

2 May 2024

## Contents

Weekly news roundup (4-8 March)  
Publication date: 11 March 2019

### **Gas Strategies Group**

10 Saint Bride Street  
London UK  
EC4A 4AD

ISSN: 0964-8496

T: +44(0) 20 7332 9900  
W: [www.gasstrategies.com](http://www.gasstrategies.com)  
Twitter @GasStrategies

### **Editorials**

+44(0) 20 7332 9957  
[editor@gasstrategies.com](mailto:editor@gasstrategies.com)

### **Subscriptions**

+44(0) 20 7332 9976  
[subscriptions@gasstrategies.com](mailto:subscriptions@gasstrategies.com)



# Weekly news roundup (4-8 March)

## Analysis

The financial fragility of Mexican state oil company Pemex [1], which has endured a second credit ratings downgrade, looks set to exacerbate the country's heavy reliance on US gas.

The European Commission has sought to take the credit for a recent uptick in US LNG imports [2] into the bloc, suggesting the trend results from political agreements between Brussels and Washington – and ignoring external factors such as prices and the weather.

## International

Russian prime minister Dmitry Medvedev has made an unusual request for the European Commission to guarantee that Gazprom's TurkStream project "will not fall apart in the future" [3] the same way the South Stream pipeline project did in 2014.

## Asia Pacific

**China** – A long-mooted proposal to create a national pipeline company [4] by hiving off the infrastructure assets of the 'Big Three' national oil and gas companies received a boost last week at the National People's Congress.

**Malaysia** – Petronas reported lower LNG sales [5] in Q4'18 and full year 2018 results, which news sources attributed to lower volumes from the Petronas LNG complex and trading activities.

**Philippines** – Power producer First Gen Corp has been granted "notice to proceed" for [6]a proposed LNG terminal [6] in the Batangas province by the country's department of energy, pitting the company squarely against two competing LNG projects.

**Taiwan** – State-owned utility Taiwan Power Company expects to start first LNG imports from 2023 [5] and has signed two non-binding purchase deals, Reuters has reported.

## Australasia

**Australia** – PTTEP Australasia has made a gas and condensate discovery [5] at Orchid-1, the first exploration well in Permit AC/P54 located in the Timor Sea, Australia.

Santos and Woodside Petroleum have dismissed requests from an activist investor [5] to table resolutions at upcoming annual general meetings relating to climate change.

## Central & South America

**Bolivia** – Bolivia is advancing plans to export 10 MMcm/d to Paraguay and develop gas-fired power plants in the hydro-dominated country, as La Paz seeks to maintain its status as South America's primary gas exporter [7] amid softening demand in Brazil and Argentina.

## **Europe**

**Ireland** – The Irish energy regulator has sought to calm nerves over gas and electricity supply from Great Britain in the event of a ‘no deal’ Brexit [8], however Irish law firm Matheson has warned the industry should be prepared for possible regulatory changes and higher gas prices.

**Norway** – A decision by the Norwegian government to dump stocks in pure-play oil and gas companies [9] from its USD 1 trillion sovereign wealth fund was widely described as a huge shock to the industry despite the loophole at its heart.

**UK** – The country’s CO2 emissions fell for a sixth year [10] in 2018, according to analysis by energy policy website Carbon Brief, which energy minister Claire Perry described as “very welcome”.

Independent Oil & Gas has rejected a hostile takeover proposal [11] from RockRose Energy, putting a spanner in the works for the UK-listed explorer that appears intent on building its North Sea portfolio.

The UK government has set a new target to hit 30 GW of installed offshore wind capacity [12] by 2030, but with imminent nuclear and coal plant closures such mass deployment of turbines would leave the country at risk of heavy reliance on unabated gas-fired power for baseload generation.

Government support for the nascent UK shale gas industry has been successfully challenged [13] by Talk Fracking, one of many groups campaigning to halt the progress of an industry that has weathered a torrid few months.

## **Mediterranean**

**Cyprus** – The government and international majors are gearing up for a fresh round of exploratory drilling in the hope of achieving a critical mass of resources to underpin a Cypriot LNG plant [14] – or another capital-intensive route to market.

**Israel** – Greek oil company Energean has started its 2019 drilling campaign offshore Israel [5] that will be undertaken by a Stena drillship.

## **Middle East**

**Iraq** – Pearl Petroleum has finalised a deal with the Kurdistan Regional Government that will see gas output from the Khor Mor field increase by 63% [15] within two years, a move that would boost much-needed power generation and could ease upcoming negotiations with the US.

**Oman** – Gas production is set to surpass oil by 2023 as a result of an “impressive surge” in field development [16], Rystad Energy forecasts, despite a ratings downgrade from Moody’s and other agencies that raises questions about Oman’s ability to attract foreign investment.

## **North America**

**US** – Industry groups urged Colorado lawmakers to delay “sweeping anti-oil and natural gas legislation” [17] that would give local government more control over operations, then began ratcheting up opposition [18] after the bill cleared the committee stage, claiming it “all but guarantees” drillers “will be forbidden from operating in certain jurisdictions”.

ExxonMobil and Chevron are pinning [19] growth plans on rising Permian oil production [19], looking

beyond nagging natural gas pipeline evacuation constraints that clipped output and depressed in-basin prices last year.

Cheniere Energy has officially taken over operations at the first train of its Corpus Christi [5]LNG facility [5] in Texas after contractor Bechtel handed over the plant following substantial completion.

Republican senators have reintroduced a bill to reduce wait times for federal approval of energy infrastructure projects [5], including LNG projects and pipelines, according to reports.

### **Russia & CIS**

**Armenia / Georgia / Russia** – Iran has voiced its readiness to increase natural gas supplies [20] to Armenia and enter into a tripartite gas arrangement with its northern neighbour and Georgia, but risks riling Russia in the process.

**Russia** – Naftogaz is seeking ~USD 5 billion in compensation from Russia for the “unlawful seizure” of assets [21] during Moscow’s annexation of Crimea, after an arbitration court in The Hague found in favour of Ukraine’s national oil and gas company.

Gazprom Export made its first-ever sale of gas to a western European company [5] priced in roubles on its Electronic Sales Platform (ESP). The volume was for 80 MMcm.



### **Consulting**

+44 (0) 20 7332 9900  
[consult@gasstrategies.com](mailto:consult@gasstrategies.com)



### **Alphatania Training**

+44 (0) 20 7332 9910  
[training@gasstrategies.com](mailto:training@gasstrategies.com)



### **Information Services**

+44 (0) 20 7332 9976  
[subscriptions@gasstrategies.com](mailto:subscriptions@gasstrategies.com)