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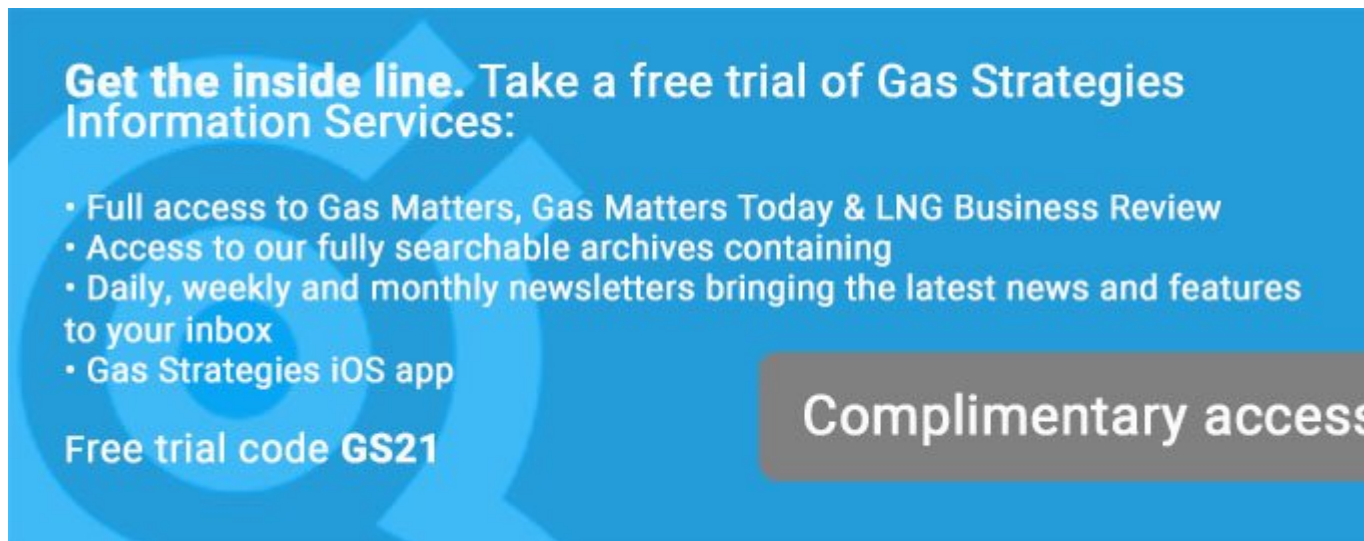
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[1]

Middle East

Qatar – Qatargas announced that construction has started on the four LNG mega-trains at the North Field East (NFE) LNG expansion project [2] – which will ramp up Qatar's liquefaction capacity by 33 mtpa to 110 mtpa from 2025.

Europe

UK – Ineos announced plans to spend EUR 2 billion (USD 2.32 billion) on green hydrogen projects across Europe over the next decade [3]. The news builds up on the company's recent pledge to invest 1 GBP billion (USD 1.37 billion) in the Grangemouth refinery to enable it to run on blue hydrogen.

The UK government announced plans for a GBP 450 million (USD 621.5 million) Boiler Upgrade Scheme to encourage households to switch from gas boilers to electric heat pumps [4]. Grants worth GBP 5,000 will be offered, however critics have highlighted the fact that the funding will only be enough to cover 90,000 households.

The UK government published its Net Zero strategy [5] which expects both natural gas and oil demand to fall by more than 50% by 2037 as fossil fuels will be replaced by “new sources of energy”. The government also announced winners for phase 1 of the carbon capture storage (CCS) cluster sequencing process aiming to capture 20-30 mt of CO₂ annually by 2030.

QatarEnergy (QE) and Shell signed an agreement for joint investments in UK blue and green hydrogen projects [6] on the sidelines of the UK Global Investment Summit on Tuesday, during which UK Prime Minister Boris Johnson pledged to make the country the “Qatar of hydrogen.” As part of the hydrogen agreement, the duo they will target integrated and scalable opportunities in industry and transport “with a focus on the London metropolitan area”.

Germany – Gazprom’s Switzerland-based holding company announced the gas-in procedure for the first string of the Nord Stream 2 (NS2) pipeline has been completed [7]. The announcement came hours before the month-ahead capacity auctions confirmed that Gazprom once again opted against booking any transmission capacity via Ukraine.

Australasia

Australia – Woodside is ‘on track’ to take a final investment decision on its integrated Scarborough field and Pluto Train 2 development [8] before the end of 2021, CEO Meg O'Neill announced in the firm's Q3 results report.

Asia Pacific

Singapore – The country’s regulator EMA said it will take pre-emptive measures to safeguard power supplies [9] amid soaring prices and gas shortages. Standby fuels and first right of refusal for power generation companies are two proposed measures, with EMA reserving the right to intervene in the wholesale power market if necessary.

Japan – The country’s LNG stocks held by major utilities stood at around 2.3 mt on 15 October, about 40% higher than the same time in 2020 [10] and well above the five-year average, documents from the country’s Ministry of Economy, Trade and Industry (METI) revealed. This is seen as a positive development for both Japan, which struggled last winter with the risks of power blackouts amid limited gas supplies and low storage, as well as the European and Asian LNG importers competing for spot cargoes.

International

More than two thirds of planned or under construction gas-fired power plant capacity in Europe and all of the 28.1 GW planned in the unregulated grid areas of the US will struggle to recover original investment, even if allowed to run for full planned lifetimes [11], a report published by Carbon Tracker suggests. The report said gas a back-up role alongside renewables in the energy transition, but volatile fuel and carbon prices might make investments in CCGTs risky even in regions with capacity payments.

Oil services company Baker Hughes warned that global supply chain constraints which hit its Q3'21 performance could impact the pace of growth for oil field services in 2022 [12]. At the same time, the firm remains hopeful that demand for oil field services will recover, envisioning Russia and the Middle East as major international growth markets next year.

Africa

Kenya – The country has joined the trend of sub-Saharan African countries eyeing LNG imports, with the nation examining the installation of a major LNG-to-power project [13] aimed at displacing heavy fuel oil (HFO) and kerosene in its power sector.

North America

US – The country's coal-fired power generation is expected to jump by 22% in 2021 compared to 2020 [14], in the first year-on-year increase in coal generation in the US since 2014, the US Energy Information Administration (EIA) has said. The increase in coal use is due to the delivered price of gas for the power sector increasing on average by 115% this year compared with 2020.

US LNG player Venture Global (VGs) has taken a major towards FID on its proposed Plaquemines LNG project after signing two 20-year sales and purchase agreements with China's Sinopec [15].

ExxonMobil has requested bids for engineering, procurement and construction (EPC) contracts from third parties to expand the capacity of its LaBarge carbon capture and storage (CCS) facility in Wyoming [16]. The planned expansion would allow the facility to capture up to 1 million tonnes more CO₂ annually, in addition to the current 6-7 mtpa capacity.

Cheniere has received approval from the US Federal Energy Regulatory Commission (FERC) to increase the liquefaction capacity at its Sabine and Corpus Christi LNG plants [17] by a combined ~260 Bcf/year. The firm plans to achieve the increase through "modifications to maintenance and production processes".

Mediterranean

Israel and Egypt are holding discussions about building a new onshore gas pipeline between the two countries [18] in order to ramp up exports to Egypt, Israel's energy ministry has said. The new pipeline could facilitate exports from the Chevron-operated Leviathan and Tamar gas fields to Egypt's two LNG plants and help meet Egypt's growing gas demand.

South Asia

India – State-owned energy company GAIL announced plans to build the country's biggest green hydrogen plant with a 10 MW electrolyser installation [19] within the next 12-14 months. The plant will produce 4.5 tonnes of green hydrogen daily, but it has not been disclosed if it will convert electricity from solar or wind power.

India's government reportedly requested Qatar expedite the delivery of 58 LNG cargoes in a bid to alleviate the worst power shortages to hit country [20] since 2016.



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