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## Asia Pacific

**Philippines** – Filipino E&P firm PXP Energy's hopes of advancing the development of its Sampaguita gas field [2] in the West Philippine Sea (WPS) have been put on hold indefinitely after the company was directed by the Philippines Department of Energy (DOE) to suspend exploration activities in the WPS.

**Japan** – JERA signed a memorandum of understanding (MoU) [3] with Thailand's Electricity Generating Public Company (EGCO) to cooperate in the energy transition including on natural gas and hydrogen. The MOU stipulates that JERA and EGCO will "discuss the possibility of collaboration" in order to develop LNG value-chain projects and establish a large-scale supply chain for hydrogen and ammonia.

## North America

**US** – High spot prices and Europe's strive to reduce Russian gas imports will open significant long-term growth opportunities [4] for US natural gas producers and LNG operators, ratings agency Moody's said. However, the Institute for Energy Economics and Financial Analysis suggests any additional demand from Europe through to 2030 can be comfortably met "without signing any new contracts or building any new infrastructure beyond."

TotalEnergies has snapped up Texas-based renewables player Core Solar [5], with the acquisition adding

~4 GW of utility-scale solar and energy storage projects to the French energy major's US renewables portfolio. The acquisition comes amid renewables taking a growing share in the Texas power mix, with wind and solar generating a record 34% of the power dispatched by the Electric Reliability Council of Texas (ERCOT) in Q1'22, according to the Institute for Energy Economics and Financial Analysis (IEEFA).

Higher oil and gas prices and an increase in US shale production supported first quarter earnings [6] for US supermajors ExxonMobil and Chevron. Exxon, whose planned exit from Sakhalin-1 weighed on results, announced it will boost its share buyback programme from USD 10 billion to up to USD 30 billion through 2023.

## Europe

Gazprom has fully halted gas supplies to Bulgaria's Bulgargaz and Poland's PGNiG [7] due to their refusal to pay in rubles with effect from 27 April. Although not seen as an immediate threat to security of supply, Moscow's decision will raise fears that gas exports to other European nations will also be cut off in the near future.

The European Commission's President Ursula von der Leyen said paying for gas in rubles constitutes a breach of EU sanctions [8]. Her comments were made as a number of European firms are reportedly setting up payments in rubles via Gazprombank in order to secure gas supplies.

The EU is preparing a "smart sanctions" package against Russia [9], which is set to target imports of Russian oil, the European Commission's executive vice president told The Times on Monday. However, the EU's chief diplomat told German media that there is still no unified position by EU member states regarding a complete ban on Russian oil and gas imports, raising questions over the Brussels' ability to target Russia's energy sector.

Production of lignite, also known as brown and steam coal, increased in several EU countries in 2021 [10] as a response to increasing demand for coal in power generation, Euracoal, the Brussels-based association for the European coal industry, said in a report. However, this was not a return to pre-pandemic levels as output in 2021 was near 11% below 2019 production, the report noted.

Europe is increasingly turning to LNG imports [11] as fears over Russian supply disruptions escalate. This is illustrated by the high utilisation rate of the EU's regasification terminals which was above 75% last week, marking the highest usage rate for at least a decade, according to data published by Gas Infrastructure Europe (GIE).

**Germany** – Germany's Federal Cabinet approved the draft wording [12] for the three-party coalition government to amend the Energy Security Act and other energy industry regulations in a move to bolster security of supply. The document would allow for nationalisation of energy companies as a last resort and for energy suppliers to hike prices if there is a shortage of gas, among other measures.

Wintershall Dea said that after "intense" negotiations [13] it will not exit its Russian projects for reasons of energy security, as it reported a EUR 1 billion (USD 1.04 billion) loss in Q1 '22, with the result hit by an impairment related to the Nord Stream 2 pipeline. As part of its business strategy, Wintershall said it will focus on portfolio diversification outside Russia, as well as invest in carbon management solutions and hydrogen production.

**France** – TotalEnergies has hiked its dividend and share buybacks, and vowed to direct additional investment to boost North Sea gas production

[14], with the move coming on the back of bumper Q1'22 earnings, propelled by the company's LNG business. While the French energy major's Q1 earnings increased nearly 50% year-on-year, the company's result was impacted by a USD 4.1 billion impairment related to the Arctic LNG 2 project.

**Italy** – Eni is eyeing the rollout of fast track LNG in Mozambique [15] in a bid to cater for growing demand as quickly as possible, the firm's executives said during the Q1'22 earnings call today, with the Italian energy major posting a net profit of EUR 3.58 billion.

**Poland** – Russia halted gas supplies to Poland on Tuesday afternoon, according to data compiled by the European Network of Transmission System Operators for Gas (ENTSO). The halt in flows of gas from Russia's Gazprom comes after Polish government introduced additional sanctions [16] against Russian individuals and entities including Gazprom, which will be subject to restricted measures related to its activities in EuRoPol GAZ, the owner of the Polish section of the Yamal pipeline.

## Africa

**Mozambique** – Mozambique's Empresa Nacional de Hidrocarbonetos (ENH) has selected Societe Generale as financial adviser for the state-owned company's plans to refinance its stake in the Eni-led Coral South floating LNG (FLNG) [17]. It appears that ENH is trying to take advantage of higher LNG prices to secure better terms from lenders although the 3.4 mtpa capacity Coral project is not expected to start-up before later this year.

**Algeria** – Algeria's energy minister, Mohamed Arkab, has said rerouting Algerian gas from Spain to third countries via the Maghreb Europe Gas Pipeline (GME) constitutes a breach of contract [18] between Sonatrach and its Spanish customers. The warning comes as Spain is expected this week to utilise reverse flows on the GME pipeline to supply Morocco with gas.

## South America

**Argentina** – Argentina has revived its ambitions to reclaim its LNG exporter status, with the country's economy minister stating last week that the South American nation is looking to attract USD 10 billion in private investment [19] to underpin LNG exports by the second half of this decade. However, several hurdles remain in Argentina's quest to relaunch LNG exports, with the proposed timeline highly ambitious.

## Caribbean

**Antigua** – Finnish Technology group Wartsila has been awarded a contract [20] to supply and install a 46 MW dual-fuel power plant in Antigua, with the facility forming part of the Caribbean island's first LNG-to-power project.



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