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[1]

International

Shell, the world's biggest independent producer and trader of LNG, has penned a development agreement with GE Gas Power [2] to pursue pathways to reduce the carbon intensity of Shell's LNG supply. The pair's key focus will be one the use of blue hydrogen for power generation.

Iberdrola plans to invest EUR 47 billion (USD 47.1 billion) in renewables and power networks [3] over the next three years with almost 50% of the investments targeting the US market. The Spanish firm says EUR 17 billion will go to investments in renewable electricity, of which almost half will be allocated to offshore wind projects, however the overall target for renewables capacity has been revised down from earlier estimates.

About half of the 50 largest sources of Greenhouse Gas (GHG) emissions in the world are oil and gas production fields and their associated facilities including processing plants [4], according to Climate TRACE, a GHG emissions tracking agency. The agency lists the Permian shale basin in the US as the largest GHG emitter, followed by the Urengoykoye gas field in Russia.

The UN has announced the launch of the Methane Alert and Response System (MARS), the first-ever publicly available satellite-based methane emission detection system [5] which will enable the UN Environmental Programme (UNEP) to verify emissions reported by companies. The system will initially start with detection and verification of emission from the energy sector and is expected to help accelerate

implementation of the Global Methane Pledge.

Diplomats are trying to resolve a disagreement between Germany and India owing to disruptions of LNG supplies from Securing Energy for Europe, formerly Gazprom Germania [6], as the firm cannot source cargoes from Russia due to sanctions, Bloomberg has reported. This comes as industrial consumers in India have reportedly been buying far less regasified LNG recently due to high spot prices thus prompting a glut of LNG at the country's terminals.

Turkey and Algeria are planning to establish a joint oil and natural gas exploration company to operate in Algeria [7] and other countries in the region, Fatih Donmez, the Turkish energy minister said last Thursday. Both countries reached a consensus on establishing a joint company between Algeria's Sonatrach and Turkish Petroleum (TPAO), Donmez told Anadolu Agency.

Asia Pacific

Singapore – Singapore's Gas Supply Pte Ltd (GSPL) and Medco E&P Grissik, a subsidiary of Indonesia's Medco Energi International, have signed a new agreement to continue supplying Singapore with gas for five years [8], according to media reports. The current contract for piped natural gas via the Grissik–Batam–Singapore Pipeline is due to expire next year, however the volumes agreed are expected to be lower than in the existing contract.

Central & South America

Guyana – Guyana will roll out new fiscal terms as part of its maiden competitive offshore licensing round [9], with the South American nation introducing a corporate tax for offshore operators and upping royalty payments. Despite increasing taxes, Guyana's government said it expects major international oil companies to bid, with a total of 14 blocks on offer.

Africa

Kenya – Kenya's government has penned a binding framework agreement with Fortescue Future Industries (FFI) [10] under which the pair are aiming to fast-track the development of a green fertiliser supply chain. The pair have also agreed to carry out a feasibility study aimed to examine scaling up renewable power generation to transform the east African nation into a green hydrogen exporter.

UK

The Association of British Independent Exploration Companies (BRINDEX) has warned against a potential extension of the windfall tax beyond 2025 [11], saying any additional taxes could drive companies away from the UK Continental Shelf (UKCS). This comes amid speculation that UK Chancellor Jeremy Hunt will outline additional taxes for the offshore industry in the Autumn Statement on 17 November.

QatarEnergy (QE) and US supermajor ExxonMobil are reportedly planning to invest millions to boost the capacity of the UK's largest LNG terminal [12], South Hook, by 25%, according to a report by The Telegraph. The move would provide an outlet for pair's budding LNG portfolios and help the UK and wider Europe secure more gas.

Europe

Discussions on a potential price cap on gas imports and other measures to tackle the energy prices continued in Brussels last week [13]. Media reports suggest the European Commission does not see price caps as the most effective tool to curb price volatility, while the positions of member states diverge significantly ahead of the EU Energy Council meeting on 24 November.

Italy – Italy's government, led by new Prime Minister Giorgia Meloni is looking to expedite domestic drilling for natural gas [14] in a bid to lower prices for the industrial sector. Experts however suggest the move will bring little to no relief to the current energy crisis.

Norway – Equinor and partners have decided to postpone a final investment decision (FID) for the Wisting oil field [15] in the Norwegian Barents Sea from December 2022 to the end of 2026, citing cost increases and global inflation. Environmental campaigners claimed victory over the decision as it now looks increasingly uncertain if the project will go ahead at all.

North America

US – Spot Henry Hub prices this winter will be at their highest level since winter 2009-2010 [16] amid expectations of strong withdrawals from gas inventories and increasing US LNG exports, the US Energy Information Administration said last week. While Henry Hub is expected to average over USD 6/MMBtu this winter, the US gas benchmark is expected to decline next year as production growth will outpace domestic consumption and gas demand from LNG plants.

The Alaska Gasline Development Corp. (AGDC) has submitted a concept paper for a USD 4.65 billion Alaska Hydrogen Hub project to the US Department of Energy (DOE) [17], the company confirmed last week. AGDC said the hub, which would eventually produce 1,600 tonnes of hydrogen per day, has an advantage due to its proximity to its proposed Alaska LNG project, however ADGC is yet to solve a legal battle with environmental groups over a key permit for Alaska LNG.

Russia & CIS Region

Kazakhstan – Kazakhstan has taken its plans for green hydrogen production one step further after last week penning agreements with the European Commission (EC) and Fortescue Future Industries at the COP 27 climate summit in Egypt [18]. Massive investments will be required for Kazakhstan to become the hydrogen superpower it aspires to be as the oil rich nation currently produces very little renewable electricity.

Australasia

Australia – A consortium consisting of Canada's Brookfield Asset Management and US investor EIG's MidOcean Energy are one step closer to purchasing 100% of the shares in Australia's Origin Energy [19] after it last week bid AUD 18.4 billion (USD 12.01 billion) for the company. The revised bid represents an increase of 16% on the consortium's initial proposal and, if accepted, would see Brookfield buy Origin's energy markets business while MidOcean would acquire Origin's gas division which includes a stake in Australia Pacific LNG (APLNG).

South Asia

India – India's largest LNG player Petronet is advancing plans for a 4 mtpa capacity floating-based LNG terminal [20] on the country's east coast after the firm's board granted approval for the investment in the project, Petronet's finance chief Vinod Mishra confirmed during the company's quarterly results call last Thursday. Petronet's proposed investment comes at a time when utilisation at its existing west coast terminals has fallen due to strong spot LNG prices – which some organisations see hitting India's LNG demand over the coming years.



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