly news roundup (13-17 August)
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Analysis

The five Caspian littoral states have signed a convention on the legal status of the Caspian Sea [1] that some diplomats attending the ceremony in Kazakhstan described as a regional constitution, but which seems unlikely to accelerate Turkmenistan's Trans-Caspian Gas Pipeline project.

International

Kinder Morgan's Permian pipeline project is facing possible higher costs after US President Donald Trump doubled the tariff on metal imports [2] from Turkey, sending the lira plummeting to record lows and worsening Ankara's economic woes.

US & Canada

Canada – Quebec's energy ministry has ditched a proposed 450 km pipeline connection to the remote Cote-Nord region and launched a call for [3] LNG supply [3], which the provincial government hopes will attract new industrial projects and cut emissions.

Swiss trader Axpo Group has revived [4] the Goldboro LNG plant project [4] after entering into a term sheet with Pieridae Energy to negotiate an offtake agreement, but industry experts say the agreement does little to tip the scales toward a final investment decision.

US – Following the departure of commissioner Robert Powelson, the Federal Energy Regulatory Commission (FERC) has started a new chapter that appears likely to herald uncertainty for interstate pipeline projects [5].

The 600-mile Atlantic Coast Pipeline project [6] is seeking to undo an order halting construction of the line and its related supply header project, claiming that work on certain sections should proceed.

Diamondback Energy has continued its wave of M&A activity in the US shale sector [7] after striking a USD 9 billion all-shares buyout of Energen Corporation to create the third-largest producer in the prolific Permian basin.

The New York State Supreme Court has ruled that Competitive Power Ventures may resume start-up tests at its 680 MW Valley Energy Center gas-fired plant [8] after regulators refused to renew permits days before operations were scheduled to begin.

Cheniere's request to introduce first gas into train [9] one of the Corpus Christi LNG plant [9] has been approved by the Federal Energy Regulatory Commission (FERC).

Africa

Senegal – Petronas has farmed into the Rufisque Offshore Profond block [10] off the coast of Senegal after agreeing to take a 30% stake, despite African Petroleum's ongoing claim to a 90% stake in the

disputed block.

Australasia

Australia – Woodside Petroleum has signalled its willingness to develop the Scarborough gas field [11], despite third-party LNG offtakers have contracted less than half of expected volumes, highlighting the challenges producers face in securing long-term purchase agreements.

Origin Energy reversed gargantuan losses from last year after narrowly returning to the black [12] in its 2018 results, but the turnaround masks less dramatic improvements in core business areas and an expected increase in costs in some areas.

Papua New Guinea – Stakeholders in the PNG LNG plant have signed a five-year sale and purchase agreement [9] with BP that will start later this month.

Europe

Denmark – Nord Stream 2 has filed a fresh application for an alternative route for the Danish leg [13] of the Gazprom-led gas pipeline, but approval for the original route is still pending.

AP Moller Maersk has announced plans to spin off its drilling unit [9] instead of pursuing a sale of Maersk Drilling.

Turkey – Turkey is struggl [14]ing to keep the lights on [14], as a weakening lira – which has fallen 50% against the US dollar in the past year – leads some independent power producers to shut down their plants.

UK – Neptune Energy has snapped up assets in the UK Central North Sea from Apache Corporation, as the company pursues an aggressive M&A strategy [15] to become a sizeable explorer and producer.

Latin America & Caribbean

Mexico – New Fortress Energy has been granted a contract by the provincial government of Baja California Sur to construct and operate an LNG [16]import terminal [16] in the state, with the facility to supply gas for power generation and possibly the transport sector.

South Asia

Pakistan – The country's two LNG terminals have operat [17]ed below capacity [17] this year despite LNG imports having increased, and reports suggest the energy ministry is blocking state-run Pakistan LNG from importing additional cargoes due to weak power sector gas demand.



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