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Contents

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[1]

Central & South America

Argentina – President Alberto Fernández’s centre-left coalition suffered a setback in midterm elections [2] with the government losing in three hydrocarbon producing southern states of Neuquén, Chubut and Santa Cruz. Underinvestment in the upstream sector may have weighed on the results, sources suggest.

International

More than 190 countries approved rules to govern international emission markets [3] under the Paris Agreement, just before the close of the COP26 climate summit where they also pledged to increase their emissions cutting commitments at next year’s summit.

Middle East

Abu Dhabi – Mitsui and South Korea’s GS Energy have joined ADNOC’s blue ammonia project in the TA’ZIZ Industrial Chemicals Zone [4] in Ruwais, Abu Dhabi, becoming offtakers and equity partners. Mitsui and GS Energy plan to import blue hydrogen and ammonia from Ruwais in a move to decarbonise the power and industrial sectors in Japan and Korea.

Europe

The European Union has pledged to invest EUR 1.1 billion (USD 1.2 billion) in seven large-scale projects [5] targeting the decarbonisation of energy-intensive industries. The funding, source from the bloc's Innovation Fund, will be granted to "breakthrough technologies" such as hydrogen and carbon capture storage (CCS).

Netherlands – The Dutch government launched an eleventh hour bid to keep Shell in the country [6], with plans to abandon a dividend tax, according to the Financial Times. The report came after Shell announced plans for a major restructuring process, including moving its tax base from the Netherlands to the UK, alongside its CEO Ben van Beurden and some senior staff.

Germany – The Nord Stream 2 pipeline (NS2) connecting Russia and Germany is unlikely to flow first gas this winter as German regulator Bundesnetzagentur revealed it had suspended the certification procedure [7] of Gazprom's Swiss holding company Nord Stream AG as an independent transmission operator (ITO).

UK – The hydrogen and carbon capture and storage (CCS) projects of utility SSE appear to have received a boost after the company said it will invest GBP 12.5 billion (USD 16.86 billion) by 2026 [8], marking a 65% increase on its previous plan. SSE also reportedly rejected calls from hedge fund Elliott Management to break-up its renewables division with the firm now aiming to sell a 25% stake in its electricity distribution and transmission networks to raise funding for its low carbon expansion plan.

Africa

South Africa – State-owned utility Eskom announced rolling power cuts [9] from Wednesday 17 November through to the early hours of 20 November amid issues at several of its coal-fired power plants. With total shutdowns standing at 15 485 MW, Eskom's CEO warned that the utility has had to turn to its limited diesel reserves to keep stand-by plants running.

South African LNG outfit DNG Energy imported the country's first LNG volumes [10], with the delivery potentially being the first LNG delivered into sub-Saharan Africa. The firm said the delivery is a "precursor" to commissioning its floating storage unit (FSU) at the Port of Coega in Eastern Cape.

North America

US – The world's largest LNG buyer, JERA, has agreed to purchase Global Infrastructure Partners' 25.7% stake in Freeport LNG [11] Development (FLNG) in a deal worth ~USD 2.5 billion. JERA said the purchase will help it secure flexible LNG supply, with the deal coming amid soaring gas prices and uncertainty over the restart of Japan's fleet of nuclear power plants.

Talos and Freeport LNG are eyeing the development of the first US Gulf Coast CCS project [12] after the pair signed a letter of intent (LoI) for a project near Freeport's LNG plant in Texas. Using a Freeport LNG-owned geological sequestration site located adjacent to Freeport LNG's pre-treatment facilities, the CCS facility could inject first CO₂ in 2024, according to Talos.

US President Joe Biden requested the Federal Trade Commission (FTC) investigate potential illegal conduct related to high gasoline prices [13] at the pump amid declining oil and gas costs for companies and the falling price of unfinished gasoline. Industry associations have suggested that the administration's energy policy is to blame for soaring fuel prices.

US and European oil majors dominated the largest US Gulf of Mexico oil lease sale in US history [14] – the first conducted under the Biden administration. However, environmental groups opposed the sale, suggesting it is at odds with the president’s energy policy and low-carbon energy ambitions.

US company NET Power has delivered electricity onto the ERCOT-operated Texas grid from its 50 MWth test facility [15] in La Porte which the firm says generates carbon-free electricity from natural gas. According to the company, the breakthrough could speed up the development of commercial zero-emission power plants internationally, including in Canada and the UK.

The Build Back Better Act was passed by the US House of Representatives on Friday [16], with 220 votes against 213. The bill, which imposes a fee on methane emissions from large scale oil and gas facilities, as well as increased royalties on on- and offshore gas leases, will now be voted on in the Senate before it becomes law.

Asia Pacific

Spot LNG charter rates in Asia Pacific basin hit a record high [17] during the week, with growing US LNG imports into the region being one of the main factors driving freight rates. Spot charter rates in the Pacific basin for the December period hit USD 316,000/d last week, according to Spark Commodities, with rates in both the Pacific and Atlantic basins moving “sharply higher”.

Australasia

Australia – Woodside secured a partner for its proposed Pluto Train 2 project, as investment fund Global Infrastructure Partners (GIP) agreed to purchase a 49% stake in the project [18]. While the proposed sale is in line with Woodside’s previously announced plan to sell up to 49% in Pluto Train 2, Woodside will take on the majority of the risk unlike initially planned by the company’s executives.

Bioenergy which currently represents 3% of total energy consumption in Australia could take a 20% share by 2050 [19], according to a roadmap by the Australian Renewable Energy Agency (ARENA). While more government support and cost reductions will be necessary for bioenergy to drive Australia’s 2050 net-zero emissions target, it remains to be seen whether the source will complement or compete with new technologies among hydrogen and ammonia.

The Conservation Council of WA (CCWA) through the Environmental Defenders Office sent a letter to Woodside suggesting the firm’s Scarborough gas field may need to be reviewed under the Environmental Protection and Biodiversity Conservation (EPBC) Act [20] before a final investment decision is taken. Woodside is planning to take FID on the integrated Scarborough and Pluto Train 2 project in December, but the CCWA has warned that the firm will face a court challenge if it pulls the trigger on the project and has not been cleared under the EPBC Act.

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