

Total eyes brownfield portfolio expansion



Total is leaning towards brownfield expansion projects as the French supermajor aims to significantly bolster its liquefied natural gas portfolio, *writes Eoin O’Cinneide*.

Schemes in the US, Nigeria, Russia and in particular Qatar are to take precedence, as the French supermajor looks to add to its position as the second-largest LNG player out of the international oil companies.

Speaking at a media briefing ahead of the World Gas Conference (WGC) in Washington this week, chief executive Patrick Pouyane called Qatar’s North Field gas field, where the company has a 24% stake, “one of the jewels in the world of LNG”.

State giant Qatar Petroleum aims to boost production capacity at the field from a current 77 million tonnes per annum to 100 million tpa, through the addition of three new trains, with Total hoping to be chosen as a participant in the expansion project.

“We are working in order to be a participant in the next wave of expansion... It is up to us to make an appealing offer, but I am confident we can participate,” Pouyanne said.

In the US, Total holds a stake in Sempra Energy’s Cameron LNG development in Louisiana, where the possible expansion from three to five trains is being considered, while it is also invested in Tellurian’s envisaged Driftwood LNG project in Texas – the latter of which would be a greenfield development.

“Obviously, the expansion of Cameron LNG will be more competitive, but we are looking at both options,” Pouyanne said.

“With Cameron LNG we are integrating the value chain. We are more fully integrated between our gas production, what we will liquefy and what we will offtake.”

At Nigeria LNG (NLNG), Total and its partners – Nigerian National Petroleum Corporation and Italian major Eni – have revived a plan to add production capacity, after years ago shelving plans for the addition of huge, new trains. The so-called Train 7 expansion will see an additional 7.1 million tpa to take total capacity to 30 million tpa, by adding two new small trains.

“NLNG is one of the projects where we want to expand – one of the best projects in the world,” Pouyanne said.

In Russia, Total is looking to follow up on its participation in Yamal LNG – with local independent Novatek – with the Arctic LNG 2 project, where it has set its sights on a more cost-competitive scheme.

Pouyanne said Total is aiming to lower capital expenditure on Arctic LNG 2 by around 30% compared to Yamal LNG, “because we have taken some lessons from the first one with some gravity-based structures”.

At the Papua LNG project in Papua New Guinea, Total is targeting three new trains, having decided on a brownfield over a greenfield project.

“If it is just adding trains and you can capitalise on your existing joint partnerships or existing gas storage facilities, it is favourable,” Pouyanne said.