

Australia

Shell commented no rush Gorgon LNG expansion

According to Shell, there is no need to rush the expansion of the A\$52 billion Gorgon LNG complex. Located off the coast of northwest Australia, the project is 55% complete. It will have an output of 15.6 million tonnes per annum (mtpa) upon completion in 2015. The Gorgon joint venture, which Shell holds 25% stake, expects to make a final investment decision on an expansion to 20.6 mtpa in 2013.

Dimension Data gets Wheatstone contract

Dimension Data will be providing the designs for networks and telephony systems for Chevron's Wheatstone LNG project in Western Australia. Dimension Data is providing detailed design and design assurance for Wheatstone's business and telephony networks across three segments: The project's platform network, plant network, and social infrastructure. The contract will run for two years, with an option to extend.

CO2 to sell carbon credits

Carbon farming company CO2 is on target to begin selling carbon credits in July 2013 after receiving a green light from an industry regulatory body set up by the Federal Government. Its reforestation and afforestation methodology has been approved by the domestic offsets integrity committee. The methodology determination will allow CO2 to register about 39 million trees planted over more than 26,000ha under the Government's carbon farming initiative. CO2 has tree plantings in four States on behalf of its clients, which include major companies such as Woodside and Qantas.

Kogas engages advisor on GLNG sale

Korea Gas Corp (Kogas) has selected Samsung Securities to advise on the potential sale of a stake in A\$18.5 billion GLNG liquefied natural gas project. The process, to be jointly run by Rothschild, will consider the sale of two-thirds of Kogas' 15% stake. It is believed that rising in labour and equipment cost, as well as strong Australian dollars are the factors causing the sale. Confidence in the sector is also being overshadowed by competition from potential new gas exporters like the U.S. and Canada, which are preparing to ship LNG to Asia. The GLNG project involves two processing trains, capable of producing a combined 7.8 million-tonne of LNG a year.

Indonesia

ExxonMobil plans to return Aceh assets to the government

ExxonMobil Indonesia considers returning its entire oil and gas block assets in Aceh to the government as they are no longer economical for further development. These assets are Surumana block and Mandar Block in Sulawesi Sea, and Gunting block in Jombang, East Java. The company has also cancelled an earlier plan to sell its interest in the Aceh assets including Block B, North Sumatra Offshore, and Arun Satellite Field.

Total, Apexindo signed rig contract worth \$590m

PT Total E&P Indonesia and PT Apexindo Pratama Duta have signed an extension of contract of the leasing of five rigs for US\$590 million. This is a follow up agreement which was agreed in mid 2012 for Rig Yani, Rig Maera, Rig Rasis, Rig Raniworo and Rig Soehanah. The contract is part of Total's efforts to help retain production rate from the Mahakam block through drilling campaigns. Under its Work Plan and Budget, Total is set to drill 110 well in 2013. Under the contract, Rig Soehanah will be leased for 2.5 years, Raniworo 1 year, Yani 2 years, Maera 2 years, Rasis 2 years.

Pertamina in cooperation with Daqing

PT Pertamina has signed a Head of Agreement (HoA) with Daqing Oil Field Co Ltd to jointly co-operate in the enhanced oil recovery (EOR) programme development. The HoA will kick off a three-month feasibility study by Daqing on certain fields belonging to Pertamina. The study results will be the basis for Daqing to come up with a proposal on specific EOR program to be negotiated with Pertamina.

Japan

Loan guarantee set for LNG quest

The Japanese government plans to offer ¥1 trillion in loan guarantees for projects aimed at securing cheaper LNG. Japan has been under pressure of securing low cost LNG after Fukushima nuclear disaster. The loan guarantee programme will be offered through Japan Oil, Gas and Metals National Corp. Japan and other parts of Asia have been paying higher prices for LNG imports than the US and European countries as prices in Asia are linked to expensive crude oil prices under long-term contracts.

Marubeni considers geothermal project in Hokkaido

Marubeni Corp plans to conduct a geological survey for a geothermal power generation project at Daisetsuzan National Park in central Hokkaido after receiving permission from the Environment Ministry. The survey will study the factors like underground conditions and heat sources over two years. After that, Marubeni will likely conduct test drilling to measure how much steam can be produced.

Alstom wins turbines supply contract

Alstom has won a turbine supply contract from Eurus Energy Holdings. Alstom will supply 10 ECO100 1.67 MW turbines for the Kawazu wind farm on the Izu Peninsula. It also supplies turbines to the 10 MW Satomi wind farm and 18MW Higashi Izu II project. The wind farms are expected to come onstream in 2015.

Malaysia

Bumi Armada expects to secure more FPSO project

Bumi Armada Bhd expects to secure more floating production, storage and offloading (FPSO) projects in 2013 in overseas markets like Angola, Ghana, Mexico and Nigeria. The company also expects further consolidation of FPSO players and a likely reduction in competition. Bumi Armada is currently bidding for seven FPSO projects, one each in Malaysia, Indonesia and Angola and two each in Nigeria and the North Sea.

Hibiscus unit gets Norway approval to participate in oil and gas projects

Lime Petroleum Norway AS, a subsidiary of Hibiscus Petroleum Bhd, has obtained prequalification to operate as an oil and gas player in Norway by the Norwegian Ministry of Petroleum and Energy. Lime Petroleum Norway can now directly assume participating interests in partner-operated licences in the Norwegian Continental Shelf (NCS). Lime already has four concessions in the Middle East.

Myanmar

Andritz Hydro opens representative office in Yangon

Andritz Hydro has finally opened a representative office in Yangon after it been working in Myanmar since 1983. With the new office, it is expected to work closely with government agencies to identify effective short-term modernisation projects that will meet the increasing energy needs of Myanmar. Andritz Hydro supplies electro-mechanical equipment for hydropower stations. It holds a top position in the growing hydropower plant service, refurbishment and upgrade market.

Myanmar government to clarify O&G investment condition

Myanmar government has released details on the new Foreign Direct Investment Law's requirements for overseas oil and gas sector investors. Foreign firms will be able to own 100% stakes in projects for exploring, accessing and transporting and processing oil and gas, and there is no minimum investment value. The law includes guarantees against nationalisation and tax holidays. Foreign investors are required to sign

production sharing contracts with Burmese firms, but there is no requirement on how much control should be granted to local companies. There is a 40% to 50% capital gains tax on asset transfers.

Philippines

Philippines awards 15 blocks

The Philippines' Department of Energy has awarded 15 blocks under its Fourth Philippines Energy Contracting Round (PECR 4) to developers. Under PECR 4, the government offered more than 100,000sq km to bidders. The blocks are spread over the Philippines, with three onshore and 12 offshore. Three blocks lie in the South China Sea north of Palawan (Area 3, 4 and 5), while five lie in the Sulu Sea south of Palawan (Area 10, 11, 13, 14 and 15). Four blocks are located in the Sulu Sea east of Palawan and south of Mindoro (Area 6, 7, 8 and 9), while two lie onshore Luzon (Area 1 and 2) and one lies onshore Mindanao (Area 12).

Keppel forms new company in the Philippines

Keppel Corporation's subsidiary, KS Investments and its associated company, Dyna-Mac Holdings, have entered into a shareholders' agreement and have jointly incorporated a company in the Philippines known as Dyna-Mac Keppel Philippines. The shareholding interests of KSI and Dyna-Mac in DMKP are 40% and 60% respectively. DMKP will be engaged in the business of fabrication of topside modules for floating, production, storage and offloading (FPSO), and floating, storage and offloading (FSO) vessels in the Philippines.

Singapore

Singapore trading hub may help lower LNG cost

International Energy Agency commented that Singapore is the most likely hub for trading natural gas and reducing the government interference that keeps Asia's prices higher than anywhere else in the world. Singapore is best-suited for regional gas trading as government interference in markets is limited, allowing fundamentals to set prices. Gas buyers in Asia pay five times as much as U.S. consumers due to higher costs and insufficient facilities for receiving, processing and transporting LNG as long as governments promote state-owned companies and try to restrict imports.

Keppel FELS awards Blue Water Shipping transportation contract

Keppel FELS has awarded Blue Water Shipping for the heavy-lift transportation of 5 semisubmersible rigs. The contract will cover 5 shipments by dry and wet tow and commence in the second half of 2013 with expected completion in 2016. The 5 rigs are built at Keppel's yards in the Philippines and Singapore before they will be fully assembled at BrasFELS shipyard in Angra dos Reis, Brazil.

South Korea

Hyundai Heavy Wins Offshore Construction Vessel Order

Hyundai Heavy Industries has been awarded a contract to build a multipurpose offshore construction vessel (MOCV) from Toisa Ltd. The contract includes an option exercisable by the owner for an additional same class MOCV. With a 900 tonne and a 200 tonne offshore crane, the vessel will be capable of undertaking ultra deepwater installation and construction activities including subsea pipeline and cable laying, and topside construction support work for FPSO and drilling rigs. The vessel will be delivered in second half of 2015.

HHI supplies wind turbine

Hyundai Heavy Industries has been awarded a contract for the supply of twenty 2 MW wind turbines for the Yeongam Wind Farm in Jeollanam-do Province. HHI will also provide the installation and commissioning, as well as a long-term maintenance agreement. The 40 MW wind farm will be operational in November 2013.

Thailand

IRPC and SHELL signs base oil sales agreement

IRPC Public Co and Shell International Eastern Trading have signed a Base Oil Sales Agreement which IRPC has long term contact with Shell to provide the latter with base oil. IRPC has been one of suppliers for Shell for over 15 years.

Ratch allocates B10 billionn for 2013 investment

Ratchaburi Electricity Generating Holding Plc (RATCH) has set aside 10 billion baht in 2013 to fund ongoing and new projects, both at home and abroad. Ratch is targeting new independent power producer projects as well as additional investments in renewable energies in Thailand. As for overseas market, there are potential hydropower plants in Laos and Cambodia, as well as renewable energy businesses in Australia.

UAC plans 20 additional biogas plants

Universal Adsorbents & Chemicals Plc (UAC) plans to develop 20 biogas production plants at 2 billion baht. All the projects have already been approved by the Board of Investment for investment privileges. The company is also in the process of finalising power purchase agreements with the Electricity Generating Authority of Thailand. These biogas projects will use waste from poultry farms, while some may be mixed with napier or grass silage. Ten of the new projects will be located in the north-eastern provinces of Khon Kaen and Loei. The other 10 will be in Chiang Mai, Chiang Rai, Lamphun and Lampang in the North. UAC has also received financial support from the Alternative Energy Development and Efficiency Department worth 10 million baht for each project.

Sekisui Chemical and Lubrizol forms JV

Sekisui Chemical and Lubrizol will initialise a joint venture (JV) company in order to produce chlorinated polyvinyl chloride (CPVC) in the latter half of 2013. The joint venture is expected to help both companies to meet expanding demand in Asia and global customer needs. The proposed US\$50 million CPVC plant will have a manufacturing capacity of 30,000 metric tonnes. CPVC is used as a raw material in pipes for supplying hot water, industry and sprinklers.

Vietnam

Remote and mountainous areas connected to power

About 6,000 poor ethnic households in remote areas of the northern provinces of Dien Bien, Lai Chau and Son La have been connected to the power grid. The 351 households relocated to make way for the Thac Ba Reservoir in Thac Ba Hydro-electricity Plant in northern Yen Bai province also gained access to power. As of last year, over 96 percent of the country had access to the national electricity grid, according to the Ministry of Industry and Trade, which supervises the electricity sector in Vietnam.

Vung Ro refinery capacity increases

The Prime Minister's Office has approved the production capacity of the Vung Ro oil refinery in Phu Yen Province to increase from 4 million tonnes to 8 million tonnes per year. It is also agreed that the project will include a specialised sea port. The provincial government will have to meet the requirements of advanced technology and ensure environmental safety before licences are issued. The proposed US\$3.1 billion project is a joint-venture between the UK-based Technostar Management and Russia's Telloil Group.