Oil and Gas News Briefs
Compiled by Larry Persily
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Almost half of EU's electricity now comes from renewable energy

(Associated Press; Jan. 23) - A record 47% of the European Union's electricity now comes from solar and other renewables, a report Jan. 23 said, in yet another sign of the growing gap between the bloc's push for clean energy and the Trump administration's pursuit of more fossil fuels. In total, nearly three-quarters of the EU's electricity doesn't emit any planet-warming gases into the air — with 24% of electricity in the bloc coming from nuclear power which doesn't release greenhouse gases.

The total is far higher than in countries like the U.S. and China, where nearly two-thirds of their energy is still produced from carbon-polluting fossil fuels like coal, oil and gas, according to the report by the climate energy think tank Ember. Experts say they are encouraged by Europe's fossil fuel reductions, particularly as the U.S. looks set to increase its emissions as its new president pledges cheaper gasoline prices, has halted leases for wind power projects and pledged to revoke incentives for electric vehicles.

"Fossil fuels are losing their grip on EU energy," said Chris Rosslowe, an energy expert at Ember. In 2024, solar power generated 11% of EU electricity, overtaking coal which fell below 10% for the first time. Wind power generated more electricity than natural gas for the second year in a row. Ember's data for the world's largest generators of electricity for 2023 show Brazil with the largest share of its electricity from renewables, almost 89%, with much of that coming from hydroelectric power. Canada had about 66.5%, China 30.6%, France 26.5%, the U.S. 22.7% and India 19.5%.

Exxon exec says Europe reluctant to sign long-term LNG deals

(Bloomberg; Jan. 23) - President Donald Trump's plan to quickly sell more liquefied natural gas to the world could face difficulties due to limited supplies this year and reluctance in Europe to commit to long-term deals. "The problem is you don't find gas from one day to the next," ExxonMobil Europe president Philippe Ducom, told Bloomberg at the Handelsblatt energy conference in Berlin, "Significant new LNG capacity is coming on stream in 2026-2027."

ExxonMobil has four LNG projects under development and expects to start up new production units in the U.S. and Qatar first, by the end of this year. Other U.S. export projects will also start ramping up production but the bulk of new supply won't arrive until 2027. Demand for LNG is rising as Europe turns needs to help plug supply gaps

after losing most of Russian pipeline gas. The European Union also floated an idea of replacing Russian LNG imports, which reached a record last year, with American fuel.

LNG developers typically sell the fuel under long-term contracts to underpin financing for the multibillion-dollar investments. Ducom said Europe had been reluctant to commit to long-term contracts and bring supply security in the equation, which investors need to take the huge financial decisions to start new LNG projects. “That’s clearly having an impact on the cost of energy for Europe because gas impacts power,” he said. “We will need gas for decades to come, and in 2050 we will still need gas. But there has been this reluctance to commit and to try to bring supply security in the equation.”

American oil industry would prefer U.S. not quit Paris climate accord

(Reuters; Jan. 22) - U.S. oil and gas producers are thrilled that President Donald Trump wants to encourage domestic energy development but say his decision to withdraw the U.S. from international climate cooperation will not help their investment plans in the global transition to cleaner energy. The position reflects a rare note of discord between Trump and Big Oil, one of his most important constituencies and long considered the top villain behind climate change for selling the fossil fuels driving planetary warming.

Removing the U.S. from the Paris climate deal for the second time was among a flurry of moves by Trump aimed at pumping up record high U.S. energy production, sending a signal to the world that the U.S. will no longer engage in multilateral efforts to combat climate change. But big U.S. oil companies believe withdrawing only limits Washington's ability to influence an ongoing global energy transition and exposes them to an uneven regulatory environment, according to interviews with industry representatives.

Marty Durbin, president of the U.S. Chamber of Commerce Global Energy Institute representing U.S. energy companies, said its members would have preferred Trump keep the U.S. in the Paris climate accord. Exxon's CEO Darren Woods had made an early plea to the newly elected president at the COP29 climate summit in Azerbaijan in November to keep the U.S. in the Paris pact, saying the cycle of exiting and re-entering the agreement would create long-term policy uncertainty for companies.

OPEC+ may be reluctant to boost oil production to please Trump

(S&P Global; Jan. 24) - President Donald Trump's request for Saudi Arabia and OPEC to increase oil production may be linked to his intention to ramp up sanctions on Russia and Iran, but the bloc may not be interested heeding the call without actual shortages, according to experts following the issue. "It is unclear that the Saudis would do much without risking prices dropping below their comfort zone," David Goldwyn, chair of the Atlantic Council Global Energy Center's Energy Advisory Group, said.

In a Jan. 23 speech to the World Economic Forum in Davos, Trump said he is "going to ask Saudi Arabia and OPEC to bring down the cost of oil," adding their decision not to "do it before the election ... didn't show a lot of love." Trump wants prices below the threshold that OPEC+ would prefer before initiating their planned supply increase, said Jim Burkhard, vice president of research for S&P Global Commodity Insights.

"How the new Trump administration and OPEC+ leaders manage their differing economic and geopolitical interests will be key in whether OPEC+ increases production at prices in the $70s or not until prices are in the $80s or higher," he said. Trump's ask of OPEC and the Saudis reflects dueling policy goals, said Rachel Ziemba, an adviser with political risk consultancy Horizon Engage. The president wants cheaper oil, but he also wants to use energy sanctions as a political tool, especially against Iran, she said.

Despite Trump's ask, OPEC is unlikely to do much in the near-term and instead wait to see whether there are actual supply shortages from the scramble to replace Iran and Russian oil, Ziemba said. Ultimately, OPEC is likely to focus on its long-term interest and that includes keeping Russia involved in any OPEC+ arrangement, she said.

Major oil and gas companies look at getting into the power business

(Wall Street Journal; Jan. 21) - Artificial intelligence has suddenly made electricity a hot commodity. No wonder major oil companies want a piece of it. Both ExxonMobil and Chevron said last month that they are talking to potential data-center customers on deals to supply gas-fired power paired with carbon-capture technology. Exxon is working on a power-plant design with at least 1.5 gigawatts of capacity — enough to power more than a million homes. TotalEnergies, which has a power business, last year bought 1.5 GW of gas-fired power plants near Dallas and Houston.

Exxon and Chevron have shied away from the wind and solar business for good reason: They have no experience in it and the expected returns are too low. But gas-fired power seems like a natural fit. Major oil companies have plenty of experience in building and operating gas-fired power plants to support their own energy-intensive operations, such as refining, natural gas liquefaction and petrochemicals. Exxon said in its latest corporate update that it has developed 5.5 GW worth of power projects since 2001.

Major oil companies might, in some cases, have more recent experience building power plants than large independent power producers. And major oil companies also are able to move fast — something tech giants value. They can site power plants near the source of fuel — near their own oil and gas fields — and sell electricity directly to data centers without needing to connect to the grid. Another advantage: giant balance sheets and prodigious cash flow from their oil and gas business and disciplined spending.

Adding the ability to capture the carbon and bury it could command an extra premium, though the technology hasn't yet been proven at scale. There are generous subsidies for the technology under the Inflation Reduction Act. However, carbon-capture technology hasn't been deployed at a commercial scale for gas-fired power plants, according to Hugh Wynne, co-head of utilities and renewable energy research at SSR.

Trump's national energy emergency order may have limits

(Reuters; Jan. 22) - President Donald Trump's declaration of a national energy emergency to boost drilling and speed up pipeline construction should withstand court challenges, but will not allow oil and gas producers to skirt all environmental laws, according to legal experts. Trump, who campaigned on a promise to "drill baby drill," has said his declaration will speed permitting and approval of energy projects to fix what he has called an inadequate and unaffordable U.S. energy supply.

The U.S. is the world's largest oil producer and largest exporter of liquefied natural gas. Trump's energy declaration invokes a federal law giving the president broad discretion to declare emergencies and unlock special powers. Legal experts say challenging the declaration in court would likely be futile because courts rarely question the president's judgment in using the National Emergencies Act. "The law doesn't define what an emergency is, and so far no court has been willing to overturn a finding that there is an emergency," said University of California, Berkeley Law School professor Dan Farber.

The National Emergencies Act can unlock presidential powers in 150 different statutes but has limited reach into environmental laws and regulations. The true legal tests will likely arise in implementation of the order, which directs federal agencies to scour their books for laws and regulations that could be used to speed approval and permitting for projects like drilling, refining and pipeline construction. "It could expedite energy projects but also harm water standards, endangered species protections, fill in the blank," said Emory University School of Law professor Mark Nevitt.

Companies hesitant about Alaska despite Trump's executive order

(Reuters; Jan. 23) - U.S. oil and gas companies are unlikely to expand development in Alaska and the Arctic following President Donald Trump's executive order enabling them to do so, company officials and industry representatives said, noting a future president could reverse Trump's move. U.S. oil output is already at record levels due largely to higher production in more accessible areas of Texas and New Mexico. And companies are limiting spending on new projects to focus on sending cash to shareholders.

The executive order would reopen vast areas of Alaska for drilling and mining, and expedite permits for projects, part of Trump's sweeping plan to maximize oil and gas

production while reversing President Joe Biden's policies encouraging the transition to renewable energy to fight climate change. "Many of these areas have been closed for a good long while," said Dustin Meyers, senior vice president of policy at the American Petroleum Institute, a trade organization that represents major oil firms.

"There is always the risk that these areas could be reclosed after the next election cycle," he said, adding that is the key issue that could temper interest from oil companies in the short term to pursue new drilling projects. Drilling in the Arctic and Alaska is a high-risk endeavor, involving decades of work and billions of dollars of investment. A source at one major U.S. oil company, who asked not to be named, said many companies are unlikely to pursue projects in Alaska based on Trump's executive order alone, seeking long-term certainty like an act of Congress.

Pacific Northwest depends on Canadian oil and gas; tariffs a concern

(KUOW radio; Seattle; Jan. 24) - President Donald Trump's proposed 25% tariff on Canadian imports could be an expensive proposition for the Pacific Northwest, which depends heavily on its northern neighbors for energy supplies. More than two-thirds of the Northwest's natural gas comes from Canada, according to the Northwest Gas Association. Nearly half of the crude oil refined in Washington state is Canadian, according to the Washington Department of Ecology.

Nationwide, one-fifth of the U.S. oil supply came from Canada in 2023, according to the federal Energy Information Administration. Slapping hefty tariffs on these imports would likely boost the energy bills of Northwest consumers and businesses. "It's a stupid idea," said U.S. Rep. Rick Larsen, a Washington Democrat. Larsen represents the northwest corner of Washington state in Congress, including all four of the Pacific Northwest's large oil refineries. Oregon and Idaho refine no oil.

"It's going to end up costing more for everything for people I represent," Larsen said. "Tariffs are on us," said Jennifer Bettis, research manager at the Border Policy Research Institute at Western Washington University. "Tariffs are imposed on goods once they arrive in the United States and are paid for by the companies that import said products, and they can choose to pass on that increase in price to consumers." Bettis said. "This would certainly make it much more difficult for us in terms of our residents and affordability," said Washington Commerce Director Joe Nguyen.

No public reaction from OPEC+ to Trump's call to boost oil output

(Reuters; Jan. 24) - OPEC+ has yet to officially react to a call from President Donald Trump for lower oil prices, with delegates from the group pointing to a plan already in place to start raising oil output in April. Trump said Jan. 23 that he would ask Saudi

Arabia and the Organization of the Petroleum Exporting Countries to bring down the cost of oil — a call he often made during his first term in the White House.

Asked about Trump's comments, Saudi Economy Minister Faisal al-Ibrahim told a panel at the World Economic Forum in Davos on Jan. 24 that Saudi Arabia and OPEC were seeking long-term oil market stability. "The kingdom's position, OPEC's position, is all about long-term market stability to make sure that there's enough supply for the growing demand," he said. The OPEC+ group of producers comprising OPEC, Russia and other allies says it does not target oil prices and already has a plan to begin raising output in April, having delayed the increase several times because of weak global demand.

Several OPEC members, including the United Arab Emirates and Iraq, have been pressing the group to raise output faster, arguing that they had invested a lot in expanding their capacity. OPEC+ members are currently holding back 5.86 million barrels per day of output, or about 5.7% of global supply, in a series of steps agreed since 2022 to higher prices. Should Iranian supply drop because of new U.S. sanctions, OPEC's spare capacity would become a useful cushion to offset that decline.

Trump's energy order will benefit offshore Louisiana LNG project

(Energy Wire; Jan. 23) - President Donald Trump's sweeping Day One energy executive orders also reached into the gears of government to boost the prospects of a single company with a floundering liquefied natural gas project. The move to smooth a path for Delfin LNG offshore Louisiana goes beyond Trump's broader effort to free the industry from former President Joe Biden's climate-inspired oversight. Environmental critics are calling the help for Delfin a "handout."

The Delfin project found itself facing strong headwinds last year when the U.S. Maritime Administration denied the company a license to construct its deepwater port for gas exports about 40 nautical miles from Louisiana's coast. The agency — often referred to as MARAD — told the company to go back and submit a revised application. In a letter last April, the agency said the design, financing and operational plans for the facility had changed too dramatically since the agency recommended approval in 2017.

Trump's "Unleashing American Energy" order issued Jan. 20 included a provision to put the Delfin project back on track. The provision orders MARAD to reevaluate only the project's environmental effects, skipping past factors like design, financing and operational plans. The order directs the agency to issue Delfin a license if it finds the project has essentially the same foreseeable environmental effects as projected in 2017. That smacks of favoritism to LNG skeptics like Alan Zibel, a research director at Public Citizen. "This is the corporate favor-trading," he said.

Japan’s largest LNG buyer plans to increase U.S. purchases

(Reuters; Jan. 24) - Japan’s biggest LNG buyer, JERA, plans to increase its purchases of liquefied natural gas from the United States to diversify its supply and meet demand growth spurred by data centers and AI, a senior executive told Reuters. President Donald Trump pledged to unleash the U.S. energy industry to boost output and threatened the European Union with tariffs if the bloc does not buy more gas, meaning JERA might have to compete with other buyers for more U.S. gas.

Handling between 30 million to 35 million tonnes of LNG annually, Japan’s largest buyer currently sources nearly half of this from the Asia-Pacific region, including Australia, Malaysia and Indonesia. “This accounts for very high exposure. My plan is to rebalance that and to make our LNG supply portfolio more diversified,” Ryosuke Tsugaru, JERA’s head of LNG division, told Reuters on the sidelines of the World Economic Forum annual meeting in the Swiss resort of Davos.

“My plan is to increase our exposure to the U.S. energy projects. We are now buying 3.2 million tonnes in long-term contracts from America, which is small against the total purchase amount,” he added, without detailing the expected increase. However, JERA will be watching closely the long-term sustainability of LNG policies in the U.S., the world’s largest LNG exporter which in 2024 shipped 88.3 million tonnes of the fuel. Prioritizing supply reliability and affordability, JERA also plans to talk to suppliers in the Middle East “to have a more geographically balanced energy portfolio,” he said.

Louisiana LNG project developer could sell to Bangladesh

(Reuters; Jan. 24) - Argent LNG, which wants to develop a liquefied natural gas export facility in Louisiana — planned for as much as 25 million tonnes a year output capacity — has signed a non-binding agreement with the government of Bangladesh for 5 million tonnes of LNG annually, the company said in a statement on Jan. 24. If the Argent LNG project in Port Fourchon is built, its cargoes could be sold to Petrobangla, a Bangladesh state-owned company, according to the agreement.

Bangladesh has been seeking long-term solutions to its energy needs and has been trying to move toward more use of LNG. But the country is very price sensitive. In 2022, as LNG prices spiked due to Russia's war on Ukraine, it reverted to burning cheap coal.

Europe may need to load up on LNG this summer to refill storage

(Reuters; Jan. 22) - Europe may have to buy at least 100 additional liquefied natural gas cargoes this summer, worth around $6 billion at today's prices, to replenish its stockpiles after a plunge in storage levels this winter due to cold weather and a stoppage of

Russian pipeline gas supply. European Union gas storage sites have emptied faster this year than in recent winters and are currently 59% full, according to the latest data from Gas Infrastructure Europe.

That is much lower than this time last year, when storage was 75% full, or the 79% fill level at the same time in 2023 after the 2022 energy crisis triggered by Russia's invasion of Ukraine. By the end of March, storage levels could drop to as low as 30% to 35% of capacity, said Rabobank energy strategist Florence Schmit. If storage drops to 35% — around 1.34 trillion cubic feet of gas — European buyers will need to find an additional 420 billion cubic feet of gas on the global market this summer compared with 2024, Energy Aspects analyst Erisa Pasko said.

That equates to about 120 LNG tanker loads, worth $6 billion at today's prices, according to Reuters calculations. "Europe will need to maintain high prices to continue attracting spot and divertible LNG supply away from Asia," Pasko said. The concerns are helping to prop up already high European gas prices, which are trading at 14-month highs, boosted by cold weather and the end of Russian pipeline gas transit via Ukraine.

Indonesia asks LNG buyers to postpone taking shipments

(Bloomberg; Jan. 22) - Indonesia, a major supplier of liquefied natural gas, is asking its overseas buyers to accept delays to some scheduled shipments as domestic energy demand rises. The government has asked the nation's LNG exporters to attempt to defer this year's shipments, according to people with knowledge of the matter. One of the people said Jakarta is requesting a delay into 2026.

The Southeast Asia nation may need to retain the equivalent of 50 LNG shipments for domestic consumption, another one of the people said. Indonesia exported roughly 300 cargoes last year, according to ship-tracking data. A spokesperson for the Indonesian energy ministry did not respond to messages seeking comment. Indonesia, the world's sixth-largest LNG exporter, is the latest supplier to struggle to meet domestic needs, keeping fuel out of a finely balanced global market.

Egypt, also usually an LNG exporter, has been importing shipments to supplement falling gas production, while Malaysia is considering keeping more shipments. Indonesia plans to prioritize gas output for domestic energy generation and to support downstream industries, Energy and Mineral Resources Minister Bahlil Lahadalia said earlier this week. Jakarta has taken steps in the past to safeguard its domestic needs.

LNG tanker charter costs drop to lowest on record in Atlantic Basin

(Bloomberg; Jan. 24) - Liquefied natural gas shipping costs are plummeting as the market grapples with a glut of vessels, a development that could provide relief for importers and help pad profits for traders. The cost to hire a modern tanker with 174,000-cubic-meters of capacity in the Atlantic Basin fell to $9,750 per day on Jan. 23, down about 59% from a month earlier, according to data from Spark Commodities. This is the lowest rate on record for a vessel in that category.

The move down “has largely been driven by increased vessel availability, due to the increased influx of newbuilds entering the market,” said Qasim Afghan, a commercial analyst at Spark Commodities. The delivery of new ships is coming faster than additional export projects, which are grappling with delays.

Gas pipeline companies proceed with multiple projects in Texas

(Houston Chronicle; Jan. 24) - A Houston-based midstream energy company will go forward with its $1.7 billion natural gas pipeline that will be located right in the city's backyard. Kinder Morgan announced that the 216-mile Trident Intrastate Pipeline will bring 1.5 billion cubic feet per day of gas to Port Arthur once it's completed. The pipeline will be in service by the first quarter of 2027, pending receipt of required permits and approvals, according to a report by Yahoo! Finance.

The expansion is part of the growing AI data center trend in Texas, which requires significant demand for the fuel to power its operations, CEO Kim Dang said. "Our commercial teams have secured contracts to underpin three large natural gas projects — South System Expansion 4, Mississippi Crossing and Trident, totaling approximately $5 billion (Kinder Morgan’s share) in project costs,” he said.

Kinder Morgan is "working directly with impacted landowners to address any concerns they may have." The new pipeline is part of a rush of announcements of similar infrastructure. Last month, Energy Transfer reached a final investment decision on the Hugh Brinson Pipeline which is slated to deliver 2.2 billion cubic feet a day in the Dallas-Fort Worth area. In addition, WhiteWater Midstream announced a 2.5 bcf per day pipeline to connect the Permian Basin to a gas hub near Corpus Christi.

Equinor restarts preliminary work on offshore Canada oil project

(Offshore Engineer; Jan. 23) - Norwegian state-owned energy giant Equinor has started the ball rolling to develop its environmentally controversial Bay du Nord oil project off the coast of Newfoundland and Labrador by awarding preliminary front-end engineering design work to BW Offshore and Altera Infrastructure. The Canadian project, which the operator paused for three years a couple of years ago, is expected to be among the world’s lowest-carbon projects per barrel of oil.

While Newfoundland and Labrador’s offshore oil sector is already seen as one of the lowest-emitting in the country, Bay du Nord, a $12 billion oil project, was approved with the historic requirement to reach net-zero emissions by 2050. Like all other oil- and gas-producing provinces, Newfoundland implements a price on industrial carbon emissions by its provincial output-based pricing system. BP is a partner with Equinor in the project.

Equinor’s plan to develop the Bay du Nord project entails a floating production and storage unit suitable for the tieback of adjacent discoveries and new prospects. The 2013 discovery is estimated to hold around 300 million barrels of light, high-quality oil. Other discoveries followed in 2014, 2016 and 2020. The discoveries are in water ranging from 2,100 to 3,800 feet deep. The project site, about 320 miles northeast of St. John’s, was put on a shelf in 2023 because of the rise in costs.

Refined and blended Russian crude imported into Canada

(CBC Canada; Jan. 17) - Millions of dollars worth of refined Russian oil is coming into Canada thanks to a loophole in sanctions, providing much-needed income for the Kremlin to fuel its ongoing invasion of Ukraine. The CBC News visual investigations team, in collaboration with the Centre for Research on Energy and Clean Air, found that since the start of the war roughly 2.5 million barrels — or $250 million worth of refined petroleum products like gasoline, diesel and jet fuel — have ended up in Canada.

"When consumers in Canada are buying vehicle fuels or getting on flights, there is a high probability that a portion of those jet fuels or diesels ... could be made from Russian crude," said Isaac Levi, Europe-Russia Policy and Energy Analysis team lead at the Centre for Research on Energy and Clean Air. The crude oil originates in Russia, but because it is refined in another country like India or Turkey and mixed with crude from other sources before being exported to Canada, it does not violate sanctions.

"We're calling for the refining loophole to be closed," said Levi. Sanctions compliance, according to international trade lawyer William Pellerin, is "more difficult because of a lack of clarity in the Canadian sanctions regime. … It's very clear that Russian crude is prohibited from being imported into Canada. It's also very clear that Russian oil products are prohibited from entering into Canada," he said. "What is not clear is … the use of Russian crude imports that then get processed and finished by a third country."

More oil tankers in Russian fleet forced to find new flag nations

(Bloomberg; Jan. 23) - A chunk of Russia’s oil tanker fleet is being forced to change the flag they sail under as U.S. and U.K. sanctions heap pressure on Moscow’s shipping network. The Barbados ship registry said that by the end of the month it will have asked

a total of 46 ships to remove the country's flag as a result of U.K. sanctions. Fourteen of these are also sanctioned by the U.S. Separately, Panama's ship registry said earlier this month that it had begun to delist 68 vessels that were sanctioned by the U.S.

Though all of the ships will likely find new flags, many vessels that serve Moscow's interest have repeatedly had to switch to unusual service providers since the Russian invasion of Ukraine in 2022. That's a sign of the disruptive impact sanctions can have on the sprawling logistics operation that helps keep Russia's oil flowing and war machine running. The latest moves follow the most sweeping sanctions on Russia's oil exports to date earlier this month.

Sailing the Barbados flag was a coup for Russian shipping as it's one of the world's more reputable vessel-registration nations. Flag states play a key role in ensuring maritime safety standards, and Russia has often had to turn to less well-known nations when it has lost access to blue-chip services. Giovanni Ciniglio, CEO of the London-based Barbados Maritime Ship Registry, said the country follows U.K. rules due to the good relationship between the two nations. Barbados won't remove vessels sailing under its flag that were sanctioned by the U.S. unless they are sanctioned by the U.K.

India's refiners searching for supplies to replace Russian oil

(Reuters; Jan. 22) - Oil refiners in India are reaching for all available options in the rush to make up for Russian flows hit by Washington's latest round of sanctions, turning to the spot market while simultaneously seeking more long-term supplies from Middle Eastern producers. State-owned processors have issued a slew of spot tenders in recent weeks, snapping up oil from all corners of the world including the Mideast, Africa and the U.S. Some cargoes are scheduled to load as early as February, indicating the urgency of replacements for the Russian flows India has become reliant on.

The haste contrasts with comments from senior Indian government officials, who have repeatedly suggested confidence that Russian crude will keep flowing once Moscow reassembles its dark fleet and works around the long list of measures announced earlier this month. As Indian companies begin talks with Saudi Arabia and Abu Dhabi this week, traders say discussions between refiners and the OPEC producers will be tense. Buyers are returning to long-term suppliers after two years of opportunistically prioritizing discounted Russian crude.

Washington may not be able to enforce all sanctions on traders, Russian tankers and more, but refiners' fear of getting tangled in punitive measures could leave India battling to replace as much as 1.8 million barrels a day of Russian crude flows, or a third of the country's total imports. That's a tall order even in a well-supplied physical oil market, traders say. Relationships will also have to be rebuilt, and cargoes rerouted.