



India's LNG imports rise despite clean energy build-out

On the surface, India's LNG-burn for power generation is bound to decline as the clean energy build-out progresses. However, LNG imports rise regardless – exemplified by Bharat Petroleum Corp's (BPCL) latest term LNG tender that closed on January 14.

BPCL tendered four to eight LNG cargoes per year for a 10-year tenure starting from 2026. As India's second-largest state fuel retailer, the company holds stakes in the 5 mtpa Kochi re-gasification terminal in the southern state of Kerala. The company is seeking to buy more LNG after the Indian government raised the target for gas-burn in the country's power generation mix from 6% to 15% by 2030.

For 2026 and the two subsequent calendar years, the tender stipulates a 50:50 pricing linked to JKM and Dated Brent 301, the average of Dated Brent over the previous three months. According to the tender document, seen by Platts, the tender includes a price floor for JKM at \$6 per MMBtu and a price ceiling at \$14 per MMBtu



Petronet's Kochi LNG terminal

for the 2026 to 2028 period. Further out, between 2029 and 2025, the tender formula has a 75% weightage to a crude oil-linked slope combined with a 25% weightage to a Henry Hub-linked pricing formula.

The latest BPCL tender is in line with previous tenders by fellow state buyers such as GAIL India and Indian Oil Corp, which have

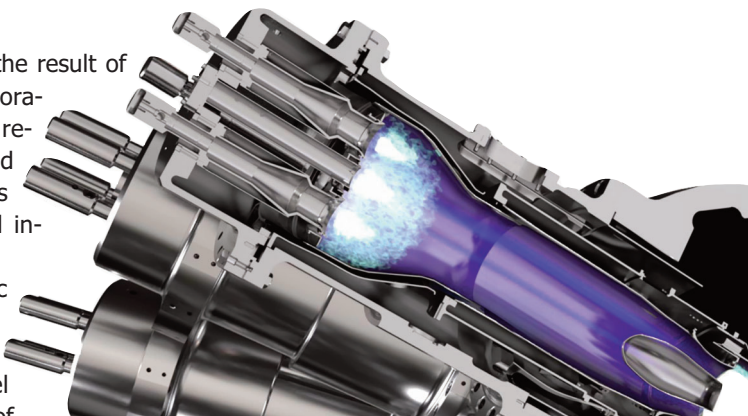
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Ansaldo-led FLEX4H2 gets European award

FLEX4H2, a research project coordinated by Ansaldo Energia, has received the "Best Success Story" European award after tests confirmed that sequential combustion can handle any blend of natural gas and hydrogen, including pure hydrogen.

The project's success is the result of years of intense collaboration between industry, research centers, and universities. Latest test results mark a concrete step toward industrial hydrogen combustion.

Fuel flexibility is a strategic priority for Ansaldo Energia. The ability to operate turbines with a wide range of fuel blends, including high shares of hydrogen up to 70%, with the goal of reaching 100% by 2030, is a key element of the company's strategy to decarbonize power generation while ensuring grid stability and reliability.



Sequential combustion scheme at Ansaldo turbine

FLEX4H2 technology is based on Ansaldo Energia's Constant Pressure Sequential Combustion (CPSC) system. Sequential combustion is a two-stage pro-

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sought flexible, medium- to long-term LNG supply deals to hedge against global spot price swings.

Indian LNG buyers increasingly seek volume and scheduling flexibility. This includes provisions allowing the buyer to cancel cargoes under specified conditions – an increasingly common feature in Indian LNG tenders as buyers seek to brace against the risks of demand uncertainty as the renew-

able energy build-out accelerates.

Non-fossil capacity is on course to reach 270 GW lead by solar power whose installed capacity grew 38.8% to 135.8 GW by the end of 2025. Non-fossil power generation have crossed the 50% milestone of total installed capacity, reaching nearly 260 Gigawatt (GW).

Still, LNG remains a vital fuel for flexible peak-shaving power plants in regions

where renewable and energy storage is still maturing. India's LNG imports reached about 28 million tons in 2025, up from nearly 27 million tons in the previous year. Buyers signed long-term LNG offtake agreements with QatarEnergies and several US producers, with latest contract including Petronat's contract expansion for 7.5 million tons of Qatari LNG annually through 2048. ■

Data Centers add \$6.5 billion to US grid's electricity

US data centers – many exceeding 100 MW in capacity – are adding an estimated \$6.5 billion to the annual cost of operating the U.S. power grid, according to new regulatory filings. The electricity hunger of data centers has risen to 4% of total US electricity consumption, up from 2.5% five years ago.

Grid operators – especially PJM Interconnection and the Electric Reliability Council of Texas (ERCOT) – are hard pressed to cater to the rapidly growing electricity demand from data centers.

PJM's latest 2026 outlook projects that data center load could triple by 2030 if current development trends persist, given that the fast-growing AI industry accounts for 49% of the total \$47.2 billion costs across three consecutive PJM auctions since the middle of 2024.

Grid balance in jeopardy

Rapid load additions near Dallas, Northern Virginia, and Ohio are distorting the balance on the grid. In a December auction, held by PJM Interconnection, data centers tied to the biggest US grid just added another \$6.5 billion to the cost of procuring power supplies, the independent watchdog Monitoring

Analytics said in a report.

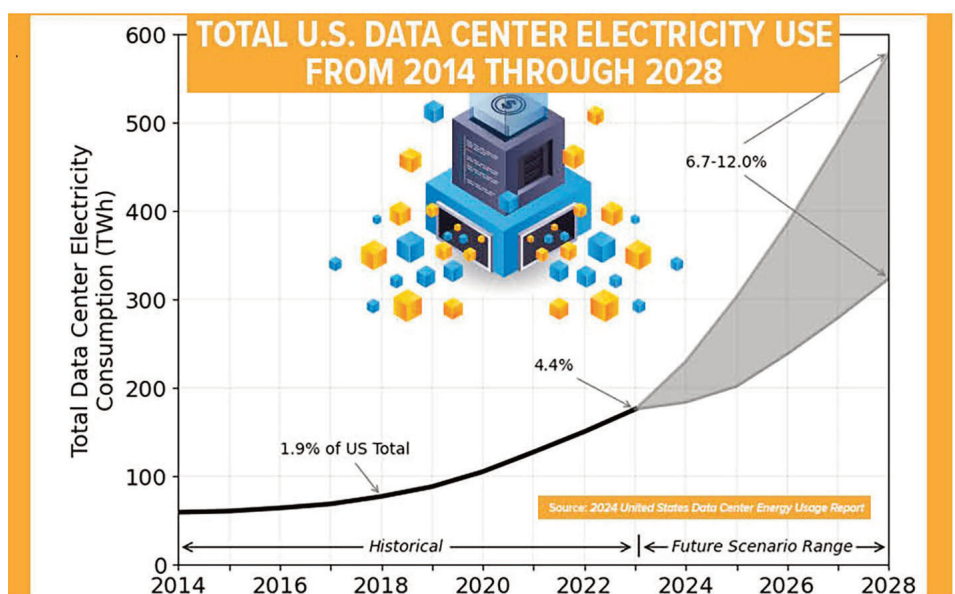
Eager to minimise blackout risks, US states such as Virginia, Georgia, and Texas are reviewing permitting rules and interconnection timelines as new AI data center projects queue for grid-connection. Analysts warn that without coordinated planning, rapid data center build-out could undermine regional grid reliability.

Trend towards renewable PPAs

The US Federal Energy Regulatory Commis-

sion (FERC) is increasingly wary about the market-distorting impact of rampant AI-driven load growth on the grid. The regulator is trying to establish mechanisms that balance digital infrastructure growth with the government's clean energy goals.

Developers are incentivised to enter renewable power purchase agreements (PPA), but most large-scale data centers require 24/7 electricity supply and hence favour nuclear baseload power or dispatchable fossil power. ■



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cess in which fuel is burned in two distinct steps, allowing for independent control of each stage. This approach enhances fuel flexibility, improves operational stability, and enables lower emissions, especially when using hydrogen-rich blends.

"Hydrogen deployment in gas turbines will be a key enabler for clean electricity

production and future grid stability. This achievement reflects the strength of a committed team that brings together scientific, technical, and industrial expertise," Andrea Ciani, Project Coordinator at Ansaldo Energia, said during the award ceremony at the Hydrogen Research and Innovation Days 2025. ■

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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 1
Margarita Tokere
Tel: +33 (0)7 67 62 58 77
margarita@gastopowerjournal.com

Layout & Production
Vivian Chee
vivian@lngjournal.com

Egypt seals \$1.8bn deals for renewables to curb LNG demand

The Egyptian government has signed contracts worth more than \$1.8 billion with Norway's Scatec and China's Sungrow for renewable energy project in a bid to expand clean power generation and reduce LNG imports.

The agreements include a 1.7 GW solar photovoltaic (PV) project with 4 GWh of battery storage to be developed by Scatec across the governorates of Minya, Qena, and Alexandria, as well as a battery manufacturing plant by Sungrow in the Suez Canal Economic Zone. Backed by usufruct land rights, the projects will be implemented in coordination with the Egyptian Ministry of Electricity.

The initiative aims to provide decentralised electricity supplies to industrial zones such as Wadi El-Saririya in Minya, helping to offset demand from gas-fired power plants which currently dominate Egypt's generation mix.

The move follows a noticeable decline in Egypt's domestic gas production since 2023. Current domestic production of around 4.2 billion cubic feet per day (bcf/d) meets roughly 65% of domestic demands – leading to frequent fuel shortages and load-shedding.

Though the Petroleum Ministry stated it expects incremental capacity additions of 65 million cubic feet per day (mmcf/d) from

new gas fields in the Gulf of Suez and Western Desert this month, renewable power generation remains critical to easing domestic gas demand, potentially freeing up more volumes for export.

FSRU Damietta

Since the arrival of its first LNG cargo marks at EGAS's new floating storage and regasification unit (FSRU) in Damietta in October, the facility has helped alleviate fuel shortages in Egypt's power sector. Gas-burn currently covers over 60% of Egypt's electricity needs, and imports via the 'Energos Winter' FSRU will be crucial for meeting peak power demand through 2026.

State-owned Egyptian Natural Gas Holding Company (EGAS) chartered the 'Energos Winter' from New Fortress Energy at an estimated cost of \$3 million

per month for five years, adding up to 1 bcf/d of LNG import capacity. Combined with the existing 'Ain Sokhna' FSRU, both regas vessels can process up to 2.25 bcf/d of natural gas.

Though the additional regas capacity improves security of supply, it also places greater strain on Egypt's national budget. Analysts estimate the LNG imports could cost the state more than \$8 billion through 2026. ■



Solar panel build-out accelerates across Egypt

Flexible gensets play critical role in UK power system

Fast-responding flexible generation is indispensable in balancing the UK power grid as new nuclear capacity is delayed, analysis by Terra Firma Energy finds. Gas power and batteries are uniquely positioned to balance the grid as renewable build-out accelerates.

Terra builds, owns and operates flexible power generation across the UK with a combined 116 MW from three operational sites.

The London-listed company is investing in efficient flexible generation assets that support Capacity Market obligations, Balancing Mechanism participation, and wider grid services. Terra executive said the company is also "actively evaluating opportunities across battery storage and future fuel readiness."

As the UK government advances its 2030 Clean Power ambitions, Terra believes combining renewables, storage, and flexible generation, is essential to deliver an affordable,

and resilient electricity system for British households and businesses.

Recent large-scale investments in flexible generation and grid-scale battery storage demonstrate the complementary nature of these technologies. Gas gensets and batteries combined help National Grid to manage the rising volatility in supply and demand, reduce system costs, and maintain frequency and voltage stability. ■



NEWS NUDGES

Sinopec prepares merger with CNAF

Sinopec, one of China's largest LNG importers, and China National Aviation Fuel Group (CNAF) have embarked on a restructuring process to prepare a merger. The plan has been approved by the Chinese State Council and would marginally support Chinese LNG demand through higher jet fuel and SAF-linked gas use, while strengthening state control on long-term LNG contracting.

German solar generation booms

Record levels of solar power generation in Germany – and falling industrial production – have helped reduce CO2 emission by 1.5%, or 9 million tons in 2025, compared to the previous year. However, emissions from transport and buildings increased, amid tepid progress in the transition to electric vehicles and heat pumps.



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Kiewit selected as EPC partner for Monroe County CCGT

Georgia's largest energy producer Oglethorpe Power has selected Kiewit, through its subsidiary TIC, as the Engineering, Procurement and Construction (EPC) partner for its new 1,425 MW combined-cycle natural gas power plant in Monroe County.

Owned by and serving 38 cooperatives across Georgia, Oglethorpe Power is developing the CCGT to support long-term, system-wide load growth for homes, businesses and existing industries – not to serve any single customer or standalone project.

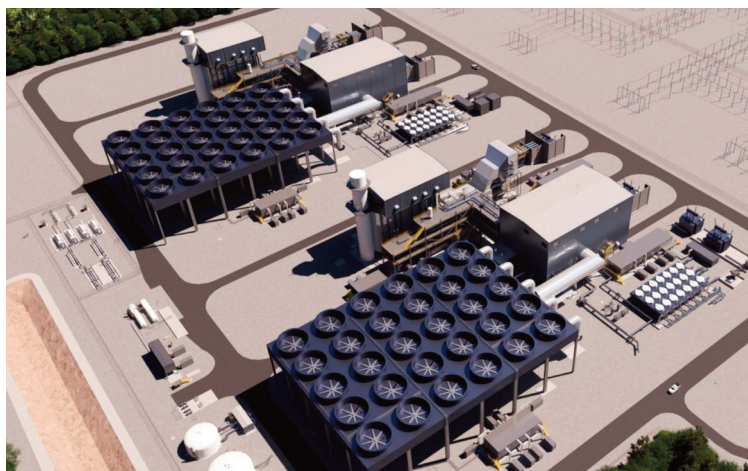
The TIC team is expected to mobilize in spring 2026, with commercial operation of the new facility anticipated in 2029.

The Monroe County CCGT will be powered by a 7HA.03 gas turbine, built by GE Vernova. The engineering and construction team at TIC and its affiliates bring extensive experience with this technology, having delivered more than 82,000 MW of gas-fired capacity over the past decade, including 35 combined-cycle projects, 25 of which feature advanced-class turbines.

Building on Oglethorpe Power's long-standing presence in Monroe County,

including operation of the existing Smarr Energy Facility and co-ownership of coal-fired Plant Scherer, the new CCGT project represents a shift to cleaner-burning power generation.

As one of the county's largest taxpayers, the gas-fired power plant is also expected to generate substantial property and sales tax revenues. Oglethorpe Power said it has begun hiring for 30 permanent positions in operations, maintenance and administration at the new plant. ■



Smarr (pictured) has a similar design as the projected Monroe County CCGT

B&W orders Siemens turbine to power Data Center by 2028

Babcock & Wilcox (B&W) has selected a steam turbine from Siemens Energy to deliver 1 GW of power for an applied digital AI factory. Limited notice to proceed has been given for a turbine delivery in time to power up the project before the end of 2028.

“Leveraging Siemens Energy's advanced turbine technology alongside B&W's proven boiler systems positions us to meet critical schedule milestones and deliver reliable power by the end of 2028,” said Kenneth Young, B&W Chairman and CEO.

B&W already signed limited notice with Applied Digital for the project to design and install four 300 MW gas-fired power plants, consisting of boilers and steam turbines. A parts and services contract will be signed once the facility enters full operations.



B&W team at the contract signing ceremony

Proven configuration

To fast-track the project, the power plants are designed with a proven configuration: a gas-fired boiler supplies heat and thus steam to drive the steam turbines and generate energy in a dispatchable and reliable manner.

“By pairing our steam turbine systems with B&W's established boiler technology, we can deliver a straightforward, cohesive setup for large scale power,” said Tobias Panse, Siemens Energy's senior Vice President, Steam Turbine and Generators. This configuration, in his view, is well-suited to the continuous demand profile of modern AI facilities.

Wes Cummins, Chairman and CEO of Applied Digital, applauded the agreement: “Teaming with Babcock & Wilcox and Siemens Energy – both global market leaders with many decades of experience – ensures we have the proven technologies and trusted expertise needed to meet our aggressive timelines,” he said. ■

Caterpillar, Vertiv team up on packaging power systems

US engine maker Caterpillar and IT infrastructure provider Vertiv have agreed to jointly offer packaged power and cooling systems aimed at shortening deployment times of large data centers. Target customers are AI data center developers that face delays tied to grid constraints, long equipment lead times, and rising power densities.

The collaboration comes as one of Caterpillar's largest associated projects gains momentum: the 4 GW data center campus in Millard County, Utah, led by Joule Capital Partners and supported by CAT dealer Wheeler Machinery.

Under a broader agreement, Caterpillar and its Solar Turbines subsidiary will supply gas turbines and reciprocating engines for on-site generation and combined cooling, heat and power generation. Vertiv will integrate those systems with its power distribution and liquid-cooling equipment in predesigned modular blocks.

The Utah data center will be powered by a large fleet of Caterpillar G3520K generator sets supported by 1.1 GWh of battery storage. The long-term buildout is designed to provide 4 GW of capacity — enough electricity to supply several dozen hyperscale data halls. The systems' liquid-cooling architecture is tailored for thermally intensive AI workloads. ■

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