

GERAB

BULLETIN

Weekly News



EXECUTIVE SUMMARY

The commodity summary

- Steel HRC (North America) prices showing downtrend and is trading lower by 56% than a year ago prices and Steel HRC (FOB) china trading lower by 34% than a year ago prices. Iron ore prices trading lower by 36% than a year ago prices.
- Natural gas prices went down by 8% WTD but still trading higher by 100% than a year ago prices.
- Crude Oil Brent and Crude Oil WTI prices showing downtrend and declined by 11% MTD and 12% MTD respectively.

The currency summary

- The dollar has continued to strengthen against the euro, and for the first time in decades, the two currencies are worth about the same.
- The dollar has continued to strengthen against the CNY and has gained against CNY by more than 4% YTD.

The Rig count summary

- Rig count in Europe has gone down by 11% than a year ago count.

Project summary

- ADNOC Drilling awarded over \$3.4 billion contracts
- Saudi National Water Company to roll out \$28.7bn projects
- TC Energy, Mexican Utility Sign Deal to Build \$4.5 Billion Gas Pipeline with Mexican state utility

COMMODITY UPDATES

COMMODITY	UOM	Latest Price	WTD %	MTD %	3MTD %	6MTD %	YTD %
Chromium	USD/MT	10,400.17	-0.50	-2.75	-5.87	1.56	16.00
Coal	USD/MT	397.93	-11.50	-11.61	-7.41	52.97	114.42
Cobalt	USD/MT	54,255.76	-3.83	-15.39	-37.46	-28.72	4.65
Copper	USD/MT	7,876.00	4.10	4.94	-15.84	-20.34	-16.00
Crude Oil	USD/BBL	91.58	-8.96	-11.02	-17.88	-1.90	31.64
Crude Oil Brent	USD/BBL	94.37	-0.02	-10.50	-16.10	-0.15	33.05
Crude Oil WTI	USD/BBL	88.78	-12.83	-11.57	-19.69	-3.70	30.18
Iron Ore	USD/MT	107.03	0.96	-1.05	-20.41	-25.83	-35.88
Molybdenum	USD/MT	30,693.60	-13.27	-15.64	-26.39	-26.76	-26.51
Natural Gas	USD/MCF	8.32	-8.35	14.38	-2.93	76.29	100.00
Nickel	USD/MT	22,300.00	3.89	3.52	-20.06	-5.15	15.90
Steel HRC (FOB China)	USD/MT	612.50	3.20	-0.98	-19.00	-23.19	-34.10

Steel HRC (N. America)	USD/MT	912.16	-6.76	-9.88	-39.54	-28.25	-56.35
Steel Rebar	USD/MT	663.47	-1.75	1.18	-17.29	-20.68	-25.72
Steel Scrap	USD/MT	327.50	-6.43	-12.67	-31.13	-35.25	-30.46

Source: Investing.com / Trading Economics / London Metal Exchange / MarketIndex.com.au / OilPrice.com

CURRENCY EXCHANGE RATE

Code	Description	Country	Units	Latest Exchange Rates	WTD%	MTD%	3MTD%	6MTD%	YTD%
EURUSD	1 EUR to USD	Euro Area	USD	1.0182	-0.80	-0.03	-3.44	-10.83	-13.34
USDCNY	1 USD to CNY	China	CNY	6.7695	0.22	-1.28	-0.78	-6.32	-4.48

Source- Trading Economics

CRUDE OIL STOCK

Region	Unit	Latest Count	WTD %	MTD %	3MTD %	6MTD %	YTD %
US Stocks of Crude Oil & Petroleum Products	Thousand Barrels	16,86,484.00	0.46	0.46	0.31	-2.81	-9.58

Source: US Energy Information Authority

SELECTIVE COMMODITY TRADERS AND PIPE MANUFACTURERS STOCK PRICES.

STOCK PRICES

Name	Latest Value	Units	WTD%	MTD%	3MTD%	6MTD%	YTD%
ArcelorMittal SA	24.48	USD	0.99	10.62	-10.69	-27.19	-29.04
Glencore PLC	466.80	GBP	1.32	8.22	-3.55	12.79	43.45
NYSE American Steel Index	1,563.23	Index	-0.40	9.51	-9.67	-8.52	-14.36
Rio Tinto PLC	4,927.50	GBP	1.30	1.91	-9.54	-12.28	-18.32
Tenaris SA	25.53	USD	-6.28	-1.39	-17.72	-2.11	24.48
Tubacex SA	2.00	EUR	-2.44	-10.31	-13.42	18.34	32.10

Source- Trading Economics / Wall Street Journal / CNBC

INTERNATIONAL RIG COUNTS

ACTIVE RIG COUNTS BY REGION

Region	Latest Count	WTD %	MTD %	3MTD %	6MTD %	YTD %
United Arab Emirates	48.00	*	-	2.13	26.32	11.63
GCC	204.00	*	3.55	0.99	7.37	15.25
Middle East	307.00	*	1.99	2.33	6.23	16.73
Africa	72.00	*	-	-	-10.00	18.03
Asia-Pacific	185.00	*	1.09	6.32	0.54	6.94
Europe	79.00	*	-	9.72	-23.30	-11.24
Latin America	160.00	*	1.27	-1.23	1.91	20.30

North America	962.00	-0.41	-0.41	16.18	10.32	47.09
Total	1,765.00	*	0.34	9.76	4.75	28.55

Source- Baker Hughes

(*) No weekly data available for those particular regions

NEWS OF THE WEEK

GULF COOPERATION COUNCIL (GCC)

- **Abu Dhabi: Frontrunner emerges for sizeable Adnoc offshore oilfield expansion contract**

A leading Middle-East-based engineering and construction giant has emerged as the potential frontrunner for a sizeable offshore oilfield expansion contract from Abu Dhabi National Oil Company (Adnoc) for its Lower Zakum field. Two people close to the development told Upstream that the Emirati state-controlled giant is poised to finalise its preferred contractor for an engineering, procurement, construction and installation (EPCI) deal involving its Lower Zakum oilfield, with the project touted to be worth upwards of \$500 million. United Arab Emirates (UAE)-based National Petroleum Construction Company (NPCC) is believed to be “well placed” for the EPCI job, which is likely to be awarded later this month. **4th August 2022**

- **ADNOC Drilling awarded over \$3.4 billion contracts**

Abu Dhabi National Oil Company (ADNOC) announced two contracts totaling more than \$3.4 billion (AED12.6 billion) have been awarded to ADNOC Drilling to hire 8 jack-up offshore rigs. The contracts, valued at \$1.5 billion (AED 5.6 billion) and \$1.9 billion (AED 7 billion) respectively, awarded by ADNOC Offshore, will support the expansion of ADNOC’s crude oil production capacity to five million barrels per day (mmbpd) by 2030 and enable gas self-sufficiency for the UAE. Over the life of the 15-year contracts, ADNOC Drilling’s state-of-the-art rig fleet will enable ADNOC and its strategic international partners to further unlock Abu Dhabi’s offshore oil and gas resources, creating significant value for ADNOC, its partners and the UAE. Over 80 percent of the value of the awards will flow back into the UAE’s economy under ADNOC’s successful In-Country Value (ICV) programme, supporting local economic growth and diversification. ADNOC recently awarded ADNOC Drilling two further substantial contracts totalling \$2 billion (AED 7.49 billion) for integrated drilling services and the provision of Island Drilling Units at its Hail and Ghasha Gas Development Project. **4th August 2022**

- **China Petroleum Wins Design Consultancy Contract from ADNOC**

China Petroleum Pipeline (CPP) Engineering Co. Ltd announced in a statement that, ADNOC Sour Gas and CPP Design Institute Abu Dhabi Branch signed a three-year design consulting service contract. CPP will directly participates in the design consulting services of all ADNOC Sour Gas projects in the coming three years. ADNOC Sour Gas is a joint venture between Abu Dhabi National Oil Company and Occidental Petroleum Corporation (OXY) to develop the sour gas field in UAE, who will produce 28 million cubic meters of gas per day in 2022. This project is the first cooperation between ADNOC Sour Gas and CPP. CPP Design Institute has been recognized by international oil companies and has established a brand and a firm foothold in the UAE market, statement mentioned. **9th August 2022**

- **GC Kuwait awarded \$43.5m Project in UAE**

Combined Group Contracting (CGC), Kuwait announced in a statement that its subsidiary Combined Group Contracting Company Emirates L.L.C. has signed the construction of main water pipe line works Project in United Arab Emirates. The value of the contract is AED 159.91 million (USD 43.5 million). Project scope of works includes design and implementation of the remaining works of the main water line works in Madinat Zayed. The duration of the contract is 592 days. **10th August 2022**

UAE

KUWAIT

- **Kuwait invites bids for acid plant**

	<p>Kuwait state oil operator has invited investors to build a plant to produce “Maleic Anhydride” which is used in the production of unsaturated polyester resin, a key component in the production of plastics and other substances, a local newspaper reported on Monday. The Kuwait Petroleum Corporation (KPC) will supply 30,000 tonnes a year of feedstock for the plant through a pipeline to be built as part of the project, the Arabic language daily Alanba said, quoting KPC sources. “KPC has invited local and foreign investors to submit letters of interest for the project before Sept 22...applicants must provide details of the company’s financial position, products, activities and services,” the report said. KPC has also asked applicants to outline procedures to be followed in carrying out a feasibility study and the project’s date of completion, the report added. 8th August 2022</p> <ul style="list-style-type: none"> • <u>HEISCO Kuwait submits lowest bid \$223.7m for oil flow line Project</u> Heavy Engineering Industries and Shipbuilding Company (HEISCO), Kuwait announced in a statement that it has submitted lowest bid for the tender issued by Kuwait Oil Company (KOC). HEISCO submits the bid value of KWD 68.5 million (USD 223.7 million). The Company states that the project is related to Construction of Flowlines and Associated Works in West Kuwait Area. Project will be subject to award as soon as the award decision issued by the Central Agency for Public Tender, statement mentioned. 10th August 2022
QATAR	<ul style="list-style-type: none"> • <u>McDermott Nets Offshore Pipeline, Cable FEED Deal in Qatar</u> Offshore engineering and construction firm McDermott has been awarded a Front-End Engineering Design (FEED) contract by QatarEnergy for the North Field South (NFS) Offshore Pipelines and Power/FO cables Project. The new contract is in addition to the awards received by McDermott this year for the NFS Jackets and Topsides and Pipelines for the North Field Expansion Project (NFXP). The NFS infrastructure is part of the NFXP development and is designed to supply feed gas for two additional LNG trains and help increase total LNG production in Qatar from the current 77 million tons per annum (MTPA) to 126 MTPA. The scope of the contract comprises developing FEED studies for offshore and onshore pipelines, cables, and associated facilities. The project will be managed from the McDermott Doha office with support from Chennai. The value of the contract was not disclosed. 10th August 2022
SAUDI ARABIA	<ul style="list-style-type: none"> • <u>Doosan Enerbility wins EPC contract for Shuaibh 3 IWP in Saudi Arabia</u> South Korea’s Doosan Enerbility has won the engineering, procurement, and construction (EPC) contract for Shuaibah 3 Independent Water Project in Saudi Arabia. The \$640-million desalination project is developed by a special purpose vehicle (Shuaibah Three Water Desalination Company) launched by Saudi utility developer Acwa Power and Water & Electricity Holding Company (Badeel), which is owned by Saudi Arabia’s PIF sovereign wealth fund. Earlier, In June, Acwa Power, a leading Saudi developer, investor and operator of power generation, desalinated water and green hydrogen plants worldwide; Shuaibah Water Electricity Company (SWEC), and Saudi Water Partnership Company (SWPC), the off-taker of Shuaibah 3 IWPP, signed an agreement to restructure the Shuaibah 3 Independent Water and Power Project (IWPP).The agreement entailed the conversion and replacement of the IWPP from an energy-intensive power generation and thermal desalination facility to a greenfield seawater reverse osmosis (SWRO) desalination plant under the name “Shuaibah 3 Independent Water Project (IWP)”. As such, operations of Shuaibah 3 Independent Water and Power Project (IWPP) will cease in 2025, saving nearly 45 million tons of carbon dioxide emissions and 22 million barrels of light crude oil annually. The Shuaibah 3 IWP aims to establish the world’s largest reverse osmosis desalination facility in Shuaibah, located 110 km south of Jeddah. Under the EPC contract, Doosan Enerbility (formerly Doosan Heavy Industries & Construction) will build a desalination plant capable of producing 600,000 cu m of water per day and a 60 MW solar power plant. The project work is expected to start in September 2022 and completion is scheduled for May 2025. 5th August 2022

- Saudi Aramco, Sinopec to collaborate in areas of EPC, technological advances**
 Saudi Arabian Oil Company (“Aramco”) today signed a Memorandum of Understanding (MoU) with China Petroleum & Chemical Corporation (Sinopec), covering multiple areas of potential collaboration between the parties in Saudi Arabia. The MoU outlines pathways for strategic cooperation between Aramco and Sinopec and supports the long-term relationship between the two companies and their existing joint ventures in China and in the Kingdom. This latest collaboration will help to further advance our strategic relationship with Sinopec into key areas of mutual benefit within the Kingdom.” Yu Baocai, President of Sinopec Corp. “Aramco is a very important partner of Sinopec. The two companies will join hands in renewing the vitality and scoring new progress of the Belt and Road Initiative and Vision 2030.” The wide-ranging areas of potential cooperation include; assessing refining and petrochemical integration opportunities; engineering, procurement and construction; oilfield services, upstream and downstream technologies as well as collaboration across carbon capture and hydrogen processes. The companies will also discuss the opportunities for the establishment of a local manufacturing hub in King Salman Energy Park. This latest collaboration builds on existing joint ventures between the two companies, including Fujian Refining and Petrochemical Company (FREP) and Sinopec Senmei (Fujian) Petroleum Company (SSPC) in China, and Yanbu Aramco Sinopec Refining Company (YASREF) in Saudi Arabia. **5th August 2022**
- SWPC issued RFP for 300km Ras Mohaisen-Baha-Makkah IWTP Project**
 Saudi Water Partnership Company (SWPC) announced that the RFP for Ras Mohaisen – Baha – Makkah Independent Water Transmission Pipeline Project (IWTP) has been issued to Qualified Bidders. SWPC earlier announced that 19 Bidders Pre Qualified to bid the Project. The project involves the construction of water transmission pipeline of capacity of 185,000 cubic meters per day, and lengths of 300 km. As per the earlier notification, SWPC announces that it will conduct a competitive process to select a developer or developer consortium to develop the Project on a Build, Own, Operate and Transfer (BOOT) basis. The project company developing the Project will provide the entire transmission capacity to SWPC under a Water Transmission Agreement (WTA). The term of the WTA is expected to be up to 35 years. SWPC’s obligations under the WTA will be supported by a credit support agreement entered into by the Ministry of Finance on behalf of the Government of the Kingdom of Saudi Arabia. SWPC advised by Synergy Consulting IFA Inc. (as Lead and Financial Adviser), Amer Al Amr Law Firm (as Legal Adviser) and Fichtner GmbH & Co. KG (as Technical Adviser). **6th August 2022**
- Saudi National Water Company to roll out \$28.7bn projects**
 The Saudi National Water Company (NWC) has announced that it intends to roll out 1,429 projects for tender worth more than \$28.74bn (SR 108bn), making the water distribution sector’s largest package of projects ever. The announcement is part of NWC’s continued plans and programmes for developing water and environmental infrastructure, expanding the coverage of water and wastewater networks, and increasing sewage treatment plants’ (STPs) capacity, in addition to extending water services coverage to all citizens and residents across the Kingdom regions, said a statement. **8th August 2022**

ASIA EXCLUDING GULF COOPERATION COUNCIL (GCC)

INDIA

- EIL secures order worth Rs. 154 Cr in Q1 FY 2022-23**
 Engineers India Limited (EIL) has secured a total order worth Rs. 154 crore in Q1 FY2022-23 from Hindustan Petroleum Corporation Limited (HPCL), Oil India Ltd. (OIL), Gujarat State Petronet Ltd. (GSPL), Indian Financial Technology and Allied Services (IFTAS), Neyveli Lignite Corporation India Ltd. (NLC), Deepak Chem Tech Ltd. (DCTL), Petronet LNG Ltd. and Pad LNG FZE. The company has bagged eight orders in Q1 FY2022-23 of which seven are India based and one order is from outside India. EIL has bagged Consultancy services for proposed underground mined rock LPG cavern at Vadodara for Hindustan Petroleum Corporation Limited (HPCL) (Rs. 13 crore). The company received EPCM Services for Implementation of Upgradation of Pump Stations/Terminals of Naharkatiya for Barauni

	<p>Crude Oil Pipeline for Oil India Ltd. (OIL) (Rs. 14.3 crore). The EPC company has bagged PMC for Anjar Palanpur Pipeline of Gujarat State Petronet Ltd. (GSPL) (Rs. 17.8 crore. EIL also bagged EPCM Contract for MIBC, MIBK and U&O for Deepak Chem Tech Ltd. (DCTL) (Rs. 44 crore). EIL has bagged EPCM Services for Dahej Regasification Expansion Project (20 to 22.5 MMTPA) for Petronet LNG Ltd. - Rs. 24 crore. 6th August 2022</p> <ul style="list-style-type: none"> • <u>Jyotsna Green Products to Set Up Ethanol Plant in Durg</u> Jyotsna Green Products is planning to set up grain-based ethanol plant with a capacity of 150 klpd in Durg district of Chhattisgarh. The project will come up over 18.61 acre of land parcel and will also include five MW co-generation power plant. As per the information available with Projects Today, work on the project is expected to commence by January 2023. The Ministry of Environment, Forest and Climate Change (MoEFCC) has accorded environment clearance for the project. 10th August 2022
TURKEY	<ul style="list-style-type: none"> • <u>International consortia in race to land major Turkish subsea contract</u> Three groups are bidding for a \$500 million to \$750 million order covering phase two of Turkish Petroleum's huge Sakarya development. Three groups are battling to win a major subsea contract covering the second phase of Turkish Petroleum's giant Sakarya gas development in the Turkish Black Sea. Phase one of the fast-track deep-water development is due onstream early next year albeit this is a challenging goal via 10 subsea wells tied back to an onshore gas processing plant at Filyos via a 170-kilometre, 16-inch pipeline. 3rd August 2022
TAIWAN	<ul style="list-style-type: none"> • <u>GreenFire eyes geothermal projects in Taiwan as authorities provide incentives</u> US geothermal technology company GreenFire Energy is looking to explore rich geothermal resources in Taiwan, where the local government has just announced a number of incentives to give the sector a boost. The company has entered into a representation agreement with Taiwan's energy engineering entity Taiteck, under which the latter will seek business in Taiwan on behalf of GreenFire Energy. The need for geothermal power development in Taiwan is becoming imperative as the island must meet 100% of its electricity demand locally. 9th August 2022
AFRICA	
ALGERIA	<ul style="list-style-type: none"> • <u>Consortium lands \$300 million Algerian engineering, procurement and construction prize</u> Petrofac, leading a consortium with Genie Civil et Batiment (GCB), has a provisional award for an engineering, procurement and construction contract with state-owned oil company Sonatrach for the Tinrhert EPC2 development project in Algeria. The contract is valued at approximately \$300 million, with Petrofac's share around \$200 million. Located in Alrar, around 1500 kilometres southeast of the capital Algiers, EPC2 will provide a new central processing facility with inlet separation and decarbonisation units. The consortium's workscope also includes tie-ins to the existing Alrar separation and boosting facilities, which Petrofac helped deliver in 2018, along with commissioning, start-up and performance testing. 4th August 2022
GUYANA	<ul style="list-style-type: none"> • <u>Confirmed: SBM awards new Fast4Ward FPSO to Chinese yard</u> Dutch floater specialist SBM Offshore has finalised a deal with Chinese yard Shanghai Waigaoqiao Shipbuilding (SWS) and China Shipbuilding Trading Company Limited (CSTC) to build the hull of a multi-purpose floater (MPF) under its generic Fast4Ward design concept, the fifth of its kind SBM has ordered at the yard in Shanghai. 5th August 2022
AUSTRALIA	
AUSTRALIA	

- Santos takes ownership of Hunter Gas Pipeline to get Narrabri gas to domestic market**
 Energy giant Santos has acquired a company which has plans for a gas pipeline near its controversial Narrabri Gas Project. Hunter Gas Pipeline has planning approval for a pipeline from the Wallumbilla Gas Hub in southern Queensland to Newcastle, via Narrabri. Santos said the pipeline provided a way for the company to deliver its gas to the domestic market, provided planning authorities approved a short connection. Santos midstream and clean fuels president Brett Woods said the company expected construction of the pipeline would begin in 2024. "Acquiring the Hunter Gas Pipeline route is an important step for the Narrabri project," Mr Woods said. **11th August 2022**
- Bechtel to work on 400MW/10hrs PHES facility in Australia**
 The US-based engineering company has been appointed by the project development partners BE Power and GE Renewable Energy. Big-T will be constructed at Lake Cressbrook in southeast Queensland to serve as an extension to the national electrical grid by both producing and storing electricity. The project will have a 400MW/10 hours PHES facility, along with a 200MW/200MWh battery energy storage system (BESS). Big-T is expected to produce adequate renewable energy to address the needs of around 288,000 households in the region. Once operational, the project is expected to deliver significant savings in electricity costs and improve the reliability of supply to consumers. In addition, Big-T is said to help Australia move away from coal-based generation, and contribute to its target of achieving 50% renewable energy generation by 2030. **5th August 2022**

EUROPE

BELGIUM

- Wood to engineer Europe's most innovative olefin complex**
 Wood, the global consulting and engineering company, has secured a new contract with INEOS in excess of \$100 million to deliver engineering, procurement, and construction management (EPCm) services for Project One, a new state-of-the-art petrochemicals complex in Antwerp, Belgium, which will deliver an ethane cracker with the lowest carbon footprint in Europe. Effective immediately, the four-year contract will be delivered by Wood's Projects business unit. The scope is focused on the outside battery limit facilities for the ethane cracker and follows the successful completion of front-end engineering design for the facility. Wood's integrated project management team will also continue to oversee the project, working closely with the INEOS project team. It will be the most sustainable and energy-efficient steam cracker in Europe. "We are proud to have the opportunity to build on our strong relationship with INEOS by continuing to deliver on this major capital project, deploying the extensive petrochemicals expertise of our global engineering and project delivery teams. **9th August 2022**

NORWAY

- Equinor takes key step towards sanctioning offshore UK oil and gas project**
 Norwegian energy giant submits environmental statement to regulators for Rosebank project ahead of planned final investment decision next year. Norwegian energy giant Equinor has taken a step forward with its planned Rosebank development in UK waters with the submission of key environmental documents to regulators. A final investment decision on the first phase of Rosebank is planned for February 2023. Production is expected to begin in the final quarter of 2026 at rates of about 19,000 barrels per day of oil and 500,000 cubic metres per day of gas before ramping up in the following years to peak rates of about 70,000 barrels per day of oil and 1.7. **4th August 2022**
- Aker BP and partners present their latest \$700m offshore oil project**
 Norwegian independent Aker BP has unveiled a plan for the Nkr6 billion (US\$700 million) development of the Trell and Trine satellite oilfields in the Alvheim area offshore Norway. The company said a plan for development and operation (PDO) had been submitted to the Ministry of Petroleum and Energy on behalf of the licence partners Aker BP, Petoro and Lotos Exploration & Production. The Trell discovery in production licence 102 F/G and the Trine oil pool in production licence 036E/F are 24 kilometres east of the Alvheim FPSO. **11th August 2022**

- **OEUK backs Equinor’s plans to develop £4.5bn Rosebank oil and gas field**

The Norwegian energy giant has submitted its environmental statement for the Rosebank development to the authorities. This has eased fears Equinor was considering ditching the £4.5bn project, following the introduction of the Energy Profits Levy this year. Rosebank contains up to 300m barrels of recoverable oil, according to industry estimates, and is one of the largest untapped discoveries in UK waters. At its peak, the Rosebank field, which lies about 81 miles north-west of Shetland, is predicted to produce 69,000 barrels of oil per day. This would be roughly equivalent to eight per cent of the UK’s entire output between 2026 and 2030. It would also produce about 44m cubic feet of gas (1.2m cubic metres) per day in its first 10 years – enough to supply a city the size of Coventry. Equinor acquired Rosebank in 2019 and has been working with partners Suncor and Ithaca Energy to develop the field. This includes £80m upfront investment to ensure it will be possible to power operations with electricity. It predicts the site, if approved, would create £8.1bn of direct investment – of which £6.3bn could go to UK-based businesses. The oil and gas field lies a further 9,000 under the seabed. Equinor plans to deliver the field in two phases, with first oil targeted at the end of 2026. The first stage consists of drilling four production and three water injection wells. Following the submission of the environmental statement, OPRED will weigh up whether to give consent for development to begin. North Sea oil and gas exploration is a key feature in the UK’s energy security strategy – unveiled earlier this year following Russia’s invasion of Ukraine. **8th August 2022**

- **Diamond sparkles with new contracts in UK, US Gulf and Australia**

Global offshore driller Diamond Offshore has secured US\$610 million of new contracts including a five-well assignment in the UK North Sea for the harsh environment semi-submersible Ocean GreatWhite which has been warm stacked in the Canary Islands. Diamond did not reveal the customer for the 2016-built Ocean GreatWhite, saying only the rig was awarded five wells, with an estimated duration of 300 days starting in the first quarter of 2023. Total contract value of the committed scope is \$80 million, with priced options for up to eight additional wells. **10th August 2022**

NORTH & SOUTH AMERICA

- **Brazil qualifies eight companies for forthcoming pre-salt bid round**

The Brazilian National Petroleum Agency (ANP) has qualified eight companies to participate in the country’s first bid round featuring pre-salt acreage under the so-called permanent offer initiative. Late last year, the Brazilian government transferred 11 pre-salt exploration areas lined up for scheduled auctions to the open door mechanism in an effort to improve competitiveness. Created in 2017 as part of an extensive review of Brazil’s upstream sector, the permanent offer was designed to continue making acreage available in order to generate more interest in the country’s oil and gas sector. **5th August 2022**

- **Prio set to award Wahoo-Frade subsea tie-back contract by end of August**

Brazilian independent Prio expects to select by the end of the month the winning bidder in a tender to contract the subsea solution for the joint development of its Frade field and Wahoo pre-salt accumulation in the deep waters of the Campos basin offshore Brazil. Prio, formerly known as PetroRio before a name change and brand reconfiguration, is in final negotiations with suppliers as it seeks to award a key contract, said to be worth between \$250 million and \$500 million, for the subsea workscope of the Wahoo-Frade tie-back. **3rd August 2022**

- **Sapura Energy wins Petrobras extension**

UK

BRAZIL

	<p>Malaysia’s Sapura Energy has secured a contract extension worth approximately 580 million ringgit (US\$130 million) with Petrobras offshore Brazil. The two-year charter agreement for the Brazilian-flagged flexible pipelaying support vessel (PLSV) Sapura Esmeralda implies a dayrate of about \$178,000 and is due to expire in August 2024. The contract workscope includes the provision of services and the installation and recovery of flexible pipes offshore Brazil in water depths of up to 2500 metres. Sapura Navegacao, a joint venture between Sapura Energy and Seadrill, last year submitted the Sapura Esmeralda as well as other vessels in a Petrobras PLSV tender. Petrobras currently has a fleet of 17 PLSVs with contracts expiring between November 2022 and February 2027. The fleet comprises six each from Sapura and a pairing between TechnipFMC and DOF, four with Subsea 7 and one with TechnipFMC. The Brazilian oil giant is due to receive bids on 19 August in a fresh PLSV tender, with operations due to start in mid-2023. 2nd August 2022</p>
<p>MEXICO</p>	<ul style="list-style-type: none"> • <u>TC Energy, Mexican Utility Sign Deal to Build \$4.5 Billion Gas Pipeline</u> TC Energy Corp. said on Thursday it had struck a deal with a Mexican state utility to develop a \$4.5 billion natural gas pipeline. The offshore Southeast Gateway Pipeline will supply natural gas to Mexico's central and southeast regions, the Canadian pipeline operator added. The deal with Comisión Federal de Electricidad (CFE) comes as Canada and the United States are having their most serious trade spat with Mexico over the United States-Mexico-Canada Agreement. TC Energy said sanctioning of the pipeline would expand its secured capital program to \$33 billion and could add to its 2021-2026 adjusted EBITDA growth outlook. Roberto Velasco, a senior foreign ministry official in Mexico, revealed last month that TC Energy had agreed with the country to build a \$5 billion gas pipeline in the Gulf Coast state of Veracruz. 8th August 2022
<p>USA</p>	<ul style="list-style-type: none"> • <u>Enterprise to Build Two Natural Gas Plants, Expand Shin Oak Pipeline System in Permian</u> Enterprise Products Partners LP has unveiled plans to build two natural gas processing plants and expand its natural gas liquid (NGL) pipeline system in the Permian Basin to further support ongoing production growth in the basin. The Permian Basin continues to be the driver for U.S. production growth of crude oil, natural gas and NGLs that supports increasing energy demand both domestically and abroad,” A.J. “Jim” Teague, co-CEO of Enterprise, said. “The reliable supplies are a vital necessity for world markets, given the disruptions caused by the Russian invasion of Ukraine.” In the Delaware Basin, Enterprise will add a third plant at its Mentone cryogenic natural gas processing plant in Loving County, Texas. The project will increase nameplate capacity at Mentone by 300 million cubic feet per day (MMcf/d) and allow Enterprise to extract an incremental 40,000 barrels per day (bbl/d) of NGL. The expansion is supported by long-term capacity agreements and is expected to begin service at the end of the first quarter of 2024. Upon completion, Enterprise will have a total nameplate natural gas processing capacity in the Delaware Basin of 2.2 billion cubic feet per day (Bcf/d) and more than 300,000 bbl/d of NGL extraction capabilities. Enterprise plans to expand its Shin Oak NGL pipeline system via looping and modification of existing pump stations. This initial expansion would add up to 275,000 bbl/d of capacity, with completion expected in the first half of 2024. Enterprise Products Partners L.P. is one of the largest publicly traded partnerships with more than 50,000 miles of pipelines; over 260 million barrels of storage capacity for NGLs, crude oil, refined products and petrochemicals; and 14 billion cubic feet of natural gas storage capacity. 3rd August 2022 • <u>Centrica signs \$8.5 billion LNG contract with Delfin Midstream</u> Centrica of the UK and US liquefied natural gas exporter Delfin Midstream have signed a £7 billion (\$8.46 billion) agreement for a major LNG contract from Delfin’s proposed deep-water port off the coast of Louisiana. The 15-year deal provides a major boost to the future prospects of the project as a decision on whether to proceed approaches. The deal calls for Delfin to provide 1 million tonnes per annum of LNG from its Delfin Deepwater Port, which is currently in the developmental phase. 8th August 2022

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