

26 April 2024

## Contents

Gas Matters Today | news roundup | w/c 19 July 2021

Publication date: 26 July 2021

### **Gas Strategies Group**

10 Saint Bride Street  
London UK  
EC4A 4AD

ISSN: 0964-8496

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

### **Editorials**

+44(0) 20 7332 9957  
[editor@gasstrategies.com](mailto:editor@gasstrategies.com)

### **Subscriptions**

+44(0) 20 7332 9976  
[subscriptions@gasstrategies.com](mailto:subscriptions@gasstrategies.com)



# Gas Matters Today | news roundup | w/c 19 July 2021

**Get the inside line. Take a free trial of Gas Strategies Information Services:**

- Full access to Gas Matters, Gas Matters Today & LNG Business Review
- Access to our fully searchable archives containing
- Daily, weekly and monthly newsletters bringing the latest news and features to your inbox
- Gas Strategies iOS app

Free trial code **GS21**

**Complimentary access**

[1]

## International

The CEO of Halliburton, the world's third largest oil services firm, sounded a bullish outlook for the oil sector, suggesting that the industry is in the early stages of a "multi-year upcycle" [2] and that for the first time since 2014, international and North American markets will grow simultaneously. The bullish forecast came during Halliburton's Q2'21 results, in which the firm posted a 34% quarterly increase in profits.

Separately, US services and technology firm Baker Hughes has said it expects global demand for oil and gas to continue to recover over the second half of 2021 and into 2022 [3], with the firm's CEO suggesting LNG fundamentals are "equally as strong if not better than oil". However, the firm said momentum for cleaner energy projects is continuing to increase globally, pointing to 21 CCUS projects that have been announced so far this year.

Anglo-Australian miner BHP is reviewing the future of its oil and gas assets [4] and may consider a sale, according to media reports. A divestment of hydrocarbon assets would help the company reduce greenhouse gas emissions in line with targets and focus on its portfolio of core commodities that will support the green energy transition.

TotalEnergies has signed a technical cooperation agreement with engineering firm Technip Energies through which the two firms will jointly develop solutions to decarbonise LNG production and offshore facilities [5]. In joining forces, the two firms will "explore new concepts and technologies," including

hydrogen and CCUS, with a view to cutting the carbon footprint of both greenfield and existing projects.

## Asia Pacific

**China** – State-owned PipeChina has made its first deliveries of pipeline gas to Hainan island's east coast, following completion of its Hainan Roundabout Pipeline [6], which is set to deliver gas along the entire circumference of Hainan's coast as China pushes forwards with plans to transition away from coal in its bid to reach net zero by 2060.

**Japan** – The country must transform its electricity system to ensure it derives ~60% of its power from low-carbon sources [7] if it is to meet its 2030 climate targets, according to a draft plan published by Japan's energy ministry METI.

**Thailand** – A subsidiary of state-run electricity generator EGAT plans to start importing LNG from the end of 2021 to fuel power plants [8] after receiving regulatory approval for an LNG shipper licence, the company announced, as the list of companies receiving regulatory permission to import LNG continues to grow.

## Australasia

**Australia** – Chevron has confirmed that the CCS facility at its Gorgon LNG plant in Western Australia has failed [9] to meet its five-year CO<sub>2</sub> injection target after delays and operational difficulties that highlight the technological challenges that large-scale CCS projects face.

The government of New South Wales has said it will reduce the areas of available land for gas exploration by 77% [10], meaning that the state's expected supply shortfall in the short- to medium-term must be covered by pipeline imports from other states and LNG imports.

**Papua New Guinea** – Oil Search has rebuffed an unsolicited merger proposal from its PNG LNG partner Santos, aimed at creating "an unrivalled regional champion" [11] with market capitalisation greater than Santos' compatriot Woodside, however, Oil Search said it is "open to receiving a revised proposal" from Santos.

## Caribbean

**Trinidad & Tobago** – Shell has launched its first greenfield project in Trinidad and Tobago [12] after starting production at Block 5C, located in the offshore East Coast Marine Area.

## Europe

**Germany / US** – Germany and the US have reached an agreement under which Berlin pledges to press for sanctions if Russia attempts to "misuse" Nord Stream 2 [13] and "use energy as a weapon" against Ukraine or European nations, while also offering support to help broker a 10-year Russia-Ukraine transit agreement beyond 2024.

**Albania** – Excelerate Energy, Italian infrastructure firm Snam and Albanian gas TSO Albgaz have penned an MoU, under which the trio have agreed to explore constructing a pipeline linking a proposed LNG terminal [14] in Albania "to other natural gas infrastructure opportunities" in the country.

**France** – On the heels of Shell and Total, Norwegian major Equinor is targeting floating offshore wind [15]

in France and has teamed up with wind developer RES and financial advisory firm Green Giraffe to bid in upcoming auctions.

**Netherlands** – The Netherlands Enterprise Agency has awarded USD 4 million in subsidies to [16] the Neptune Energy-led PosHYdon green hydrogen project [16] in the Dutch North Sea – the world's first offshore green hydrogen pilot on a working oil platform.

**UK** – BP has become the latest IOC to confirm its participation in the ScotWind seabed licensing round, which closed on 16 July, with the British oil major teaming up with German utility EnBW to submit a joint bid to develop up to 2.9 GW of wind [17] generation capacity [17].

## North America

**Canada** – A consortium comprising the Nisga'a first nations people, Canadian gas producer group Rockies LNG and Texas-based Western LNG have launched plans for a 12 mtpa LNG plant called Ksi Lisims in British Columbia [18], which the developers say could begin operating by 2027 or 2028 subject to FID.

GNL Quebec's Saguenay liquefaction project looks to have stalled [19] after the Quebec government refused project approval on grounds that it had not sufficiently demonstrated compatibility with the energy transition and emissions targets, despite pledges that the plant would offset all direct GHG emissions and utilise hydro-generated electricity.

**Greenland** – The Danish territory's government has announced plans to halt development of oil and gas resources [20], after pledging to immediately stop issuing new exploration licences on grounds that the cost of extracting fossil fuels is "too high," when environmental and wider economic considerations are taken into account.

**US** – Midstream giant Kinder Morgan has agreed to acquire developer Kinetrex Energy for USD 310 million as a means of expanding its footprint in renewable natural gas (RNG) [21], as the firm faces mounting pressure to embrace the energy transition amid the US push to reach net zero by 2050.

## South Asia

**India** – H-Energy's maiden LNG terminal will not be starting up this month [22] as previously planned, with the FSRU serving the Jaigarh LNG terminal on India's west coast departing over the weekend to head to the United Arab Emirates for "some small repairs", a H-Energy spokesperson told Gas Matters Today.



### Consulting

+44 (0) 20 7332 9900  
[consult@gasstrategies.com](mailto:consult@gasstrategies.com)



### Alphatania Training

+44 (0) 20 7332 9910  
[training@gasstrategies.com](mailto:training@gasstrategies.com)



### Information Services

+44 (0) 20 7332 9976  
[subscriptions@gasstrategies.com](mailto:subscriptions@gasstrategies.com)