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#### **Gas Strategies Group**

10 Saint Bride Street London UK EC4A 4AD

ISSN: 0964-8496

T: +44(0) 20 7332 9900 W: www.gasstrategies.com Twitter @GasStrategies



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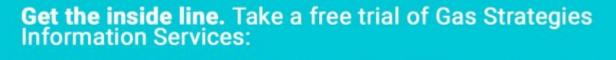
+44(0) 20 7332 9957 editor@gasstrategies.com

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#### [1]

#### International

Capricorn Energy have announced a major board reshuffle [2] as the company's chairperson, chief executive and three other directors stepped down last Tuesday following significant opposition from shareholders against the merger with Israel's NewMed Energy. Shareholder opposition is led by Palliser Capital Master Fund – Capricorn's third largest shareholder – which says it has lost trust and confidence in the incumbent directors.

Elsewhere, US oilfield services and technology firm Baker Hughes saw its earnings rise in the fourth quarter of 2022 [3] (Q4'22), helped by strong orders of LNG equipment, it said last Monday. The company also maintained its prediction that 65-115 mtpa worth of LNG projects will reach a final invest decision (FID) in 2023.

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And, the LNG industry last week took a step forward in addressing the credibility issues [4] surrounding the supply of cargoes claimed to be low or neutral in their greenhouse gas (GHG) emissions. This came as Shell delivered a pilot cargo to Asia in line with a verification framework developed by the LNG importers' group GIIGNL. GIIGNL's General Delegate, Vincent Demoury, said more cargoes aligned with the verification framework were "in progress" – claiming that "accuracy and transparency on GHG emissions associated with the LNG chain will strongly improve" as the number of verified statements grows.

## Australasia

Australia – Strong oil and gas production in the final quarter of the year helped Australia's Woodside Energy beat its full-year production target [5], the company said in its Q4'22 results on Wednesday. Woodside also reported good progress on some of its key projects, with several final investment decisions (FIDs) expected to be taken in 2023. Woodside, which acquired BHP Group's petroleum business last year, said production in the 12 months to December was 157.7 million boe, exceeding the guidance range of 153-157 million boe.

Meanwhile, the likelihood of a gas supply shortfall in Australia's East Coast gas market has been reduced significantly [6], the Australian Competition and Consumer Commission (ACCC) said in a gas inquiry report published last Friday. But much will depend on the willingness of LNG producers to divert uncontracted gas from lucrative exports to the domestic market, in which prices are now capped.

# South Asia

**Pakistan** – Eni confirmed it will not be able to deliver an LNG cargo under a long-term contract with Pakistan in February [7] due to an event of force majeure. This comes as Pakistan grapples with power cuts, having been struggling to attract enough LNG deliveries in recent months. Eni would at this stage not explain why it had been forced to cancel February's LNG delivery to Pakistan, although it is not the first time the Italian major has cancelled LNG deliveries to Pakistan.

## Africa

**West Africa** – The floating production, storage and offloading vessel for the Greater Tortue Ahmeyim floating LNG project has begun its 12,000 nautical mile journey from a construction yard in China to the project site offshore West Africa [8]. Last week's announcement keeps the project on track to begin producing gas in 2023 – a year later than was announced when the final investment decision (FID) was taken in 2018.

## Caribbean

**Trinidad and Tobago** – Trinidad and Tobago (T&T) has been granted access to develop the Dragon offshore gas field in Venezuelan waters [9] by the US Biden administration, a move that could boost domestic supply in T&T and facilitate exports. Shell will operate the project on behalf of the island nation, but first production is not expected before 2026 at the earliest.

# North America

US - The Freeport LNG plant in the US appears to be on track to re-start production within weeks [10]

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following an explosion in June 2022 that led to one of the costliest outages in the LNG industry's history. The 15 mtpa three-train facility – the second-largest in the US and the seventh-largest in the world – has been out of action for almost eight months during a period of record LNG prices, which has cost Freeport and its customers hundreds of millions of dollars in lost revenues.

Elsewhere, US LNG giant Sempra Infrastructure last Wednesday announced that it had penned a longterm sales and purchase agreement (SPA) with Poland's PKN ORLEN [11] for the supply of LNG from the Port Arthur LNG Phase 1 project which is under development in Jefferson County, Texas. With the ORLEN agreement, Phase 1 of Port Arthur is now fully subscribed under long-term binding agreements.

Also, US natural gas futures this week plunged below USD 3/MMBtu for the first time since May 2021 [12] . This comes despite an imminent re-start of the Freeport LNG project, which received regulatory approval on Thursday to proceed with piping cool-down. At full pelt, the 15 mtpa Freeport project will draw 2.4 Bcf/d of gas for export, more than 2% of US supply, but most analysts do not expect production to begin in earnest until March.

Chevron recorded adjusted earnings of USD 7.9 billion in the fourth quarter of 2022, compared with USD 4.9 billion in the same quarter in 2021, the US major announced last Friday [13]. US net natural gas production increased to 1.79 Bcf/d, up 4% compared with the fourth quarter in 2021. "We delivered record earnings and cash flow in 2022, while increasing investments and growing US production to a company record," said Mike Wirth, Chevron's chairman and CEO in a statement.

## Europe

The European Commission (EC) last week launched a public consultation concerning an overhaul of the wholesale power market design [14]. The aim is to reduce the role of natural gas as a price setting fuel for example by increasing the competitiveness of demand response and electricity storage in the short-term market. The EC said the current market design for wholesale power had demonstrated a number of shortcomings in the context of the energy crisis triggered by Russia's invasion of Ukraine.

The Intercontinental Exchange (ICE) is preparing to launch a parallel market for TTF futures and options contracts on its London-based exchange [15] from 20 February. The TTF contracts on the London-based exchange will mirror those on the ICE Endex located in the Netherlands but will not be subject to the EU price cap. The ICE said TTF futures contracts on the London-based ICE Futures Europe will be physically delivered, whereby contracts held to expiry will result in the delivery of natural gas at the Dutch Title Transfer Facility (TTF) Virtual Trading Point.

**Germany** – Germany has joined H2Med, a proposed green hydrogen pipeline project between Spain, Portugal and France [16] that could be up and running by 2030. The H2Med pipeline will supply ~10% of the EU's hydrogen demand by 2030, according to plans. This amounts to ~ 2mtpa of hydrogen, according to the Spanish government's estimates. The pipeline is expected to be 455 kilometers long with a water depth of almost 2600 meters.

**Norway** – The Norwegian Ministry of Petroleum and Energy last Tuesday submitted a proposal for public consultation concerning a plan to add 92 exploration blocks in northern areas of the Norwegian Continental Shelf [17] (NCS) for the 2023 Awards in Predefined Areas (APA) licensing round, but the proposal is meeting strong opposition from green groups and Norway's Socialist Left party.

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