LNG Unlimited

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Re-emergence of Gulf LNG exports to take time

As the US blockade of Iran's ports and the Strait of Hormuz begins, QatarEnergies is working towards restarting some of Ras Laffan's LNG trains, as shipping disruptions are anticipated to ease by the end of April.

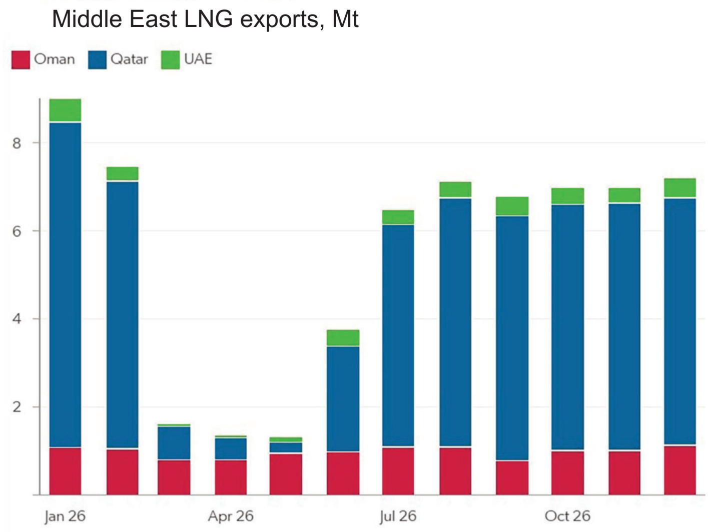
If the Strait of Hormuz remains closed until July or beyond, however, analysts said prices at the Dutch TTF gas trading hub would need to rise to well above 2022 levels for Europe be able to refill its storage facilities.

Energy Aspect's cargo tracker showed that Qatar has loaded 12 cargoes since the start of the conflict.

Two laden vessels, 'Al Daayeen' and 'Rasheeda', tried to transit the Strait but turned around and remain stuck at the time of writing.

The Oman controlled 'Sohhar LNG', which was in ballast, was allowed to transit the strait outward following negotiations with Omani mediators.

"This indicates that cargoes loaded with LNG following the start of the conflict are unlikely to receive approval for safe passage from Iran," Energy Aspects commented, although analysts expect things to improve.



Source: GTT, EA LNG Cargo Tracking, Energy Aspects

Pessimistic view

Société Générale was less optimistic, arguing that "even with US counter measures, normal shipping cannot return quickly." War-related infrastructure damage includes Iran's South Pars phases, Bahrain's Sitra refinery, and Qatar's Ras Laffan LNG complex where long term damage is affecting over 10 mill tonnes per annum of capacity, and will take several years to rebuild.

Crude and LNGC transits were extremely low, with a five day average of about five vessels versus pre war norms of nearly 60.

"Given that typical voyages from the Persian Gulf to major importing regions take around three to four weeks, countries reliant on Gulf supplies will need to depend on alternative sources and draw down domestic inventories for at least another month – even if flows begin to recover in the coming weeks," SocGen analysts commented.

On average, Gulf cargoes take 30 days to reach the UK and Japan, and roughly 29 days to arrive in the EU.

Nonetheless, bearish sentiment has returned on the curve of the Dutch TTF, continental Europe's most liquid gas trading hub. Balance-of-2026 gas prices are forecast to fall further, as demand destruction and fuel switching across Asian markets leave Europe less exposed to Hormuz LNG transit risks.

Many Asian utility buyers switched from gas to coal thus curtailing costly LNG imports and this, in turn, allowed European storage sites to fill nearer to 90% by end-October, as more LNG was available in the global markets over the injection season.

Europe's end-October storage carryout is now pegged at around 94 bill cu m, or 86% full – higher than Energy Aspects' pre-conflict base case of 88-90 bill cu m.

"Most of the demand destruction has been focused in Asia, with LNG demand around 17 bill cu m lower over March/October versus our pre-conflict forecast," analysts noted, "but our balances also factor in some demand curtailments in Europe."

Gas-to-coal switching in the Western European power sector, a narrower thermal gap and higher renewables contribution, slashed gas demand by 7.2 bill cu m.

Unseasonably mild weather reduced gas demand for heating, resulting in Europe exiting winter with 30 bill cu m in storage – still down by 11 bill cu m year-on-year but well above analysts' estimates. ■

UNLIMITED AGENDA

LNG shipments to Asia fall to six-year low

The 30-day moving LNG shipments to Asia average fell to below 600,000 tonnes last weekend — the lowest number of arrivals in nearly six years, Bloomberg ship-tracking data showed.

The decline reflected little or no vessel movements through the Strait of Hormuz and higher freight costs.

Japanese, South Korean, and some Southeast Asian buyers are drawing on gas inventories, while delaying new LNG tenders until supply conditions stabilise.

To offset the Qatari shortfall, which accounts for over 80% of Asia bound LNG shipments, importers are turning to the US as the main alternative, alongside Norway and Russia for arbitrage cargoes re-routed from Europe.

Japan's JERA and India's Petronet have been seeking to buy spot cargoes, or trying to secure medium-term cargo deals for security of supply reasons — despite highly volatile prices.

"Two-to-five years LNG cargo strips are hard to price, and it might even be unwise to try at this point in time, but the big buyers are trying anyway for security reasons," said Poten & Partners' senior LNG analyst, Irwin Yeo.

Taiwan plans to step up US LNG imports, while Bangladesh and Pakistan are issuing emergency tenders. India's GAIL seems to be struggling to secure deals, landing only sporadic cargoes after multiple bids.

Asian receiving terminals have been badly hit by the Middle East situation

Looking ahead, the LNG supply future has rarely been more uncertain, as substantial amounts of firm future Qatari supply has been lost for at least three years.

Risk-averse buyers might be willing to buy a premium for secure LNG supply, with destination flexibility — which is what North American LNG supply offers.

Canada's strategic value rises, as it is Asia-facing, without Panama transit risk — while US Gulf Coast LNG supply is attractive because it is scalable, Yeo noted, with developers rushing to bring more liquefaction capacity online.

Golden Pass LNG is envisaged to be fully commissioned this month, while Plaquemines LNG is in a long commissioning ramp up with most capacity sold under long term sale and purchase agreements (SPAs).

Yet, none of these volumes are actually 'new' as they had already been factored into the global supply/demand balance, before the Iran war. ■

Goldman Sachs warns of gas price blood bath

US financial giant, Goldman Sachs has warned that the damage to Qatar's LNG infrastructure could push global gas prices anywhere between 50 and 100% higher.

This would spark a potential energy crisis ahead of next winter.

The world's largest LNG production site at Ras Laffan Industrial City was closed following Iranian attacks. Before its closure, Qatar produced around 20% of the world's LNG.

"There is a risk that this (war) drags on so much that it makes the process very painful," said Samantha Dart, Co-head of global commodities research talking on the bank's 'Exchanges' podcast.

She emphasised the severity of the damage, saying; "It doesn't take three years to fix anything. What they are really saying is these two liquefaction trains were so (badly) damaged that we need to start over. We need to build them from scratch."

Natural gas prices have already climbed by 50-70% and Dart expected further upward pressure if supply isn't restored.

Temporary relief has come from China diverting surplus gas to the global market, but this will be short lived.

In addition, the US, the world's largest LNG supplier, has little spare capacity to fill the gap quickly. ■

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Atlantic SEE LNG Trade to ramp up LNG supplies

Greek based, Atlantic SEE LNG Trade, a joint venture between AKTOR (60%) and DEPA Commercial (40%), aims to finalise LNG supply agreements this summer, paving the way for a new FSRU.

AKTOR Group Chairman and CEO, plus Atlantic SEE LNG Trade CEO, Alexandros Exarchou told local media: "Our goal is to secure contracts for approximately 5 bill cu m per year in the coming months. Completing these agreements is critical to planning a new LNG terminal in Greece by the end of the decade."

Atlantic SEE is planning to install an FSRU with a 4.5-5 bill cu m per annum capacity, coming online between 2028 and 2030. Alexandroupoli is the favoured location, which is the site of Greece's first FSRU, at the Revythoussa facility.

According to the company, the benefits include strengthening AKTOR's position in major international energy projects; increasing revenue streams from new infrastructure; and the promotion of Greece as an LNG hub.

Exarchou added: "With the new FSRU, we are boosting south-to-north gas flows while establishing Greece as a critical node on the Vertical Corridor."

Atlantic SEE has already secured a 20-year deal with US producer Venture Global for up to 4 bill cu m per year of LNG from 2030; signed MoUs with Bulgaria, Romania, Albania, Bosnia-Herzegovina, and Ukraine and is also negotiating with Albania, Romania, and Bosnia, with a new deal expected this month.

Atlantic See's CEO Alexandros Excarchou

"The Iran conflict is pushing Europe to secure US LNG faster, and we are preparing to receive cargoes as early as 2027," Exarchou concluded. ■

Shell becomes India's largest LNG supplier

UK energy major, Shell is now India's largest LNG supplier after Qatar was forced to halt supplies, due to the West Asian conflict.

India imported its highest monthly volumes on record in March, according to local media reports.

Leveraging its global LNG portfolio, Shell secured two-thirds of a key fertiliser sector tender and also supplied other Indian industries.

This move quickly stabilised gas availability, with fertiliser plants and industrial users seeing allocations restored to near-normal levels by early April, media reports said.

India lost about 11.2 mill tonnes of LNG imports – roughly 45-50% of its total, when QatarEnergy declared *force majeure* after Iran's strikes on the Gulf state's infrastructure.

This created an immediate shortfall in fertiliser production, in city gas networks, and industrial supplies.

State-run firms sought alternatives from the US and Russia but faced shipment delays of up to 45 days, leaving the market vulnerable until faster options emerged, according to India's Business Today.

Last month, Shell secured 4 TBtu out of 6 TBtu in a fertiliser sector tender and imported its largest Indian volumes.

The energy giant's 5 mill tonnes per annum Hazira receiving terminal, located in Gujarat State; huge storage facilities, and fleet of over 65 LNGCs, enabled quick cargo switches from Oman, Australia, and Nigeria, the Indian Economic Times reported.

If Shell maintains its high import volumes, it could enhance its market leadership through forthcoming 10-12 TBtu fertiliser tenders, thus reducing India's reliance on Gulf suppliers.

Alternatively, a quick resumption of Qatari deliveries could see competition intensify, potentially lowering spot prices. ■


Shell's Hazira receiving terminal in Gujarat

NEWS BRIEF

Baker Hughes awarded Argentine pipeline equipment order

US energy engineering company, Baker Hughes has won an order from San Matias Pipeline to supply three gas compression units for a major Argentine natural gas pipeline project.

The order consists of three NovaLT™ 16 gas turbines equipped with three centrifugal compressors, along with commissioning services, spare parts, special tools, and remote monitoring and diagnostic capabilities.

This equipment will be installed at a gas compressor station near Allen, Río Negro, to support natural gas transport from the Vaca Muerta formation to the Gulf of San Matias through a dedicated pipeline, in order to provide feed gas to Southern Energy's two FLNGs.

The project also marks the first utilisation of Baker Hughes' NovaLT™ gas turbine technology in South America. ■

EU keeps Arctic LNG afloat

> "Yamal LNG depends on a small, specialised fleet and European services to keep exports flowing, yet Europe continues to provide both."
>
> - Sebastian Rötters, Sanctions Campaigner, Urgewald

The European Union imported 69 cargoes of LNG from Russia's Yamal Arctic LNG project during the first quarter of this year, generating an estimated €2.88 bill in payments to the country, according to Kpler data analysed by German NGO, Urgewald.

This total was significantly inflated by a war driven spike in gas prices in March, when the monthly average TTF front month price rose from €35 per MWh benchmark used for January and February to €52.87 per MWh in March, an increase of more than 51%, following the attack on Iran and the closure of the Strait of Hormuz, which created a windfall for the Kremlin.

Kpler's data showed that 97% of all Yamal Arctic LNG deliveries in 1Q26 went to the EU. China received just two cargoes in January and none in February or March.

December to June represents the most operationally constrained period for Arctic exports. Yamal relies on a fleet of just 14 specialised Arc7 Ice Class LNGCs to sustain shipments through heavy sea ice. They depend on rapid turnaround at European ports.

Non-Arc7 tankers can typically call at Yamal only between June/July and November/December to provide seasonal support.

Without access to EU ports, Yamal output would be severely reduced.

Structural

The concentration of 97% of exports to Europe is therefore structural, not incidental. Europe is not simply a buyer, it is the logistical backbone of the project, Urgewald claimed.

At roughly €32 mill per day, 1Q26 EU payments for Yamal Arctic LNG could fund around 1,050 Shahed 136 drones every 24 hours, based on the Centre for Strategic and International Studies estimate of $35,000 per drone.

Sebastian Rötters, Urgewald's Sanctions Campaigner, said: "In the fifth year of the war against Ukraine, the EU continues to keep Russia's Arctic LNG sector afloat.

"Yamal LNG depends on a small, specialised fleet and European services to keep exports flowing, yet Europe continues to provide both.

"The attack on Iran must not be used as an excuse. By maintaining its dependence on gas, the EU has knowingly risked another energy crisis.

"Russia's weaponisation of gas in 2022 was a clear warning, but that sense of urgency is no longer there. Instead, gas demand has been rising, not falling, again since 2023.

"The EU's failure to reduce demand shows how deeply the 'bridge fuel' myth still shapes policy. The uncomfortable truth is that this has helped keep Arctic LNG alive throughout the war.

"If the EU is serious about supporting Ukraine, it must cut gas demand and take stronger action against Russian gas now," he stressed. ■

Bulgarians to issue LNG tender

Bulgarian state owned energy company, Bulgartransgaz is to issue a tender for LNG supplies.

This will provide the natural gas quantities necessary for ensuring the technological processes in the country's gas transmission system.

Until the end of the current gas year and for the next gas year - from July, 2026 to September, 2027 inclusive - the gas transmission system operator plans to purchase 1.5 bill MWh of LNG.

In strict compliance with the Bulgarian Energy Act requirements, the LNG supply will be undertaken on an organised exchange market through the Balkan Gas Hub trading platform.

It is planned that the LNG will be imported into the LNG terminal in Alexandroupolis, Greece, in which Bulgartransgaz is a shareholder.

Only companies with proven experience in LNG supply will be allowed to participate. One of the main requirements is that the participating companies will guarantee that the gas originates from countries that are not subject to international sanctions.

"With the current procedure, Bulgartransgaz guarantees the reliable provision of the gas transmission system's technological needs in full transparency and compliance with European market principles.

"The LNG supplies from reliable partners, such as the US and other countries are a key element in achieving diversification and enhancing energy security for both Bulgaria and the region," said company CEO, Vladimir Malinov. "Bulgartransgaz sends a clear signal to the market - we are actively working for secure and transparent supplies at competitive prices."

The pre-selection procedure will be held between 9th April to 24th April, 2026, while the tender will take place on 30th April, 2026. ■

Russia offers discounted sanctioned gas to South Asia

Russia is offering South Asian countries LNG from its sanctioned facilities at a 40% discount to spot prices.

The Kremlin also promised to provide documentation to make the cargo appear as if it originated from non-Russian sources, such as Oman or Nigeria.

According to a Bloomberg report, Russia is seeking to leverage a global natural gas supply crunch to lure energy-starved South Asia into purchasing shipments from its US-sanctioned facilities.

Recently, cargoes were offered at a 40% discount to spot prices through little-known intermediaries based in China and Russia with a note saying that the cargoes emanated from other sources outside of Russia.

Due to the closure of the Strait of Hormuz and attacks on the world's largest LNG export plant in Qatar, export cargoes have been stopped, forcing Bangladeshi and Indian buyers to seek more expensive alternatives, the agency reported.

Bangladesh, which received 60% of its LNG from Qatar last year, has resorted to buying spot market cargoes, sometimes spending about double what it would have under its long-term contracts with QatarEnergy.

Both Bangladesh and India have also had to limit gas supplies to their fertiliser sectors, due to reduced LNG deliveries.

India generally takes a cautious approach to importing sanctioned oil and gas, and its government had previously stated it would not import Russian LNG from projects under sanctions.

Although Russia continues to ramp up exports from US-sanctioned facilities, such as Arctic LNG 2 and Portovaya, most buyers are wary of accepting restricted cargoes, fearing retaliation from Washington, Bloomberg said.

China remains the only country importing sanctioned Russian LNG via a network of 'shadow fleet' vessels. ■

Australian gas exporters to benefit from Middle East conflict

Australian gas exporters will be one of the only domestic industries to benefit from the global fuel crunch caused by the Middle East conflict.

However, the population should share in their windfall, according to a briefing note.

The Middle East crisis is a pivotal moment for the Australian Government, as it weighs changes to the country's resources tax and royalty regimes, and the options available are wide-ranging and mostly positive.

Ensuring Australians receive a fair return from the nation's gas resources could help fund cost-relief and fuel-shift measures, claimed the note's author, Josh Runciman, Lead Analyst, Australian Gas at the Institute for Energy Economics and Financial Analysis (IEEFA).

"Rising LNG prices are likely to massively boost Australian LNG export earnings, as happened after Russia's expanded invasion of Ukraine, when oil and gas sector profits increased from AU$13 bill in FY2020/21 to a staggering AU$62 bill in FY2022/23," Runciman said.

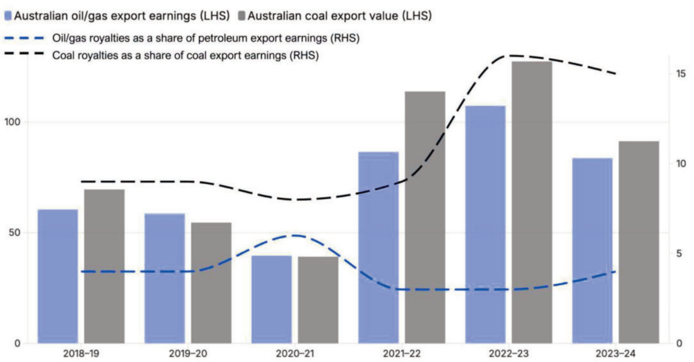
"However, Australia's taxation of LNG exports suggests that higher international prices will not fully translate into higher tax receipts. Oil and gas royalties as a share of export earnings were lower in that period when LNG prices peaked, than in years of more normal pricing," he added.

Gas vs coal exports

The fuel crisis highlights a glaring disparity between the royalties imposed on gas and coal exports.

"In contrast, coal royalties as a share of revenue doubled in FY2022/23, compared with FY2020/21 as prices rose," Runciman said. "In total, coal royalties were four times higher than oil and gas royalties in times of elevated prices.

Oil/gas and coal exports (AU$ bill, left) vs royalties as a share of revenue (right)



Sources: Australian Energy Producers, Queensland Government, NSW Government and Australian Government

"The relatively low tax rate during a period of windfall profits partly reflects low payments under the Petroleum Resources Rent Tax (PRRT) framework," he said.

For example, from FY2018/19 to FY2023/24, PRRT payments per gigajoule (GJ) of sale gas ranged from AU$0.21/0.41 per gigajoule (GJ), well below Queensland's royalties of AU$0.19/1.57 per GJ over the same period.

"Queensland's royalty revenues increased materially in years where LNG exporters earned windfall profits," Runciman continued. "IEEFA estimates that, in absolute terms, Queensland's royalty revenue was higher than PRRT revenues when prices spiked in FY2022/23 and FY2023/24.

"This is despite gas production in Commonwealth waters (ie subject to the PRRT) being three times higher than Queensland's production in FY2022/23, and 2.75 times higher in FY2023/24." he said.

As a profit-based tax, the PRRT allows LNG exporters to carry losses forward, which effectively minimises tax obligations in the early years of LNG projects, with payments increasing once exporters recover their costs.

"While this framework is intended to incentivise investment, effectively it partly transfers construction risk to the Australian public, who have no ability to manage this risk," Runciman said. "Most Australian LNG projects experienced construction delays and cost blowouts, which have delayed and decreased PRRT payments."

IEEFA's note compared the PRRT with a range of proposed reforms to Australia's resources taxation framework, including:

- A flat tax on LNG exports.
- Volume-based royalties.
- Windfall profit taxes.
- A fair share levy.
- Price-based royalties.

"This assessment shows the many drawbacks of the PRRT regime, with multiple proposed options representing an improvement," Runciman explained. "Several models are promising, with a majority of positives against the selected criteria. In particular, the flat LNG tax and price-based royalty perform the best. However, we note that different criteria might support other options."

Post-Ukraine, several European countries implemented windfall taxes, while other countries benefited from existing taxation arrangements.

"The conditions are right to reform royalties on Australian LNG exports. The current system does not appear to be working, and prices are expected to be elevated for an extended period.

"With Australian LNG exporters set to earn windfall profits for the second time in five years, the broader public is increasingly questioning the value to them. Reforming taxation would allow some of these windfall benefits to flow to all Australians," Runciman concluded. ■

NEWS BRIEF

PV GAS increases Thi Vai LNG terminal capacity

Petrovietnam Gas (PV GAS) has announced that its logistics subsidiary had completed a trial run to increase Thi Vai LNG terminal's regasification capacity.

The results indicated that the system operates in a stable and safe manner with a capacity of 288 tonnes per hour, compared with the initial design capacity of 171 tonnes per hour, equalling 9.5 mill standard cu m per day.

The whole system has been inspected and evaluated according to domestic and international standards, PV GAS said.

Operating the LNG storage facility above its design capacity requires a high level of technical expertise and operational experience.

Throughout the trials, PV GAS' engineers and staff maintained 24/7 monitoring, closely controlling key parameters, such as temperature, pressure, vibration, and equipment displacement to ensure safe operations, the Vietnamese energy company said.

The upgrade significantly boosts regasification capacity to enable the terminal to meet demand from power plants managed by the country's National Power System and Market Operator, particularly during the peak dry season.

The facility continues to play a critical role in the gas supply chain, contributing to a stable fuel source for electricity generation in the Southeast region, PV GAS said.

Since its inauguration in 2023, Thi Vai LNG Terminal has remained Vietnam's largest LNG terminal, with a current capacity of 1 mill tonnes per year. The terminal is capable of handling vessels with deadweight tonnage of up to 100,000. ■

EU gas system resilient in face of disruptions

At a meeting of the European Commission's Gas Co-ordination Group, the EC, EU member countries and industry representatives discussed the security of EU gas supply, as the disruptions in the Middle East continued.

The European Network of Transmission System Operators for Gas (ENTSOG) presented the Summer Supply Outlook 2026, covering different scenarios regarding LNG supply availability in the coming months.

This showed that the EU infrastructure is prepared to refill its storage facilities to a minimum of 80% by 1st November depending on LNG supply availability.

The EU gas system remains flexible and resilient thanks to new regasification capacity commissioned since 2022 and could potentially compensate for lower storage levels at the beginning of the winter season, the committee claimed.

> "The EU gas system remains flexible and resilient thanks to new regasification capacity commissioned since 2022..."

It was also confirmed that no immediate risks to security of gas supply were envisaged but winter preparedness must be anticipated and potential measures co-ordinated.

While the market situation has reportedly improved with an easing in prices since the announcement of the two-week ceasefire in the Gulf, it was still uncertain and volatile.

The damage to energy infrastructure in the region and the blockage of the Strait of Hormuz will have longer lasting consequences, as LNG production has not yet resumed in the Gulf.

Even though gas storage levels are below the average of the last five years, the Group noted that constant injection since the beginning of April represented a positive signal.

This will notably allow the EU to benefit from a longer injection period and adapt to market circumstances to mitigate pressure on prices and avoid an end of summer rush.

The EC said that it will continue assessing the gas supply security situation, in co-ordination with EU member countries and industry utilising the Gas Co-ordination Group and take further action should it be necessary. ■

NEWS BRIEFS

Elenger shores up its LNG deliveries

Elenger, the largest privately owned energy company in Finland and the Baltic states, has started to prepare for the next heating season.

This spring, three LNG cargoes were due to arrive at Finland's Inkoo terminal and two at KN Energies' Klaipėda LNG terminal in Lithuania.

The first cargo arrived at Inkoo from the US on the LNGC 'Marvel Swallow'.

The next delivery is planned for the second half of this month at Klaipėda, Lithuania.

Additional deliveries are planned for the autumn.

Elenger is owned by the investment company, Infortar, which is listed on the Nasdaq Tallinn Baltic Main List.

Geelong's gas terminal project receives a boost

Australian Viva Energy's proposed Geelong gas terminal has received formal approval under the Federal Environment Protection and Biodiversity Conservation (EPBC) Act.

Viva Energy said it welcomed the Environment Minister's EPBC approval, recognising that the proposed LNG terminal can proceed, subject to conditions, within acceptable environmental effects.

This approval follows the Victorian State Government's positive assessment of an environment effects statement for the energy infrastructure project in May last year.

The proposed gas terminal at Geelong Refinery Pier is claimed to be Victoria's most advanced project, capable of delivering a reliable supply to replace the State's rapidly declining natural gas and provide energy security for southeast Australia.

Comprehensive studies by independent experts have shown that the gas terminal's operations will not adversely impact the Corio Bay marine environment or the Ramsar wetlands, the company claimed.

Freeport LNG asks to scrap obsolete import facilities

US LNG export plant operator, Freeport LNG is seeking US regulators' permission to demolish facilities that were previously used to import LNG, according to a regulatory filing.

While the US was previously a major importer of LNG, the shale revolution transformed the domestic gas market and turned the country into the world's largest LNG exporter.

Freeport claimed that it had not imported LNG since 2011.

'As the terminal has been operated exclusively for the purpose of liquefying natural gas and exporting LNG, and has not regasified imported LNG for well over a decade, Freeport LNG proposes to decommission, disconnect, and/or demolish certain obsolete facilities,' the company told the US Federal Energy Regulatory Commission (FERC) in the filing.

Freeport, the third largest US LNG exporter, said it wanted FERC's approval for the decommissioning project by the end of this year, adding that removing the obsolete infrastructure would enhance operational safety and significantly reduce the time employees spend maintaining and inspecting non-operational assets.

'It will allow employees to instead focus on the safe maintenance and operation of those facilities currently in use,' the company said.

Freeport told regulators it plans to disconnect the regasification facilities from its liquefaction plant, before demolition begins.

Bechtel opts for Honeywell for Rio Grande LNG

US engineering company, Honeywell's liquefaction process technology and equipment will be fitted on NextDecade's Rio Grande LNG (RGLNG) Train 4 and Train 5 projects in Brownsville, Texas.

This contract was signed through an agreement with RGLNG's engineering, procurement and construction (EPC) contractor, Bechtel Energy.

NextDecade will use Honeywell's coil wound heat exchanger (CWHE) equipment and C3MR process technology to help optimise production, improve reliability, and lower facility opex.

Honeywell's LNG technology will also be used for the first three liquefaction trains at this facility. The additional two trains will help increase RGLNG's production capacity by more than 66% from 18 mill tonnes per annum to 30 mill tonnes. All five trains are expected to become operational by mid-2031. ■

Calcasieu Pass raises $1.75 bill - liquefaction fees fall

Venture Global has raised a considerable amount of cash for Calcasieu Pass

The second largest US LNG exporter, Venture Global's subsidiary, Calcasieu Pass Funding, which indirectly controls the Calcasieu Pass project, has signed a $1.75 bill senior secured, term loan B credit facility.

Venture Global said that it used part of the facility's proceeds to redeem, in full, the preferred equity interests of the company that were previously issued to Stonepeak Bayou Holdings II.

"We're very pleased to successfully close this $1.75 bill secured credit facility, which represents a significant milestone for our company," said Venture Global CEO, Mike Sabel.

"This transaction meaningfully reduces our overall cost of capital, while further strengthening our balance sheet and liquidity position. Just as importantly, it demonstrates our continued ability to efficiently access the capital markets, even in a dynamic environment.

"We believe this enhanced financial flexibility positions us well to execute on our strategic priorities and drive long-term value for our stakeholders," he said.

Goldman Sachs was the lead left arranger and bookrunner, while Barclays, Natixis and Wells Fargo each served as lead right arrangers and joint bookrunners for the facility.

Latham & Watkins served as counsel to Venture Global and Skadden, Arps, Slate, Meagher & Flom served as counsel to the arrangers.

Meanwhile, Venture Global's average liquefaction fees fell by more than 25% in the first quarter of 2026 from the fourth quarter of last year, according to a US Securities Exchange Commission (SEC) filing.

Average liquefaction fees dropped to $3.82 per MMBtu in 1Q26, from $5.15 per MMBtu in the final quarter of 2025.

Liquefaction fees are key earnings components for US LNG plants, which typically charge fixed fees under long-term contracts, with the ability to adjust pricing based on global LNG market conditions.

Venture Global exported 130 LNG cargoes from its Calcasieu Pass and Plaquemines facilities during 1Q26, two more than in the previous quarter, as output at Plaquemines edged higher.

The company further explained that it usually recognises revenue when LNG is loaded and a vessel departs, but in two cases in the last quarter's, earnings will be recognised upon delivery, pushing these revenues into 2Q26.

Venture Global stressed that cargo volumes and average liquefaction fees are only partial indicators of operating performance and should not be relied on as sole measures of quarterly financial results. ■