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## Russia & CIS Region

**Turkmenistan** – Turkmenistan has reacted to Russia’s idea of expanding the so-called ‘gas union’ with Central Asian nations, saying that there are no plans to increase the number of participants supplying gas to China [1] via the Central Asia Pipeline. Turkmenistan is a significant supplier of gas to China, exporting over 30 Bcm in 2022, while Russia also has ambitions to increase gas exports to the country.

## North America

**US** – Oklahoma-headquartered Chesapeake Energy Corporation announced last Monday that it has reached an agreement to sell its remaining assets in the Eagle Ford shale play [2] to Texas-based SilverBow Resources for USD 700 million, bringing the total proceeds from its Eagle Ford divestment to more than USD 3.5 billion. The sell-off comes amid Chesapeake’s continuing efforts to increase its exposure to natural gas after emerging from bankruptcy in 2021.

Houston-headquartered Occidental Petroleum announced last Tuesday that it has, through its decarbonisation solutions subsidiary 1PointFive, acquired Canada-based direct air capture (DAC) player Carbon Engineering [3] for USD 1.1 billion. The move comes shortly after 1PointFive was selected as one of the companies to receive a grant from the US Department of Energy’s Office of Clean Energy Demonstrations (OCED) for the development of its South Texas DAC Hub.

Texas-based energy companies Energy Transfer and Crestwood Equity Partners announced last Wednesday that they have entered into a merger agreement [4] under which Energy Transfer will acquire Crestwood in an all-equity transaction valued at around USD 7.1 billion, including an estimated USD 3.3 billion of debt. Energy Transfer said the deal extends its position in the value chain deeper into the Williston and Delaware basins and provides entry into the Powder River basin.

The authorities in California last Wednesday agreed to extend the lifespan of three natural gas-fired power plants [5] with a combined capacity of ~3.53 GW for three more years, and another one by five more years, in order to safeguard power supplies during emergencies such as heatwaves. This is the second lifespan extension for the plants, and the approval comes as California continues to prepare for its targets of 90% clean electricity by 2030 and 100% by 2045.

The Electric Reliability Council of Texas (ERCOT), which operates the grid for more than 26 million customers covering about 90% of the state’s power load, last week triggered the Emergency Response Service (ERS) [6] as operating power reserves decreased below the critical level of 3,000 MW. This is the second voluntary conservation notice issued this summer by ERCOT, which hopes to see lower electricity use to avoid tight grid conditions amid an ongoing heatwave.

## International

Another positive final investment decision (FID) for a US LNG export project could be on the cards after Commonwealth LNG announced last Monday that it had secured investment capital [7] and a 2 mtpa offtake agreement from Kimmeridge Energy Management Company. Commonwealth said LNG deliveries from the plant, located in the Gulf of Mexico near Cameron, Louisiana, could begin in early 2027.

Germany's Securing Gas for Europe (SEFE) – formerly Gazprom Germania – and Oman LNG have signed a binding term sheet agreement [8] which will see the nationalised German firm offtake 0.4 mtpa of LNG for a period of four years, starting from 2026. The volumes will be sourced via SEFE Marketing & Trading Singapore – previously GMTS – on an FOB basis, SEFE announced last Monday.

ADNOC Gas, the subsidiary formed at the start of 2023 by Abu Dhabi's state-owned oil and gas company ADNOC, announced last Thursday that it has signed a five-year LNG supply contract [9] with Japan Petroleum Exploration Company (Japex). The latest agreement adds to a number of LNG supply deals signed by ADNOC Gas since the beginning of the year.

## Europe

**Norway** – The Norwegian Water Resources and Energy Directorate (NVE) has forecast that Norway's power surplus will shrink [10] from about 20 TWh in 2023 to 4 TWh in 2028, with demand growth driven by the petroleum sector and energy intensive industries in particular. This is a slightly more optimistic outlook compared with TSO Statnett's forecast from last year which predicted a power shortfall of 2 TWh by 2027.

Norway has offered an exploration licence for CO<sub>2</sub> storage in the North Sea [11] to Neptune Energy, Sval Energi and Storegga, the country's energy ministry announced last Friday. This is the seventh acreage awarded for CO<sub>2</sub> storage exploration on the Norwegian Continental Shelf (NCS) since the first licensing round took place in 2018.

**Netherlands** – The EU-backed Porthos carbon capture and storage (CCS) project in Rotterdam has received an approval from Dutch authorities [12] to go ahead with the development following an assessment of nitrogen emissions. Construction of Porthos is now expected to begin in 2024 with commercial operations scheduled for 2026.

## UK

Independent oil and gas producer Perenco said last Monday that it was aiming for a financial investment decision (FID) on its proposed Poseidon carbon capture and storage (CCS) project [13] in the North Sea in 2026, with a view to starting up the project by 2029. This comes as both Perenco – along with partner Carbon Catalysts Ltd (CCL) – and Germany's Wintershall Dea announced that they have received licences from the North Sea Transition Authority (NSTA) to progress with their respective CCS projects.

## Australasia

**Australia** – Concerns over the potential global price impacts of potential strikes [14] at three major LNG export plants in Australia escalated last Tuesday as talks between Woodside Energy and unions failed to reach a mutually satisfactory outcome. The three plants affected – North West Shelf, Gorgon and

Wheatstone – have aggregate production capacity of 41 mtpa and account for around 10% of global LNG supply.

## Asia Pacific

**China** – CNOOC last Thursday reported that its natural gas production during the first half of 2023 rose by 10.9% year-on-year [15] to another record high. This comes as China's government continues to encourage the nation's 'big three' hydrocarbons producers to grow domestic natural gas output in order to minimise imports of costly LNG.

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