



Morocco gets closer to creating \$1 billion LNG-to-Power hub

The North African state of Morocco is advancing plans for an LNG import terminal and integrated 1.2 GW gas-fired power plant at the Nador West Med Port. The government's gas roadmap envisages two combined-cycle plants of 1.2 GW capacity each.

The Nador CCGT will account for half of this planned capacity and is designed to as a baseload power source. The 1.2 GW power unit will be supplied via a dedicated gas pipeline from the Nador West Med terminal into the Maghreb-Europe Gas Pipeline.



View of Nador West Med Port

Tender for scalable FSRU

At the heart of the hub is a planned floating storage and regasification unit (FSRU) at Nador West Med, initially sized at around 0.5 bcm/year.

The FSRU, now currently tender by the Ministry of Energy Transition and Sustainable Development, is expected to start operations in late 2026 or early 2027.

Moroccan authorities underlined the FSRU should be designed

as a scalable facility – in line with policy ambitions to triple the country's gas-fired generation from today's levels as coal-fired power is gradually phased down.

Analysts expect investment in Morocco's LNG-related infrastructure may total up to \$1.5 billion, factoring in costs for the FSRU and new high-pressure pipelines linking Nador to the Maghreb-Europe Gas Pipeline and the proposed coastal LNG hub of Mohammedia.

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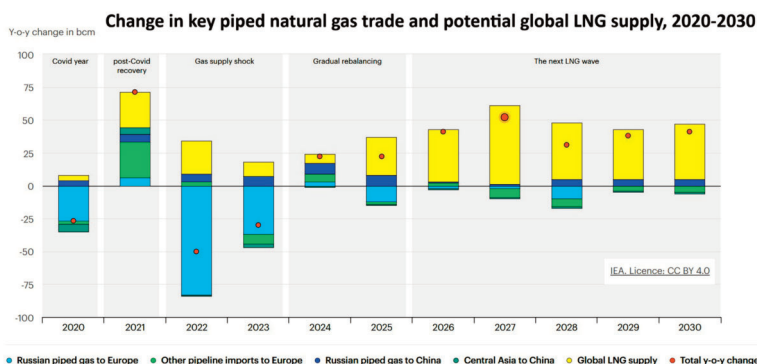
Overcapacity weighs on prices of oil, LNG, clean energy technologies

Prices for fossil fuels and clean energy technologies are falling as overcapacity builds. "Oil prices have already come under pressure (...) and the same will soon be true in natural gas markets, as the wave of new LNG export projects start operations," said Fatih Birol, executive director of the International Energy Agency (IEA).

At the same time, ample manufacturing capacity for batteries, solar panels and other technologies is expected to lower energy costs.

"These trends can benefit fuel and technology importers, but they should not get too comfortable," Birol said in a market commentary. "This period of plenty and potentially lower prices could" – in his view – "lead to reduced

investments in energy, with severe implications for subsequent years."



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The government's pivot to LNG comes amid a substantial reduction of Algerian pipeline gas supply, which crippled local industry and makes policymakers in Rabat eager to find ways of meeting Morocco's an-

anticipated gas demand of up to 12 bcm/year by 2030 – up from 1.2 bcm today.

Shell has been approached to supply 0.5 bcm/year of LNG over a 12-year period, but no deal has been reached yet. Critics warn

that a swift build-out of LNG-fuelled power could leave Algeria over-exposed to volatile gas prices – especially if the government's renewable targets lag while the coal exit progresses. ■

Construction starts on green H2 plant at Hamburg coal site

Construction has begun on a 100 MW electrolyser project at the site of a decommissioned coal-fired power plant in Hamburg Moorsburg. Siemens Energy has been selected to supply and install the 100 MW electrolyser, with the plant scheduled for completion in 2027.

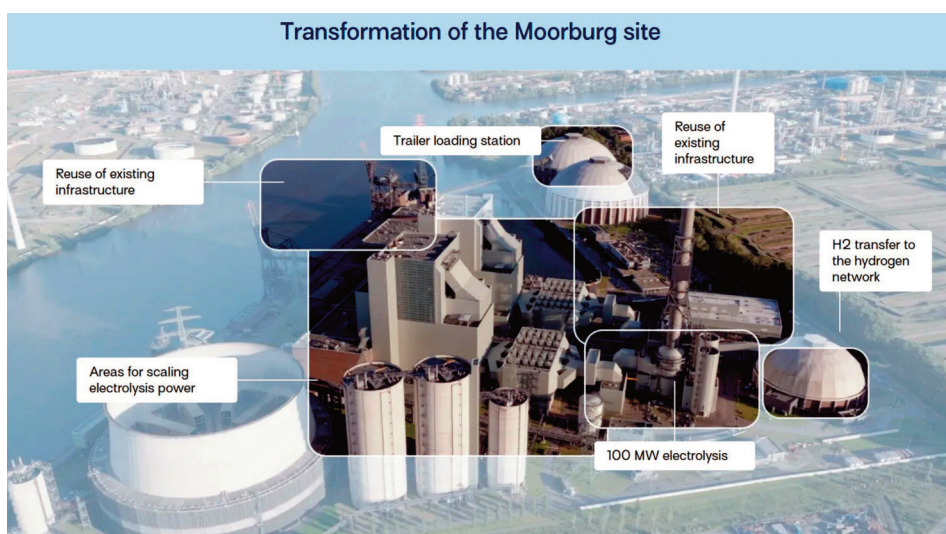
The Hamburg Green Hydrogen Hub (HGHH) consortium, consisting of the sustainable asset managing firm Luxcara and Hamburger Energiewerke, has also awarded a 10-year maintenance agreement to Siemens Energy – on top of the equipment order. Contract value has not been disclosed.

Analysts estimate total investment in the Hamburg Green Hydrogen Hub amounts to €300 million. The project is backed by European and federal funding programs as well as state-level support.

The plant is designed to produce around 10,000 tonnes of green hydrogen annually using electricity generated from northern Germany's wind farms. This renewable hydrogen will serve the local chemical and steel industries which will burn the green H2 to produce carbon-neutral energy.

Green H2 to replace gas as fuel for local industry

The site of the disused Moorsburg power plant had been bought by Hamburger Energiewerke from Vattenfall in 2023 – paving the way for converting the site. At full ca-



capacity, the plant's green H2 output could replace roughly 40 million cubic meters of natural gas each year, equivalent to avoiding more than 100,000 tonnes of CO₂ emissions

"With wind energy in the north, connection to the hydrogen network and innovative industrial companies, Hamburg offers ideal conditions for ramping up the hydrogen economy," said Hamburg's Mayor Peter Tschentscher (SPD) at the ground-breaking ceremony.

Despite progress at the Hamburg green H2 hub, German federal auditors have

warned that the national hydrogen strategy remains behind schedule, citing insufficient demand, rising costs, and heavy reliance on subsidies. Auditors have urged Berlin to reassess targets.

"Under current conditions, the 10 GW-target set out in the National Hydrogen Strategy is likely to be missed," Ann-Kathrin Klaas, hydrogen expert at EWI, told the German business daily Handelsblatt. As a result, up to 70% of the targeted production envisaged by the previous German government will need to be covered by imports. ■

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The centre of gravity in global energy markets is shifting to India and Southeast Asia, joined by some Middle East countries which are taking up the baton from China. The Peoples' Republic accounted for more than half of global demand growth for oil, gas and electricity since 2010.

"No other country on its own will come close to replicating China's extraordinary energy trajectory of recent decades," Birol stressed, singling out the weight of Beijing's energy policies on global trade flows of oil, thermal coal, and LNG.

In emerging Asia and the Middle East, oil and gas are expected to remain the most widely used energy sources for many years to come – although the use of electricity is growing twice as fast as overall energy demand.

Electricity, in fact, is seen as the key energy input to the most dynamic parts of the global economy – such as AI, data centres and high-tech manufacturing.

"Already today, more than half of the investment going into the global energy sector each year is going to electricity," the IEA head concluded. ■

Delayed CCGT build-out pushes back German coal exit date

Delays of Germany's plans to build 12 GW of "controllable capacity," consisting mainly of combined-cycle gas turbine (CCGT) plants, are lagging behind which undermines 2030 date of an orderly coal exits. In North Rhine-Westphalia (NRW), the German lignite heartland, the coal exit hinges on the availability of CCGT plants – ideally hydrogen-ready ones.

Economy minister Katherina Reiche had said in November that first tenders for the plants could start in March, but sources close to the ministry told the German daily paper 'Tagesspiegel' they are unlikely to begin before summer 2026.

Lengthy legal permitting processes and uncertainty about the design of a future capacity market are the main reasons for the delays. As of now, it looks like that the first auctions are unlikely to start before autumn this year.

Backup plants delayed

The German coal exit law has set 2038 as the deadline by when the country's last coal power plant needs to close – but NRW policymakers wanted to jump the gun and decided in 2022 to complete the phase-out as early as 2030. To enact this unilateral agreement, however, backup gas power plants should already be under construction today.

The federal government is now aiming to complete the new power plants by 2031 at the latest through tenders for a total of 12 gigawatts – after the European Commission late last week gave the green-light for state aid.

Lignite as fall-back position

The delay in financing, permitting and construction of gas-fuelled power plants make it increasingly likely that the government will have to use a 'fall-back option' – arranged in the deal with RWE: the Essen-

based utility operates a range of coal power plants and opencast lignite mines in the Rhein and Ruhr region.

This option would allow RWE to transfer its lignite-fired power plants – with 3.6 GW capacity combined – to a so-called emergency reserve. The agreement means "RWE's coal-fired power generation business will [officially] end on 31 March 2030", and it will be up to the government at the time whether to transfer the plants into the reserve.

By summer 2026 at the latest, the German economy ministry must decide whether the reserve option in North Rhine-Westphalia will take effect on 1 April 2030. RWE appreciate such a decision as it prolongs earnings from its coal power assets.

A report by the ministry on potential the consequences of the coal phase-out on grid stability is due to be published this summer. The Green Party has warned that prolonging the runtime of coal power plants by keeping them in reserve "not only damages the climate, but is also very expensive." ■



Germany, EU agree on state aid for new gas power plants

The European Commission and Germany have reached a preliminary agreement for federal support, or state aid, for new gas-fired power plants. Under the deal, Germany will initiate state-supported tenders in 2026 for 12 GW of "controllable capacity."

10 GW of this volume must be able to operate continuously, likely through gas-fired plants, and will be commissioned by 2031. Further tenders will follow in 2027 and again in 2029–2030 for additional capacity — new or existing — that must also be online by 2031.

All new plants must be "hydrogen-ready" and capable of full decarbonisation by 2045, which could include carbon capture and storage (CCS).

The German government also plans to incentivise fuel switching by covering the cost gap between hydrogen and fossil gas. Related tenders are scheduled to start in 2027 to support 2 GW of hydrogen-based generation by 2040 and another 2 GW by 2043.

"With short-term tenders for 12 gigawatts of new controllable capacity, we are laying the foundation for secure electricity supply and future industrial competitiveness," German economy minister Katherina Reiche said.

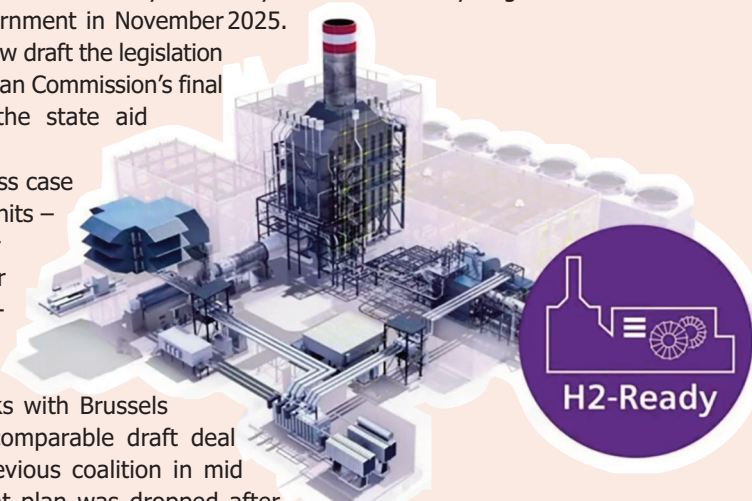
The preliminary deal slightly adjusts the framework unveiled by Germany's coalition government in November 2025. Berlin must now draft the legislation for the European Commission's final approval of the state aid scheme.

The business case for new gas units – dispatched for peaking power or grid balancing – depends on state aid.

Similar talks with Brussels produced a comparable draft deal under the previous coalition in mid 2024, but that plan was dropped after the government collapsed. The current

administration revived negotiations but scaled back its earlier goal of 20 GW of new capacity.

Moreover, the current government has yet to publish a long-overdue report assessing the security and climate implications of the coal exit, with a statutory review due by August 2026. ■



Render of H2-ready gas power plant



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Ansaldo converts Swiss test facility into 250 MW reserve

Ansaldo Energia's Birr test facility will deliver 250 MW of strategic reserve capacity to improve Switzerland's electricity security from February 2027. Powered by a GT26 gas turbine, the facility will run as a reserve power unit during critical winter periods.

Switzerland's Federal Office of Energy has prioritized capacity reserves of several hundred megawatts through 2027.

The Birr facility, located in the canton of Aargau, unit will remain on standby and be activated only under critical supply conditions to stabilize the grid and prevent power shortages.

The conversion will expand the facility role: Traditionally used for testing and validating advanced turbine technologies, the

site will now combine research activity with operational readiness.

"Enabling the Birr test facility to provide reserve power capacity is a concrete response to Switzerland's energy security needs," said Reto Furrer, Ansaldo Energia's VP Thermal Service.

"Leveraging our expertise and GT26 technology, we are offering an immediate and dependable solution to ensure continuity until new reserve plants come online," he explained, calling the plant "a tangible ex-



Ansaldo's Birr test facility is being converted

ample" of the company's commitment to sustainable and secure energy solutions. ■

Amazon's Didcot site purchase part of £8bn cloud computing

Amazon's UK investment, including the purchase of the Didcot power plant site, are part of an £8 billion cloud computing expansion plan. The redevelopment of the former Didcot A power station site into a major Amazon Web Services (AWS) data centre is expected to substantially increase regional electricity demand.

The transformation of the Didcot A site into an AWS data center will help transform the region's economy – effectively converting coal-era infrastructure into high-performance computing



Render of Amazon's data center at Didcot A site

hubs – boosting electricity demand.

National Grid's ongoing upgrade of the nearby Didcot substation – including new 400 kV and 132 kV capacity and connections for up to 650 MW of battery storage – underscores preparations for rising digital loads in Oxfordshire.

Electricity demand across Britain is set to double by 2050, with data centres' share of total demand potentially tripling from about 3 % in 2025 to 9 % by 2035, National Grid data shows. This highlights the scale of power needs that projects like Didcot

will contribute to rising pressures on grid operators.

Analysts warn data centres' rampant electricity demand will exert upward pressure on wholesale electricity prices and regional capacity constraints – particularly where grid upgrades lag behind connection requests from hyperscale operators.

Data centre growth is feared to drive up business energy costs as large, as AI's continuous baseload power demand competes with other demand from industrial and residential users. ■

PA blocks xAI's shortcut for powering Memphis Data Center

The U.S. Environmental Protection Agency (EPA) has blocked plans of Elon Musk's xAI to power a data center in Memphis without standard air quality permits by tightening provisions under the Clean Air Act on temporary, trailer-mounted gas turbines.

Temporary turbines are frequently used to bring fast on-site power to critical infrastructures like data centres, hospitals or schools. Under the revised interpretation, such trailer mounted turbines – previously treated as mobile units exempt from permitting – will now be classified as stationary sources and will be subject to full air permit requirements.

Colossus build-out delayed

xAI's Memphis complex – known as Colossus – opened in 2024. To power initial operations, the company deployed gas fired turbines mounted on trailers, which local authorities had classified as non road engines. That designation allowed xAI to skip



xAI-supercomputer-in-Memphis

environmental review procedures that typically required for stationary generators.

The EPA's new tightened Clean Air Act provisions could delay, if not derail any further build-out of Colossus – throwing a spanner into Musk's plan to dominate the data centre market in Memphis, Tennessee.

Time is of the essence, given that xAI recently raised \$20 billion from investors including Nvidia and Cisco to fund xAI's planned expansion across the wider Memphis area. ■

Qatari IWPP to run on Mitsubishi turbine

Mitsubishi Power has landed an order to deliver M701JAC gas turbines for Qatar's Facility E Independent Water and Power Project (IWPP). The contract was handed to Mitsubishi in cooperation with Samsung C&T by Ras Abu Fontas Power Company and Qatar's leading electricity & water utility KAHRAMAA.

Located in the Ras Abu Fontas area, 25 kilometres south of Doha, Facility E IWPP will serve as a critical infrastructure asset for Qatar. The plant will contribute a combined 2.4 GW of electricity, representing around 20% of Qatar's national grid capacity, and will provide 495,000 tons per day of desalinated water.

Operational start-up of Facility E is scheduled for mid-2028. ■

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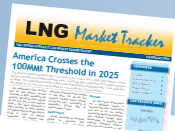
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