

LNG Review November 2024
- Recent issues and events - #107
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Introduction

The global LNG market expanded modestly by 1.4% year-on-year during the first ten months of 2024. However, traded volumes increased by around 6% in September and October from one-year-ago levels, driven by greater LNG exports from the United States, Qatar and Russia.

In the United States, the Corpus Christi Stage 3 and Venture Global Plaquemines projects are on track to start LNG production in 2024.

In late October, Cheniere Energy said that first LNG from the first train of the CCL Stage 3 project was expected by the end of 2024. The project consists of seven midscale Trains with an expected total production capacity of over 10 million tonnes per year. The project's substantial completion is expected between 1H 2025 and 2H 2026. FERC (Federal Energy Regulatory Commission) granted CCL's request to introduce hydrocarbons to Train 1 systems for the Stage 3 project in late November.

Venture Global Plaquemines LNG project anticipates initial operations with the first LNG targeted before the end of 2024 and the commencement of commercial operations of the initial phase in mid-2026. FERC granted the project's request to commission and introduce hazardous fluid to Liquefaction Block 1 in late November.

ExxonMobil said in early November that the Golden Pass venture was making progress at reoptimizing the schedule with an anticipated project delay of about six months to see the first LNG around the end of 2025. The project contractors announced in late November an agreement on the amendment of the EPC (engineering, procurement and construction) contract for Train 1.

DOE (U.S. Department of Energy) revealed in the middle of November plans to complete its study on LNG export by the end of 2024. Lawmakers sent a letter demanding the agency stop "rushing to prematurely release its anti- LNG study." LNG project companies have expressed their expectations of resumption of DOE's LNG export authorization process.

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[Asia Pacific]

According to a survey conducted by JOGMEC, the Annual Contract Quantity (ACQ) of LNG to Japanese buyers for which destination restrictions were imposed decreased from 42% in FY 2022 to 39% in FY 2023 of the total. The LNG handling volume by Japanese companies in FY2023 was 103.13 MT, continuously achieving 100 MT since FY 2019.

JERA said on 27 November 2024 that between December 2024 and February 2025, JERA would secure one cargo of SBL (Strategic Buffer LNG) per month to be supplied as requested by the Ministry of Economy, Trade, and Industry (METI).

Korea's MOTIE (Ministry of Trade, Industry and Energy) announced on 31 October 2024 a pilot bidding process for "Korean LNG capacity market" for up to 1.1 GW - a competitive bidding process for potential providers of combined heat and power using LNG as the main fuel. Bidders are required to apply for a business licence by 26 November and submit a bid by 2 December.

Korea's Samsung Heavy Industries (SHI) said on 31 October 2024 that the company signed a contract to construct an LNG carrier for an Asian buyer on 30 October. SHI is supposed to deliver the vessel by 30 June 2027.

Korea's Hanwha Ocean said on 31 October 2024 that it had delayed the deadline of delivery of four LNG carriers (LNGCs) to an Asian shipowner based on a contract of September 2021 from the original 31 October 2024 to 10 March 2025.

China's National Bureau of Statistics (NBS) said on 15 November 2024 that the country's natural gas production reached 203.9 bcm during the first ten months of the year, up 6.7% year-on-year. Natural gas production in October reached 20.8 bcm, up 8.4% yearly.

China's NDRC (National Development and Reform Commission) said on 26 November 2024 that the country consumed 353.72 bcm of natural gas during the first ten months of the year, an increase of 9.9% year-on-year. October consumption was 35.34 bcm, a 10.9% increase year-on-year. China imported 109.53 million tonnes of natural gas, including pipeline gas and LNG, during the first ten months of 2024, 13.6% more than the same period in 2023, according to China's customs statistics according to data from the General Administration of Customs of the People's Republic of China on 18 November. China imported 10.54 million tonnes in October 2024. LNG import during the ten-month period in 2024 was 63.55 million tonnes, an increase of 13.2% year-on-year but 1.4% smaller than the volume in the same period of 2021.

TotalEnergies announced on 4 November 2024 the signing of an HoA (Heads of Agreement) with Sinopec for the delivery of 2 million tonnes of LNG per year for 15 years, starting in 2028.

Philippines' First Gen Corporation announced on 24 November 2024 that it had applied for a 25-year permit to operate and maintain (POM) its LNG terminal in Batangas

City with the Department of Energy. First Gen subsidiary FGEN LNG Corporation owns and operates an interim offshore terminal (IOT) project in partnership with Tokyo Gas. FGEN LNG completed the commissioning activities as of end-September 2024.

GTT announced on 6 November 2024 that it had received an order from a Korean shipyard for the tank design of an FSRU (Floating Storage and Regasification Unit (FSRU₁)) on behalf of an Asian ship-owner. GTT will design the tanks of this FSRU, with a total capacity of 204,000 m³. The tanks will be fitted with the NO96 GW containment system developed by GTT. The delivery of the vessel is scheduled for the fourth quarter of 2027.

Singapore's Energy Market Authority (EMA) announced on 7 November 2024 that it had signed an MoU (Memorandum of Understanding) with PetroChina International Company Limited (PetroChina) to collaborate on strengthening Singapore's expertise and knowledge on LNG supply and management. EMA and PetroChina will explore collaboration opportunities to strengthen each other's LNG supply chains, promote knowledge exchange regarding market dynamics, LNG supply and demand fundamentals, as well as evaluate joint procurement opportunities. EMA and PetroChina will also study cooperation opportunities to support growing Singapore as Asian LNG Hub, gas-to-power and other sustainable development solutions for mutual benefits.

Mayer Brown Law Firm announced on 11 November 2024 that it was advising Singapore LNG (SLNG) on its offshore LNG import project in Singapore, the second LNG terminal in Singapore and the first floating LNG terminal in Singapore. The terminal will have a throughput capacity of 5 million tonnes per year. In October 2024, SLNG announced agreements with Mitsui OSK Lines, Jurong Port and engineering company Wood to advance development of the facility. The FSRU will be constructed by Korea's Hanwha Ocean and is targeted to become operational by end of the decade.

Vietnam's PV Gas LNG issued a tender on 8 November 2024 seeking an LNG cargo (2,500,000 million Btu = less than 50,000 tonnes) to be delivered within the period of 20 December 2024 to 05 January 2025 at ThiVải LNG terminal.

Malaysia's PETRONAS announced on 7 November 2024 the lifting of the Force Majeure (FM) on gas supplies to MLNG Dua, effective 1st November 2024. The decision follows the commissioning of Jerun and Kasawari gas fields in Sarawak in 2024.

Malaysia's PETRONAS announced on 13 November 2024 that PETRONAS and CNPC (China National Petroleum Corporation) signed an MoU (Memorandum of Understanding). The MoU for strategic partnership will strengthen collaboration, among others, in the upstream exploration and production of oil and gas internationally, as well as the LNG value chain.

bp and the Tangguh production sharing contract partners announced on 21 November 2024 an FID (final investment decision) on the Tangguh Ubadari, CCUS,

Compression project (UCC), which has the potential to unlock 3 tcf of additional gas resources in Indonesia. The UCC project comprises the Ubadari gas field development, enhanced gas recovery through carbon capture, utilization and storage (CCUS) and onshore compression. Production at the Ubadari field is expected to start in 2028. Tangguh CCUS aims to be the first CCUS project developed at scale in Indonesia, with potential for sequestering around 15 million tonnes of CO₂ from Tangguh's emissions in its initial phase.

JGC Holdings Corporation announced on 25 November 2024 that its subsidiary P.T. JGC Indonesia was awarded an Onshore Engineering, Procurement, Construction and Installation (EPCI) Contract for Tangguh UCC Project in Indonesia by BP Berau, Ltd., the operator of Tangguh LNG Plant. Saipem announced on 26 November 2024 that the company, together with its partner PT Meindo Elang Indah, had been awarded an offshore EPCI contract by BP Berau Ltd. Saipem's activities include the engineering, procurement, construction and installation of two wellhead production platforms, a wellhead platform for the re-injection of CO₂ and approximately 90 km of associated pipelines.

Malaysia's Genting Berhad announced on 28 October 2024 that regarding the Genting FLNG Project, its 95%-owned indirect subsidiary PT Layar Nusantara Gas (PTLNG) entered into an agreement with China National Machinery Import & Export Corporation (CMEC) and Shandong Kerui Energy Development Co. Ltd. (Kerui) for the design, engineering and procurement activities for the onshore gas processing plant, connecting pipelines and supporting facilities for the Genting FLNG Project to be located in West Papua, Indonesia on 23 October 2024. On 28 October, PTLNG also entered into a separate contract for the construction, installation and commissioning of the Midstream Infrastructure with a local Indonesian company called PT China Construction Yangtze River Indonesia (PT CCYRI). The Midstream Infrastructure is estimated to be completed in 25 months. Once it is completed, it shall be ready to receive raw gas from the Asap, Merah and Kido structures within the concession area of the Kasuri Block in West Papua awarded to Genting Oil Kasuri Pte Ltd (GOKPL), another 95% indirect subsidiary of the Company pursuant to a production sharing contract signed in May 2008 between GOKPL and BP MIGAS, the Indonesian oil and gas regulator (which had since been succeeded by SKK MIGAS). The FLNG vessel is being constructed by Wison New Energies Co., Ltd.

Toyo Engineering Corporation announced on 7 November 2024 that Toyo Engineering India Private Limited (Toyo-India) had been awarded the EPC (Engineering, Procurement and Construction) contract for the Topsides Facilities of the Third Berth (Jetty) at the Dahej LNG Terminal in Gujarat, India, by Petronet LNG Limited (PLL). The project is scheduled for completion by Q1 2027.

Crown LNG Holdings Limited announced on 1 November 2024 the conclusion of two acquisition agreements: KGLNG and Grangemouth. KGLNG owns the operating license for

the planned LNG import terminal in Kakinada, India. The Grangemouth agreement is to acquire LNG import terminal assets in Grangemouth, Scotland from GBTron Lands Limited.

Bangladesh's Petrobangla unit RPGCL (RUPANTARITA PRAKRITIK GAS COMPANY LIMITED) notified on 30, 31 October, and 4 November 2024 the 23 organizations that have signed the MSPA LNG cargo purchase tenders to the Moheshkhali terminal

The Western Australian Government released on 21 November 2024 CCUS Action Plan. Industry association Australian Energy Producers welcomed the Action Plan.

During the company's Q3 2024 Earnings Call on 1 November, Chevron said that the Gorgon Train 2 turnaround was the best Gorgon turnaround ever with a 14% improvement in duration.

Australia's Woodside announced on 31 October 2024 the completion of the sale of a 15.1% non-operating participating interest in the Scarborough Joint Venture to JERA.

Australia's Woodside Energy announced on 7 November 2024 that Woodside Burrup Pty Ltd. had awarded its largest-ever Traditional Owner construction contract to Karratha company Winyama Contracting Group for the delivery of civil works for the Pluto Train 1 Modifications project. Winyama Contracting Group will be working alongside Kellogg Brown & Root Pty Ltd, Woodside's EPCM (Engineering Procurement and Construction Management) contractor for the project.

Papua New Guinea's Kumul Petroleum Holdings Limited (KPHL) announced on 4 November 2024 that it had closed an agreement with Chevron USA Inc (Singapore Branch) that would support KPHL's goal of acquiring additional equity in the PNG LNG Project in Papua New Guinea. In September 2023, Australia's Santos announced a binding sale agreement to deliver Kumul a 2.6% participating interest in the PNG LNG Project for a total purchase consideration comprising cash of USD 602 million and associated project finance debt. Earlier in 2024 Kumul paid USD 352 million to Santos to allow partial completion of the transaction. Chevron will make an advance payment to Kumul Petroleum, in exchange for LNG and condensate cargoes over the next two years. Since the introduction of equity marketing at the start of 2024, KPHL has sold 4 LNG cargoes on the spot market and this term-sale will provide more security for KPHL, according to the announcement.

Australia's Santos announced on 19 November 2024 completion of the Angore project in PNG's Hela Province. The project is expected to deliver up to 0.350 bcf per day of gas to PNG LNG production.

[North America]

DOE / FECM (Department of Energy, Office of Fossil Energy and Carbon Management) announced on 13 November 2024 that DOE and EPA (Environmental Protection Agency), in response to the European Union (EU)'s new regulations requiring

extensive documentation of reduced methane emissions for fossil fuels produced in, or imported to, the EU, co-signed a letter addressed to the European Commission, requesting determination of "equivalency" for exports of LNG from the United States to Europe.

EPA (U.S. Environmental Protection Agency) announced on 12 November 2024 a final rule to reduce methane emissions from the oil and gas sector. Congress established the charge on large emitters of methane if their emissions exceed specific performance levels and directed EPA to collect the charge and implement other features of the program, including providing appropriate exemptions for actions that reduce methane releases.

The U.S. Department of Justice attorneys filed a brief on 1 November 2024 at the U.S. Court of Appeals for the Fifth Circuit arguing that the 16 states that challenged the pause of LNG export authorisation had no standing in the case.

DOE (U.S. Department of Energy) plans to complete its study on LNG export by the end of 2024, according to the Energy Secretary on 15 November. U.S. Congress House Energy and Commerce Committee lawmakers sent a letter on the day to the Secretary demanding the agency stop "rushing to prematurely release its anti- LNG study, which aims to hamstring the incoming Presidential administration"

Cheniere Energy, Inc. said on 31 October 2024 that first LNG production from the first train of the CCL Stage 3 Project was expected by the end of 2024. The project consists of seven midscale Trains with an expected total production capacity of over 10 million tonnes per year. The project was 67.8% complete as of 30 September 2024 with expected substantial completion between 1H 2025 and 2H 2026.

FERC (U.S. Federal Energy Regulatory Commission) issued on 27 November 2024 a letter granting Corpus Christi Liquefaction's request to introduce hydrocarbons to Train 1 fuel gas and hot oil systems for the Stage 3 project.

Cheniere Energy, Inc. announced on 30 October 2024 that it had set a voluntary, measurement-informed Scope 1 annual methane intensity target for its liquefaction facilities. The company claims that the Scope 1 methane target builds upon the company's robust climate strategy and leverages data from its multi-scale emissions measurement and mitigation programs. The methane target is consistent with the requirements to achieve Gold Standard under Cheniere's membership in the United Nations Environment Programme's (UNEP) Oil & Gas Methane Partnership (OGMP) 2.0. Cheniere aims to consistently maintain a Scope 1 annual methane emissions intensity of 0.03% per tonne of LNG produced across its two U.S. Gulf Coast liquefaction facilities by 2027. Cheniere's Quantification, Monitoring, Reporting and Verification (QMRV) projects - including data from approximately 50 aerial measurements of the company's operations at its liquefaction facilities performed over a 16-month period - informed the process of establishing the methane target. Cheniere has also updated its peer-reviewed LNG life cycle assessment (LCA), originally published in 2021.

Cheniere Energy, Inc. announced on 12 November 2024 the publication of an updated life cycle assessment (LCA) study for greenhouse gas (GHG) emissions intensities of the company's LNG. According to the announcement, the peer-reviewed study includes a novel gas-pathing algorithm that further improves the modeling of GHG emissions across Cheniere's supply chain, utilizing actual operational data. The study also leverages the company's multi-year Quantification, Monitoring, Reporting and Verification (QMRV) program by integrating measurement data from the company's facilities and collaborations with natural gas producers, midstream providers, shippers and experts at leading academic institutions. The enhanced study has been published in the American Chemical Society's Sustainable Chemistry & Engineering Journal, and it builds upon Cheniere's first LCA study, published in 2021.

During the company's Q3 2024 Earnings Call on 7 November 2024, Sempra said that it was waiting for the DOE (U.S. Department of Energy) non-FTA (non-free-trade-agreement) export permit for the Port Arthur Phase 2 project, expected to be resolved in the first half of 2025.

FERC (U.S. Federal Energy Regulatory Commission) issued on 21 November 2024 an order to grant the proposal by Elba Liquefaction Company, L.L.C. (ELC) and Southern LNG Company, L.L.C. (Southern LNG) to make modifications to existing liquefaction facilities and to install and operate a new condensate plant and liquid nitrogen vaporizers at the LNG plant, increasing production capacity from 2.5 to 2.9 million tonnes per year. (Elba Liquefaction Optimization Project).

During the company's Q3 2024 Earnings Call on 1 November, ExxonMobil said that the Golden Pass venture was making progress at reoptimizing the work in the schedule. ExxonMobil said that the venture would be delayed by about six months. ExxonMobil expects to see the first LNG out of the first train in the back end of 2025, potentially slipping over into the new year, with about six months separation between the trains coming on.

Chiyoda Corporation announced on 25 November 2024 that Chiyoda International Corporation (CIC) and CB&I LLC (CB&I), the construction JV partners for the Golden Pass LNG Export Project (Project) in the State of Texas, United States, on 21 November local time, reached an agreement with Golden Pass LNG Terminal L.L.C. (GPX) on the amendment of the Engineering, Procurement and Construction (EPC) contract and associated commercial terms for the completion of the full scope for Train 1. CB&I and CIC, and GPX will continue engagements on subsequently amending the contract for the completion of Trains 2 and 3.

FERC (Federal Energy Regulatory Commission) issued on 6 November 2024 a letter to Venture Global Plaquemines LNG, LLC granting the company's request to commission and introduce hazardous fluid to the high-pressure and low-pressure fuel gas systems and the warm flare system. FERC issued on 21 November a letter to Venture Global Plaquemines

granting the company's request to commission and introduce hazardous fluid to Liquefaction Block 1. Venture Global Plaquemines requested authorization to introduce natural gas to Liquefaction Block 2, in a filing of 27 November with FERC.

Texas LNG Brownsville LLC announced on 4 November 2024 that it had selected Kiewit, through its subsidiaries Kiewit Engineering Group Inc. and Kiewit Energy Group Inc., to lead the EPC (engineering, procurement, and construction) of Texas LNG under a lump-sum turnkey (LSTK) structure.

Kimmeridge-backed Commonwealth LNG and Kimmeridge Texas Gas (KTG) announced on 1 November 2024 a commitment to obtain independent certification of their natural gas operations under the protocols developed by MiQ. The companies claim that the initiative supports Kimmeridge's innovative ability to deliver a "wellhead-to-water" net zero cargo for Scope 1 and 2 greenhouse gas emissions (GHG) using Kimmeridge's secured LNG offtake from Commonwealth's facility.

ConocoPhillips announced on 22 November 2024 that it had completed its acquisition of Marathon Oil Corporation.

Vitol Inc. announced on 30 October 2024 the execution of a natural gas SPA (Sale and Purchase Agreement) with Coterra Energy. Coterra will supply 100,000 million Btu/d of natural gas (equivalent of approximately .7 million tonnes of LNG per year) to Vitol with the purchase price indexed to JKM for 11 years beginning in 2027.

Centrica LNG announced on 30 October 2024 the execution of two natural gas SPAs (sale and purchase agreements) with Coterra Energy. Coterra will supply 100,000 million btu/d of natural gas linked to European gas prices such as TTF and NBP, for 10 years commencing in 2028.

The Government of Canada (Environment and Climate Change Canada) introduced on 4 November 2024 draft regulations to put a clear limit on greenhouse gas pollution from oil and gas production. The proposed regulations work by setting a cap on greenhouse gas pollution within the sector, equivalent to 35% below 2019 levels. They would create a cap-and-trade system designed to recognize better-performing companies and incentivize those that are higher polluting to invest in making their production processes cleaner. The proposed regulations put a limit on pollution, not production, and have been informed by extensive engagement with industry, Indigenous groups, provinces and territories, and other stakeholders. The Government says that it will continue to consult to inform the final regulations, which will be published in 2025.

Trafigura announced on 8 November 2024 that the company had signed a long-term natural gas agreement with NuVista Energy Ltd., a producer of condensate-rich natural gas in the Montney formation in the Alberta Deep Basin, Canada. NuVista will supply 21,000 million btu/d (149 thousand tonnes per year equivalent) of natural gas to Trafigura with the

purchase price indexed to JKM for a period of up to thirteen years from January 2027.

Canada's TC Energy said on 19 November 2024 that Coastal GasLink LP (CGL) had executed a commercial agreement with LNG Canada and CGL customers that declares pipeline commercial in-service for the pipeline, allowing for the collection of tolls from customers retroactive to 1 October 2024. According to the announcement, LNG Canada remains on track to deliver first cargoes by the middle of 2025.

[Middle East]

Abu Dhabi's ADNOC and Germany's SEFE announced on 6 November 2024 the signing of the first long-term SPA (sales and purchase Agreement) for the Ruwais LNG project, which is currently under development in Al Ruwais Industrial City, Abu Dhabi. The SPA converts the previous HoA (Heads of Agreement) announced in March into a definitive agreement. The LNG under the 15-year, 1 million tonnes per year SPA will primarily be sourced from the Ruwais LNG project, with deliveries expected to start in 2028 upon commencement of its commercial operations. To date, over 7 million tonnes per year of Ruwais LNG project's production capacity has been committed to international customers through long-term agreements.

Abu Dhabi's ADNOC Gas announced on 11 November 2024 that it would acquire ADNOC's 60% stake in the Ruwais Liquefied Natural Gas (LNG) plant in the second half of 2028 at cost - estimated to be around USD 5 billion. ADNOC Gas is managing the construction and design of Ruwais LNG, as well as leading the marketing of LNG volumes. Over 7 million tonnes per year of the project's total production capacity of 9.6 million tonnes per year has already been committed to international customers, according to the announcement. The first of the plant's two trains is expected to come on stream in H2 2028 and the second in early 2029. In June 2024, ADNOC announced an FID (Final Investment Decision) on the Ruwais LNG project and an EPC (Engineering, Procurement, and Construction) contract, valued at over USD 5.5 billion. In July, it welcomed Mitsui & Co, Shell, bp, and TotalEnergies as equity partners, each taking a 10% stake.

GAIL (India) Limited announced on 14 November 2024 that it signed a 10-year SPA (Sales and Purchase Agreement) with ADNOC Gas for up to 0.52 million tonnes per year of LNG starting in 2026. This is the first SPA of ADNOC Gas with an Indian buyer. The LNG will be delivered in six cargoes per year from ADNOC Gas' Das Island natural gas facility.

QatarEnergy announced on 7 November 2024 that it had inaugurated four conventional-size LNG vessels built in the Samsung Heavy Industries Shipyard and the Hanwha Ocean Shipyard in the Republic of Korea as part of QatarEnergy's fleet expansion program. The four new vessels are part of 128 total vessels ordered from Korean and Chinese shipyards as part of the shipbuilding program.

KBR announced on 7 November 2024 it had been awarded a FEED (front-end engineering design) contract for the expansion of the Qalhat LNG complex in Oman. KBR will provide engineering services for the complex's fourth LNG train, which will have a capacity of 3.8 million tonnes per year. The project will involve the addition or expansion of utilities, an LNG tank, the jetty, and associated infrastructure.

[Africa]

Golar LNG said on 12 November 2024 that the COD (Commercial Operations Date) of the FLNG Gimi was expected within 1H 2025. In October 2024 the LNG carrier British Sponsor started to introduce gas to the FLNG Gimi. FLNG commissioning will continue to utilize gas from the accelerated commissioning cargo until the bp FPSO is ready to send gas to the FLNG Gimi.

Eni announced on 23 November 2024 the launch of the hull of the Nguya Floating Liquefied Natural Gas (FLNG) facility in Wison shipyard in Nantong, China. The FLNG will have a liquefaction capacity of 2.4 million tonnes per year, and will complement the existing Tango FLNG, which is operational since December 2023 with a capacity of 0.6 million tonnes per year, bringing the total liquefaction capacity of Congo LNG project to 3 million tonnes per year by the end of 2025. Completion activities for Nguya FLNG have progressed at 80%, while overall Phase 2 timing - from FLNG contract award to startup - is expected to amount to less than 3 years, according to the announcement.

Russia's Gazprom said on 6 November 2024 that the company presented a pilot project to supply two mobile automobile gas refuelling units (MAGRUs) to Tanzania during the African Energy Week event in South Africa.

[Europe / Surrounding regions]

TotalEnergies announced on 14 November 2024 that the company was going a step further in the monitoring and reduction of its methane emissions with the deployment of continuous, real-time detection equipment at all of its operated upstream sites.

Italy's Eni announced on 15 November 2024 that it had been awarded "Gold Standard reporting" of OGMP 2.0 (Oil and Gas Methane Partnership 2.0) for its commitment to reporting emissions at the highest data quality levels.

Bulgaria's Bulgargaz EAD said on 9 November 2024 that 19 international companies had expressed interest in participating in the company's tender for the supply of LNG for January and February 2025 at the Alexandroupolis Terminal, Greece. In late August 2024, Bulgargaz announced 3 tenders for 5 cargoes. In the first tender for October, 10 international companies expressed interest, and in the tender for November and December a total of 13 international companies participated.

Austria's OMV announced on 13 November 2024 the receipt of an arbitral award under the rules of the International Chamber of Commerce (ICC) in relation to Gazprom Export's irregular German gas supplies, which had eventually ended in September 2022. In pursuit of its claims arising from Gazprom Export's actions, OMV Gas Marketing & Trading GmbH (OGMT) initiated the request for arbitration in January 2023. OMV takes the necessary next steps to enforce the arbitral award with immediate effect. OGMT confirms off-setting its claims against invoices under the Austrian gas supply contract with Gazprom Export to obtain compensation for its awarded damage claims amounting to €230 million plus interest and costs. OMV expects that there may be a deterioration of the contractual relationship under the Austrian supply contract of OGMT with Gazprom Export, including a potential halt of gas supply. OMV confirms that it can deliver the full contracted volumes of gas to its customers in case of a potential supply disruption by Gazprom Export. The potentially affected volume of gas for the Austrian Virtual Trading Point (VTP) is estimated at up to 7,400 MWh per hour, which corresponds to approximately 5 TWh (0.33 million tonnes) per month.

Russia's Gazprom said on 26 November 2024 that the company continued its large-scale work to ensure 100% of the country's technically feasible gasification by 2030. Gazprom continues to work on gasification of the Krasnoyarsk Territory. Regarding gas supply of the Khabarovsk Territory, Gazprom is building gas branch pipelines to reconnect consumers of the Okha - Komsomolsk-on-Amur gas pipeline to the Sakhalin - Khabarovsk - Vladivostok gas pipeline.

According to the company's notice on 31 October 2024, in light of the strengthening of sanctions from the United States and Europe, Mitsui O.S.K. Lines (MOL) needs to modify the contract schemes of the charter contract of the three LNG carriers and one condensate tanker with ice-breaking capabilities, which is part of the company's Russia-related business.

Russia's Gazprom said on 11 November 2024 that Russian pipeline gas supplies to China by the end of 2024 would exceed Gazprom's contractual obligations. Gazprom and China's CNPC have a 30-year agreement for the sale and purchase of gas via the eastern route (via the Power of Siberia gas pipeline) for 38 bcm of gas per year. The ceremony dedicated to the start of pipeline supplies of Russian gas to China took place on 2 December 2019. In September 2024, an additional agreement to the SPA of gas via the Eastern Route was signed. The document implies additional deliveries in December 2024 and, as a consequence, an early withdrawal of daily gas supplies to China via the Power of Siberia gas pipeline to the maximum contract level (previously, this was planned to be done in early 2025), according to the announcement.

OFAC (U.S. Department of the Treasury's Office of Foreign Assets Control) announced on 21 November 2024 sanctions targeting Gazprombank, as well as other

financial institutions and officials in Russia. Transactions related to the maritime transport of crude oil originating from the Sakhalin-2 project are authorized through June 2025, provided that the Sakhalin-2 byproduct is solely for importation into Japan. Transactions related to the Sakhalin-2 project, including such transactions involving Sakhalin Energy LLC, are authorized through June 2025.

Russia's Kamchatka local authority announced on 25 November 2024 that the construction of an LNG regasification complex in Rakovaya Bay had begun. The project should ensure supply of LNG for up to 446 thousand tonnes per year, to replace the missing volumes of Kamchatka fields under the Gasification Program of the Kamchatka Territory. The project is expected to improve the environmental situation in the region, with conversion of fuel oil and coal-fired boiler houses to gas reducing emissions of harmful substances. NOVATEK developed design documentation for the complex. The supply of LNG should be carried out within the framework of the Sakhalin-2 project.

[South America]

Argentina's state-run YPF said on 9 November 2024 during the firm's earnings call for 3Q 2024 that Malaysia's Petronas was expected to provide an update on its involvement in the Argentina LNG export project by December. YPF said that it continued discussing with international companies on equity participation.

Argentina's YPF said on 24 November 2024 that Pan American Energy (PAE) and Golar LNG had a project to install the FLNG (liquefaction) vessel "Hilli Episeyo" in the Gulf of San Matías, Río Negro, with LNG supply expected to start in 2027. YPF is going to join the project.

Argentina's Ministry of Economy authorized on 7 November 2024 TotalEnergies subsidiary Total Austral S.A. to directly export gas to Brazil, to be imported by MGAS Comercializadora de Gas Natural Ltda, without transiting through Bolivia.

Brazil's Petrobras (Petróleo Brasileiro SA) announced on 11 November 2024 that it had started first-phase commercial operation of its new natural gas processing unit (UPGN) at the Boaventura energy complex (BEC) in Itaboraí, Rio de Janeiro, Brazil, as part of the Rota 3 integrated project (PIR3) to expand transportation and processing of associated gas from the offshore Santos basin presalt. UPGN's Train 1 was processing 10.5 mcm/day of natural gas from the Santos basin presalt cluster delivered via the new 355-km Rota 3 gas pipeline (307 km offshore, 48 km onshore), Petrobras said. Train 2 of the UPGN is scheduled to begin commercial operation by the end of 2024, bringing the site's total gas processing capacity to 21 mcm/day. The Boaventura UPGN is designed to process feedstock from the 18 mcm /day PIR3 pipeline into natural gas, LPG, and C5+. Petrobras said that, in 2023, the company signed more than 34 natural gas-supply contracts, amounting to more than 70 bcm

in sales planned up to 2034.

[Global issues]

IMEO (UNEP's International Methane Emissions Observatory) said on 15 November 2024 that MARS (Methane Alert and Response System) that identifies major methane leaks had delivered 1,200 notifications to governments and companies over the last two years, yet just 1% of notifications had been responded. While methane responses must rapidly grow, there are examples of nations and companies responding - proving the value of data-driven solutions like MARS, according to the announcement.

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