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[1]

International

Chevron is to buy US independent Noble Energy in a USD 13 billion all-shares deal, marking the US major's first big acquisition since its attempt to buy Anadarko in 2019 and the first sign of consolidation among top-tier upstream players [2] since the pandemic-induced oil crash.

Gas flaring has hit a decade high [3] mainly due to a minority of big oil-producing countries like Russia and the US that have bucked a trend among smaller producers towards reduced levels of flaring over the previous ten years, according to the World Bank.

Equinor beat forecasts in posting USD 0.35 billion adjusted earnings for Q2'20, largely due to "record high results" from marketing, midstream and processing [4] and "a strong trading performance in volatile markets," the company announced last Friday.

Asia Pacific

China – BP is continuing to hoover up Chinese LNG demand [5] after the British energy major signed a two-year gas supply deal with Guangdong-based distributor Foran Energy, the parties confirmed last week.

Newly-formed pipeline firm PipeChina has agreed to buy Sinopec Kantons' Yulin-Jinan [6] gas line [6] for USD 460 million in a deal expected to kick off a market liberalisation push. Separately, PipeChina has signed two deals worth USD 56 billion to buy pipelines, storage facilities and LNG terminals [7] from

Sinopec and PetroChina.

Vietnam – Conglomerate T&T Group is pushing for its third LNG-to-power project in the country, with the company submitting plans to the local government of the Ha Tinh province for a 3 GW LNG-to-power project [8], according to reports.

Australasia

Australia – Chevron and the Western Australia industrial regulator will jointly inspect the Gorgon LNG plant “as soon as possible” [9], the watchdog announced last week following the discovery of cracks in the propane heat exchangers on the facility’s second train.

Central & South America

Brazil – Golar Power has lined up the first “operational customer” for its planned Barcarena FSRU [10] – the first LNG terminal in northern Brazil – after signing an MoU with Norsk Hydro, which is looking to lower emissions at its Alunorte aluminium plant.

Europe

EU – A consortium of TSOs have unveiled plans to create a ~23,000 km “hydrogen backbone” across ten EU states [11] by 2040 for a “modest” EUR 27-64 billion by repurposing portions of the existing gas network.

The EU Commission’s Just Transition Fund to support less wealthy member states during the energy transition has been slashed by three quarters [12] as part of a compromise required to reach a landmark deal on the EUR 1.9 trillion (USD 2.18 trillion) EU budget and coronavirus recovery package.

Major players in Europe’s gas industry have progressed two initiatives to develop technologies that enable the switch from gas to hydrogen [13] in industrial applications and gas transmission networks.

Germany – Uniper and GE have agreed to develop a “detailed” plan to decarbonise [14] the German firm’s gas-fired power plants and storage facilities in Europe, using technology jointly developed by the pair.

Italy – Eni has hit back at Italian prosecutors requesting Eni’s CEO be handed an eight-year prison sentence [15] over an allegedly corrupt Nigerian oil block deal worth over USD 1 billion, with the company calling the request “groundless”.

Spain – Naturgy has “made headway” in cancelling 2 [16]Bcm of oil-linked supply contracts [16], the firm said last Wednesday, after recording a 14% annual drop in H1’20 EBITDA due to the LNG environment, currency depreciation and the impact of Covid-19.

UK – The government will invest USD 445 million to decarbonise [17]e [17] “heavy industry, construction, space and transport sectors,” with around USD 150 million set aside for the deployment of hydrogen and CCS in heavy industry, prime minister Boris Johnson has said.

North America

US – Midstream firm Williams has not given up on sending additional gas to the US Atlantic seaboard

after receiving FERC approval for the Leidy South project [18], which the company aims to have up and running by winter 2021-22.

Halliburton has been hailed for its Q2'20 performance [19] despite slumping to a USD 1.7 billion loss, with the services firm's earnings beating Wall Street's expectations during a period that saw the global rig count "sink to the lowest level in recent history".

Russia & CIS

Russia – Gazprom Neft and Shell have agreed to establish a joint venture to develop [20]two licence blocks [20] on the remote Gydan Peninsula in the Russian arctic.



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