LNG Unlimited

LNG JOURNAL PUBLICATION | 30 April 2026

Middle East - from supply to transit disruption

AXSMarine has taken a look at what happened to the LNG markets in April.

The Strait controls 20% of the world's energy transport. Source: Wikipedia

What appeared in March, 2026 as a supply shock in global LNG markets had, by April, evolved into a broader transit disruption affecting the physical movement of LNG through the Strait of Hormuz.

The US has emerged as the primary alternative supplier, while Asia is seeing the most disruption and Europe faces growing indirect pressure heading into the restocking season.

The global LNG crisis that began in early March with damage to Qatari export facilities has since expanded. While reduced production remains a factor, the more acute challenge is how to physically move cargoes through the Strait.

According to the International Energy Agency (IEA), disruptions have reduced LNG flows by an estimated 2 bill cu m per week (about a 10 bill cu ft per day equivalent), although this reflects regional export constraints, rather than a direct loss of global supply.

Export data from Signal Ocean LNG flows indicates that Middle East Gulf exports have fallen sharply to low levels in recent weeks, pointing to a severe disruption in normal trade flows.

Only one LNGC transit was seen in the available AIS dataset during the period of escalation, the ‘Sohar LNG’, which transited in ballast on 2nd April heading towards Muscat. However, since then ADNOC’s LNGC ‘Mubaraz’ was reported to have transited with a cargo heading for China.

Severe damage

The supply disruption was compounded by severe damage to Qatar’s export infrastructure.

About 17% of Qatar’s LNG export capacity has been affected following damage to liquefaction facilities at Ras Laffan, according to QatarEnergy.

Repair timelines are estimated at three to five years, with potential annual revenue losses of around $20 bill.

In response, QatarEnergy declared *force majeure* on some of its long-term LNG supply contracts. According to the Gas Exporting Countries Forum (GECF), a full global gas market recovery could take between six months and one year under stable geopolitical conditions, although this remains highly contingent on geopolitical developments.

The IEA anticipated that US LNG export terminals will operate at higher utilisation rates through 2026, driven in part by increased demand for supply. Regulatory approvals have further expanded export authorisations at several existing terminals.

Canada is emerging as a new LNG supplier with increasing relevance for Asian markets. Exports from British Columbia began in 2025, with additional projects under development, including Ksi Lisims LNG. Major energy companies, including Shell and TotalEnergies, have already secured supply agreements.

Asia has taken the largest hit from the disruption. Chinese LNG imports in April, 2026 are estimated to be at their lowest level since 2018. Chinese traders have responded by reselling cargoes into regional spot markets at elevated prices.

Europe is less directly exposed to Gulf LNG disruptions but faces growing indirect risks, as Asian buyers compete more aggressively for Atlantic Basin and US cargoes. European policymakers have indicated that no immediate threat to supply security exists, supported by infrastructure diversification undertaken since 2022.

However, the region is entering the summer restocking season with storage levels estimated at around 28-30%. Some countries are well below that level. As Asian buyers seek alternative supplies, competition for US LNG intensifies, creating additional pressure on European procurement.

This dynamic is unfolding against a backdrop of persistent geopolitical tensions. Recent US/Iran talks have made limited progress, with negotiations stalled and uncertainty around the Strait continuing to weigh on market stability.

Near-term LNG flows will remain highly sensitive to any shifts in diplomatic momentum, particularly whether upcoming negotiations lead to a meaningful de-escalation in the region, AXSMarine said. ■

UNLIMITED AGENDA

Middle East war deeply affecting gas markets - GECF

Addressing the current natural gas problem, Dubai-based Gas Exporting Countries Forum (GECF) Secretary, Philip Mshelbila, said that a full global gas recovery would take from six months to a year if the supply-sapping US/Israeli war against Iran stopped immediately.

However, shifts could be more structural if the conflict endures for six months or longer, reducing the necessary upstream investment, he said at a Paris conference focusing on African energy.

He said the Iran war, which had stopped LNG flows through the Strait of Hormuz and seen direct hits on energy infrastructure, had deeply affected gas markets in the short and medium term.

In the short term, attacks on Qatar's liquefaction plants at Ras Laffan had "triggered a massive spike in price, returning the market to volatility seen in 2022," following Russia's invasion of Ukraine, he said.

That has reshaped the supply/demand dynamics, as before the war, the gas market was expected to swing into oversupply this year, he added. "Clearly this conflict has done something to that. It's not clear whether it is simply a delay or whether that glut will never come."

In the longer term, the full implications will be determined by the severity of the damage and the duration, Mshelbila said, noting that further attacks on Gulf infrastructure or even the closure of the Bab el-Mandeb Strait in the Red Sea, a lifeline for Saudi Arabia energy exports, were likely to worsen the outlook.

"We believe that if this whole conflict was resolved today the world would probably recover quickly," Mshelbila said. "Yes, damage has been caused, but given another six months, one year, there will be a recovery.

"If this continues for six months or longer, we could see more structural changes in energy dynamics," he stressed.

This could include a return to coal or a faster shift towards renewable energy.

Already, investment timelines are being reassessed and final investment decisions (FIDs) are being deferred, Mshelbila added, with companies looking to mitigate risk.

Projected demand growth

The GECF estimated that $11 trill-$12 trill of investment is required over the next 30 years globally to meet projected demand growth in natural gas, 95% of it in upstream projects.

As a result, Mshelbila said "knee-jerk reactions" to the crisis and rising capital costs could push "the era of natural gas into the future."

He thought that Africa had a role to play in meeting demand with flows from the Middle East constrained, noting the giant gas reserves in Algeria, Libya, Egypt, Nigeria, Mozambique and other countries. Nigeria alone has reserves of 209-600 trill cu ft of natural gas, he said.

"For Africa's gas exporting countries, tighter global gas prices are creating opportunities," he said.

GECF Secretary Philip Mshelbila

He explained that the continent is currently producing just 40% of its total capacity, with LNG facilities and pipelines across Africa not full.

"The reserves are there, the production is not," he said. "The ability therefore to capture the market, whether it is European or Asian, in the short term is being missed.

"This is a missed opportunity, which is actually being seized by North America, principally the US and Canada," he warned. ■

JERA's LNG stocks adequate

Japan's largest power generator and top LNG buyer, JERA has secured adequate LNG inventories through July to cover Middle East supply disruptions caused by the US/Israeli war with Iran, a company executive told Reuters.

JERA imports and trades about 35 mill tonnes annually, of which roughly 27 mill tonnes is used domestically. About 5% of its Japan-bound shipments transits the Strait of Hormuz, where the conflict has disrupted shipping.

"At present, we have sufficient stock to last until July," Masato Otaki, an executive officer, told reporters. "We'll make every effort to ensure flexible fuel procurement by leveraging JERA Global Market's trading capabilities," he added, referring to JERA's trading arm.

Otaki did not comment on any specific trading actions but its trading arm has the flexibility to swap, buy, or sell with other companies or through the spot market, he said.

"Depending on how long the blockade continues, we will need to adjust our procurement strategy flexibly," Otaki added.

In February, JERA signed a 27-year deal with QatarEnergy for 3 mill tonnes per annum from the North Field South expansion project starting in 2028.

Otaki claimed that JERA had not been fully informed by QatarEnergy about the full impact of the conflict, including on construction schedules, and will closely monitor any implications for procurement contracts, while communicating with the supplier.

Asked about a potential strike at Inpex's Ichthys LNG facility in Australia, which could further tighten global supplies, Otaki said JERA would respond case by case.

JERA's profit for the fiscal year that ended in March rose by 5.2% from a year earlier to Y193.5 bill ($1.21 bill).

The increase was supported by a reduction in fuel procurement costs and a boost in JERA's overseas power generation and renewable energy business, the company said.

However, JERA would not disclose its profit forecast for the current fiscal year, citing uncertainty in commodity markets and fuel procurement, due to the Iran crisis. ■

LNG Unlimited
2 Prospect Road
St Albans AL1 2AX
United Kingdom
www.lngjournal.com
Tel: +44 (0)20 7253 2700

Publisher
Stuart Fryer

Editor
Ian Cochran
Tel: +44 (0)7748 144265
iancochran74@gmail.com

Ad sales enquiries
Narges Jodeyri
Tel: +44 (0)20 7017 3406
narges@lngjournal.com

Subscriptions
Lauren Evans
Tel: +44 (0)20 7253 2700
lauren@lngjournal.com

Production
Vivian Chee
Tel: +44 (0)20 8995 5540
vivian@lngjournal.com

Tight LNG markets predicted for this year and next

Paris-based International Energy Agency's (IEA) latest quarterly report focused on how the ongoing supply shock and infrastructure damage from the Middle East conflict are increasing price volatility and pushing back the easing of global gas balances.

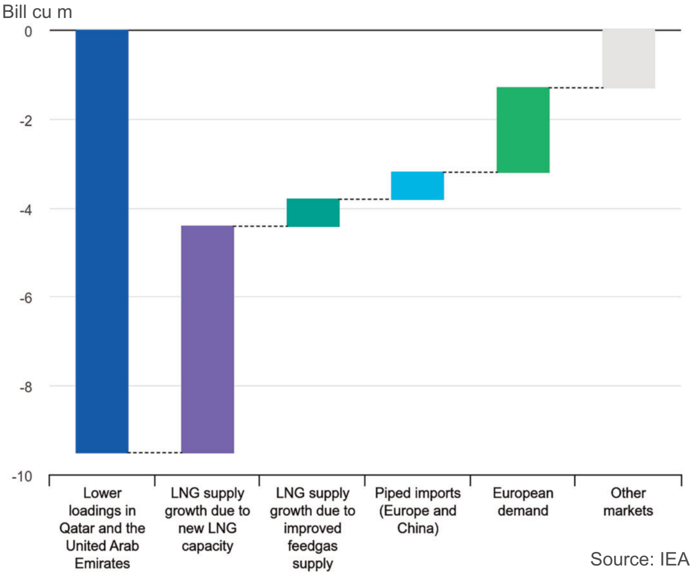
The global natural gas market outlook has been significantly altered by the conflict in the Middle East, with a major supply shock disrupting market fundamentals and pushing back an expected wave of new LNG supply.

The disruption to shipping through the Strait of Hormuz since the start of March has created unprecedented uncertainty, removing close to 20% of global LNG supply from the market and triggering sharp price increases across key importing regions.

During a period of intense volatility in March, Asian and European natural gas prices rose to their highest levels since January, 2023, contributing to a contraction in natural gas demand in key LNG importing markets.

The crisis has reversed a trend seen of market re-balancing observed during the 2025/26 heating season, when strong growth in LNG supply – supported by new liquefaction capacity, particularly in North America – helped ease prices.

Selected supply and demand factors influencing price formation since the closure of the Strait of Hormuz



Source: IEA

Global LNG trade increased by 12% year-on-year in the October-to-February period, while European and Asian benchmark prices declined by around 25% over the same five-months.

Despite this, cold weather, including major winter storms in North America, Europe and East Asia, led to strong spikes in gas demand, underlining the continued importance of gas supply flexibility for energy security, including in systems with rising shares of weather-dependent renewable generation.

Market shift

Market conditions shifted abruptly in March, as the Middle East conflict resulted in the de facto closure of the Strait of Hormuz to LNG cargoes.

Global LNG production declined by 8% year-on-year, with a sharp drop in exports from Qatar and the United Arab Emirates only partially offset by higher output from other regions.

As the disruptions began to spread through global supply chains, LNG deliveries also fell, with a more pronounced decline observed in April.

Natural gas demand weakened in key importing markets in response to higher prices, milder weather and policy measures aimed at reducing gas consumption.

For example, European natural gas demand declined by around 4% year-on-year in March, largely driven by stronger renewable electricity generation, while several Asian countries have implemented fuel-switching and demand-side measures to limit gas use in the supply crisis.

Beyond the immediate disruption, the crisis is expected to have implications for the medium-term outlook.

Damage to Qatar's LNG liquefaction infrastructure is set to reduce projected supply growth and delay the impact of the anticipated global LNG expansion wave by at least two years.

The combined effect of short-term supply losses and slower capacity growth could result in a cumulative loss of around 120 bill cu m of LNG supply between 2026 and 2030.

While new liquefaction projects in other regions are expected to offset these losses over time, the impact will prolong tight markets through 2026 and 2027, the IEA said. ■

Initial EU ban on Russian LNG kicks in

The first phase of the EU's ban on Russian LNG took effect last weekend, removing an initial slice of the 20.3 bill cu m imported in 2025 at a time when European buyers are already competing for replacement cargoes for lost Qatari supplies.

Under Brussel's latest sanctions package, imports of Russian LNG under short-term contracts are prohibited from 25th April, 2026, while imports under long-term contracts will be banned from 1st January, 2027.

In March, 2026 alone, Russian LNG shipments to the EU reached a record high of about 2.46 bill cu m, according to TASS calculations based on data from the European think tank Bruegel.

From January through March, EU imports of Russian LNG amounted to 6.8 bill cu m – a substantial rise from 5.7 bill cu m per year earlier.

Eni CEO, Claudio Descalzi had repeatedly urged EU policymakers to reconsider the scale and speed of the ban, warning it remained unclear how the bloc could replace 20 bill cu m of Russian LNG – considering the Iran war has disrupted contractual Qatari LNG deliveries. Critics have dismissed his warning as "commercial self-interest dressed as energy security."

Many European buyers have turned to US LNG to replace banned Russian gas supplies, yet this moves risks to "replace one dependency with another," EU Energy Commissioner, Dan Jorgensen said.

Instead, he called for Europe to produce its own energy, particularly from renewables.

QatarEnergy's *force majeure* on contractual LNG deliveries from Ras Laffan has further exacerbated Europe's reliance on seemingly 'safe' fossil gas supply from across the Atlantic. Now, the key question is how much of the banned Russian LNG can be replaced at a tolerable cost.

EU Energy Commissioner, Dan Jorgensen

The Northwest Europe LNG Marker price benchmark for cargoes delivered in June on an ex-ship (DES) basis was assessed by Platts at $14.750 per MMBtu on 23rd April – a $0.38 per MMBtu discount to the Dutch TTF gas trading hub price. ■

Venezuela's gas production could rise

Spain's energy company, Repsol and Italy's counterpart, Eni are trying to increase production at Venezuela's Cardon IV gas field to 645 mill cu ft per day, according to project manager talking at a Caracas oil conference.

The field currently produces about 580 mill cu ft per day, Manager Gonzalo Antonio Carrillo told the Venezuela Energetica conference.

He did not reveal when the companies hoped to reach the new total.

"We're going to move forward step-by-step. The first step will be to ramp up slightly to 645 (mill cu ft per day)," Carrillo said, adding the companies' next step would be to drill more and improve infrastructure at the field.

Also speaking, Venezuela's Vice Minister for Gas, Cindy Rondon said the country needed to speed up repairs to its gas infrastructure.

"We have to speed up the recovery of infrastructure. We need to carry out projects to optimise the handling of associated gas," she said. "These are solutions that need to be delivered in the short and medium term." ■

Vietnam ramps up LNG imports on high temperatures

Vietnam is importing more LNG at elevated prices, as the Iran war curbs global supplies.

The country is expecting above average temperatures in the coming weeks, a Bloomberg report said.

For example, the next two weeks are forecast to be hotter than normal in Vietnam, with temperatures going up to 3 deg C above average, including in Hanoi and Ho Chi Minh City, according to the European Centre for Medium-Range Weather Forecasts (ECMWF).

Temperatures are also expected to be slightly above normal in May and June, according to the weather model.

Vietnam has imported about 276,000 tonnes of LNG thus far this month, according to ship-tracking data compiled by Bloomberg — a monthly record and more than double the amount in the same period last year.

April shipments also far surpassed volumes in the preceding months. Kpler data showed Vietnam importing 191,000 tonnes thus far this month, which is also higher than any previous month.

Thailand and Singapore have also been buying LNG from the spot market, but Vietnam has seen the most notable increase in imports among its Southeast Asian neighbours.

State-owned Petrovietnam Gas has issued tenders for several spot cargoes in the past two months for delivery to June. It most recently sought to purchase a prompt April cargo last week. ■

Russia to benefit from higher oil and gas prices

Russia's oil and gas revenues from taxes are likely to increase next month, due to higher oil prices boosted by the Iran war.

However, they will be lower than last year for the first five months of 2026, Reuters has calculated.

Russia's oil and gas tax revenues will reach around R650 bill ($8.65 bill) in May, up from R512.7 bill in the same month last year, according to Reuters calculations, based on preliminary production data and oil prices.

Russia has been one of the beneficiaries of the Middle East conflict, which has led to the effective closure of the Strait of Hormuz, shutting off energy supplies and fertilisers.

Russian economists have repeatedly cautioned that 2026 could be a tough year.

Reuters calculations also showed that Russia's January/May budget proceeds from the sale of oil and natural gas will likely reach more than R2.94 trill, but down from R3.16 trill generated in the same period of 2025.

The decline is due to a fall in the first three months of this year, before the US and Israel attacked Iran, when oil prices were lower. A stronger rouble has also undermined the revenue. ■

NEWS BRIEF

Venture Global closes latest offering

Venture Global's subsidiary, Venture Global Calcasieu Pass (VGGP) has closed its $750,000,000 aggregate principal amount of 6% senior secured notes offering.

The notes will mature on 1st May, 2036.

VGCP used the net proceeds, together with cash on hand and proceeds received from certain hedge terminations, for the prepayment, in full, of its outstanding term loans, and to pay fees and expenses in connection with the offering.

The notes are guaranteed by TransCameron Pipeline, a VGCP's affiliate and are secured on a *pari passu* basis by a first-priority security interest in the assets that secure VGCP's existing senior secured first lien credit facilities and VGCP's existing senior secured notes. ■

Wheatstone restarts production following cyclone damage

US energy giant, Chevron has restarted LNG production at Wheatstone after repairs, caused by cyclone damage in March, were completed.

The repairs took some time, due to the severity of the damage. "Extreme winds associated with the cyclone damaged several hundred air-cooled heat exchangers, known as fin fans, making the repair programme a significant undertaking," the US energy giant's head of operations and maintenance in Australia said in a statement, seen by Reuters.

Last month, tropical Cyclone Narelle disrupted operations at three Australian LNG facilities, including Chevron's Gorgon and Wheatstone. As a result, Gorgon suspended operations at one of its three liquefaction trains.

Over the past month, Asia's LNG imports have fallen to their lowest level since the Covid pandemic badly hit demand in June, 2020. However, the latest slump was due to prices firming significantly by the Qatari force majeure due to the Middle East conflict and the Australian outages.

The 30-day moving LNG net shipments to Asia average plummeted below 600,000 tonnes last weekend, ship-tracking data, compiled by Bloomberg showed earlier this month, the lowest one-month moving average of LNG arrivals into Asia since June, 2020, according to the newswire's data.

Asian buyers continued to seek LNG cargoes, with about a dozen LNGCs initially bound for Europe diverting to Asia over the past few weeks.

Meanwhile, about 50 empty LNGCs are idle across Asia because of the Qatari production freeze. This number represents a loss of at least 3.456 mill tonnes of LNG in carrier capacity, newswires reported. ■

Santos' Barossa nears startup

Australian energy developer, Santos has reported stable operational and financial performance in the first quarter of this year.

Santos also said that it was edging closer to first oil at its Alaskan Pikka development and was preparing to ramp up Barossa LNG's output.

The Australian oil and gas producer posted quarterly production of 22.5 mill barrels of oil equivalent, up slightly, both sequentially and year-on-year, alongside sales revenue of $1.27 bill and operating free cash flow of around $383 mill.

Santos also said it was preparing to bring the Barossa LNG project fully online.

Following technical adjustments during commissioning, including compressor seal replacements, the FLNG is expected to restart and ramp up imminently, with LNG output to follow shortly after.

The company also highlighted the successful appraisal result at the Quokka-1 well in Alaska, confirming a high-quality Nanushuk reservoir and reinforcing the long-term potential of its North Slope portfolio.

Santos emphasised its disciplined capital allocation and operational reliability, maintaining its full-year 2026 guidance unchanged, despite Barossa's commissioning challenges.

The company also advanced its domestic gas strategy through a 10-year, 200-petajoule supply agreement with the South Australian government, supporting both energy security and its Moomba optimisation project, which targets over $600 mill in lifecycle savings.

Santos also took a final investment decision (FID) on the Moomba Central Optimisation project, underscoring its focus on extracting additional value from existing infrastructure, rather than pursuing purely greenfield growth, the company said.

Newswires reported that Barossa's ramp up is particularly significant, as it is expected to backfill declining supply from the Darwin LNG facility, a critical part of Santos' integrated LNG chain. ■

Santos' Barossa LNG project is nearing completion

Enbridge's expansion project receives government approval

Canadian pipeline operator, Enbridge has confirmed that the Canadian Government had approved the Sunrise expansion programme, a $4 bill natural gas expansion of the company's British Columbia Westcoast pipeline system.

Sunrise expansion is designed to add around 300 mill cu ft per day of natural gas transportation capacity to the southern part of the Westcoast pipeline system.

Once in service, the added natural gas transportation capacity is expected to strengthen energy security and affordability by supporting access to natural gas during peak demand periods.

As well as being used domestically, the gas also supports electric power generation, BC industrial activity and global LNG exports.

Expected to contribute more than $3 bill to Canada's economy, the project will involve the hiring of about 2,500 workers during construction. To date, more than $52 mill has been spent on the hiring and procuring of services from Indigenous businesses.

The project will include the construction of new pipeline segments along the existing system, additional natural gas compression, and upgrades and modifications to existing facilities.

Work is scheduled to begin in July, 2026, with a targeted in-service date in late 2028. ■

NEWS BRIEF

Naturgy to supply LNG cargo to Escobar terminal

Spanish energy company, Naturgy has won a contract to supply an LNG cargo to Energia Argentina's Escobar FSRU terminal, operated by Excelerate Energy.

The contract follows an international open tender held on 15th April, 2026, which invited 39 pre-qualified firms to participate in the tender, however, only six submitted bids in the latest process.

The cargo is intended to replenish LNG storage on the FSRU located and is due to arrive is the second week of May. The terminal is situated on the Paraná River, about 30 miles from Buenos Aires.

This LNG stock replenishment would make it possible to inject regasified gas into the system in the event of potential peaks in residential demand caused by lower temperatures, or in the case of unforeseen failures in the natural gas transportation system, Energía Argentina said. ■

Baker Hughes gains Middle East orders

Despite major problems in the Middle East, US engineering giant, Baker Hughes received a major LNG equipment award from QatarEnergy for the main refrigerant compressor train and power generation packages across two LNG mega trains for the North Field West project during the first quarter of this year.

Another order from QatarEnergy comprised six centrifugal compressor trains driven by variable speed electric motors, designed to capture and transport up to 4.1 mill tonnes of carbon dioxide annually.

For 1Q26, Baker Hughes reported attributable net income of $930 mill and orders totalling $8.2 bill. Revenue came in at $6.6 bill, up 2% year-on-year, while adjusted EBITDA was $1,158 mill, a rise of 12% y-o-y.

"Despite the significant disruptions in the Middle East, our teams executed at a high level and delivered results that exceeded our guidance range.

"Although we recognise this achievement, we continue to prioritise the safety and wellbeing of our employees and their families in the region," said Lorenzo Simonelli, Baker Hughes Chairman and CEO. "In IET, we delivered another outstanding quarter, with record orders of $4.9 bill, marking the third consecutive quarter above $4 bill.

"This performance reflects the diversity and versatility of the IET portfolio and the growing strength across energy infrastructure, as highlighted by $1.4 bill in Power Systems orders and further progress in LNG, gas infrastructure and CCS. IET also reported a book-to-bill of 1.5x for the quarter, resulting in record backlog of $33.1 bill.

"The Baker Hughes Business System is strengthening our operating results, supporting disciplined execution, and positioning us for continued growth, higher margins, and stronger free cash flow. Both OFSE and IET delivered strong results amid Middle East disruptions, underscoring the versatility and durability of the portfolios.

"We also continue to advance our portfolio management strategy, including the recently announced divestiture of Waygate Technologies, which combined with the two transactions that closed in the quarter, is expected to generate gross proceeds of approximately $3 bill in 2026, further strengthening our balance sheet.

"Looking ahead, our outlook for the business fundamentals remains unchanged, excluding the ongoing impacts in the Middle East. While the conflict presents near-term challenges, it is further reinforcing energy security as a priority, which is expected to support structural growth in upstream and global energy infrastructure spending.

Baker Hughes' head Lorenzo Simonelli

"Ultimately, we remain confident in our strategy and our ability to deliver long-term value for shareholders," he concluded. ■

NEWS BRIEFS

US LNG centre of excellence opens

US Transportation Department's Pipeline and Hazardous Materials Safety Administration (PHMSA) has opened its National Center of Excellence for LNG Safety, at McNeese State University.

"The second Trump Administration has the unique opportunity to realise a project started under President Trump's first administration. It proves this President has been working to secure America's energy dominance since his very first day in office," said US Transportation Secretary Sean Duffy.

"Louisiana serves as America's major LNG export hub making it the perfect location for PHMSA's new Center of Excellence. We will continue our mission of ensuring American energy is delivered safely and efficiently to American homes and worldwide," he said.

"This is not just a building. It is a resource for expertise in the operations, management, and regulatory oversight of LNG facilities," said PHMSA Administrator, Paul Roberti. "We are here to champion the highest standards of excellence and ensure our energy infrastructure remains the safest in the world."

The Center serves as a hub for LNG research and innovation, regulatory co-ordination, development of operational best practices, and stakeholder education.

The new 5,400 sq ft office space will foster collaboration between the US Coast Guard, the US Department of Energy, and the Federal Energy Regulatory Commission (FERC).

Ichthys workers vote for strike action

Workers at Inpex's Australian Ichthys LNG facility have voted in favour of strike action over pay and conditions, according to union group Offshore Alliance.

This decision could exacerbate an already tight global energy supply.

Over 98% of workers who voted were in favour of strike action, a union spokesperson said in a statement.

Offshore Alliance members have endorsed various forms of industrial action, including work stoppages ranging from 30 mins to 24 hrs.

Workers at the facility are able to commence strike action from 7th May, although the union said it had agreed to hold off on any action until 15th May while the two sides engage in six days of talks.

A strike at the 9.3 mill tonnes per year facility near Darwin is being closely watched by Japanese power and gas utilities that purchase LNG from it, local media reported.

Australia is Japan's largest LNG supplier, and the country is already facing a possible supply crunch, due to the Iran war and rising air-conditioning demand as Japan heads into the summer months.

Inpex remains focused on maintaining safe operations at Ichthys LNG, reaching a fair and equitable agreement with employees – and importantly, ensuring reliable energy supply to our key trading partners in the Indo/Pacific region amid disruption to global energy markets, according to a company statement.

Oil India discovers oil, gas in Libya

State-owned Oil India has discovered oil and gas in Libya, according to an Indian stock exchange filing.

The discovery was made in Area 95/96 block, located in the Ghadames Basin in the southwestern region of the country. The area is considered highly prospective for hydrocarbons.

Oil India holds a 25% stake in the block, which covers an area of around 6,630 sq km, as part of an Indian consortium that also includes the Indian Oil Corp (IOCL).

Oil India said the find could enhance the value of its overseas assets and potentially open new revenue streams in the future, while further strengthening its global exploration footprint. ■

Origin's LNG revenue drops

Australian oil and gas developer, Origin Energy reported lower first quarter LNG production, compared to the previous quarter, at 164.5 petajoules.

LNG revenue was down $247 mill, to $1.86 bill, compared to the prior quarter. This reflected lower realised LNG prices, with Origin citing the appreciation in the Australian dollar compared to the US dollar, as well as lower sales volumes.

Origin also provided an update on Octopus Energy Group, in which it has a 23% stake. It noted that its 2026 financial year earnings before interest, tax, depreciation and amortisation is now expected to be between minus $70 mill and plus $30 mill, compared to previous guidance of $0 to $150 mill.

This was due to changes in the Energy Company Obligation scheme, adverse UK weather and higher gas capacity charges.

Origin CEO, Frank Calabria said in a statement that global commodity markets have experienced "significant volatility" over the March quarter with "the conflict in the Middle East affecting oil and LNG supply".

"Changes in oil prices have a lagged effect on Australia/Pacific LNG's long term export contracts, and we do not expect this to flow through to results until FY27," he said.

"In Australia, our domestic electricity and gas markets have remained well supplied and largely insulated from these global price moments, which is good for households and businesses.

"The duration and trajectory of the conflict will ultimately determine the longer-term impact on energy markets," he said.

He claimed that Origin had "performed well" over March at an operational level.

"In energy markets, Origin continued to grow its share of Australia's data centre market, and we're well positioned to support the further growth in demand from this sector through grid connections, long-term renewable contracts, and on-site solar and batteries," he said. ■

Shell's move on ARC Resources to boost LNG Canada's expansion plans

UK energy giant Shell's move to buy one of Canada's largest natural gas producers increases the likelihood that the LNG Canada plant expansion will move ahead, industry sources told newswires.

Shell has announced it is to buy Calgary-based ARC Resources in a deal valued at $22 bill, accounting for the Canadian company's debt.

The energy major will gain access to ARC's holdings in the prolific Montney shale formation that last year produced 374,000 barrels of oil equivalent per day, which would result in a steady supply to feed into the LNG Canada plant at Kitimat (BC), where gas piped from northern British Columbia and Alberta is liquefied and, loaded in LNGCs to be transported to high-demand Asian markets.

"It's a good signal for the second phase of that LNG project that the government is looking to speed-track," said Tom Pavic, president of Sayer Energy Advisers in Calgary, talking with Reuters and calling the Montney a "world-class" resource with attractive economics, according to the Canadian press.

Shell owns 40% of LNG Canada alongside Japanese, Malaysian, Chinese and South Korean partners. The first phase of the project – the first of its kind in Canada – started up last summer. The consortium is considering doubling its capacity by building a second phase, but a final investment decision (FID) has not been taken thus far.

LNG Canada Phase 2 has been referred to the Canadian federal major projects office, which was set up last year to fast track approvals for projects deemed in Canada's national interest. Phase 2 would make LNG Canada the world's largest facility of its kind, bringing in $33 bill in private-sector capital to Canada.

Canadian Prime Minister, Mark Carney called Shell's move for ARC a "vote of confidence in Canada". ■

EDF delays Edison stake sale decision

French utility EDF has postponed a decision to sell part of its Italian subsidiary Edison, due to the Middle East conflict disrupting Qatar LNG supplies imported into Italy, sources have told Reuters.

EDF has been working with advisers since October to assess options on Edison, including the sale of a minority stake to a financial partner and an initial public offering, as France looks to raise funds for greater investment in nuclear reactors.

At a meeting in Paris earlier this week, EDF representatives and advisers agreed to monitor the situation for some weeks before deciding the next steps in light of the uncertainty linked to the Iran war, three sources told the newswire.

One of the sources said that the parties will reconvene at the end of May to reassess the situation.

"At this stage, we are still assessing all the options available, in light notably of the various recent developments, and are closely monitoring the market conditions," an EDF spokesperson said. Edison did not immediately respond to a request for comment.

Edison could be worth between €7 and €10 bill euros, sources had previously told Reuters.

Earlier this year, EDF decided to press ahead with talks, despite the regulatory uncertainty brought about by Italy's new energy-sector decree aimed at cutting energy bills, Reuters reported at the time.

The Italian utility has replaced nearly all the LNG cargoes cancelled by QatarEnergy between April and mid-June but the Gulf supplier may extend its *force majeure* on gas supplies beyond mid-June, Edison said earlier this month.

Intesa Sanpaolo and Lazard are acting as financial advisers to study the options for Edison, Reuters had previously reported. ■