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[1]

## Analysis

As governments across Europe impose new restrictions aimed at stemming the spread of Covid-19, a potential uptick in household gas consumption [2] may act to offset any drop in demand for natural gas caused by the closure of Europe's customer facing businesses – all while European industry continues to make a strong recovery.

The French government's repudiation of importing US LNG [3] on environmental grounds has thrown into sharp relief the need for better data on the full-cycle climate emissions intensity of natural gas from different hydrocarbon provinces around the world – and for energy trade to be less driven by geopolitics.

Under a Biden presidency in the US, Senate Republicans could well stymie efforts to bankroll the Democrat's proposed [4] clean energy revolution [4], while talk of curbing fracking and rapprochement towards Tehran seem unlikely to be prioritised in the face of pressing domestic matters.

## International

Equinor's new CEO announced on his first day in the job that the Norwegian firm is targeting net zero carbon emissions by 2050 [5], building on earlier climate pledges and bringing the company in line with goals outlined by fellow European IOCs Shell and BP.

Spanish utility Iberdrola has announced its largest-ever investment programme [6], with the firm aiming to splurge USD 88 billion to 2025, most of which in Europe and the US, in a bid to double its renewable

capacity, boost profits and become carbon neutral by 2030.

ConocoPhillips is introducing “innovations” to its Optimized Cascade [7] liquefaction technology [7] aimed at enhancing “functionality” and adapting the system to a changing LNG market characterised by buyers seeking smaller volumes and greater contractual flexibility.

Cheniere’s marketing arm has signed a heads of agreement with China’s Foran Energy that could lead to a five-year supply deal for 26 cargoes [8], the Chinese firm said last Friday.

## Africa

**South Africa** – Shell has swooped for a 50% operator stake in Impact Oil & Gas’ Transkei and Algoa [9] offshore blocks [9], days after both Equinor and ExxonMobil offloaded them.

## Asia Pacific

**Malaysia** – Petronas has pledged to achieve net zero carbon emissions by 2050 [10], becoming the first state-owned Asian oil and gas firm to set the mid-century emissions-neutral target.

**Philippines** – Power producer First Gen’s subsidiary FGEN LNG has unveiled plans to offer small-scale LNG solutions [11] from its maiden LNG terminal in Batangas to deliver the fuel to new island customers in the region and “democratize” the use of gas.

## Europe

**Denmark / Poland** – Ørsted’s supply deal with PGNiG [12] is likely to “commence later than initially expected” a spokesperson has told Gas Matters Today, after Total delayed the restart of the largest gas field in Denmark by 11 months due to Covid-related issues.

**Germany** – Uniper is rethinking plans for a floating LNG terminal at Wilhelmshaven [13] in Germany after market interest proved too low to justify proceeding with the project in its current form.

## Mediterranean

**Greece / Israel / Lebanon** – Negotiations between Israel and Lebanon over a disputed area in the East Mediterranean look increasingly unlikely to succeed, after Beirut moved to claim the Karish and Tanin fields offshore Israel [14] under development by Greece’s Energean Oil & Gas.

## Middle East

**Oman** – Oman is considering plans to introduce an income tax on high earners [15] from 2022 in a bid to tackle its rising fiscal deficit, a move that could prove a first among its regional peers that are grappling with a record jump in debt due to the crude price plunge.

**Saudi Arabia** – Saudi Aramco’s ongoing efforts to increase gas production [16] seem to have paid off, after the Saudi national oil company produced a record 10.7 Bcf of gas in a single day.

## North America

**US** – LNG exports look set to rebound to pre-Covid levels after a summer of cargo cancellations, after

feed gas flows to US LNG plants hit an all-time high [17] of more than 10 Bcf/d in late October amid robust demand in Asia.

Baker Hughes has stepped up its efforts to get ahead of the energy transition curve [18] by acquiring Compact Carbon Capture (3C), a “pioneering” Norwegian carbon capture technology development company, for an undisclosed sum.

The proposed start-date of the Mountain Valley pipeline [19] has been pushed back to H2’21, developer Equitrans Midstream said during its Q3’20 results last week, adding that the cost estimate for the project has also been increased by at least USD 0.4 billion.

Voters in Texas have delivered a clear mandate to fill a key seat at the Texas Railroad Commission after Trumpian “outsider” Jim Wright won a decisive lead over his anti-flaring rival [20] in a victory set to consolidate Republican control over the state regulator.

EOG Resources has made a sizeable dry gas discovery at its Dorado prospect [21] in Texas, which could potentially bring gas with a lower emissions footprint to market near Gulf Coast LNG plants that face ever-greater environmental scrutiny.

Despite trailing in the tight US presidential race last week, incumbent Donald Trump made what could be his final move to influence energy regulation by replacing Neil Chatterjee [22] with ally James Danly as chairman of FERC.

## South Asia

**Pakistan** – ExxonMobil has quit the Energas LNG Terminal consortium [23] that is looking to develop an LNG terminal in Pakistan, according to reports, marking the second Pakistani LNG terminal project that Exxon has abandoned.



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