

26 April 2024

Contents

Weekly news roundup (5-9 November)
Publication date: 12 November 2018

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Weekly news roundup (5-9 November)

Analysis

Total is looking at buying a piece of Semptra's Energia Costa Azul (ECA) LNG export project [1] in Mexico and lifting 9 mtpa of LNG across Semptra's North American LNG portfolio. The French major, alongside Mitsui and Tokyo Gas, also signed preliminary agreements to buy the full capacity of ECA [2]'s first phase.

Gazprom is studying production of large volumes of hydrogen in Russia for export to Europe [3], which could extend the life of assets and enable the EU to rapidly decarbonise heat and transport sectors – albeit at a price, and at the risk of exacerbating political tensions.

International

Embattled Japanese conglomerate Toshiba will take a nearly USD 1 billion hit to extricate itself from two energy deals [4] by selling its US LNG business at a heavy loss to Chinese independent ENN and liquidating UK nuclear arm, NuGeneration.

The European Commission has approved funding for the IGB interconnector [5] between Bulgaria and Greece, which is tentatively scheduled to launch in 2021.

US & Canada

Canada – BHP has won bids to acquire two licences in the offshore Orphan Basin [5] in eastern Canada and intends to spend USD 140 million on exploration.

US – Crowley Maritime has christened its container/roll on-roll off ship El Coquí [6], the first of its kind to be powered by LNG, for service between the US mainland and Puerto Rico.

Voters in Colorado and Florida have taken opposing stances towards oil and gas drilling [7] in popular ballots, with the Centennial state rejecting tougher rules on fracking and the Sunshine state supporting an offshore ban.

President Donald Trump's desire to support coal-fired generation and roll back Obama-era regulations [8] could face renewed scrutiny after Democrats took control of the House of Representatives in midterm elections.

The Williams-led Constitution pipeline [9] has received a glimmer of hope after the Federal Energy Regulatory Commission granted it a two-year construction deadline extension.

Anadarko has offloaded its remaining midstream assets [5] to Western Gas Partners in a deal worth USD 4 billion.

Africa

Madagascar – The country has opened the 2018-19 licensing tender [10], offering 44 offshore blocks in the largely under-explored Morondava basin.

Mozambique – The government has pushed development of the country's vast offshore gas reserves up the priority list after it caved in and offered future gas revenues to sweeten a deal with creditors [11] in a bid to ease fiscal constraints.

Namibia – Kosmos Energy has signed a strategic exploration alliance with Shell [5] to jointly explore in southern West Africa, with an initial focus on Namibia.

Asia Pacific

Singapore – Pavilion Energy has signed a long-term charter for two gas injection LNG newbuilds [6], that shipping company BW Group says could cut annual emissions by about 22,300 tons of CO₂ per vessel.

Australasia

Australia – Shell and PetroChina secured a route to [12]market for stranded offshore gas [12] after Queensland Curtis LNG finalised a tolling agreement with Australia Pacific LNG to share infrastructure in order to supply the east coast and export volumes abroad.

The Northwest Shelf joint venture moved one step closer to securing much-needed additional feed gas for the NWS LNG plant [13] after it signed agreements with the Browse JV and Chevron to process respective gas resources through the plant in Western Australia.

Australia's largest gas infrastructure company APA has become a takeover target after shares plunged 10% [14] on news that the federal government had blocked a USD 9.5 billion acquisition bid by Hong Kong investor CK Infrastructure Holdings.

New Zealand – The parliament has passed a law effectively banning new permits for offshore exploration [5] and limits exploration to the Taranaki basin.

Europe

Croatia – Croatia's cabinet has launched the country's second onshore licence round [5], putting seven blocks in the "prolific" Pannonian basin up for grabs.

Cyprus – The US has begun devising a long-term strategy for the east Mediterranean [15] that will support the interests of Washington DC and its regional allies, US Ambassador to Cyprus Kathleen Doherty told the 14th Economist Cyprus Summit.

Germany – Joint venture PitPoint.LNG has received approval from the German government to construct what it claims will be "Europe's first shore-to-ship" LNG bunkering [6] station.

Poland – PGNiG has penned its longest LNG supply contract yet with Cheniere [16] to secure further US volumes to replace pipeline flows from Russia, starting in 2019 and running for 24 years.

Spain – Bilbao shipyard Zamakona has delivered Spain's second LNG bunker vessel [6] – Bunker Breeze – to compatriot shipping company Suardiaz Energy, reports said.

UK – Marubeni has paid USD 1 million to Serica to exit [17]two late-life North Sea fields [17], shortly after

Serica snapped up BHP's interests in the fields.

German utility RWE has decided to hold off [18] developing the Tilbury Energy Centre [18], including a proposed 2.5 GW CCGT power station, raising questions about investment conditions in the UK power sector.

UK Continental Shelf proven and probable reserves [19] fell by 0.2 Bboe [19] year-on-year in 2017, according to the latest figures by the UK Oil and Gas Authority (OGA), which warned that reserve replacement from new fields remains a concern.

InfraStrata has received a boost in plan to launching the Islandmagee gas project in Northern Ireland [5] after receiving a letter of intent from a "major" trading company regarding potential utilisation of storage capacity.

Latin America & Caribbean

Mexico – Eni and Lukoil have agreed to farm into each other's shallow water blocks [5], with Lukoil taking 20% in Area 10 and 14 and the Italian company taking 40% in Area 12.

Middle East

United Arab Emirates – Abu Dhabi's Supreme Petroleum Council has approved a 2019-2023 business plan [20] by the Abu Dhabi National Oil Company that includes ambitious targets for gas self-sufficiency and sustaining LNG production until 2040.



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