

Oil and Gas News Briefs

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Exxon signs on to buy offtake from West Coast Canada LNG project

(Reuters; March 11) – Canada's ARC Resources said on March 11 it had entered into a long-term agreement to supply liquefied natural gas to a unit of ExxonMobil. That unit, ExxonMobil LNG Asia Pacific, will purchase all of ARC's share of the offtake from the Cedar LNG project in northwest British Columbia, about 1.5 million tonnes per year, at international LNG pricing, ARC said. The barge-mounted liquefaction plant and shipping terminal will be located shoreside at Kitimat, B.C.

The Cedar LNG project, a partnership between the Haisla Nation and Pembina Pipeline, is expected to start commercial operations late in 2028 and will have a capacity of 3.3 million tonnes per year. Last year, oil and gas transportation firm Pembina Pipeline said it, along with the Haisla Nation, had decided to go ahead with construction of the US\$4 billion project. In 2023, ARC signed a 20-year agreement to supply and liquefy natural gas with Cedar LNG. It plans to supply about 200 million cubic feet per day of natural gas for the project, resulting in the equivalent of 1.5 million tonnes per year of LNG.

ARC Resources is a 29-year-old company, with production assets in the Montney shale formation of northeast British Columbia and northwest Alberta. "This agreement provides ExxonMobil with advantaged access to Asian LNG markets by establishing ExxonMobil's first long-term offtake position on Canada's Pacific Coast," said Andrew Barry, vice president of global LNG marketing at ExxonMobil Asia Pacific.

U.S. LNG suppliers try to renegotiate higher fees to cover rising costs

(Reuters; March 10) - Several U.S. LNG producers are trying to renegotiate higher prices with buyers as a result of rising construction, labor and finance costs, according to sources and company statements. Higher prices would eat into the competitive advantage of U.S. liquefied natural gas on the global market at a time U.S. President Donald Trump is seeking to expand the industry — already the world's largest.

"The competitiveness of U.S. LNG could face a double whammy," said Alex Munton, director of global gas and LNG research at consulting firm Rapidan Energy. Rising liquefaction costs, a tighter domestic gas market and falling prices for rival supplies indexed to oil could all impact U.S. LNG competitiveness, said Munton. Four sources said Mexico Pacific and Venture Global are seeking to renegotiate their contracts with buyers, while Energy Transfer's co-CEO said negotiations were underway.

Mexico Pacific, which is developing a facility on Mexico's West Coast to market U.S. gas, at 15 million tonnes per year, has been trying to renegotiate higher liquefaction fees with Chinese buyers Zhejiang Energy and Guangzhou Gas, according to two Chinese industry officials with knowledge of the matter. Mexico Pacific wants to renegotiate the prices because U.S. engineering firm Bechtel, the company building the plant, wants a construction price that has made the project too expensive, sources said.

Liquefaction fees for U.S. LNG projects are on a path to rise above \$2.50 per million Btu due to a tight labor market, rising construction costs and stubbornly elevated interest rates, brokerage Poten and Partners said in a report to clients. Higher liquefaction fees could hurt the cost-competitiveness of U.S. LNG, especially if coupled with an increase in U.S. natural gas prices and/or a drop in Brent crude oil prices, Poten warned.

FERC approves additional expansion at Corpus Christi LNG

(Reuters; March 12) - U.S. regulators have approved the expansion of Cheniere Energy's Corpus Christi liquefied natural gas plant in Texas, a Cheniere executive said on March 11. The Federal Energy Regulatory Commission approved construction of the company's midscale liquefaction Trains 8 and 9 project, the company's Chief Commercial Officer Anatol Feygin said at an industry conference in Houston.

Cheniere is the nation's largest LNG producer and played a key role in the U.S. growing into the world's largest exporter. The addition of the two liquefaction trains is expected to add 3 million tonnes per year of LNG to Cheniere's production at its Corpus Christi plant; the current capacity is 15 million tonnes per year. Cheniere is also building its Stage 3 expansion at the terminal, which will add a further 10 million tonnes per year. All of the expansion work in total will bring the plant to 28 million tonnes annual capacity.

Cheniere applied to FERC in March 2023 for approval to build its midscale expansion of two smaller trains and the approval was granted on March 10, Feygin said. FERC approval is needed to construct and operate LNG plants in the U.S. Cheniere's export terminal at Sabine Pass, Louisiana, the first to operate on the Gulf Coast, is rated at 30 million tonnes annual production capacity, among the largest in the world.

U.S. gas use continues climbing to meet export, power demand

(Reuters; March 12) - U.S. natural gas use is set to continue hitting record highs due to soaring liquefied natural gas exports and power consumption from AI data centers, executives said at a conference this week, while also warning that a lack of pipeline capacity could hurt the industry. The U.S. is the world's largest gas producer and is expected to produce some 105.2 billion cubic feet per day this year, according to U.S.

government data. Demand has hit a record nearly each year since 2010, but some regional markets in the U.S. have been hampered by lack of available pipeline space.

Pipeline capacity has not caught up with output after a series of project cancellations over the past eight years, according to Toby Rice, CEO of EQT, the No. 2 U.S. gas producer. "We have the gas, we just don't have the pipelines to get it to places," Rice said in an interview at the CERAWEEK conference in Houston. EQT's 300-mile Mountain Valley pipeline, which transports up to 2 bcf per day of gas from West Virginia to Virginia, ran at full capacity last winter, Rice said. The project was slated to cost \$3.5 billion, but ultimately costs totaled \$8 billion following eight years of delays, he said.

Moving gas from shale regions for LNG export requires significant pipeline investment, said Pierce Norton, CEO of pipeline company ONEOK. Booming exports should remain the biggest source of demand growth in the coming years, according to a federal energy outlook. U.S. LNG exports have hit record highs every year since 2016 when the first major U.S. export facility came online. The U.S. became the world's No. 1 LNG supplier in 2023, surpassing Australia and Qatar. With plants currently under construction, U.S. LNG capacity will almost double from 13.8 bcf per day in 2024 to 24.7 bcf in 2028.

[LNG exports have transformed U.S. energy industry](#)

(Bloomberg; March 9) – The Trump White House is able to lean on an increasingly critical made-in-America commodity to exert new levels of geopolitical leverage: liquefied natural gas. The U.S., which in the span of about seven years transformed itself from an irrelevant supplier of LNG into the world's largest, is set to expand its production capacity by 60% in the first half of Donald Trump's second presidency.

By 2030, almost one in three tankers hauling the fuel will originate in the U.S. No matter what Trump does to alienate U.S. allies, his unorthodox moves aren't hurting demand for American LNG. Twenty years ago, the idea that gas would play an even more important role than oil in U.S. diplomatic calculations would have been preposterous. At the turn of the millennium, the U.S. was short of gas. It generated less than 15% of the country's power, behind nuclear and coal. Federal Reserve Chairman Alan Greenspan called for a major expansion of LNG imports to address the shortfall in domestic supply.

Horizontal drilling and hydraulic fracturing, or fracking, which picked up in the early aughts, changed all that. The U.S. more than doubled its gas production, to more than 100 billion cubic feet per day, and it now fuels 41% of the country's electricity. In fact, shale gas supplies rose so quickly during the past 20 years that they far outpaced domestic demand, prompting a decade-long malaise in prices that hurt producer profits.

The industry looked for more ways to use its gas, including building petrochemical plants. But the Holy Grail is exports: Europe needs a long-term replacement for Russian gas, Asia needs fuel for fast-growing economies, and the developed world needs more

energy to power data centers. Eight U.S. LNG export terminals are in operation, with three more under construction and several others close to deciding whether to proceed.

Woodside still in talks to sell up to half of its Louisiana LNG project

(Reuters; March 10) - Australia's Woodside LNG may push a final investment decision on its Louisiana liquefied natural gas plant into the second quarter of 2025 as talks to sell half of the project drag on, CEO Meg O'Neill told Reuters on March 10. Woodside wants to sell as much as 50% of the project. Reuters has previously reported that the company is in talks with several potential buyers including Tokyo Gas, Japan's JERA and Saudi Aramco-backed MidOcean Energy.

"We want to make sure we have confidence in the partners and that we have an adequate selldown," O'Neill said on the sidelines of an energy conference in Houston. "It may slip into the second quarter, but our goal is to be ready from the first quarter." O'Neill declined to name the parties talking with Woodside, which had previously said it would make an investment decision by the end of the first quarter on building the first phase of the facility at Lake Charles, Louisiana. The cost of building the first phase, at 27.6 million tonnes annual production capacity is estimated at around \$16 billion.

O'Neill said there is strong interest in the project because it is fully permitted and has an engineering, procurement and construction contract with Bechtel. Woodside has offered LNG buyers shorter contracts at higher rates than the longer 20-year offtake agreements that have long been an industry standard. "Some customers may prefer a shorter duration, and that's fine for Woodside. In fact, in some ways, that opens opportunity for us to find new customers as we progress down the track," she said.

Japan's JERA wants cheaper LNG from Australia or may go elsewhere

(Boiling Cold; March 12) - Japanese natural gas giant JERA will demand cheaper Australian LNG when contracts expire next decade to match "fierce competition" from new projects in Qatar and the U.S. JERA senior vice president for liquefied natural gas Hitoshi Nishizawa said Qatar is already expanding its production and the United States under President Trump is expected to follow.

Nishizawa said that, in contrast to Australia, the U.S. has abundant gas for export, lower costs, and faster approval times, meaning the fuel could be cheaper. Nishizawa was speaking at a Western Australia state government-sponsored oil and gas conference in Perth on March 11. "Some key contracts for Australian LNG will end around the same time the cheaper supplies of gas are due to come to the market," he said.

In addition to lower prices, Nishizawa wants more flexible terms in JERA's Australia gas contracts, including no restrictions on where the gas is sent. This destination flexibility would support the trend for Japanese gas buyers to become traders, selling gas that is surplus to their own needs. In Japan's 2023 fiscal year, the country resold 37% of the LNG it bought, up from 16% five years ago. JERA sources fuel and generates power for the electricity utilities serving Tokyo and Chubu in Japan. It handles about 35 million tonnes of LNG a year, making it one of the market's biggest players.

Ukraine looking at importing U.S. LNG through European ports

(Reuters; March 12) - Ukraine may import large volumes of U.S. liquefied natural gas this year via terminals in Germany, Greece, Lithuania and Poland, its state gas operator said, as Kyiv struggles with the damage of Russian attacks on its infrastructure. U.S. imports of gas into Ukraine have the potential to strengthen an economic partnership with Washington, and the presence of U.S. gas in Ukraine's storage facilities could deter Russian attacks.

Dmytro Lyppa, the head of Ukraine's gas operator, told Reuters in an interview that Ukraine could import at least 140 billion cubic feet of gas between April and October. Reuters calculations based on average prices for gas find the total imports bill would be at least \$1 billion. As much of the gas as possible could be from the United States, Lyppa said. "If we take the political aspect, it is better for us to bring as much (U.S. LNG) as possible to Poland and gradually bring it to us," he said in an interview.

The geopolitical situation means that U.S. LNG could be preferred over Qatari LNG, for instance, Lyppa said, provided the price difference was not significant. Ukraine was a major pipeline transit route for Russian gas until the beginning of this year, when the transit deal between the two countries expired, depriving Russia of revenues. Ukraine also has large underground gas storage facilities, and President Volodymyr Zelensky said Kyiv and the White House have discussed using the sites to store U.S. LNG that could replace some of the western European gas on which Ukraine relies.

Korean company looking to boost holdings in U.S. gas fields

(The Korea Economic Daily; March 10) - A shale gas field in Woodford, Oklahoma, was bustling with activity. A team of engineers oversaw the drilling of the site's 209th gas well, deploying steel tubing through a 100-foot-high derrick to tap into the underground reserves. A single well could provide gas for decades. "We started investing in shale gas fields a decade ago. We are now shipping one million tonnes of liquefied natural gas to South Korea annually," an SK Innovation E&S official said. "Given the strong competitiveness of U.S. LNG, we are reviewing additional (gas field) acquisitions."

SK Group is among those doubling down on U.S. gas assets, seeking to secure supplies amid growing global demand. SKI E&S, the gas unit of SK Innovation, and its U.S. partner Continental Resources are seeking to expand their gas field holdings. Sources said SKI E&S plans an equity investment in new fields. Having committed \$360 million to acquire a 49.9% stake in the Woodford shale field in 2014 – while Continental Resources retained 50.1% – SKI E&S secures one million tonnes of LNG from the site each year, covering about 2.2% of Korea's 2024 LNG imports of 46.33 million tonnes.

SK E&S is Korea's largest city gas supplier. Should the additional investments proceed as planned, SKI E&S would be able to secure 10 million tonnes of LNG a year by 2030 — a more than fourfold increase from its current 2.3 million tonnes, which includes 1.3 million from its Barossa gas field off Australia. Sources said SK's growing LNG imports are likely to support its upcoming power projects, including an LNG-fired power plant set to start up in 2027 for its semiconductor affiliate SK Hynix in Yongin, south of Seoul.

China's oil and gas imports declined in first two months of the year

(Reuters columnist; March 7) - China's imports of major commodities got off to a weak start in 2025, continuing the recent trend amid concern over fading growth momentum in the world's second-biggest economy. Imports of crude oil, natural gas, iron ore and copper all declined in the first two months of the year compared with the same period last year, according to official customs data released on March 7.

Coal imports were up in the January-February period compared to the same period in 2024, however they were down significantly from the levels seen in November and December, suggesting that China's appetite for the fuel is waning. The tepid start to the year for the world's biggest buyer of commodities adds to concerns about the outlook for China's economy, especially as trade tensions with the U.S. show signs of escalating.

Nowhere was this concern more evident than in imports of crude oil, which dropped to 83.85 million tonnes in the first two months, equivalent to 10.42 million barrels per day, down 3.4% on a barrels-per-day basis from the 10.79 million reported for the first two months of 2024 and below the 11.31 million barrels per day imported in December. High prices may have impacted imports of liquefied natural gas, with customs data showing imports of liquefied natural gas and pipeline gas at 20.31 million tonnes, down 8.1% from the 22.1 million recorded for the first two months of last year.

Russia and Saudi Arabia vie for oil sales to China and India

(Reuters columnist; March 11) - A new scramble for crude oil market share in Asia may be kicking off as top exporters Saudi Arabia and Russia move to boost cargoes to the world's top importing region. China, the world's biggest oil importer, is emerging as

ground zero for the two exporters, who are ostensibly allies in the wider OPEC+ group of producers. Russia had overtaken Saudi Arabia as the top supplier to China, largely as a result of it being forced to discount its crude after Western sanctions were imposed because of its war in Ukraine, which cut the pool of buyers to mainly China and India.

But Russia's seaborne shipments to China have stalled in the first two months of 2025, partly as the result of new sanctions on shipping introduced by then-President Joe Biden just prior to leaving office in January. China's seaborne imports from Russia dropped to 969,000 barrels per day in February, down from 1.01 million in January and the lowest on a per-day basis since December 2022, according to data compiled by commodity analysts Kpler. For the first two months of 2025, China's seaborne imports from Russia were 990,000 barrels a day, down 270,000 from the preceding two months.

India, which saw Russia jump to become its top supplier since the sanctions, also saw lower imports from Russia in the first two months of the year. But both China and India are poised for a rebound in imports from Russia in March, as traders and refiners work around the U.S. sanctions. The Saudis appear not to be sitting idly by while Russia's exports to China and India recover, with Kpler tracking 1.64 million barrels per day of Saudi cargo arrivals in China for March. This is the strongest month since August 2023 and up from 1.21 million barrels per day in February and the 1.33 million in January.

Failing oil prices greet oil and gas industry at CERAWEEK

(Reuters columnist; March 10) - Energy executives attending an annual gathering this week may have cheered President Donald Trump's return to the White House but they are learning that you should be careful what you wish for. This year's CERAWEEK promised to be a show of force for the fossil fuel sector following the reelection of Trump, whose "drill, baby, drill" slogan resonated with oil and gas companies that felt frustrated by his predecessor Joe Biden's perceived animosity toward the industry.

Instead, the conference is set to be dominated by talk of Trump's tariffs, sanctions and aggressive drive to end the war in Ukraine, which have together created turmoil in financial markets and clouded the outlook for the global economy and energy prices. Benchmark Brent crude prices have fallen below \$70 a barrel, compared with \$87 a barrel at the start of last year's conference.

If this price level is sustained over a long period of time, many companies will be forced to rethink investment plans and dividends, in particular U.S. shale drillers that are highly sensitive to oil prices, putting in question Trump's U.S. oil production aspirations. If prices are any gauge of the likely mood, CERAWEEK may be a gloomy event. And while Trump giveth, Trump also taketh away. The U.S. recently ended Chevron's production license in Venezuela, which has been a key means for the company to recover billions of dollars in pending debt owed to it by Caracas.

U.S. oil and gas executives ask for ‘consistent and durable policy’

(The Financial Times; London; March 10) - Energy companies are asking the White House for a steadier approach after a whirlwind of tariff threats and changing policies that have buffeted the industry. “Swinging from one extreme to another is not the right policy,” Chevron CEO Mike Wirth said as CERAWEEK, one of the oil industry’s biggest conferences, kicked off in Houston. “We really need consistent and durable policy.”

Chevron has been an early and direct target of the shifting stances taken by the new administration. Last month, President Donald Trump said he would end a license that has allowed the company to export oil from Venezuela since 2022. Wirth said oil companies needed to see energy policy set in legislation “so it’s more durable and not at risk of being swung back in another direction by a future administration.”

At a dinner on March 9 ahead of the conference, CEOs made the same request to U.S. Energy Secretary Chris Wright, asking the White House to rely less on executive orders and more on legislation to achieve its goals, according to someone who was there. The call for more predictable and long-term policy comes after a flurry of executive orders.

U.S. energy secretary says industry can handle lower oil prices

(The Financial Times; London; March 9) – U.S. Energy Secretary Chris Wright has said the U.S. shale sector can deliver President Donald Trump’s pledge to “drill, baby, drill” and boost oil production even if prices hit \$50 a barrel, a level most analysts say would curtail drilling activity. The former chief executive of fracking group Liberty Energy told the Financial Times that the U.S. sector could “absolutely” deliver both lower prices and higher production by “innovating” and driving “efficiency gains.”

But he predicted a period of industry disruption ahead, similar to that experienced by the shale sector during a bruising price war between OPEC and the U.S. shale industry in 2014. “There were a lot of bankruptcies. There was a lot of disruption, but the end result was far lower costs to produce a barrel of oil,” he said. “We are going to see those same kind of market dynamics now. New supply is going to drive prices down. Companies are going to innovate, drive their prices down.”

Wright’s comments follow a steep decline in oil prices, with Brent crude falling to less than \$70 per barrel last week. The unexpected decision by OPEC+ to increase production, just as fears grow over the health of the U.S. economy due to Trump’s tariff policies, have raised industry concerns about a possible oil glut. Oil markets were jolted further on March 4 when Peter Navarro, a trade adviser to Trump, suggested it would help tame inflation if oil fell to \$50 a barrel.

Why pick a fight with Canada, it's the U.S. strategic petroleum reserve

(Bloomberg columnist; March 11) - Refilling the Strategic Petroleum Reserve was a Day One objective for President Trump. Energy Secretary Chris Wright recently reiterated it, telling Bloomberg News he would seek \$20 billion in funding for that purpose. Doing so as Trump also wages economic warfare against Canada, however, is a bit like filling a couple of jerry cans with fuel while also setting a match to your local gas station.

Decades of declining U.S. oil production before the shale boom led refineries to retool to process heavier, sour barrels from overseas. Those barrels are usually cheaper and, with the right processing, offer higher yields of diesel and jet fuel. Shale oil, which now is booming, is light and sweet. The SPR doesn't carry heavy-oil barrels due to the high costs of storing them. But none of it mattered too much because of Canada's reserves: Oil from Alberta is just the kind of heavy, sour stuff for which U.S. refiners thirst.

And because no one anticipated the U.S. going all Darth Vader on Ottawa, Canada's oil producers mostly locked themselves with pipelines into a symbiotic relationship with U.S. refiners, especially those in the Midwest. It is bizarre, therefore, to make such a show of refilling a relatively small and limited SPR while simultaneously provoking Canada to potentially disrupt oil exports and, over time, find alternative outlets. Canada supplies in less than three months the same amount of oil that the U.S. needs to refill the SPR. Canada's oil reserves are, in effect, a gigantic strategic stockpile for the U.S.

Oil and gas expansion continues for Guyana

(Reuters; March 11) - The eighth energy project in Guyana for a consortium led by ExxonMobil will produce up to 1.5 billion cubic feet per day of natural gas and 290,000 barrels per day of condensate through a floating production facility that will have capacity to export the fuel, the group told the government. The new project's details, which include development of the Longtail, Tripletail and Turbot discoveries off Guyana's coast, were included in the consortium's request for environmental authorization, published by Guyana's government and seen by Reuters on March 11.

Longtail is expected to become Exxon's most important gas development in Guyana so far amid the government's pressure to ramp up gas output and supply to a wide variety of projects, including petrochemical plants and liquefied natural gas. The project will include up to 60 production and injection wells, according to the document. The Exxon-led consortium started oil production offshore the South America nation in 2019, and was up to 620,000 barrels per day as of January, with plans for further expansion.

IEA says investment needed to replace decline at existing oil fields

(Reuters; March 10) - Fatih Birol, director of the Paris-based International Energy Agency, said on March 10 there is a need for investment in oil and gas fields to support global energy security. The comment puts the energy watchdog for industrialized nations more in line with President Donald Trump's pro-drilling agenda, after the IEA came under pressure from fossil fuel advocates years ago for proposing an end to new oil and gas projects.

"I want to make it clear ... there would be a need for investment, especially to address the decline in the existing fields," Birol said at the CERAWEEK energy conference in Houston. "There is a need for oil and gas upstream investments, full stop." Birol has been under pressure from the Trump administration's and from Republicans in Congress for the IEA's shift in recent years toward a focus on clean-energy policy.

In 2021, the IEA said companies should not invest in new coal, oil and gas projects if the international community wants to reach net-zero emissions by mid-century to fight climate change. But Birol underscored at the conference that underinvestment in existing oil and gas fields is a problem as fossil fuels are important to meet global energy demand. He said that of the \$400 billion in investments in global oil and gas, about \$360 billion is going into offsetting the decline in existing oil and gas fields.

Analyst expects countries will boost renewables for energy security

(Bloomberg; March 10) - The trade in fossil fuels across borders peaked in 2017 and is set to decline as nations seeking energy security accelerate investments in domestic renewable energy and nuclear power, Carlyle Group's Jeff Currie wrote in a research note on March 10. Conversations about peak oil supply and demand have for decades served as a backdrop to energy markets. The transition from fossil fuels to renewables is top of mind this week as industry leaders descend on the so-called energy capital of the world, Houston, for the annual CERAWEEK by S&P Global conference.

Currie doesn't expect fossil fuels to disappear anytime soon, but he said the world is seeing "Peak Oil Trade." Fossil fuels are convenient, but their transport is increasingly vulnerable — President Donald Trump's trade wars being one recent example — and that will push countries to reduce oil and gas imports and invest in renewable sources of energy where possible, Currie said. "The share of global energy consumption that came from fossil fuels that crossed borders peaked in 2017 and has since declined by 5%."

Looming large over global trade security is the U.S., which through technological advancements in oil extraction during the shale revolution became a net oil exporter and less reliant on foreign supply. While the oil and gas trade isn't going away, fossil fuel imports are easier to block than wind and solar sources, Currie writes in the research

note. As countries shift to more localized sources of energy, the subsequent reduction in trade will lead to slower oil and gas demand.

Korea's steel industry could see prospects to supply Alaska project

(The Korea Times; March 9) - South Korea's steel industry may be able to clinch new opportunities if it takes part in the Alaska liquefied natural gas project, despite the envisioned 25% U.S. tariff on all steel imports, experts said March 9. The duties may deal a blow to Korean steelmakers in the short term but open new business prospects as they have advanced technologies and production capacity, the experts said. Korea has been considering taking part in the proposed Alaska LNG project.

Korean companies have shown competitiveness in manufacturing steel products needed for drilling and transporting oil and gas, such as pipes and valves, according to the experts. Last year, Korea exported casings and steel pipes for drilling worth \$400 million to the U.S., becoming the largest exporter of the products to the country, according to data compiled by the Korea International Trade Association.

Major Korean steelmakers, such as POSCO and Hyundai Steel, have the capabilities to develop and supply special steel products for LNG plants, according to industry watchers. POSCO was the first company in the world to develop high manganese steel that can withstand temperatures of LNG at minus 260 degrees Fahrenheit. Hyundai Steel produces thin plates for LNG tankers and steel materials for LNG storage tanks.

Businessman wants to resurrect abandoned Oregon LNG project

(Jefferson Public Radio; Oregon; March 10) - An Arizona businessman said he stumbled across the abandoned plan for a liquefied natural gas export terminal in Oregon, and now he's trying to resurrect the controversial project. Developers abandoned the Jordan Cove project in Coos Bay in 2021 after failing to secure state permits. Now, Mark Kekkonen, managing member and sole employee of the LNG startup OA Partners, filed a motion with the Federal Energy Regulatory Commission to reopen the project.

Kekkonen said he's looking to push forward LNG export projects to provide business for his venture retrofitting tankers to ship gas to Asia. "In order to fill those tankers up, you got to have a source of gas, and this facility will be able to do that," he said. If nobody wants it, he said he would develop the project himself. The Jordan Cove project faced heavy opposition from landowners, the fishing industry, tribes and environmental groups. Susan Jane Brown, a lawyer who represented landowners, said any attempt to revive the project would face another round of costly litigation and public outcry.

Kekkonen said the Trump administration's goal to boost gas exports means FERC should reexamine this project. He submitted his motion on March 10. Kekkonen is asking FERC to waive the approximately \$40,000 filing fee for the motion, stating he can't afford to pay it. He's also seeking a \$1.25 billion loan guarantee from the U.S. Maritime Administration for his LNG tanker endeavors. "Being off work for a year and a half, it takes away from all your savings," he said. "You have to use what you got, and in order to get around that, one of the features of this great nation is a waiver."

LNG imports to Australia 'looking like an inevitability'

(Bloomberg; March 10) - The lopsidedness of Australia's fossil fuel endowment and geographic spread, coupled with insufficient infrastructure, means one of the world's biggest exporters of liquefied natural gas will soon have to import the fuel. Eastern Australia is facing an energy shortfall as older offshore fields are depleted, according to Rystad Energy. There's limited pipeline capacity to ship LNG thousands of miles from gas production hubs in the northwest of the country, and the grid operator has repeatedly warned of potential shortages in the populous southeast as soon as 2027.

Melbourne and Sydney are already "testing their gas supply security for winter," Kaushal Ramesh, Rystad Energy's vice president for gas and LNG research, said in a note. The risk is a repeat of the energy crunch three years ago. "Compared to the crisis year of 2022, these states now have severely diminished (gas) buffer capacity, which could trigger another price surge if multiple supply-and-demand shocks occur," he said. "Even in our most optimistic scenario, LNG imports to Australia are looking like an inevitability."

The Victorian government will push for the Australian Energy Market Operator to become an anchor buyer of LNG at a meeting of state and federal energy ministers on March 14, according to a report in The Australian newspaper. Several companies have proposed LNG import terminals. Australia would not be the first gas exporter that would need to turn to imports, although countries including Egypt and Indonesia have mainly needed to do so to meet increasing domestic demand caused by population growth.

Alberta moving toward taking royalty payments in oil, not cash

(Bloomberg; March 10) - Alberta's government is moving ahead with plans to allow oil sands producers to pay their royalties in bitumen instead of cash. The government will sell those barrels in a major expansion of its role in the market. The Alberta Petroleum Marketing Commission will sell the barrels it collects to "spur private-sector investments," according to a government release. The province's so-called royalties in kind program currently only applies to conventional oil, not oil sands bitumen.

Alberta Premier Danielle Smith met with global oil and petrochemical companies to discuss the sale of 2 million barrels a month of heavy crude through the marketing commission. "This will give government the ability to seek new deals on Alberta's energy resources internationally, making the province one of the largest global heavy-oil market players and maximizing the return for Albertans," the government said.