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[1]

### International

Asia overtook Europe as the main export destination for US LNG [2] last year, which increased 31% year-on-year to average 6.5 Bcf/d in 2020, the US Energy Information Administration (EIA) has reported, adding that US LNG exports are expected to average 8.29 Bcf/d in the next year, with competition between European and Asian buyers heating up this summer.

Global gas demand will peak in 2025 [3], but the fuel will have a larger market share than oil and coal by 2050 accounting for 70% of fossil fuel supply, according to the latest World Energy Transitions Outlook by the International Renewable Energy Agency, which also sees a role for green hydrogen and carbon capture technologies in the long term.

New Fortress Energy has taken FID on a “first-of-a-kind” offshore liquefaction system [4], which the firm says is cheaper and faster to deploy than conventional FLNG vessels, as NFE targets development of ~8 modular “Fast LNG” facilities that will produce LNG at prices “well below” the marketplace and supply its growing list of LNG terminal projects.

Canada and Germany have signed an MoU to establish an energy partnership, central to which is collaboration in green hydrogen development [5], with the agreement coming hot on the heels of Berlin and Saudi Arabia signing a separate MoU on green hydrogen collaboration as Germany looks to secure hydrogen imports.

The IEA has suggested that global oil demand may not have peaked in 2019 [6], as its latest medium-term market outlook suggests that demand is set to rise every year through 2026, based on today's policy settings, with a base case scenario points to consumption reaching 104 million barrels/d by 2026, up 4% from 2019 levels.

## ?Africa

**South Africa** – Turkey-based Karpowership has been shortlisted by the South African government to supply three LNG-to-power projects [7] by August 2022, as the country holds auctions to secure investment in 13.8 GW of power projects to combat a chronic capacity deficit.

## ?Asia Pacific

**Malaysia** – Petronas has signed an MoU with China's CNOOC to collaborate on LNG, upstream and renewables projects [8] in a move follows two agreements with Abu Dhabi-based ADNOC and Masdar covering gas, carbon capture, bunkering and renewables.

## ?Australasia

**Australia** – The country's largest gas producer Woodside and its Pluto LNG partners Kansai Electric and Tokyo Gas have delivered what is believed to be the world's first cargo of carbon offset condensate [9] to commodity trader Trafigura.

Independent tank storage leader Vopak has joined the race to install an LNG terminal in southeast Australia [10] after the Dutch firm confirmed it is investigating the feasibility of developing an floating-based terminal in Port Phillip Bay in the state of Victoria.

## ?Caribbean

**Dominican Republic** – The country has announced a tender seeking parties to build 800 MW of gas-fired power generation capacity and an LNG terminal [11] as the island nation pushes to become carbon neutral by 2050.

## ?Central & South America

**Argentina** – State-owned IEASA has agreed to pay an average price of USD 6.5/MMBtu for 24 LNG cargoes [12] to help avoid winter gas shortages, shortly after the government confirmed that just two firms participated in the latest domestic gas supply auction.

## ?Europe

**EU** – Gazprom was presented with a setback last week after the European Court of Justice's Advocate General issued an opinion disagreeing with German regulator Bundesnetzagentur's appeal against a

ruling to restrict gas flows on the OPAL pipeline [13].

**Albania** – US-based floating LNG solutions pioneer Exceleerate is teaming with ExxonMobil to study the development of an LNG terminal at the Port of Vlora [14] that could feed a power plant as soon as 2023, however market observers suggest that date is highly ambitious.

**Ireland** – New Fortress Energy is aiming to reach FID on its Shannon LNG project [15] by the “middle of the year,” despite the Irish government committing to policies aimed at banning LNG terminal development, specifically projects looking to import “fracked gas”.

**Italy** – After nearly three years of trials, Shell, Eni and several current and former execs of the two majors have been cleared of corruption charges related to a 2011 oil deal [16] in Nigeria, the federal government of which was seeking compensation amid claims of fraud.

**UK** – The government is reportedly considering a ban on new North Sea exploration licences [17] as it pushes to reach net zero by 2050 and prepares to host the COP26 climate summit in November.

The UK government on Wednesday announced a USD 237 million funding package for hydrogen projects with CCS [18] as part of a wider industrial decarbonisation strategy, but the grants still represent a relatively small contribution to total prospective investment costs.

National Grid has agreed to buy the UK’s largest power distribution business [19] Western Power from US-based PPL corporation for ~USD 10.8 billion amid a series of “transformational” deals that will put the firm “at the heart of delivering net zero” for the UK.

BP is carrying out a feasibility study for a 1 GW blue hydrogen production facility with CCS [20] at the Teesside industrial site, with the aim of taking FID by 2024.

## ?North Africa

**Egypt** – Production is expected to increase by ~9% year-on-year to hit 7.2 Bcf/d over the 2021-2022 fiscal year [21], the country’s Petroleum Ministry has announced, but by the middle of the decade the country could require additional imports from Israel and potential imports from Cyprus.

## ?North America

**US** – Kinder Morgan has formed a new group to explore opportunities in renewables and other low-carbon technologies [22] in a move that industry sources say could help the future viability of its business as the US advances plans to reach net zero emissions by 2050.

NextDecade “is no longer only an LNG company”, CEO Matt Schatzman announced last week after unveiling a new subsidiary NEXT Carbon Solutions, the first task of which will be developing a CCS project at the proposed Rio Grande LNG plant [23] to make it the “greenest LNG project in the world”.

## ?Russia & CIS

**Russia** – Gazprom and RusGazDobycha have terminated their EPC contract [24] with engineering services firm NIPIGAZ to build a gas processing facility at its planned Ust-Luga petrochemicals and LNG complex in the Gulf of Finland.



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