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[1]

North America

US – BP has struck a deal to acquire leading US biogas player Archaea in a deal worth USD 4.1 billion. The British energy major said the deal will increase its US biogas supply volumes by 50% [2], accelerating growth in its strategic bioenergy business and supporting its decarbonisation goals.

The US has temporarily waived the Jones Act in a bid to boost LNG supplies to Puerto Rico which is suffering from power and fuel shortages [3] in the aftermath of Hurricane Fiona that struck in mid-September. The waiver of the act means that LNG carriers not sailing under a US flag can depart from US ports to supply the US territory.

Sempra is looking to issue Bechtel limited notice to proceed with works on its proposed Port Arthur LNG plant next month [4], the US LNG firm said in a SEC filing which confirmed the pair have revised the engineering, procurement and construction (EPC) contract for the project in Texas. Under the revised fixed-price EPC contract, the first phase of Port Arthur will cost approximately USD 10.5 billion, up from the reported USD 8-9 billion cost estimate under the previous EPC contract penned in March 2020.

An innovative gas/electric hybrid drive system claimed to “slash emissions, reduce costs, and increase efficiency” is to be installed at an LNG plant [5] being developed in the US. It is the latest example of how the industry is striving to improve the environmental credentials of its product as the transition to a net-

zero carbon emissions energy system gains momentum.

Africa

Mauritania – The government of Mauritania is hoping to grow the country's liquefaction capacity after penning a new production sharing contract (PSC) with BP and Kosmos [6] for the giant offshore BirAllah field. The new PSC is valid for 30 months, with the government hoping that BP and Kosmos take a final investment decision on the development in 2025.

Europe

"Powerful explosions" caused extensive damage to the Nord Stream 1 and Nord Stream 2 pipelines, Copenhagen Police said last Tuesday following a preliminary investigation into what caused the leaks on the gas pipelines running across the Baltic Sea [7]. Running parallel, Swedish daily newspaper Expressen published what it said are the first publicly released images of the damaged NS1 pipeline, and said a 50 metre section is missing from the 55 Bcm/year capacity pipeline.

The European Commission (EC) has tabled a set of proposals under a draft emergency regulation to address volatile gas and power prices and boost security of supply [8]. Among the key proposals are obligatory joint purchasing of gas for storage injection, price controls in wholesale markets and establishing a new benchmark as an alternative to TTF.

Portugal – Portugal's government played down potential LNG supply shortages to the nation after Galp said it received a force majeure notice (FM) from Nigeria LNG (NLNG) [9], the company's main gas supplier, following extensive flooding in the West African nation, which the Portuguese company said is causing a "substantial reduction" in production and LNG supply.

The European Commission (EC) is considering proposing a scheme whereby power generators can buy gas at a discount [10] in an effort to decouple gas and power prices. Brussels says a similar subsidy scheme in Spain and Portugal has led to lower electricity prices, however sceptics argue it will lead to higher gas consumption.

Romania – Azerbaijan's SOCAR and Romgaz of Romania signed a memorandum of understanding (MoU) regarding a project to establish two LNG "terminals" in the Black Sea. [11] Few details about the project are known, but a feasibility study is expected to be concluded in a short time, according to the announcement.

Netherlands – Neptune Energy has called on the Dutch government to include an investment allowance with its plans to raise taxes [12] and levies on energy companies. This comes as the Netherlands is looking to increase production from small fields in the North Sea in order to reduce import dependence.

France and Spain have finally abandoned the proposed MidCat pipeline and instead launched a subsea pipeline project between Barcelona and Marseille [13] known as BarMar. The project has been labelled a hydrogen pipeline that will transport limited volumes of natural gas "as a temporary and transitional source of energy."

The heads of states of the 27 EU nations have endorsed several of the proposals tabled by the European Commission (EC) [14] this week in a move to boost energy security and curb price volatility. Mandatory joint purchasing for gas for storage filling, a new LNG price benchmark as an alternative to the TTF and a "price corridor" to limit volatility in wholesale gas markets is among the measures that will now be

legislated.

Russia & CIS Region

Russia – ExxonMobil has officially exited Russia after the “expropriation” by the Kremlin [15] of the US energy major’s stake in the Sakhalin-1 oil and gas project. Running parallel, Gazprom CEO Aleksey Miller said the company will halt gas supplies to Europe if the EU introduces a gas price cap.

French engineering company Technip Energies plans to complete the exit from the Novatek-led Arctic LNG 2 project in the first half of 2023 [16], the company said in its Q3 results presentation. This comes as a number of other Western companies have already completed or are accelerating their withdrawal from Russia’s energy sector following the invasion of Ukraine.

Asia Pacific

China – China has reportedly asked state-owned LNG importers to stop reselling cargoes to European and Asian markets in order to stock up gas for winter [17]. However, China’s gas storage levels are reportedly quite full and implementation of the restrictions may not be straight-forward.

Australasia

Australia – Fears that Timor-Leste may involve Chinese investors in the long-stalled Greater Sunrise offshore gas and condensate project have prompted Australia’s foreign affairs minister, Penny Wong, to appoint a “special representative” to impart new momentum to negotiations. [18]

In its first full quarter since the merger with BHP Petroleum, Woodside Energy reported a strong set of financial results for Q3’22 and significant progress on several major projects [19] – including the Scarborough and Pluto Train 2 ventures, which remain on track to deliver first LNG in 2026.



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