



India builds out LNG terminals to double gas-burn by 2030

The Indian government aims to expand LNG import capacity to 66.7 mtpa by 2030 – a 27% rise from the current 52.7 mtpa – thanks to two projected regas terminals. The build-out aligns with government policies to more than double the share of gas in the national power gen mix to 15% by the end of the decade.

Though the government did not name the developers, the most likely sites for regas capacity build-out are Adani's Gangavaram Port in Andhra Pradesh (pictured) and Ennore in Tamil Nadu.

Market sources understand that Petronet LNG and Gangavaram Port are planning a land-based terminal with around 5 mtpa capacity to serve India's eastern region.

At Ennore, Indian Oil Corp (IOC) is taking steps double throughput at its existing terminal to 10 mtpa.

Both Petronet LNG and IOC driving these projects at India's east coast, adding redundancy to the national LNG infrastructure and lessening reliance on Western and Northern terminals.



Adani Gangavaram Port is the site of a proposed LNG terminal

Fresh LNG supply lined up

By 2030, India's natural gas demand is set to soar 60% from modest levels in 2023/24, reaching around 103 bcm annually, the International Energy Agency (IEA) forecasts. LNG imports are expected to more than double, from around 36 bcm

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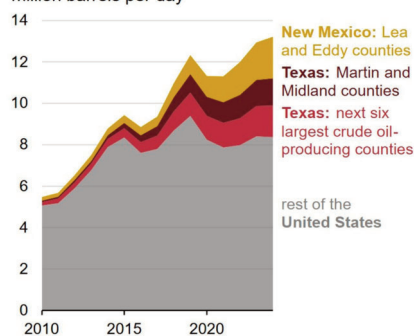
Shale gale set for growth beyond the US

Just ten counties in the Permian Basin – a vast geological formation spanning New Mexico and Texas – are home of 1.9 million barrels per day, or 93% in US oil production growth. Increasingly gassy wells help underpin the rising feedgas needs as the build-out of US LNG exporting capacity progresses.

The gas-to-oil ratio (GOR) uplift from 2.0 Mcf/b to 3.1 Mcf/b over a decade bolsters rising needs for feedgas from LNG exporters along the US Gulf Coast.

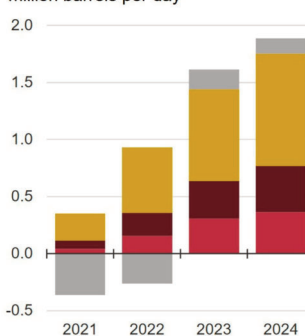
Gassy areas in the Permian Basin are mainly concentrated in the Wolfcamp, Spraberry, and Bone Spring Plays. In these three top-producing tight-oil intervals in the Permian – associated natural gas production

U.S. crude oil production (2010–2024)
million barrels per day



Data source: U.S. Energy Information Administration, *Petroleum Supply Monthly* (total U.S. production) and Enverus (county-level data)

Cumulative change since 2020
million barrels per day



Data values: U.S. Field Production of Crude Oil



surged from 4.7 Bcf/d in 2018 to 13.7 Bcf/d in the first seven months of 2024 – a dramatic rise in

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in 2024 to over 65 bcm by 2030 – far surpassing the currently installed terminal capacity of 52.7 mtpa, equalling around 48 bcm.

Fresh LNG supply is lined up as Indian buyers seek to diversify the gas supply chain:

ADNOC recently agreed to deliver 2.5 mtpa of LNG to Bharat Petroleum Corporation (BPCL) over five years. Shipments amount to around 40 cargoes, commencing this April, setting the stage for a long-term offtake accord with IOC currently close to being finalized.

Torrent Power, meanwhile, entered a term supply contract BP to receive six LNG cargoes annually from 2027 to 2036. Priced at a 10.99 percent slope to Brent, reportedly one of the lowest prices seen recently, the cargoes will be shipped to the Dahej regas terminal. ■

National Gas warns Ofgem's funding cuts raises blackout risk

Britain's new gas pipeline operator, National Gas, has sounded alarm that the proposed £1.5 billion cut to spending plans by energy regulator Ofgem could raise the risk of fuel shortages and blackouts. National Gas had requested £4 billion for capital and maintenance operations from April 2026 to March 2031, but Ofgem slashed this to just £2.5 billion – a 40% cut.

With lower capital spending, National Gas cannot make necessary repairs, let alone build out its network. Infrastructure failure, cyber vulnerabilities, and unplanned interruptions in gas flows could be the consequence. If gas deliveries falter, there will be a knock-on effect on power stations and subsequently less electricity supply.

Ofgem argues funding in gas infrastructure should be restrained as long-term demand may shrink as the UK economy transitions to Net Zero. Yet National Gas argues its pipelines remain vital and could be adapted to transport natural gas alongside hydrogen.

Infrastructure investment have implica-



tions on consumers energy bills. While National Gas claims its requested budget would only increase household bills by £2–10 annually, Ofgem's broader £104 uplift indicates the regulator has diverging priorities and considers additional cost burdens.

Timing is off the essence: Less investment ahead of the 2026–31 winter seasons could heighten blackout risks if unexpected cold spells or system stress arise. ■

NEWS NUDGE

Ofgem raises price cap

UK energy regulator Ofgem has today announced the October – December 2025 Default Tariff Cap at £1,755 – a 2% increase from July's cap set at an annual rate of £1,720. Cornwall Insights forecasts rates in January are currently looking to fall to £1,712 a year for a typical household.

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Publisher
Stuart Fryer

Editor
Anja Karl
anja@gastopowerjournal.com

Advertising
Narges Jodeyri
narges@lngjournal.com

New Business & Databases
Stephan Venter
Tel: +44 (0) 207 017 3407
venter@gastopowerjournal.com

Subscriptions
Margarita Tokere
Tel: +33 (0)7 67 62 58 77
margarita@gastopowerjournal.com

Layout & Production
Vivian Chee
chee@thedigitalship.com

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output which largely serves as feedgas for LNG export terminals along the US Gulf Coast.

Feedgas growth falls short of LNG build-out

Marketed gas production in the Permian averaged 25.4 billion cubic feet per day (Bcf/d) in 2025, up 12% or about 2.7 Bcf/d from the previous year, making up nearly all of the nation's growth in supply. Yet, this may not be enough: Analysts warn that feedgas supply may struggle to keep pace with LNG terminal build-out — especially if

Appalachia cannot ramp up. Meeting full export demand may require an estimated 100 additional rigs, 10,000 new wells, and a \$60 billion investment – with supply running out of cheaper basins.

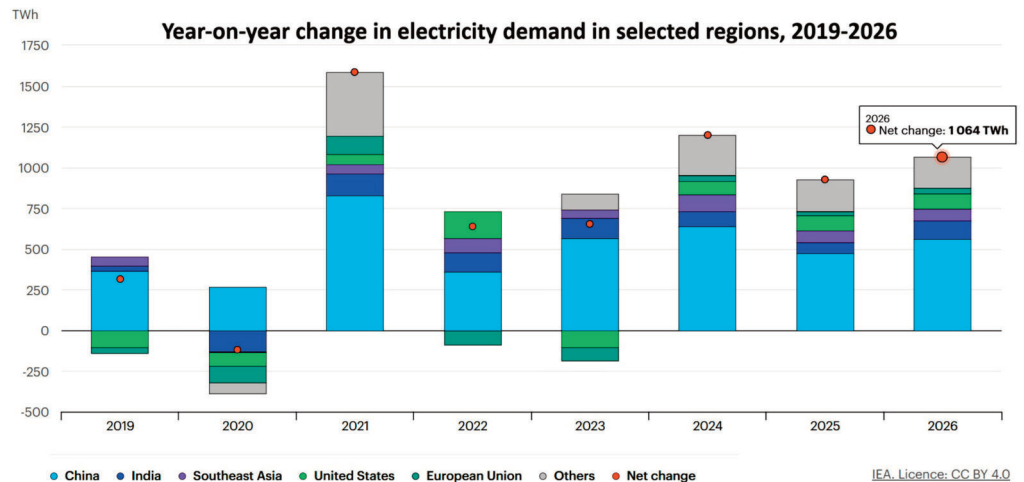
U.S. LNG export capacity stood at about 14 Bcf/d as of mid-2023, with an additional 11.2 Bcf/d under construction including Golden Pass, Plaquemines, Corpus Christi Stage III, Port Arthur, etc. The US Energy Information (EIA) forecasts a dramatic shift in gas usage as the build-out of LNG export capacity will require commensurate feedgas supply. ■

Global electricity demand to rise 3.7% in 2026; IEA forecasts

Despite slowing economic growth, the world's electricity demand is on course to rise by 3.3% this year and 3.7% in 2026 – more than twice as fast as total energy demand growth over the same period. According to the International Energy Agency (IEA), growth is driven by rising demand from industry, appliances, cooling, data centres and electrification.

Growth forecast have been revised downward slightly in response to the IMF's downgrade of the global GDP growth outlook. In February, the IEA had anticipated 4% growth for this year and 3.8% in 2026.

Despite these downside risks, strong demand increases from industries, air conditioning (AC) and data centres, as well as significant strides in electrification, analysts pointed. Overall, global electricity consumption is forecast to reach a new high of over 29,000 terawatt-hours (TWh) in 2026.



AI investment accelerates

In the US, electricity demand growth is accelerating fast due to expanding data centers, while China and India are expected to see "moderate growth rates" this year. Data centers in the US consumed around 180 TWh of electricity in 2024, according to the IEA's Energy and AI report.

Investment in AI gathers speed with companies such as Meta, Amazon, Alphabet and Microsoft committing to spend \$320 billion in 2025, up from \$230 billion the previous year. Data centre electricity demand is expected to steadily rise through 2030, with consumption projected to increase by approximately 240 TWh, relative to pre-year levels.

Weather risk, is driving electricity demand in China: Latest data shows that peak

load hit new record-highs three times by mid-July 2025, reaching 1 506 GW, as summer temperatures in most parts of the country were above the same period last year.

India reigns in peak load growth

In India, the impact of global economic uncertainty on manufacturing and cooler summer temperatures had limited electricity demand growth to 1.4% in the first half of this year. Yet, demand is forecast to pick up fast: Peak load in India could reach 270 GW, up 8% year-on-year, and shift to September instead of summer this year, the Ministry of Power forecasts.

To manage peak load growth, the Indian government is implementing air conditioning (AC) standards. They would cap tem-

perature settings between 20°C and 28°C, potentially reducing peak load by up to 60 GW in 2035.

In the European Union, electricity staged a modest rebound in 2024 following two consecutive years of significant decline. Going forward, EU power demand will keep rising albeit at a more moderate pace as the industrial sector has still yet to recover.

Manufacturing activity in the euro zone has shown signs of stabilisation: Aluminium production recovered in output, while crude steel fell by 3.3% yoy in the first half of this year. Considering EU industrial electricity demand had contracted by about 6% in 2022 and 2023, hence "a return to 2021 levels is not anticipated within our outlook period," analyst cautioned.

MHI to double turbine manufacturing capacity

Mitsubishi Heavy Industries Ltd. (MHI) plans to double its gas turbine production capacity within two years in reaction to a

sharp rise in orders, driven by equipment replacements. CEO Eisaku Ito disclosed the Japanese manufacturer initially aimed to increase capacity by 30% – but that's no longer enough.

The additional manufacturing capacity could help MHI work through its ¥5.3 trillion (\$35.61bn) energy-unit backlog while creating room for new orders.

To speed up throughput, MHI has taken steps to make its production chains more efficient, even though the cost of turbine manufacturing has nearly doubled in recent years due to pricier materials, supply-chain bottlenecks, and higher expense for qualified labour.

Acting prudent, CEO Ito stressed caution considering the sector's boom-and-bust cycles and uncertainty around long-term demand from data centers.

"We aim to stay lean," he said, while acknowledging demand for gas turbine looks likely to stay strong for at least the next decade.



Mitsubishi gas turbine

Gastech

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Adriatic LNG's Open Season reinforces gas-fired power gen in Italy

Gas stays central to Italy's power gen mix supported by Adriatic LNG terminal offering regas slots in its Open Season 2025. With coal largely phased out, LNG supplies sourced via Adriatic LNG are crucial for fuelling dispatchable power stations that stabilize the Italian grid in face of intermittent renewable energy build-out.

The Open Season's accreditation phase, now underway, will allow eligible bidders to secure slots for regas capacity between January 2029 and December 2050. Operators must apply for accreditation by September 12, with the binding bidding phase scheduled from September 17 until October 3, 2025.

On offer are two product structures:

- 38 unloading slots of 165,000 liquid cubic meters each for the period of 2029 to 2034
- fixed-duration annual volumes for 16, 10, or 5 consecutive years between 2035 and 2050

Bidders must commit to at least 1 bcm per year of regas capacity over the contracted periods, underscoring the scale of LNG needed to sustain Italy's industrial consumption and gas-fired power fleet.

Strategically located 15 km off the

Veneto coast near Rovigo, the Adriatic LNG terminal connects directly into one of Italy's densest industrial and residential demand centers. With a maximum authorized regas capacity of 10.4 bcm/y and an operational reliability rate of 99.7%, the terminal plays a critical role in providing gas to power plants that balance Italy's electricity system. Its cargoes primarily come from Qatar and the United States—sources that enhance supply diversification beyond pipeline gas.

Since commissioning, the facility has received 1,180 LNG carriers from 10 different countries, regasifying more than 106 bcm into the Italian grid. Its operators, VTTI (70%) and Snam (30%), emphasize LNG sourced via the Adriatic terminal helps bolster Europe's energy security and decarbonization trajectory.

The launch of Open Season 2025 comes amid a tightening global LNG landscape.

According to the IEA, global LNG markets will expand by around 26 bcm in 2025, a 5% rise over 2024, supported by new liquefaction projects. "With this initiative, we offer the opportunity to open new supply routes and increase LNG imports," said Alfredo Balena, Adriatic LNG's director of external relations. "This is a resource that is increasingly strategic for the Italian and European energy systems." ■

Commonwealth LNG all set to take FID in Q3-2025

Commonwealth LNG is progressing towards a final investment decision (FID) following final approval from the US Department of Energy (DOE) to export up to 1.21 Bcf/d of LNG to non-free trade agreement (FTA) countries. With all permits now in hand, Kimmeridge is gearing up for an FID in Q3-2025.

DOE stated its conditional authorization reflects the Federal Energy Regulatory Commission's (FERC) June 2025 approval for the terminal's siting, construction, and operation. The regulatory greenlight reaffirms the notion of the 2024 LNG Export Study that U.S. LNG exports would strengthen America's energy leadership, expand opportunities for American workers, and provide allies with secure access to reliable U.S. energy.

Chris Wright, DOE Secretary of Energy hailed the authorization of Commonwealth LNG on August 29 as a step "closer to delivering more American LNG to the world, advancing President Trump's energy dominance agenda." The United States currently operates eight large-scale LNG export projects and under the Trump Presidency, the DOE has authorized projects totalling more than 13.8 Bcf/d of LNG exports – more than the 11.9 Bcf/d exported last year. ■

“

With this initiative, we offer the opportunity to open new supply routes and increase LNG imports This is a resource that is increasingly strategic for the Italian and European energy systems

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– Alfredo Balena, director of external relations, Adriatic LNG



Tanker berthing at Adriatic LNG terminal

Kuwait opens bidding for 1.8 GW Al Khairan power & water project

Kuwait has invited pre-qualified consortia to bid for the first phase of the Al Khairan Independent Water and Power Producer (IWPP) project. Phase 1 will deliver 1.8 gigawatts (GW) of electricity and 125 million imperial gallons of desalinated water per day, with TAQA, ACWA Power and China Power International Holding competing for the contract award.

The Kuwait Authority for Partnership Projects (KAPP), which oversees the country's public-private partnership (PPP) framework, confirmed that consortia spearheaded by the abovementioned three companies have been shortlisted. Much depends on their final offer, which will determine who will secure the order.

Other qualified firms, including Qatar's Nebras Power and Japan's Sumitomo Corp, are poised to play supporting roles in the project's development.

The Al Khairan IWPP project will be tendered under Kuwait's Public Private Partnership (PPP) model. The selected developer will hereby set up a special-purpose project company to handle the financing, design, construction, operation, maintenance, and eventual transfer of the facility.

Under the PPP framework, the partner



Az-Zour North IWPP

consortium will hold a 26% to 44% equity stake, while at least 50% will be offered to Kuwaiti citizens through a public shareholding scheme and the remainder is retained by the government.

Once built and commissioned, the project company will sign a 25-year power and water purchase agreement with state authorities. This PPA will ensure predictable returns for investors and long-term security of electricity supply to the grid.

Kuwait's energy investment gather speed

The tender for the Al Khairan IWPP comes of the of Kuwait's signing of \$3.27 billion in contracts with ACWA Power and Gulf Investment Corp for the Al-Zour North 2 and 3 projects in August. Together, these two projects are part of a government push to strengthen resilience in the face of soaring electricity demand.

Analysts commented that Kuwait's rising growing reliance on PPPs reflects both fiscal realities and the government's ambition to attract international expertise. With the Al Khairan project now moving into the bidding phase, stakeholders see it as a test case for future large-scale IWPPs across the Gulf. ■

NatPower to build BEES on Teeside

Sembcorp Utilities (UK) has contracted NatPower to develop a 1GW/8GWh lithium-ion Battery Energy Storage System (BESS) on Teeside. Fully financed through private investment, the battery will be the largest of its kind in Britain.

The £1 billion Teesside GigaPark will initially operate at 4 GWh capacity with the potential to expand to 8 GWh. In contrast, most existing schemes provide only one to two hours of storage. The site holds a 1 GW connection agreement with the National Energy System Operator for a 400kV link to National Grid's substation, with plans to go live by 2028.

With electricity demand expected to rise by 50% by 2050, and shipping electrification forecast to add another 15%, the GigaPark is intended to ease growing pressure on the UK grid. By storing excess renewable energy from offshore wind and other generators, the system will release power during peak demand and reduce the curtailment of green energy. According to Imperial College London, widespread deployment of large-scale storage could save the UK up to £3.5 billion annually. ■

JEA moves ahead on \$1.57bn CCGT to replace Northside coal unit

Florida's largest municipal utility JEA is forging ahead with plans for a \$1.57 billion gas-fired power plant, designated to replace aging coal capacity. The 675 MW combined-cycle plant will be built on a brownfield site with a target in service date of early 2032.

The envisaged start-up is timed to coincide with the retirement of Northside Generating Station Unit 3. That unit, a 1970s-era plant that burns natural gas and residual fuel, has faced reliability concerns: extended outages earlier this year underscoring the need for replacement. Unit 3 is part of the 1,300 MW Northside complex, fuelled by natural gas, fuel oil, biomass, coal and petroleum coke.

Project finance yet to be structured

Financing for the CCGT project – one of JEA's largest ever capital commitments – is still being structured. Board members emphasized that securing a manufacturing slot with GE

Vernova for turbines and other long-lead equipment was critical to keeping to schedule. With global supply chains stretched, the turbine reservation places JEA in the production queue which lowers the risk of costly delays.

Natural gas will anchor the plant's economics, though JEA's board members acknowledged exposure to fuel price volatility. "Once solar is built, the sun doesn't send us a fuel bill. Gas does," said JEA's chief financial officer, noting that gas price spikes will translate directly into customer bills. Still, the new CCGT is expected to operate far more efficiently than Northside 3, partially offsetting fuel cost risks.

The utility's 2023 strategic plan calls for a three-pronged approach: retire Northside 3,



Northside-Unit-3

expand solar, and build new gas generation. Approval for the CCGT represents the most advanced piece of that plan, with financing, procurement, and construction expected to span much of the decade.

To date, wind and solar power accounts for just 15% of JEA's portfolio, and factoring in nuclear power purchases from Georgia's Plant Vogtle — stay well short of the board's 35% clean energy target for 2030. ■

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