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Europe

Shell has bought Europe's largest producer of biogas [1] – Denmark's Nature Energy – for USD 2 billion (EUR 1.9 billion) as part of a strategy to build “an integrated renewable natural gas value chain at global scale”. Nature Energy currently operates 14 plants producing biomethane but also boasts a pipeline of around 30 planned plants in Europe and North America.

The EU Agency for the Cooperation of Energy Regulators (ACER) last Thursday launched an open call to recruit members to an Expert Group which will provide views and opinions on a new LNG benchmark [2] that ACER has been tasked to set up. Following a request by the EU, ACER has until 31 March 2023 to set up a daily pricing benchmark for LNG as an alternative to the Dutch Title Transfer Facility (TTF) which the EU says no longer reflects pricing fundamentals in LNG trading.

Gas TSOs from Greece, Bulgaria, Romania and Hungary have renewed a memorandum of understanding (MoU) to jointly develop a Vertical Corridor [3] in a move to boost gas grid interconnections in the region. This could pave the way for expansion of the 3 Bcm/y Interconnector Greece-Bulgaria (IGB) pipeline which recently entered operations.

Italy – The Italian government has said it will oppose a judicial appeal [4]made against its plans for a floating storage and regasification unit (FSRU) in the Tuscan town of Piombino. Italy sees securing additional FSRUs as key to boosting energy security as Russian pipeline gas imports are declining rapidly.

Norway – Norway's offshore industry has expressed concern that the postponement of the country's 26th licensing round until at least 2025 could lead to a sharp reduction in future gas production [5]. The postponement of the numbered exploration round, which include frontier areas, came after the government reached a compromise with the Socialist Left Party in order to secure enough parliamentary support for its 2023 budget.

Australasia

Australia – Australia's Woodside Energy has announced that its first LNG cargo to Europe in over a decade from the North West Shelf (NWS) LNG plant has been delivered to German company Uniper [6]. The development has raised questions about whether Europe could potentially start competing with Asia for Australian LNG cargoes this winter, amid continued efforts to wean itself off Russian energy dependency.

Australian oil and gas company Santos has lost its appeal against a court decision in September [7] that required it to halt the drilling programme for its USD 3.6 billion Barossa gas and condensate project. It will now have to re-apply for environmental approval before drilling can resume on one of the biggest oil and gas investments in Australia since 2012.

Asia Pacific

China – BP and Shenzhen Energy Group have signed a long-term agreement for LNG imports [8] as the Chinese firm is looking for additional gas volumes to supply its power plants, Reuters reported. The agreement is Shenzhen Energy's first long-term LNG contract with an international firm, according to the report, and comes amid a general decrease in Chinese LNG imports this year.

Mediterranean

Egypt – BP has added another two exploration blocks in the Mediterranean Sea to its Egyptian portfolio [9]. The acquisition of the blocks in the Offshore Nile Delta is part of the company's strategy to maintain a longer-term plateau production rate in Egypt, BP said.

Middle East

Qatar – QatarEnergy and ConocoPhillips have penned two long-term sales and purchase agreements (SPAs) for the delivery of up to 2 mtpa of LNG from Qatar to the planned Brunsbüttel-based onshore LNG terminal in Germany [10]. The deal has a duration of at least 15 years – starting from 2026 – and marks the first long-term agreement for Germany to directly import LNG from Qatar.

UAE – The Abu Dhabi National Oil Company (ADNOC) said last Monday it will pursue a net zero 2050 target for scope 1 and 2 greenhouse gas (GHG) emissions [11]with a strong focus on carbon capture technologies and renewable energy. As part of its new strategy, ADNOC will also create a separate company for gas processing and LNG effective as of 1 January 2023, it said.

Saudi Arabia – Saudi Aramco has discovered two new unconventional natural gas fields in the eastern region of Saudi Arabia [12], the Kingdom's energy ministry announced last Thursday. The gas discoveries could support Saudi Arabia's strategy of replacing liquid fuels in power generation to free up more oil volumes for exports.

International

Climate negotiators from over 190 countries failed to boost their actions to cut greenhouse gas emissions [13] at this month's COP27 meeting in Egypt, as the spectre of economic recession and concerns about energy security weighed more heavily.

North America

Canada – TC Energy announced last Tuesday that burdened by further constraints relating to labour shortages and construction problems it expects a "material" increase in the costs of building the Coastal GasLink (CGL) pipeline [14]. The pipeline will according to plans link up with the Shell-led LNG Canada plant which is under construction in Kitimat and which looks set to be Canada's first liquefaction plant.

US – The US government is inviting public comment on proposals that it says would prevent billions of cubic feet of natural gas being wasted through venting, flaring and leaks during oil and gas production [15] on public and tribal lands. Mineral owners would be compensated through royalty payments if gas is wasted unnecessarily, according to the draft proposal.

UK's chemicals giant Ineos and Semptra Infrastructure have signed a sales and purchase agreement (SPA) [16] which will see Ineos import 1.4 mtpa of LNG from the first phase of the Port Arthur LNG plant in Texas. The SPA builds on a Heads of Agreement (HoA) signed in June and has a duration of 20 years with first deliveries expected in 2027.

UK

A growing shortage of the skills needed to develop and operate offshore energy projects [17] could put at risk the UK's transition to cleaner and more secure energy supplies, according to a new report from trade association Offshore Energies UK (OEUK). The warning comes as the number of offshore workers dropped sharply in 2020, largely due to the restrictions imposed by the Covid-19 pandemic.

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