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Weekly News Roundup (7-11 August)

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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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International

Sovcomflot's Christophe de Margerie, which will serve the Yamal LNG plant, has become the first unescorted LNG carrier to undertake a trans-Siberian route [1] between northern Europe and East Asia. The vessel last week entered the Bering Strait and is reportedly due in South Korea on 15 August.

Nord Stream 2 [1] has published a draft environmental impact assessment (EIA) for the proposed pipeline project from Russia to Germany and opened a public consultation on it. A public hearing on the report will be held next month.

Gas network operators from across Europe are queueing up to bid for [2]Greek state-owned grid operator [2] Hellenic Gas Transmission System Operator (DESFA) that could offer strategically significant regional midstream growth opportunities.

CCS technology has suffered major setbacks in the US and Europe, leaving just ten large-scale CCS projects worldwide in the power sector, only two of which in operation and none serving gas-fired stations. Read more in our feature [3]

US & Canada

Canada – Provincial and federal governments remain adamant that there is still space for Canada at the LNG exporters' table despite the failure to develop large scale LNG export capability. Read more in our feature [4]

Environmental and aboriginal groups are not satisfied by Petronas' decision to scrap the proposed Pacific Northwest LNG plant [5] and are seeking revocation of its environmental permit to prevent the project being resurrected.

Shell has launched a methane detector pilot [6] at one of its shale gas sites in Alberta, with the initiative aiming to enable better early detection and repair of methane leaks.

US – BP investment in the Mancos shale field in New Mexico [7] is starting to pay off after the British major achieved the highest gas production rates in the San Juan basin for the past 14 years.

A fresh tax on Marcellus shale drilling [8] and proposed changes to permitting have riled both industry and environmental lobbies in Pennsylvania, where the legislation has passed the Republican-controlled state Senate.

Fourchon LNG has requested the Federal Energy Regulatory Commission (FERC) commence a pre-filing environmental review of its proposed 5 mtpa [1]LNG export project in Louisiana [1]. The company hopes to start construction in 2019.

Natural gas stands to make limited gains from the impending solar eclipse [9] that will plunge large parts of North America into darkness later this month and knock several gigawatts of solar power off the grid.

Cheniere Energy has sought to play down reports of Indian utility GAIL seeking to renegotiate a 20-year, 3.5 mtpa contract [10] with the US exporter.

The US sold more natural gas to foreign trade partners than it imported for four of the first six months of the year, placing it on track to becoming a net exporter for the first time in 60 years [11].

Pennsylvania-based Rex Energy has concluded an agreement with BP whereby the British major has agreed to market the majority of Rex's natural gas liquids [6], starting in January 2018.

State-owned Alaska Gasline Development Corp, developer of the proposed Alaska LNG export plant, has been granted tax exemption status [6].

Africa

Egypt – The Egyptian government has passed legislation to liberalise [12] the domestic gas market [12], granting private companies third-party access to the grid and permitting them to import supply, an official for Egypt's state-owned energy company EGAS told Gas Matters Today.

The Egyptian Electricity Holding Company has awarded Japan's Mitsubishi Hitachi Power Systems a contract to upgrade the 750 MW Cairo North CCGT [6]. The work is set to be completed by H2 '18.

Asia Pacific

Bangladesh – Bangladeshi conglomerate Summit Group has lined up Excelerate Energy as a likely candidate to provide a floating storage and regasification unit (FSRU) [13] to supply gas-fired power projects in the South Asian country.

Indonesia – Indonesia has issued a regulation [14] to help gas compete against coal [14] in the country's power mix. The rule also focuses on consuming more domestic LNG.

Myanmar – Australia's Woodside Energy has made a third gas discovery [1] in Myanmar. A test well in the Southern Rakhine Basin flowed at 50 MMcf/d over a 44-hour period.

Pakistan – LSE-listed Oil & Gas Development Company has unearthed more gas in Sindh province [1] in southeast Pakistan following its latest exploratory drill, which flowed 5.73 MMcf/d.

South Korea – Domestic LNG imports surged by nearly 40% [15] year-on-year in June and marked a seasonal record for the month at 3.4 mtpa, according to customs data, well in excess of some analyst expectations.

Australasia

Australia – Origin Energy expects to take a AUD 1.2 billion (USD 946 million) impairment charge [16] on the Australia Pacific LNG plant [16] in the second half of 2017, most of which related to its stake in the project.

Europe

Greece – The Mediterranean country launched a new E&P tender [17] last week, offering offshore blocks following an expression of interest by the country's only offshore producer Energean and a consortium of Total, ExxonMobil and Hellenic Petroleum.

Norway – Statoil and partners Petoro and OMV have made a small gas discovery [1] following the drill of the Gemini North well in the Barents Sea. The discovery is believed to hold 0.4-1 Bcm of gas and 0.5-2 million barrels of oil.

Poland – New technology to monitor contamination [18] at aquifers [18] during fracking at sites in Europe is in the final stages of development and set to be tested at a shale gas well in Poland later this year.

UK – Engie has produced first gas from a secondary well [19] at the Cygnus complex, claimed to be the UK's largest single producing gas field in the North Sea.

The UK Oil and Gas Authority has offered seven more blocks in its 30th licensing [1] round [1], bringing the total offering to 820 blocks in mature areas across the UK Continental Shelf.

Premier Oil has appointed three new board members [6]: Roy Franklin as non-executive chairman and Dave Blackwood and Mike Wheeler as non-executive directors.

Amec Foster Wheeler has put its North Sea operations up for sale [6] to allay competition fears stemming from its proposed takeover by Wood Group.

Ukraine – G [20] as imports from Europe [20] increased 240% year-on-year in H1, with the country's state-owned oil and gas company Naftogaz ordering Gazprom to cough up a further USD 5 billion in its ongoing arbitration case against the Russian company.

Latin America & Caribbean

Argentina – State-owned Enarsa has reportedly launched LNG tenders seeking up to 32 cargoes [1] for delivery to the Bahia Blanca and Escobar terminals over the next two years.

Brazil – The country's hydrocarbons regulator has approved 14 companies for the 14th licensing round [6] to be held in September, including Shell, ExxonMobil, BP, Total, Petrobras, Repsol, Wintershall, Dea and Petronas.

Middle East

Israel – Athens-based Energean is lining up a fourth buyer [1] for gas from the Tanin and Karish fields [1], offshore Israel, after signing a preliminary deal with Israeli chemicals company ICL for up to 13 Bcm over a 15-year period.

Russia & CIS

Azerbaijan / Turkmenistan – Azeri President Ilham Aliyev and Turkmen President Gurbanguly Berdimukhamedov on 8 August signed an agreement to broaden energy cooperation [21] between the two states.

Russia – Gazprom and Shell have signed an agreement to implement a joint feasibility study on the proposed 10 mtpa Baltic LNG plant project [1] in the Leningrad Region. The study will help the pair select technical solutions and develop a conceptual schedule.



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

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Registered company address: 10 St Bride Street, London, EC4A 4AD