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[1]

International

Shell last Wednesday signed two long-term LNG sale and purchase agreements [2] (SPAs) for the supply of “up to” 3.5 mtpa of LNG from Qatar’s North Field Expansion projects for delivery to the Netherlands. The SPAs mirror those agreed by TotalEnergies a couple of weeks ago – suggesting that similar deals may be imminent with other foreign partners in the project. The LNG will be delivered to the Gate LNG terminal in the port of Rotterdam, starting in 2026.

ADNOC Gas last Tuesday announced it had signed a “multi-year” LNG supply agreement with a subsidiary of Japan’s JERA [3] valued at USD 500-700 million. This agreement brings the total value of LNG supply deals since ADNOC Gas’ listing on the Abu Dhabi Securities Exchange (ADX) in March to between USD 9.4 billion and USD 12 billion, ADNOC Gas said. Volumes and price under the agreement were not disclosed.

Middle East

Iraq – Iraq expects to boost its natural gas production by 400 MMcf/d [4] within 18 months, following the activation last Sunday of three oil and gas field development contracts with Crescent Petroleum, a privately-owned hydrocarbons company based in the United Arab Emirates (UAE). Most of the gas will be supplied to power plants in Iraq, according to plans. The three 20-year contracts were awarded to

Crescent Petroleum in February of this year by the Ministry of Oil as part of Iraq's fifth licensing round for natural gas investment.

Asia Pacific

China – China and Kazakhstan signed a new gas supply contract last Tuesday [5], according to the office of Kazakh President Kassym-Jomart Tokayev. The announcement comes amid Tokayev's presence at the high-profile Belt and Road Forum for International Cooperation in Beijing. The contract was signed between state-owned firms QazaqGaz and PetroChina International. Details of pricing and volumes were not disclosed, but Tokayev's office said the contract was one of 30 commercial documents signed between Kazakhstan and China with a total value of USD 16.54 billion.

Gazprom will export more gas than planned to China [6] this year via the Power of Siberia (PoS) pipeline after a new agreement between the Russian company and China's CNPC was struck last week. However, a contract for exports along the proposed PoS 2 pipeline remained elusive during Russian President Vladimir Putin's recent visit to Beijing. Gazprom and CNPC signed an addendum to the sales and purchase agreement (SPA) for PoS supplies for "an additional volume of Russian gas supplies to China until the end of 2023".

Indonesia – The partners in Indonesia's Tangguh production sharing contract (PSC) – led by BP – last Thursday announced the first cargo of LNG produced by the project's new third train was on its way to Indonesia's state-owned power generator PT PLN (Persero). The ship carrying the cargo left on Wednesday, marking the start of commercial operations.

Australasia

Australia – Australia's Woodside last Wednesday reported revenue of USD 3.26 billion in Q3'23, up 6% on the previous quarter [7] but 44% lower year-on-year. The quarterly rise in revenue was due to higher production which was offset by lower realised prices, the company said. Woodside said quarterly production was up 8% from Q2'23 to 47.8 MMboe (520,000 Boe/day), following completion of planned turnaround and maintenance activities. However, the company's full-year production guidance has been narrowed to 183-188 MMboe.

Santos last week reported sales revenue of USD 1.4 billion for Q3'23 [7], an increase of around 8% on the previous quarter but around 36% lower year-on-year. Running parallel, the Australian Energy Regulator (AER) announced that it has filed legal proceedings against Santos over an alleged breach of record keeping linked to transport capacity bookings in day-ahead auctions in the domestic gas market. Santos said third quarter sales revenues were higher than the prior quarter primarily due to higher crude oil volumes, and higher commodity prices for all products.

North America

Canada – Calgary-based Tourmaline Oil has entered into an agreement to buy Bonavista Energy Corporation [8] for CAD 1.45 billion (USD 1.07 billion). Tourmaline said Bonavista's assets in Western Canada are a "natural extension" of its existing operations in the Deep Basin where the company is already the largest producer. Tourmaline will acquire all of the shares of Bonavista, consisting of CAD 725 million in Tourmaline common shares and CAD 725 million of cash, less Bonavista's net debt, the company said.

US – LNG project developer Venture Global last Thursday received authorisation from the Federal Energy Regulatory Commission (FERC) to accelerate construction work [9] at Plaquemines LNG. The company requested the approval to enable it to meet a December 2025 target for completion of both phases of the 20 mtpa project. Venture Global filed its request in December 2022, asking for authorisation to increase the size of the peak workforce to 6,000, to extend work schedules to allow round-the-clock construction.

Europe

EU energy and environment ministers in the Council of the EU last Tuesday reached an agreement concerning a proposal to amend the EU's electricity market design [10]. The agreement – or 'general approach' – paves the way for negotiations with the EU Parliament to begin. The power market reform agreement had been held up due to a disagreement between France and Germany over state aid contracts to nuclear power plants. The reform aims to boost the market for power purchase agreements (PPAs).

Ukraine – Around 2.4 Bcm of the gas stored in Ukraine is owned by foreign companies today [11], compared with 1.8 Bcm this time last month, Ukraine's energy ministry said last week. In the period April to October 2023, the Gas TSO of Ukraine transported more than 3 Bcm of natural gas from the EU and Moldova to Ukraine, according to the ministry. The ministry said the gas exported from EU countries and Moldova to Ukraine was seven times more than the amount of gas transported in the same period last year. Most of the gas was shipped for underground storage.

Finland – Finnish police said last Friday that the investigation into the damaged Balticconnector is now focused on the role of a vessel flying the flag of Hong Kong [12]. Investigators said the movements of the vessel coincide with the time and place of the gas pipeline damage which occurred on 8 October. Finland's National Bureau of Investigation (NBI) said on Friday it would further investigate the background and movements of a vessel named Newnew Polar Bear as a part of criminal investigation with the assistance of international partners.

Africa

Equatorial Guinea – Marathon Oil Corporation has entered into a firm five-year LNG sales agreement with Switzerland-based commodity firm Glencore [13] for some of the equity gas it receives from production at the Alba Field in Equatorial Guinea. The new contract will replace a 17-year, 3.4 mtpa Henry Hub-linked contract with Shell which expires at the end of 2023.



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