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[1]

International

The energy sector's need for critical minerals could increase sixfold by 2040 [2], with the falling costs of renewables like wind and solar driving demand for minerals and potentially exposing the energy sector to price volatility and supply issues unless governments take action, according to a new report by the IEA.

?Asia Pacific

Malaysia – Petronas has sold a spot cargo from the Bintulu LNG plant [3] to a buyer in the Far East, with the cargo pegged to the Canada Alberta Energy Company index, as the Malaysian firm looks to spur interest in the index ahead of the launch of LNG Canada.

?Australasia

Australia – Utility firm AGL is expecting a USD 83 million pre-tax loss after scrapping its proposed Crib Point LNG terminal [4] in Victoria, a move which raises questions over why so much capital had been committed before the project received environmental approvals.

Santos and Eni are looking into the possibility of expanding capacity at the 3.7 mtpa Darwin LNG plant [5] as well as repurposing the almost depleted Bayu-Undan field in the Timor Sea to serve as a carbon capture and storage (CCS) facility.

Australia has launched a National Gas Infrastructure Plan under its 2021-22 Budget [6] that earmarks ~USD 30 million for key projects needed to avoid supply shortfalls, which may include the proposed Port Kembla LNG terminal in Victoria.

Papua New Guinea – Total is aiming for FID on the 5.6 mtpa Papua LNG project in 2023 [7], the company said this week, as it shifts focus after calling force majeure on its Mozambique LNG project due to the tense security situation in the east African nation.

?Europe

EU – European CO2 prices topped EUR 50/tonne [8] for the first time on Tuesday, as anticipation of even higher prices to come more than offset effects from annual compliance – when companies surrender permits for the previous year – ending on 30 April.

Germany – The German government is planning to introduce an “ambitious” new law to [9]quicken its energy transition [9] by aiming to reach net zero by 2045, which sources say will require large-scale buildout of renewables and rapid decarbonisation of its power sector.

Poland – Equinor has acquired Polish renewables developer Wento [10] for ~USD 110 million, including a 1.6 GW pipeline of solar projects, days after the Norwegian firm secured subsidies for 1.44 GW of offshore wind capacity in Poland's portion of the Baltic Sea.

?Middle East

Saudi Arabia – Saudi Aramco became the latest oil major to report bumper Q1'21 results on the back of higher crude prices, posting a 30% year-on-year increase in net income [11], but the firm's debt continued to swell as free cash flow fell short of its quarterly dividend.

?North America

Canada – Woodfibre LNG has moved a step closer to FID on [12]the proposed 2.1 mtpa liquefaction plant [12] in British Columbia after BP's subsidiary signed a second SPA, meaning that over 70% of the plant's capacity has been booked under 15-year deals.

US – The country's largest LNG exporter Cheniere has entered the low-carbon LNG game after delivering a carbon-neutral LNG cargo to Shell [13] in April and exported a record 133 LNG cargoes from its Gulf Coast plants in Q1 despite disruptions from winter storm Uri.

Start-up of the 2 Bcf/d Mountain Valley Pipeline in Virginia has been [14]delayed [14] to summer 2022 from the end of 2021, which has increased project costs by an estimated USD 200-400 million, lead developer Equitrans Midstream Corp has confirmed.

Sempra Energy will likely delay FID on the Port Arthur LNG plant [15] to 2022, as the company looks to contract its full capacity and reduce its GHG emissions, with sources suggesting this could be the first of many delays and cancellations of US LNG FIDs this year.

Shares in top US gas producer EQT plummeted last week after it announced plans to buy ~USD 3 billion in up- and midstream resources [16] from Alta Resources, possibly signalling EQT's intent to capitalise on rebounding prices as the world recovers from Covid-19.

?South Asia

India – Around 0.5 mt of LNG has been diverted from India [17] in recent weeks and more cargo diversions were expected last week as surging Covid-19 cases continue to hit demand in the world's fourth largest LNG importer, according to intelligence firm Kpler.



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