Oil and Gas News Briefs
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November 8, 2021

U.S. utilities pay higher natural gas prices as exports of the fuel grow

(The Wall Street Journal; Nov. 7) – U.S. utilities are facing the highest natural gas prices in years as they build stockpiles for winter. One reason: Exporters are sending more gas than ever to countries that need the fuel. Pipelines to Mexico and Canada and tankers to Europe and Asia have moved record amounts of U.S. gas this year as much of the world is short. American frackers, meanwhile, are holding off on new drilling as investors pressure them to hold capital discipline and return cash to shareholders.

The result is that gas exports are pushing domestic prices higher — only the second time this has happened since companies began shipping shale gas from the Gulf Coast to other countries in 2016. U.S. Henry Hub gas prices closed Nov. 5 at $5.516 per million Btu. The pinch shows a growing tension between exporters and U.S. buyers that have enjoyed cheap gas for more than a decade. Some manufacturing and chemical companies have built entire businesses around low U.S. natural gas prices.

U.S. households that rely on gas for heat will pay an average 30% more for the fuel this year. In August, the nation's gas production was only about 4% off its all-time peak in November 2019, but the output was not enough to contain prices. Meanwhile, U.S. gas exports by pipelines and LNG tankers were equivalent to 19% to 21% of output each month from last November to August, says U.S. Energy Information Administration data.

LNG shipments are expected to keep rising. Cheniere Energy, the largest U.S. LNG exporter, set a record for shipments in the third quarter, with 141 LNG cargoes from its two Gulf Coast terminals. The capacity of U.S. LNG facilities has risen 54% from the end of 2019, according to S&P Global Platts Analytics. Pipeline volumes to Mexico have also hit records this year following expansions and higher demand from power plants.

Cheniere moves closer to production from LNG plant expansion

(Reuters; Nov. 4) - Cheniere Energy said Nov. 4 it has introduced feed gas to the sixth liquefaction train at its Sabine Pass LNG export plant in Louisiana. That keeps the plant, which will likely produce its first LNG in test mode before the end of the year, on track to enter commercial service in the first quarter of 2022. "We look forward to substantial completion… in the first quarter, approximately a year ahead of the guaranteed completion schedule," Cheniere CEO Jack Fusco said in an earnings release.

The sixth unit will boost output capacity at Sabine Pass to 30 million tonnes per year, among the largest terminals in the world. In addition, Fusco noted that Cheniere had recently entered into two agreements to sell LNG to units of commodity trader Glencore and Chinese gas distribution company ENN Natural Gas. He said the agreements support "our confidence" in making a final investment decision in 2022 to go ahead with the Stage 3 expansion at the company's Corpus Christi LNG export plant in Texas.

Stage 3 would include up to seven midscale liquefaction trains with an expected capacity of over 10 million tonnes per year, boosting the Texas plant's production capacity to 25 million tonnes per year. The company said it expects to start construction of Stage 3 upon entering into an engineering, procurement and construction contract and additional commercial agreements, and obtaining adequate financing.

U.S. Gulf Coast LNG export terminals adding to production

(Bloomberg; Nov. 4) - Two U.S. natural gas exporters said they're moving closer to expanding supplies of the power-plant and heating fuel as a global shortage roils economies from the U.K. to China. Venture Global LNG is "very close" to producing the first drops of liquefied natural gas from its Calcasieu Pass terminal in Louisiana, Chief Executive Officer Michael Sabel said Nov. 4. Meanwhile, Cheniere Energy, the largest U.S. exporter, told investors it's close to being able to go ahead with a multibillion-dollar investment to expand its LNG production in Corpus Christi, Texas.

Overseas gas prices are nearly four times higher than those in the U.S. as European and Asian buyers desperately seek to replenish depleted inventories ahead of the winter. That's reviving demand for long-term supply contracts that underpin LNG projects. Over the past five weeks, Venture Global and Cheniere have signed five deals to bring a combined 9.2 million tonnes of LNG per year to the market.

Venture Global's Calcasieu Pass LNG plant received federal permission Nov. 4 to begin the start-up process for its first liquefaction unit. It will become the seventh U.S. LNG export terminal, producing as much as 10 million tonnes a year. And the company is close to starting construction on a second terminal. Permitted at 20 million tonnes per year, output from the Plaquemines LNG project is expected to be completely sold out by mid-2022, Sabel said. "We'll be in construction for all 20 million tonnes in 2022."

Cheniere has sold 70% of the 10 million tonnes annual capacity for expansion of its Corpus Christi LNG plant, and expects to reach a final investment decision next year.

[State-owned Sinochem signs deal with Cheniere for U.S. LNG]

(S&P Global Platts; Nov. 5) - China's Sinochem has agreed to buy as much as 1.8 million tonnes per year of LNG from Cheniere Energy under a long-term deal. The deal, which Cheniere announced Nov. 5, is the latest in a frenzy of fixed-fee term commercial agreements between U.S. gas exporters and Chinese counterparties reached in recent months, amid a spot-market price surge in European and Asian gas markets.

Under the agreement between Sinochem and Cheniere's marketing unit, the buyer will purchase an initial volume of about 900,000 tonnes per year starting in July 2022. That volume will eventually rise to 1.8 million tonnes over the course of the 17½-year term of the agreement, Cheniere said. Sinochem, one of China's four largest state-owned oil companies, will buy the LNG at a price indexed to the U.S. Henry Hub natural gas benchmark, plus a fixed liquefaction fee, which Cheniere did not disclose.

Cheniere did not say whether the volumes would be tied to a specific liquefaction terminal or be covered by multiple terminals. The company operates Sabine Pass in Louisiana and Corpus Christi in Texas. Next year, it expects to sanction an expansion at Corpus Christi. The Sinochem deal follows Cheniere's Oct. 11 announcement that a subsidiary of China's ENN Natural Gas had signed a 13-year deal to buy 900,000 tonnes per year of LNG, starting in July 2022. Cheniere previously signed two long-term contracts with PetroChina for a combined 1.2 million tonnes per year of LNG.

[Sempra looks at building second LNG export project in Mexico]

(San Diego Union-Tribune; Nov. 5) – Sempra already has one liquefied natural gas export project under construction in Mexico, and on Nov. 5 the San Diego-based energy and infrastructure company announced plans to maybe build another. The project is called Vista Pacifico LNG and, if constructed, would focus on sending liquefied natural gas cargoes from Topolobampo, a port city on the Gulf of California, to Asia.

The proposed facility has been part of discussions with the Mexican government for about a year. If would be constructed next to a large, refined products terminal owned by Sempra Infrastructure, one of the company's subsidiaries. It's estimated Vista Pacifico LNG would export about 4 million tonnes of LNG per year, close to the amount that the Energía Costa Azul facility is expected to export. That facility near Ensenada is scheduled for completion by the end of 2024.

LNG exports coming from Costa Azul are expected to draw considerable interest because its location on the Pacific Ocean means shipments can bypass paying tolls at the Panama Canal and arrive in Pacific Rim destinations in about half the time it takes LNG exports coming from U.S. Gulf Coast terminals to arrive. Sempra officials see a similar pattern for Vista Pacifico, which is "still in the early stages of design and development," said Brian Lloyd, regional vice president for Sempra Infrastructure. The gas would come from the Permian Basin in the Texas and New Mexico.

Global oil trader expects Saudis will resist calls for more oil

(Bloomberg; Nov. 7) - Saudi Arabia's larger-than-expected rise in oil prices is a signal it will continue resisting U.S. pressure to pump faster, according to commodities trader Vitol Group. Saudi Aramco hiked December prices for customers in Asia, the U.S. and Europe on Nov. 5, a day after OPEC+ stuck to its plan to gradually boost output. The state producer's month-on-month increase in the official selling price for its main Asian grade was the third-largest this century, according to data compiled by Bloomberg.

President Joe Biden has called on OPEC+, a 23-nation alliance led by Saudi Arabia and Russia, to speed up the easing of supply curbs it began in early 2020 at the onset of the coronavirus pandemic. Oil has climbed about 60% this year to more than $80 a barrel because of the global economic recovery and OPEC+ cutbacks. That's hit American drivers by pushing gasoline up to a seven-year high of $3.70 a gallon.

Saudi Arabia "went further with the official selling price than anyone expected," said Mike Muller, the head of Asia for Vitol, the world's biggest independent oil trader, on a webinar hosted by Dubai-based consultancy Gulf Intelligence. "That was a signal to those that were critiquing OPEC+ for not putting enough oil on the market. The Saudis felt they can indeed make higher prices stick."

Even if OPEC+ agrees to pump more, it may lack the ability

(Bloomberg; Nov. 3) - OPEC+ is heading for a politically consequential showdown with President Joe Biden, as Saudi Arabia and its allies must choose whether to heed American demands for more oil. "You take a look at oil prices," Biden told reporters at a news conference at the U.N. climate summit in Glasgow on Nov. 2. Fuel costs are high because of "the refusal of Russia or the OPEC nations to pump more oil."

It's a fight that transcends the oil market and goes deep into America's alliance with the Middle Eastern kingdom. The U.S. is asking OPEC+ to add an additional 200,000 to 400,000 barrels a day to its monthly supply hikes. Despite the president's arm-twisting, which has support from Japan and India, several key members of the Organization of Petroleum Exporting Countries and its allies show little sign of bending.

Besides, if the cartel were to pledge more oil starting in December, there are questions whether it could deliver. It is already struggling to meet monthly output targets, as lack of oil investment in countries like Angola, Nigeria and even Kuwait hamper production. Saudi Arabia, Russia and the United Arab Emirates may have the capacity to exceed their quotas to cover for the weaker countries, but doing so would require changing the existing OPEC+ deal. One reason for OPEC+ resistance is the risk that more oil could swiftly tip markets. The market is expected to shift back into surplus early in 2022.

White House criticizes OPEC+ refusal to boost oil production

(Bloomberg; Nov. 4) - The Biden administration warned on Nov. 4 that OPEC+ is at risk of impairing the world's economic recovery by failing to put more oil back into the global market, signaling that its efforts to ease high crude prices aren't over. Hours after Saudi Arabia and its OPEC+ allies approved a 400,000 barrel-a-day output hike for December — but nothing more — the White House reiterated that it will consider "the full range of tools" to protect the economy, though it provided no specifics.

What happens in the coming weeks will have major implications for a global economy that has been battered by high energy prices, and for the political agenda of a president whose popularity is falling as inflation rises. The showdown also strains the increasingly fragile relationship with America's strongest Middle Eastern ally — Saudi Arabia. The refusal by OPEC and its allies to heed the request for more oil risks provoking a bitter fight with some of its largest customers. Yet ministers were emphatic that they made the right decision, saying that oil demand is still at risk.

Russia observed a decrease in European fuel consumption in October that "underscores the fact that global oil demand is still under pressure from the Delta COVID-19 variant," Deputy Prime Minister Alexander Novak said after the Nov. 4 OPEC+ meeting. "Oil is not the problem," Saudi Energy Minister Prince Abdulaziz bin Salman told reporters. "The problem is the energy complex is going through havoc and hell." If people are serious about attending to the real cause of the energy crisis they should focus on supplies of natural gas to Europe and Asia, the prince said.

OPEC+ decides to stick with gradual return of oil production

(Reuters; Nov. 4) - OPEC and its allies agreed at a meeting on Nov. 4 to stick with plans to raise oil output by 400,000 barrels per day in December, despite calls from the United States for more supply to cool rising prices. OPEC+ supply restraint has underpinned a rally that has pushed global benchmark Brent crude to a three-year high of $86.70. Oil producers suffered a drop in income during the COVID-19 pandemic, and as demand recovers with the global economy it has allowed them to rebuild their finances.

Top OPEC producer Saudi Arabia has dismissed calls for more oil supply from the Organization of the Petroleum Exporting Countries and its allies, collectively known as OPEC+, citing economic headwinds. OPEC+ sources said the U.S. has plenty of capacity to raise production itself if it believes the world's economy needs more energy.

However, sources have said Saudi Arabia and Russia are becoming more confident that the higher prices will not elicit a fast increase in output by U.S. shale gas producers.

OPEC+ nations are concerned about going too fast, fearing renewed setbacks in the battle against the pandemic and the speed of economic recovery, Saudi Energy Minister Prince Abdulaziz bin Salman said Nov. 4. Oil stockpiles will see "tremendous" builds at the end of 2021 and early 2022 because of slowing consumption, he said. Russian Deputy Prime Minister Alexander Novak said OPEC has already added 2 million barrels per day to global supply and will continue with its plan to add another 400,000 each month through early spring. OPEC+ will meet again on Dec. 2.

U.S. gasoline exports highest in 3 years

(Bloomberg; Nov. 5) - While President Joe Biden is fretting about high prices at the pump, even going as far as asking OPEC+ to raise its oil output, U.S. refiners are exporting the most gasoline in three years. Gasoline shipments in the first eight months of the year rose to 802,000 barrels a day, the highest for the period since 2018. At the same time, U.S. drivers are paying the most per gallon since 2014.Overseas demand is only set to increase as Mexico, the top importer of U.S. gasoline, is still in the early stages of recovering from the pandemic.

The high rate of gasoline exports shines a light on the global oil demand picture and underscores the administration’s limitations in keeping retail prices in check. Energy Secretary Jennifer Granholm said the government is “looking at” a release of crude from the Strategic Petroleum Reserve. But that would only temporarily resolve the underlying tightness in the crude market, according to oil consultancy Energy Aspects.

“The White House itself has limited options in what it can actually do,” said Krista Kuhl, a Houston-based oil consultant with FGE. An emergency release has only happened three times in the almost 50 years since the strategic reserve was created. Most U.S. gasoline exports go to Latin America. Refiners shipped 139,000 barrels a day to Brazil, the highest volume in data going back to 1945. Mexico still hasn’t recovered to pre-COVID levels but should in the next two years as its economy bounces back.

Shell CEO says company needs oil profits to fund energy transition

(BBC News; Nov. 3) - The boss of oil giant Shell insists the company can transition to net-zero carbon emissions by 2050, but will need the cash from its oil and gas business to pay for it. CEO Ben van Beurden dismissed splitting its legacy oil and gas business from its renewables investment, a move urged by activist shareholder Third Point. He said the company's plans for greener energy could only be funded by oil and gas. "At this point in time [the cash] comes from our legacy business.”

Van Beurden was speaking at Europe's biggest oil refinery, near Rotterdam, a facility that Shell plans to transform from refining petrol and diesel to making biofuels and hydrogen over the next decade. "These things can only be done if you have a facility (like Pernis) to work with and if you have the cash. "If we have to build a hydrogen plant from a wind farm that we build in the North Sea for a billion dollars that is not going to be funded by a hydrogen business — it will be funded by the oil and gas business."

Shell plans to spend four times as much on oil and gas development as on renewables next year. This is why some doubt that Shell can hit either its own targets and those imposed by a Dutch court which require it to halve its own net emissions by 2030 and eliminate them entirely by 2050. Shell is planning to appeal part of the ruling. "I think this energy transition can be done but it will require a lot of orchestration and a lot of faith of society that it can be done," van Beurden said.

China's crude oil imports lowest since September 2018

(Reuters; Nov. 7) - China's crude oil imports plunged in October to the lowest since September 2018, as large state-owned refiners withheld purchases because of rising prices while independent refiners were restrained by limited import quotas. The world's biggest crude oil importer brought in an average of 8.9 million barrels per day last month, data from the General Administration of Customs showed on Nov. 6. That is down from 9.99 million in September and 10.02 million in the same period last year.

Over the January-October period this year, crude imports averaged 10.21 million barrels per day, down 7.2% year-on-year, customs data showed. Crude imports are down amid a 62% jump in are prices this year as economies are opening up from pandemic restrictions, spurring fuel demand. Beijing's crackdown on illicit trading in oil quotas and import allowances for independent oil refiners also have weighed on purchases.

Oil imports may be set to rise in November as China's refiners have vowed to address a shortfall in diesel and gasoline supplies that has pushed retail fuel prices higher.

Tokyo Gas considers LNG contracts linked to U.S., European prices

(S&P Global Platts; Nov. 3) - Tokyo Gas is considering linking new LNG term contracts to European and U.S. gas hub prices as it further diversifies its global supply, an executive said Nov. 3 during a presentation to a market conference in Louisiana. The utility is interested in short- and medium-term supply deals, in addition to the long-term contracts for LNG volumes it currently has with producers in six countries, including the U.S., Atsunori Takeuchi, senior general manager of LNG optimization and trading, said in a video address to the World LNG & Gas Series Americas Summit & Exhibition.

Tokyo Gas' expansion of its LNG supply sources has previously included non-traditional contracts. In 2019, for instance, it announced an LNG contract with Shell that was partly linked to coal prices. As global trade flows shift amid volatile LNG prices in end-user markets, Tokyo Gas, as a major consumer of the power plant fuel, wants to ensure it has sufficient supplies in the future at a cost that reduces or mitigates its risk.

In the U.S., Tokyo Gas has a long-term commitment to buy LNG from the Berkshire Hathaway-operated Cove Point liquefaction terminal in Maryland. It also has a long-term deal to buy LNG produced at Sempra Energy's Cameron LNG terminal in Louisiana, via an agreement with an equity partner in the terminal. Beyond those deals, Takeuchi said Tokyo Gas is also considering short-term and medium-term LNG contracts. Pricing the deals against the U.S. Henry Hub benchmark is a viable option, he said.

Wood Mackenzie warns Europe may need to use 'cushion gas'

(Bloomberg; Nov. 4) - Europe's natural gas market, stricken by tight supply and low storage levels, may have to turn to unconventional tactics to get through this winter, according to Wood Mackenzie. One possible option is to tap vast reserves of so-called "cushion" gas available in the continent's underground storage facilities, which could bring more than 500 billion cubic feet of gas to market. That's almost a fifth of what the region currently holds in conventional inventories, the energy consultants said.

Cushion gas is used to maintain pressure in a storage facility and cannot usually be withdrawn, as it could affect future delivery capacity. There are also regulatory issues preventing such gas sales. "However, with the level of concern in the market and the accompanying exceptionally high prices, these are not normal times," Graham Freedman, Wood Mackenzie analyst for Europe gas research, said in a note on Nov. 4.

Europe's economy has been rattled by surging energy prices as tight gas supplies lagg behind demand, with consumption recovering from the pandemic and as inventories were left depleted by the previous bitter winter. The region's storage sites are only 76% full, far below normal. A cold winter may result in levels falling to zero by the end of March, unless more Russian gas is available, according to Wood Mackenzie.

Gazprom denies it is to blame for Europe's gas shortage, high prices

(Bloomberg; Nov. 3) - Russian gas giant Gazprom took center stage at one of the industry's biggest summits on Nov. 3, arguing it's not to blame for Europe's energy crisis. Gazprom, which supplies vast amounts of natural gas to Europe via pipeline, favors long-term contracts that bring stability to the market, Deputy CEO Elena Burmistrova said in a pre-recorded video at the Flame conference in Amsterdam.

Meanwhile, Europe’s own production has dropped and imports of liquefied natural gas have fallen, with cargoes going instead to premium markets in Asia, she said. “There has been some inaccurate reporting and speculation about Gazprom’s actions,” she said. Gazprom has come under the spotlight as gas prices in Europe are more than five times higher than a year ago, with the region’s storage sites depleted after a long and cold winter, followed by a strong post-pandemic demand recovery.

European traders are closely watching every move of the gas exporter, which promised to boost stockpiles at its storage facilities, especially in Germany and Austria, starting next week. Busmistrova reiterated that long-term gas contracts with a take-or-pay clause make the market balanced and predictable, “therefore profitable for investors,” and warned against hub indexation pricing and short-term trading. “We are not interested either in record low or record high gas prices,” she said.

China’s daily coal production nears record high

(Reuters; Nov. 3) - China's daily coal output hit 11.67 million tonnes on Nov. 2, rising about one million tonnes from early October, close to a record high this year amid a raft of measures to ramp up production and cut prices, according to the country's state planner, the National Development and Reform Commission. With higher production, coal inventories at power houses across the country exceeded 110 million tonnes as of Nov. 2, up by more than 31 million tonnes from the end of September, the NDRC said.

China's daily coal output is expected soon to break above 12 million tonnes, while coal prices at mines and ports have dropped significantly, the commission said. Producers including Inner Mongolia Yitai, China National Coal and China Energy have lowered their prices, followed by more than 10 major companies which "proactively" cut prices of thermal coal. Thermal coal futures on China's Zhengzhou Commodity Exchange have plunged more than 50% from the historical high logged on Oct.19.

Marathon in ‘advanced discussions’ to sell Alaska refinery

(Bloomberg; Nov. 2) - Marathon Petroleum is in “advanced discussions with several parties” on the sale of its refinery in Nikiski, Alaska, just up the road from Kenai, as the company seeks to streamline operations and focus on renewables, according to its top boss. The largest independent U.S. crude refiner by market value is aiming for increased opportunities in the shift away from fossil fuels “(to) where things are going to be growing over the next couple of decades,” CEO Michael J. Hennigan said during a conference call with analysts. Expanding Marathon’s refining footprint is “not a priority.”

"This quarter we advanced several key initiatives while remaining committed to improving the aspects of the business within our control,” Hennigan said in a prepared statement with the company's third-quarter earnings report. The decision comes even as U.S. refining margins are rebounding from a pandemic-driven slump, with gasoline demand now close to pre-COVID levels.

The Alaska refinery is one of Marathon's smallest, processing up to 68,000 barrels a day. The plant handles mainly Alaska crude. Reports that Marathon was seeking to sell the refinery first surfaced in 2019. At the time, activist investor Elliott Management listed the plant among "several logical non-core" Marathon properties.

Maine voters block power line from Canada

(Calgary Herald; Nov. 3) - A proposal to build a transmission line through Maine to bring Quebec's hydroelectricity to the U.S. Northeast finally gave environmentalists and fossil fuel companies something they could agree on: They both oppose the project. The outcome inverts the usual political dynamics around new energy corridors, in which oil and gas companies have clashed with environmentalists during pipeline construction.

In this case, three fossil fuel companies poured $25 million into a political action committee that successfully backed the ballot referendum to halt construction of the line, while environmentalists also ran their own successful parallel campaign to stop the project. It marks a setback for Hydro Quebec, which had hoped to use the high-voltage line — its first new line into the U.S. in three decades — to export more of its hydroelectricity from Canada into Massachusetts. But the fight illustrates how building new energy corridors in North America continues to generate charged political battles.

Hydro Quebec CEO Sophie Broch vowed to proceed with construction. "This project will be built," Brochu said, "It will be a question of time, and in the end it can be a question of money." The project developer, utility Avangrid, issued a statement Nov. 3, saying it had filed a lawsuit challenging the referendum, which halts construction until two-thirds of the Maine Legislature support the project. The fight has drawn national attention and tens of millions of dollars poured into the state to support campaigns on both sides.

California regulators allow gas storage to boost capacity

(The Associated Press; Nov. 4) - California regulators voted Nov. 4 to increase the capacity of a Los Angeles-area natural gas storage field where a 2015 blowout caused the nation's largest-ever methane leak and forced thousands from their homes. The California Public Utilities Commission voted unanimously to increase the storage capacity of the underground Aliso Canyon field to 41 billion cubic feet of natural gas from the current capacity of 34 billion cubic feet.

The move is aimed at ensuring supplies of gas for the upcoming winter months “in a safe and reliable manner” even as the commission continues working on longer-term plans to close storage the field, Commissioner Martha Guzman Aceves said in a statement. Neighbors and activists who want Aliso Canyon permanently closed said the increase was unnecessary and had urged the commission to reject it.

The field, which stores gas in old wells, has been at 50% capacity since 2018, but the commission vote raises that to 60%. Regulators rejected an alternative plan to allow the field to run at 100%. Southern California Gas said Aliso Canyon and other storage sites will play “a key and essential role” in delivering gas and keeping energy prices stable this winter. SoCalGas spent more than $1 billion on the 2015 blowout — with most going to temporarily relocate 8,000 families — and paid $1.8 billion to settle lawsuits.

Wisconsin shipyard will build second LNG fueling barge

(Green Bay Press-Gazette, Wisconsin; Nov. 5) - Less than two weeks after launching the first Great Lakes-destined freighter built on the lakes in almost 40 years, Fincantieri Bay Shipbuilding announced it reached an agreement to build a second liquefied natural gas bunker barge at its shipyard in Sturgeon Bay, Wisconsin, for Polaris New Energy. The new vessel will be a sister ship to the Clean Canaveral, an LNG bunker barge with an articulated tug, which officially launched in late September.

Bunker barges are designed to deliver and transfer fuel directly to cruise ships, container vessels, bulk carriers, car carriers and tankers. The new 340-foot-long barge will be able to carry about 1.4 million gallons of LNG, equal to about 120 million cubic feet of natural gas, in four insulated tanks. A press release announcing the agreement noted that demand for such barges is increasing because of a movement in the maritime industry toward transitioning to lower-carbon fuels such as LNG.

The news of the agreement came on the heels of the launch of the Mark W. Barker, the first U.S.-flagged, Great Lakes freighter built on the lakes since 1983. The 639-foot freighter was built for Interlake Steamship Co., an Ohio-based firm that runs nine ships.