

14 August 2020

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Gas Matters Today | news roundup | w/c 1 June 2020

Publication date: 08 June 2020

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International

Qatar Petroleum has signed what it has called one of “the largest LNG shipbuilding agreements in history” [1] after reserving “a major portion” of shipbuilding capacity at South Korea’s ‘big three’ shipyards through to 2027, with the deals valued in excess of USD 19 billion.

Offshore services duo Allseas and Seadrill are to axe hundreds of jobs [2] in response to current and future projects being deferred or cancelled due to the Covid-19 pandemic and low-price environment.

The decline of the “fossil fuel economy” poses a significant threat [3] to global financial stability, according to a new report that warns there is far more risk in oil, gas and coal than is conventionally priced into financial markets.

Fossil fuel subsidies last year rose to buck a trend of tapering state support for carbon-intensive energy production [4], according to new figures released last week by the IEA, which warned that decelerating clean energy investment has pushed the world further off-track to meet the goals of the 2015 Paris climate agreement.

Asia Pacific

Malaysia / Myanmar – Petronas claims to have completed its maiden LNG deliveries to Myanmar [5] after selling two FOB cargoes to joint venture power firm CNTIC VPower, the Malaysian firm has said, although neither cargo has yet been unloaded in Myanmar.

Australasia

Australia – Shell is seeking to raise as much as USD 3 billion from the sale of a 26.5% share in facilities at Queensland Curtis LNG [6] on Australia’s east coast in a move that could liberate much-needed capital.

Central & South America

Guyana – The country is preparing to launch a tender for a “gas-to-shore” project [7] to bring associated gas from the ExxonMobil-operated offshore Stabroek block to mainland Guyana, following criticism from environmentalists and the press over Exxon flaring gas from the oil block.

Europe

US / EU / Russia – US senators are set to expand sanctions against Gazprom’s Nord Stream 2 [8] gas pipeline project, with new legislation targeting firms providing services or facilities for vessels involved in the project and preventing the ownership of vessels changing hands to avoid sanctions.

Germany – Berlin has earmarked EUR 9 billion to ensure its position as the leading exporter of hydrogen technologies worldwide [9], as part of an “ambitious” EUR 130 billion economic stimulus aimed at kickstarting the German economy and investing in “technologies of the future”.

Greece – Gazprom has wrapped up another long-term supply deal in Greece [10] after the country’s largest private power and gas player Mytilineos signed a 10-year pipeline gas contract amid the Greek conglomerate’s booming LNG imports.

Italy – Eni has unveiled a major corporate restructuring exercise that will create two new business groups to focus on hydrocarbons and lower-carbon energy solutions as part of the Italian major’s “irreversible” push to dramatically lower its carbon emissions [11].

Spain – Sonatrach and Naturgy have completed their acquisition of CEPSA’s stake in the 210-km long Medgaz line [12] from Algeria to Spain, giving Sonatrach 51% control of pipeline and clearing the way for capacity increase – even as Algeria scythes Sonatrach’s budget.

UK – The government has set out plans for a new UK post-Brexit carbon scheme to replace the EU ETS [13] after the UK’s transition period out of the European Union comes to an end early next year.

Total has made its latest foray into zero-carbon electricity [14] by striking a deal to acquire a controlling stake in a large offshore wind farm being developed in Scotland, underscoring the company’s commitment to become a “multi-energy” group that achieves “net-zero emissions by 2050”.

Premier Oil has bartered down the price it will pay [15] for BP’s North Sea Andrew Area and Shearwater assets by two-thirds to win over its own biggest creditor, ARCM, which said in January it would “vigorously contest” any attempt to complete the acquisition.

Mediterranean

Libya / Turkey – Tensions in the east Mediterranean are set to escalate after Turkey said it would send a drillship to the vast maritime area claimed by Ankara [16] under a contentious accord reached with Libya’s UN-backed Government of National Accord last year.

North America

US – Golden Pass LNG has applied to the FERC to increase capacity [17] by 2.5 mtpa to 18.1 mtpa after stakeholder QP indicated willingness to cut its LNG sales price in a bid to retain or expand market share during the commodity price downturn.

Struggling LNG outfit Tellurian has failed to strike a deal with India’s largest LNG importer [18] Petronet LNG for crucial equity investment in its flagship Driftwood LNG export project in Louisiana, after an MoU between the two expired over the weekend.

The Trump administration has finalised an amendment to the 1972 Clean Water Act [19] that bolsters federal powers and limits state and tribal powers to veto permits for new energy projects in a move criticised as a “federal power grab” that could strip states’ authority.

With EU hubs languishing below Henry Hub and Asian LNG spot prices offering only a tiny margin, lifting US LNG cargoes could become the exception [20] and cancellations the norm, according to a stark market assessment by consultancy Gas Strategies.

The US government has postponed two June-scheduled auctions of new leases [21] in Nevada and Mississippi, according to notices posted on online auction site EnergyNet after the Bureau of Land Management abruptly postponed a May lease auction in New Mexico.

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