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[1]

Central & South America

Bolivia – Repsol announced a new gas discovery at its Margarita field in Bolivia [2], with the new well set to be the largest producing well in the country, according to Bolivia's state-owned energy firm YPF. The new well, capable of producing 3 MMcm/d, comes as Bolivia's gas production is declining and the new volumes could help shore up exports to Argentina and Brazil over the short term.

Russia & CIS Region

Russia – The nomination of former German chancellor Gerhard Schröder for Gazprom's board of directors has attracted criticism in Germany. His nomination has been perceived as controversial as it comes at a time of frosty diplomatic relations [3] between the West and Russia amid fears over a possible invasion of Ukraine by Russia.

Asia Pacific

Japan – The country's Minister of Economy, Trade and Industry Hagiuda Koichi assured US diplomats that Japan will “cooperate as much as possible” on diverting LNG cargoes to Europe [4] in line with a request from Washington DC. Meanwhile, Japan will also prioritise domestic energy security during the winter season and high energy demand.

UK

Mirroring its energy major peers, BP reported its highest profit since 2014 [5] and pledged to increase share buybacks. The British firm also outlined plans to boost its net zero ambition and reduce operational emissions by 50% by 2030, up from its previous target of 30-35%.

UK opposition parties have been calling for the government to introduce a windfall tax on energy companies over alleged excessive profits as energy prices spike [6]. However, the oil and gas industry says a windfall tax would discourage investment at a time when the UK needs more domestic gas production.

The UK's Oil and Gas Authority (OGA) has instructed Cuadrilla to plug and abandon its two horizontal shale wells at its Preston New Road (PNR) site in Lancashire [7], north of England, the UK shale gas firm has confirmed. Meanwhile, the company pointed at the need for further domestic production to help ease the soaring gas prices and the need for imports.

North America

US – An EU delegation visited Washington to discuss energy collaboration and support in case of disruptions to Russian gas supplies, while parallel to this, German chancellor Olaf Scholz and US President Joe Biden held discussions in the US capital [8] that seemingly failed to reach a consensus on the Nord Stream 2 pipeline.

US LNG player Venture Global (VG) confirmed it is preparing to export its first LNG cargo from the 10 mtpa Calcasieu Pass LNG plant [9] in Louisiana, the firm said in a filing to the US Federal Energy Regulatory Commission. The start-up of the plant is expected to help the US become the world's largest LNG exporter by the end of 2022, according to market observers.

The New York State Common Retirement Fund is divesting its holdings in 21 shale firms, including Pioneer Natural Resources, Chesapeake Energy, Continental Resources and Diamondback Energy [10], with the fund suggesting the firms are not prepared for the energy transition. The fund said it will also evaluate its holdings in integrated oil and gas companies.

Canada – The proposed Cedar FLNG project in British Columbia moved a step closer towards a final investment decision (FID) [11] after its developers awarded a front-end engineering and design (FEED) contract and submitted an application with the Canadian province for a key environmental permit. Cedar LNG will be powered by renewable electricity from the existing BC Hydro transmission system, making it one of the lowest carbon intensity LNG facilities to date, according to the project's backers Pembina and the Haisla First Nation group.

Europe

European carbon allowance (EUA) prices reached a new record high of EUR 98.49 (USD 112.61) on Tuesday 8 February [12], influenced by continuously strong energy markets and anticipation of industrial

demand for carbon ahead of the annual compliance cycle.

Germany – The possible inclusion of gas in the EU Taxonomy Regulation has boosted the prospects for new investment in gas-fired plants in Germany, which is planning to phase out coal power plants by 2030 [13]. Utility EnBW told Gas Matters Today it is eyeing a USD 1.7 billion gas plant expansion which could see 1.5 GW of new capacity built.

Norway – Equinor presented its strategy to cut scope 1 and 2 emissions by 50% on operated assets by 2030, as the firm's profits soar [14] on the back of high energy prices. As part of a presentation, company CEO Anders Opedal shared that plans to achieve the reduction in greenhouse gas emissions entails electrification of its infrastructure.

Spain –Naturgy announced it will separate its transmission and generation divisions into two separate companies in preparation for the energy transition [15]. However, Naturgy's share price fell sharply on 11 February following the announcement as analysts questioned the value of the split in the long run.

France – In tune with other industry majors, TotalEnergies reported soaring profits and increasing shareholder returns with strong Q4'21 and full-year results [16] namely due to strong performance from its LNG business. The firm recorded its highest Q4 profit since 2003, with its full-year net income stranding at USD 18.1 billion – its highest since 2008.

France's EDF lowered its estimate for nuclear power production in 2023 from 340-370 TWh previously to 300-330 TWh [17], the company announced. The revision came a day after French president Macron announced that he would ask EDF to consider extending the life of current nuclear fleet and said the government will start a programme for building a new generation of nuclear reactors.

Australasia

Australia – Oil and gas firm Santos announced the booking of 100 mtpa of CO2 storage capacity in depleted gas reservoirs in South Australia [18], which is possibly the first booking of its kind worldwide. The development comes after a final investment decision (FID) was taken by Santos and joint venture partner Beach Energy on the 1.7 mtpa Moomba CCS project in November 2021.

An Australian government disclosure revealed that Chevron's Gorgon Carbon capture and storage (CCS) project in Western Australia reached less than 57% of its nameplate capacity over the 2020-21 fiscal year [19]. Meanwhile, the Gorgon CCS facility's numerous shortcomings have cast further doubts over large-scale CCS technologies as environmental organisations have long questioned its efficiency and role towards decarbonising economies.



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