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Gas Strategies Group

10 Saint Bride Street
London UK
EC4A 4AD

ISSN: 0964-8496

T: +44(0) 20 7332 9900
W: www.gasstrategies.com
Twitter @GasStrategies

Editorials

+44(0) 20 7332 9957
editor@gasstrategies.com

Subscriptions

+44(0) 20 7332 9976
subscriptions@gasstrategies.com



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[1]

International

Following a comprehensive analysis of the clean energy technology sector, the International Energy Agency now expects a rapid rise in investment between now and 2030 [2], which it describes as “the dawn of a new industrial age”. The IEA’s latest Energy Technology Perspectives (ETP-2023) report concluded that government responses to the global energy shock precipitated by Russia’s invasion of Ukraine promised to hasten the transition to a cleaner and more secure energy future – with fossil fuel use projected to peak earlier than previously thought.

Australasia

Australia – Australia’s Labor government last Tuesday launched a consultation on proposals to beef up emissions reduction policies [3] for large emitters of greenhouse gases (GHGs) with a view to new laws coming into effect from the start of July this year, as previously pledged. The twin aims are to ensure that more than 200 large industrial emitters meet their share of an ambitious target for 2030 reductions while keeping exporters, such as LNG producers, competitive in global markets.

A subsea power cable project which aims to supply Singapore with electricity produced by solar power produced in Australia’s Northern Territory appears to hang in the balance after the developer Sun Cable entered voluntary administration last Wednesday [4]. The investors behind the AUD 30 billion (USD 20.9

billion) project are now looking to recapitalise or sell the project, according to a statement.

Asia Pacific

Philippines – The Philippine Supreme Court last Tuesday declared the country's 2005 agreement with China and Vietnam for energy exploration in the disputed South China Sea was “unconstitutional and void” [5]. The court ruling said the Philippine constitution does not allow foreign entities to carry out exploration and development of the country's natural resources.

China - State-owned China National Offshore Oil Corporation (CNOOC) aims to up oil and gas production by 8% in 2023 [6], as part of its 2023 strategy released last Wednesday. Although CNOOC's domestic gas production is quite modest, the growth strategy plays in well with analysts' forecasts of a rebound of Chinese gas demand in 2023 as the country emerges from zero-Covid policies.

South Asia

India – India's target of reaching a share of around 15% of natural gas in the energy mix by 2030, up from around 6% now, will be difficult to achieve [7] owing to a number of factors including price volatility and an inadequate gas pipeline network, Fitch Ratings said in a report released last Tuesday. However, resilient demand from city gas distribution (CGD) companies and rising domestic production look set to support natural gas uptake.

UK

UK – The UK government last Monday evening revealed details of the new Energy Bills Discount Scheme (EBDS) for businesses [8] which will cost the government an estimated GBP 5.5 billion (USD 6.9 billion) over one year, compared with GBP 18 billion spent on the current six-month scheme that expires at the end of March. The government said it will consider more support for businesses with high levels of energy use and trade intensity.

Scotland's government last Tuesday invited views on a draft energy strategy [9] envisaging a rapid transition from the nation's current heavy dependence on natural gas and oil to an energy economy primarily based on a “vast renewable energy resource”. The draft strategy has received mixed reviews from the oil and gas industry which is concerned about the proposed accelerated decline in offshore production.

Europe

Germany – TotalEnergies last Friday announced the start-up of the Deutsche Ostsee LNG import terminal in Lubmin on Germany's Baltic Coast [10], for which the French multinational has provided a floating storage and regasification unit (FSRU). The occasion was marked by both TotalEnergies and Swiss MET Group announcing that they have booked capacities at the terminal.

Norway – Gas production from the Norwegian Continental Shelf (NCS) is projected to remain at levels similar to 2022 over the next four to five years, the Norwegian Petroleum Directorate [11] (NPD) said in a presentation last Monday. However, the NPD noted that resource growth was lower in 2022 than in the previous three years as several discoveries were smaller than expected.

Last week the Norwegian Ministry of Petroleum and Energy also offered 25 companies ownership interests in a total of 47 production licences on the Norwegian Continental Shelf

[12](NCS) in the latest round of awards in predefined areas (APA). Equinor was awarded 26 of the licences while companies including Aker BP, Eni subsidiary Vår Energi and Wintershall also secured a number of licences.

North America

US – The Republican Governor of the US state of Ohio, Mike DeWine, signed into law a controversial bill that requires state agencies to open up public lands they control to oil and gas development [13]. The decision came despite calls from environmental groups for a veto against the bill. The new law also defines natural gas – and any electricity generated through the use of it – as “green energy”

Meanwhile, the Department of the Interior (DOI) has said the US is planning to overhaul the regulatory framework for offshore wind development to attract more investment and accelerate project development. [14] It has set a target of 30 GW of offshore wind capacity by 2030 plans to have projects totalling up to 22 GW of capacity approved by 2025.

The country is also expecting gas prices to remain around USD 5/MMBtu in 2024 [15] as production across the country increases, the Energy Information Administration (EIA) forecast in its latest Short-term Energy Outlook (STEO). It also estimates Henry Hub spot prices will remain lower than the 2022 average in the last three quarters of 2023, as domestic consumption declines and LNG exports remain flat.

Middle East

UAE – The proposed LNG liquefaction project to be constructed at the United Arab Emirates’ Port of Fujairah got a marketing boost last week when the project’s sponsor – Abu Dhabi’s state-owned oil and gas company ADNOC – announced it had merged its LNG and gas processing operations into a single company called ADNOC Gas. [16] A final investment decision (FID) on the LNG project could come later this year.



Consulting

+44 (0) 20 7332 9900
consult@gasstrategies.com



Alphatania Training

+44 (0) 20 7332 9910
training@gasstrategies.com



Information Services

+44 (0) 20 7332 9976
subscriptions@gasstrategies.com