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Contents

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North America

US – The proposed Commonwealth LNG project in the US will find out before the end of the year whether it will receive environmental approval [2]from the Federal Energy Regulatory Commission (FERC) for construction and operation of the plant. The final environmental impact statement (EIS), published two weeks ago, identified some ‘adverse environmental impacts’ but how much of a hurdle this is will not become clear before FERC makes a decision.

Canada – Two Canadian gas companies temporarily shut in production last month [3]when bottlenecks caused by pipeline outages led to a price collapse in western markets. The news emerged earlier this week when both Tourmaline Oil Corporation and Kelt Exploration published operational updates.

Europe

Among the European Commission’s (EC) proposals last Tuesday concerning short-term intervention in energy markets [4], was a windfall tax on oil and gas companies which could cover at least one third of surplus taxable profits earned in the fiscal year of 2022, according to a leaked draft.

European emissions allowance prices have tumbled by around 30% in little over three weeks, reflecting growing concern that European lawmakers are set to boost market supply [5]at a time when demand is falling. Lower carbon prices could boost the economics of producing electricity from coal-fired power

plants which emit more CO2 than gas plants.

The European Commission last Wednesday proposed revenue caps and windfall taxes on energy companies [6] which it says could generate an estimated EUR 140 billion (USD 139.68 billion) to be redistributed to end-consumers in a move to help tackle soaring energy bills. Among several emergency measures, the EC also proposed mandatory targets to reduce power consumption during peak hours but said it needed more time to come up with proposals for price caps on gas imports from Russia and potentially other sources.

Norway – Norway's Prime Minister Jonas Gahr Støre has said he is “sceptical” of price caps on gas in Europe which was one of the proposals the European Commission has presented last week in a bid to alleviate soaring energy prices. The Norwegian PM's comments, issued in a statement last Monday, came after a telephone meeting he had with the European Commission's President Ursula von der Leyen to discuss the energy crisis.

Bulgaria – Bulgaria has offered Azerbaijan a barter deal for the supply of electricity in exchange for gas [8], according to Bulgaria's minister of economy and industry Nikola Stoyanov. The proposal comes amid reports that the government is also actively engaged in negotiations with Russian energy majors in order to soften the impact of volatile energy prices on the Bulgarian economy.

Germany – The German government and Finnish utility Fortum – the majority stakeholder in Uniper – are in talks with Uniper about a “permanent solution” for the struggling energy company [9]. Uniper said the financial aid measures may include Berlin increasing its stake in the company from the current 30%, thus bringing it a step closer to nationalisation and pushing out Fortum as the majority shareholder.

Rosneft's German subsidiaries Rosneft Germany (RDG) and RN Refining & Marketing (RNRM) have been placed under the trusteeship of Bundesnetzagentur (BNetzA), the German regulator, which will take control of the entities including three of the country's largest oil refineries [10], Germany's ministry of economy and climate action (BNWK) announced last Friday. The news comes amid reports that the German government is also considering nationalising struggling energy companies Uniper, VNG as well as Securing Energy for Europe (SEFE), the company formerly known as Gazprom Germania.

Russia & CIS Region

Russia – The first shipment of LNG has left Gazprom's delayed 1.5 mtpa Portovaya LNG plant last week [11], which is located near the inlet point for the Nord Stream (NS1) gas pipeline. The vessel may have left for Dahej, India, Gas Matters Today has learned, possibly making up for a shortfall of supplies under a contract with GAIL.

Gazprom, RusChemAlliance and Gazprom Linde Engineering have penned a cooperation agreement to conduct a joint study [12] for potentially expanding the 1.5 mtpa Portovaya LNG plant by an additional 2 mtpa. The agreement raises questions about whether the partners would rather collaborate on Portovaya than on the construction of the 13 mtpa Ust-Luga LNG plant which is impeded by sanctions.

International

Shell has named a new successor to replace Ben van Beurden [13] after the CEO steps down at the end of 2022. Wael Sawan, current director of Gas, Renewables and Energy Solutions, will take over from van Beurden on 1 January 2023, and will lead Shell through the company's transition to a net-zero business, according to plans.

Cheniere Energy, already the world's second-largest operator of LNG production capacity after QatarEnergy, last week set out ambitions to double LNG output from 45 mtpa to 90 mtpa [14]. The company also announced an acceleration of its 'capital allocation plan' which has been made possible by financial overperformance attributed to its role in assisting Europe to reduce dependence on Russian natural gas, early completion of projects, and rising commodity prices.

Central & South America

Colombia – Colombia's state-owned energy company Ecopetrol has reportedly sent a request to the National Hydrocarbons Agency (ANH) to suspend two hydraulic fracturing, or fracking, pilot projects for a period of 90 days [15] until the future of the projects has been decided. However, it remains unclear whether the future of fracking in Colombia will be guaranteed under the new left-wing government as opposition from environmental groups is strong.

Asia Pacific

Japan – Japan recorded a record high trade deficit in August owing to a weaker yen and higher prices for energy imports [16]. Preliminary customs data also shows LNG imports from Russia rose compared with August last year.

Middle East

Oman – Shell, Total Energies and OQ have signed an Exploration and Production Sharing Agreement (EPSA) [17] to explore, appraise and develop natural gas resources and condensate in Oman's onshore Block 11. Shell, which will be the operator of the block, said the project would strengthen its integrated gas business and that it further signifies its commitment to Oman.



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