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Contents

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[1]

Analysis

The recent cyberattack against the US-based Colonial condensate pipeline has highlighted that the gas industry is vulnerable to attack [2] and that the operational systems of gas pipelines are often outdated and were not designed with hackers in mind, according to US industry observers.

?International

Maersk Drilling has sold two ageing jack-up rigs to New Fortress Energy for USD 31 million, which the new owner will repurpose for its 1.4 mtpa Fast LNG mobile liquefaction project [3] aimed at accessing stranded, low-cost fields. The rigs are Maersk's two oldest and are currently not in use, reflecting a challenging market for offshore rigs.

Investment in new fossil fuel supply projects must halt immediately [4] for the world to reach net zero carbon emissions by 2050, the IEA said last week in a landmark report, adding that two thirds of global primary energy will need to derive from renewables to achieve carbon neutrality by the mid-century mark.

Gas and renewables replaced large volumes of coal-fired generation [5] in many EU states in 2020 and higher carbon prices will continue to limit the competitiveness of coal across the bloc, despite coal demand having picked up again in Q1'21, according to report by industry association EURACOAL.

Mitsubishi Power and Iberdrola have agreed to jointly develop renewable energy projects including green hydrogen [6] to decarbonise heavy industry and power in a collaboration that builds on experience jointly developing CCGTs.

Woodside, IHI and Marubeni have signed a heads of agreement to “investigate” production and export of green ammonia from hydro power [7] on the island of Tasmania after a number of Japanese companies entered Australia’s nascent hydrogen sector.

?Africa

Angola – BP and Eni have signed an MoU to examine combining their upstream portfolios [8] in Angola, which could create one of Africa’s largest oil and gas firms and help “boost future developments” in the nation, which has seen output fall over the last decade

?Asia Pacific

Philippines – Filipino businessman Dennis Uy is set to seize control of the largest gas field in the Philippines [9] after Shell agreed to sell its 45% stake in the offshore Malampaya gas field to a subsidiary of Uy’s Udenna Corporation.

?Europe

EU – The Biden administration has lifted key US sanctions on Gazprom’s Swiss-based holding company [10] building the 55 Bcm/year capacity Nord Stream 2 pipeline linking Russia and Germany via the Baltic Sea, in a move that could see the pipeline completed later this year.

Denmark / Iceland – Danish firms Evergas and Ultragas have launched Dan-Unity CO₂ – the first shipping company specialising in transporting and storing CO₂ captured for storage and re-use [11] – which will transport CO₂ to Iceland’s volcanic bedrock where it will be naturally converted into stone within two years.

Norway – Carbontech start-up Horisont Energi and compatriot Equinor have signed a development agreement to “further mature” the Polaris [12] offshore CCS project [12], which is a key to the Barents Blue ammonia project that the pair hope to bring online in 2025.

Spain – The country has become the fourth EU member state to say it will ban the production of fossil fuels [13] after the Spanish Congress passed a bill calling for the “exploitation” of Spain’s hydrocarbon deposits to be banned by 31 December 2042.

Fund manager CriteriaCaixa has increased its 24% stake in compatriot utility Naturgy [14] in a bid to ensure that the firm remains under Spanish control, after Australian fund manager IFM offered to buy a 22% stake in the emerging renewables player.

UK – Trading on the UK [15] Emissions Trading System began [15] last Wednesday as the government auctioned the first tranche of carbon permits, while ICE Futures opened a futures market, in which six million spot UK Allowances cleared at roughly GBP 44/tonne.

?Mediterranean

Israel – Chevron has received the green light from Israel's energy ministry to restart operations at the Tamar field [16], nine days after the US major was told to shut in the offshore field amid escalating violence between Israeli forces and Palestinian militants.

?North America

Canada – Australia's Woodside has decided to exit its 50% interest in the [17]proposed Kitimat LNG export plant [17] in British Columbia, representing another setback after partner Chevron said earlier this year it would no longer fund activities related to the project.

US – RWE and National Grid plan to join forces in developing wind projects off [18]the US northeast coast [18] amid growing interest from European developers as the Biden administration pushes to deploy 30 GW of domestic offshore wind capacity by 2030.

?Russia & CIS

Russia – Oil and gas company Rosneft has reported a 1 Bcm decline in production [19]Q1'21 [19], compared with the previous quarter, but output is expected to ramp up later this year owing to the Rospan project in the Yamal region of the Russian Arctic.

?South Asia

India – LNG importers [20]continue to cancel shipments [20], with firms like Indian Oil, Gujarat State Petroleum and Petronet LNG requesting delays to deliveries as they grapple with a glut caused by economic impact of Covid-19, according to Bloomberg.



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