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# Gas Matters Today | news roundup | w/c 14 December 2020

## International

ExxonMobil has pledged to cut its greenhouse gas emissions [1] over the next five years “to support the goals of the Paris Agreement”, the US supermajor said last Monday, adding that it will end routine gas flaring from its operations by 2030.

## Africa

**South Africa** – ExxonMobil has signed an MoU with Dutch oil and gas firm Vopak, under which the pair have agreed to conduct a feasibility study on an LNG terminal [2] in South Africa.

## Asia Pacific

**China** – Gas could play an increasing role in meeting China’s interim climate targets as the need to curb the use of coal in power generation looks imminent, after president Xi Jinping set stricter 2030 emissions targets [3].

## Australasia

**Australia** – Japanese industrial giant Sumitomo has written off its “total” investment in Australia’s newest coal-fired power plant [4], after struggling to refinance loans on the facility.

**Papua New Guinea** – PM James Marape will reportedly remain in the hot seat after a parliamentary vote of no confidence [5] failed to materialise last week, after signals emerged last month that talks with Total over its proposed Papua LNG project would progress.

## Europe

**EU** – European pipeline companies are using a loophole to market [6] themselves as low-carbon businesses and avoid reporting on the climate effects of the natural gas they transport, according to a new study.

Shell has joined a coalition of truck manufacturers to seek public sector funding for the large-scale rollout of hydrogen-fuelled trucks [7] in Europe, with a view to having ~10,000 H2-powered trucks on European roads by late 2020s.

The European Commission has proposed new rules to restrict funding for gas projects [8] and boost funding for low-carbon alternatives, in a bid to align the EU’s funding framework with the aims of the European Green Deal.

**Germany** – Pipelaying on the Nord Stream 2 project restarted [9] last Friday, according to a German

regulatory notice, which shows that the Russian-flagged Fortuna vessel is being utilised to lay a section in Germany's exclusive economic zone.

Hanseatic Energy Hub's hopes of launching an LNG project [10] in an industrial park in the German city of Stade received a boost last week after Swiss private equity firm Partners Group took a stake in the company.

**Norway** – The Nordic nation has approved a final investment decision by European energy majors Equinor, Shell and Total for their Northern Lights CO2 transport and storage project [11] in Norway.

**UK** – The government has revealed plans for a domestic cap-and-trade system [12] for carbon emissions to replace the EU Emissions Trading System on 1 January 2021 as the country shifts away from fossil fuels.

Separately, the government has said it will stop funding overseas fossil fuel projects [13] by November 2021 with “very limited exceptions” for projects, but London will also continue to fund Total's 12.88 mtpa Mozambique LNG project via UK Export Finance.

A subsidiary of Geneva-based energy trader Vitol, VPI Holdings, has acquired four CCGTs [14] from the UK's Drax Generation Enterprise Limited, part of the Drax Group.

UK regulator for the offshore industry – the Oil & Gas Authority – has submitted a revised strategy to parliament [15], which for the first time sets an obligation on the industry to support the government's net-zero target.

## North America

**US** – Exxon's 2021-2025 emissions reduction plan [16] has failed to quell investor fund Engine No 1, which has claimed that the plan fails to position the US supermajor for “long-term success in a world seeking to reduce total greenhouse gas emissions”.

The US' maiden LNG plant, Kenai LNG [17], looks set for a new lease of life after the FERC approved plans by Marathon Petroleum's subsidiary Trans-Foreland Pipeline to convert the mothballed plant into an LNG terminal.

The embattled Mountain Valley pipeline [18] received a regulatory win last Thursday after the FERC approved the resumption of construction work in a 25-mile exclusion zone bordering the Jefferson National Forest.

## Russia & CIS

**Kazakhstan** – The foreign partners in the Karachaganak field [19] in north-west Kazakhstan have reached an agreement with the government to settle a five-year dispute over profit sharing from the field, Shell has confirmed.

## South Asia

**India** – The country's largest private sector company Reliance and partner BP have started producing gas from one of three ultra-deep-water gas fields [20] off the east coast of India, which together are set to supply 1 Bcf/d by 2023.

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