

24 April 2024

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Gas Matters Today | news roundup | w/c 17 Aug 2020

Publication date: 24 August 2020

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## Analysis

The so-called 'Sage of Omaha' does not always get it right. Warren Buffet's US investment conglomerate Berkshire Hathaway has sold all the Occidental Petroleum common stock [1] it received in dividends for its USD 10 billion investment in the US oil and gas company a year ago – but at prices well below what the stocks mogul would have hoped to receive.

## Asia Pacific

Asian spot LNG prices are pushing pre-Covid-19 levels [2] as unseasonably warm weather drives demand and supply tightens due to an unplanned outage at Australia's Gorgon LNG plant.

## Australasia

**Australia** – Partners in the North West Shelf LNG project in Western Australia have agreed high-level terms to toll third-party gas at the Karratha plant [3] from Woodside's Pluto offshore fields and from Mitsui's Waitsia onshore project.

Large commercial and industrial consumers in Australian east coast markets have complained of persistent high prices despite plummeting LNG export prices [4], according to the country's competition watchdog.

Australian E&P player Central Petroleum has signed an MoU with AGIG and Macquarie Group to construct a pipeline from the Northern Territory to the Moomba gas hub [5] in South Australia to alleviate the forecast supply shortfall on the east coast.

BHP has become the latest big name to signal its retreat from Australia's upstream sector [6] after announcing that it is looking to sell its 50% stake in the Gippsland Basin JV, less than a year after ExxonMobil hoisted the 'for sale' sign over its stake.

Australia's Santos is working towards making the Darwin LNG-linked Barossa development "FID-ready" [7] by the end of 2020, the firm's CEO Kevin Gallagher has said.

Chevron has avoided an enforced immediate shutdown of the Gorgon LNG plant [8] after Western Australia's safety regulator approved the US major's plan for a staged shutdown, following the discovery of welding issues on the second train in July.

## Europe

**Turkey** – The country's Fatih drillship has discover [9]ed some 320 Bcm (~11 Tcf) [9] at the Tuna-1 well in

Turkey's exclusive economic zone in the Black Sea, president Recep Tayyip Erdogan announced last week.

**UK** – The best way to kick-start large-scale production of clean hydrogen [10] in industrial clusters is direct subsidies for producers rather than incentives or thresholds for end-users, according to a study commissioned by the UK government.

## Mediterranean

**Cyprus / Lebanon** – A US diplomat has visited Cyprus and Lebanon to discuss pressing humanitarian and energy issues [11], as Washington keeps its feet in the ever-warming waters of the eastern Mediterranean.

## Middle East

**United Arab Emirates** – Abu Dhabi's National Petroleum Construction Company has tabled an offer for a compatriot firm that would create a "leading integrated oil and gas and marine services" company [12] in the Middle East and North Africa, parent company ADQ has said.

## North America

**US** – Millions of Californians facing a prolonged heatwave have been told to brace for [13]four days of rolling blackouts [13] after a weekend of electricity shortages, marking the state's first rolling blackouts since 2001.

The Trump administration has finalised plans to permit drilling in Alaska's Arctic National Wildlife Refuge [14], undoing protections in force since 1980, and the first ANWR lease sale could occur before the end of the year, US interior secretary David Bernhardt has said.

A coalition of 15 attorneys general from mostly Democrat-voting US states have lodged a legal challenge to Trump administration plans to transport LNG by rail [15], which if successful, could undermine another means of delivering gas to demand centres.

The State of Wyoming has missed a "once in a generation opportunity" [16] to buy mineral-rich land from Occidental Petroleum, which has agreed to sell properties in Wyoming, Colorado and Utah to investment house Orion Mine Finance for USD 1.33 billion.

US-based LS Power has unveiled the world's largest battery [17], the 250 MW Gateway storage project in California, in the wake of three days of utility consumer conservation efforts across the state aimed at avoiding blackouts during a prolonged heatwave.

Occidental Petroleum has teamed up with private equity firm Rusheen Capital Management to finance and deploy the "world's largest" direct air capture CO2 abatement facility [18] in the Permian basin in Texas, after doubling the size of the pilot plant.

A Joe Biden presidency would be unlikely to pursue a US carbon tax [19] to deliver its climate goals even if Democrats control Congress, but Biden's team is leaning towards green investment to tackle 'environmental justice' and carbon emissions, reports suggest.

Feedgas deliveries to US LNG plants hit the highest level since early June last week, signalling the start of a major drop in cargo cancellations [20] amid improving prices and higher expected demand in

Asia and Europe.



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