



Weekly News

27 February 2026

Egypt slashes LNG imports amid lower gas-burn

Egypt's Petroleum Ministry has agreed with LNG suppliers to reduce imports by over 37%, exercising contractual downward quantity tolerances, in response to lower gas-burn in the power sector and rising local gas production.

The ministry had anticipated gas consumption to average 6.4 billion cubic feet per day (bcf/d) in February, but actual demand has slipped to between 6 and 6.2 bcf/d as several new wells started producing.

Keen to reduce costly LNG imports, the ministry reduced shipments to five cargoes, down from eight in January. Each cargo carries around 150,000 cubic metres of LNG, all bound for the floating storage and regasification units (FSRUs) at Ain Sokhna before injection into the Egyptian national gas network.

One LNG cargo as 'backup reserve'

Reduced LNG imports bring February's total below the previous



FSRU at Egypt's Ain Sokhna port

month's seven shipments but above February 2025 levels, when Egypt imported four cargoes, a ministerial source told the local newspaper Al Manassa.

One additional LNG cargo has been reserved by the ministry as a "backup reserve" in case of higher market demand. The five

continued on page 2

NRG excels 2025 guidance, doubles generation capacity

Houston-based NRG Energy has reported stellar full-year 2025 results, exceeding its financial guidance with cash from operations at \$1.9 billion and adjusted net income hit \$1.6 billion, fuelled by strong Texas margins.

CEO Larry Coben highlighted the "power demand supercycle," crediting expansions for enhanced customer resilience. NRG extended its 14%+ adjusted earnings per share (EPS) growth target through 2030, largely thanks to rising electricity sales to data center and hyperscalers.

Responding to fast-rising demand, NRG doubled its generation footprint to about 25 GW by acquiring 13 GW across 18 gas-fired- and dual-fuel power plants in



nine states, plus CPower's C&I demand response platform. The deal closed January 30.

continued on page 2

AGENDA

LEGAL

Thirteen US states take Trump admin to court over H2 hubs

2

MARKETS

Vietnam urged to enhance LNG-to-Power incentives

3

Indonesia looks to gas as coal exit efforts stall

3

TECHNOLOGY

Ansaldo to supply synchronous condenser for UK grid project

4

Rolls-Royce launches modular gas engine plant

4

CAPACITY ADDITIONS

US developers plan to add over 6 GW of gas power capacity

5

Pacifico gets 7.65 GW power gen permit for GW Ranch Project

5

Continued from page 1, top story

shipments are estimated to cost between \$200 million and \$250 million, the source said, compared with total gas import costs of about \$2.7 billion between October and January.

Quest to stabilize gas and power prices

By slashing LNG imports, Egypt seeks to ease pressure on Egypt's natural gas and electricity prices. Gas-burn for power generation accounts for the lion's share of the

country's domestic gas consumption and LNG is priced substantially higher than locally-produced or pipeline-imported gas.

Analysts pointed out a decline in Egypt's LNG purchases will lower fuel cost exposure for the electricity sector, limiting the need for further power tariff adjustments. LNG imports make up about 25% of domestic gas volumes used during the summer, with 60% sourced locally and 15% supplied via pipeline from Israel. Reducing LNG reliance could therefore strengthen the stability of

gas supply for Egypt's power stations ahead of the high-demand season.

Stepping up domestic production

Keen to enhance energy independence, the Egyptian Petroleum Minister Karim Badawi has met with executives from several international oil companies to review progress on drilling and field development.

Four foreign gas producers reportedly plan to drill five wells in Egyptian waters by the end of April. ■

13 US states take Trump administration to court over H2 hubs

California, Washington and 11 other US states have sued the Trump administration to force Department of Energy (DoE) to reinstate \$7.56 billion in cancelled clean energy grants.

At the center of the suit are two large renewable-powered hydrogen (H2) hubs which together had secured around \$2.2 billion in federal backing:

- California's ARCHES hydrogen hub, slated to receive roughly \$1.2 billion in DOE funding, was expected to leverage more than \$11 billion in total investment and support up to 200,000 jobs across transport, power and industrial applications.
- The Pacific Northwest Hydrogen Hub, spanning Washington and neighbouring states, faced similar losses and potential erosion of co funding and private capital commitments.

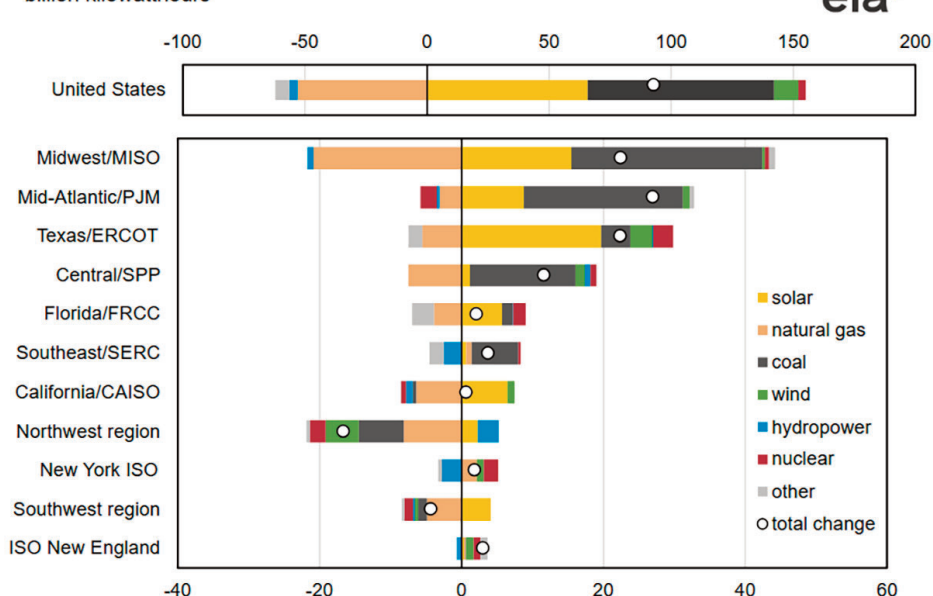
Filed in the U.S. District Court for the Northern District of California, the complaint targets a 2025 DOE memorandum that subjected already-awarded grants to a new "review" process and ultimately led to the termination of 223 awards. The claimants

want the court to strike down that memo as "unconstitutional and reinstate the terminated funding.

The outcome of the court case will be closely watched by hydrogen developers,

utilities and financial backers. The ruling of the U.S. District Court for Northern California will help determine whether large federal clean energy awards will remain bankable over a multi-year horizon. ■

Annual change in U.S. electricity generation by source, 2025 and 2024
billion kilowatthours



Data source: U.S. Energy Information Administration, *Hourly and Daily Balancing Authority Operations Report*

Gas to Power Journal

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@lngjournal.com

Subscriptions Renewals and
Customer Care
Gabi Weck
gabi@lngjournal.com

Layout & Production
Vivian Chee
vivian@lngjournal.com

Continued from page 1

In Texas, NRG secured \$1.15 billion in low-interest Texas Energy Fund loans for 1.5 GW across three projects, including the 443 MW Greens Bayou CCGT, with the first unit scheduled to come into operation in June.

Demand-side response is yet another growth area: NRW's Residential Virtual Power Plant (VPP) exceeded its raised 150

MW 2025 target and the Texan utility is now aiming to achieve 650 MW by 2030.

Speaking to investors, CEO Coban disclosed NRG plans \$1 billion in share repurchases and wants to pay some \$400 million in dividends for 2026. He singled out the company's strategic RG's pivot to dispatchable power and innovative solutions for a decarbonizing grid. ■

Vietnam urged to enhance LNG-to-Power incentives

Investors are seeking better incentives for integrated LNG and power projects in Vietnam as guaranteed electricity offtake levels are still too low to make projects break even. Developers said Power Purchase Agreements (PPAs) with 25 years tenures or a higher minimum offtake level, ideally 85–90%, would help secure predictable cash flows and attract international lenders.

These days, most LNG-to-power developments are struggling to reach FID as current incentives remain insufficient to make projects bankable. Only three plants are under construction, while 15 proposed projects are in limbo due to financing constraints.

Eager to accelerate the coal-to-gas transition, the government in Hanoi recently cut the LNG import tariff to 2% from 5% and set an annual ceiling price for LNG-based power generation. This ceiling price serves as a benchmark for power purchase agreement (PPA) negotiations with state utility Vietnam Electricity (EVN).

EVN is mandated to buy at least 65% of annual electricity output from LNG-fuelled plants for up to 10 years, with fuel costs passed through to electricity prices. However, developers argue that the 65% offtake guarantee is below the financial break-even threshold for LNG projects given high feedgas costs and complex debt structures.

Some investors are seeking PPAs with longer tenures or a higher minimum offtake level to make projects bankable. Of the

three projects progressing toward completion, the 1.6 GW Hai Phong power project, backed by Vingroup and affiliate VinEnergy, remains the largest and most advanced.

Market analysts at VIS Rating expect project activity to pick up starting 2027, noting typical construction periods of four to five years and government incentives requiring new LNG power plants to reach commercial operations before 2031.

First project commissioned in December 2025

A milestone was reached last December with the inauguration of Nhon Trach 3 & 4 — the country's first LNG-fuelled power plants — developed by PV Power. The US\$1.4 billion twin-unit complex, with a combined capacity of 1.6 GW, secured roughly US\$1.1 billion in financing without state guarantees.

Fuel will be supplied by PV Power's sister



firm PV Gas under Vietnam's first long-term LNG supply contract, which commits around 530 million cubic meters per year over the initial five years of operations. PetroVietnam views LNG as a vital "bridge fuel" that will help stabilize electricity supply while the country scales up renewable energy. ■

UK gas prices could drop 30% on oversupply

The largest threat to UK gas markets this year is not another supply shock, but falling prices. "UK wholesale gas prices are set to drop 15–30% this year," Bloomberg Intelligence analyst Joao Martins said, noting that gas consumption for power generation continues to decline structurally as renewables displace gas-fired plants.

The retreat of falling prices reflects weak demand trends, easing risk sentiment, and strong supply dynamics, provided geopolitical tensions in the Middle East do not escalate to disrupt global flows. Martins explained that while the UK's domestic gas output continues to decline and Norwegian pipeline exports are plateauing, the country's dependence on LNG imports remains central to meeting winter needs.

Any upward price pressure is, however, likely to be contained by a multi-year expansion in global LNG supply. Additional cargoes deliveries have been lined up from U.S., Qatar, and Africa through the late 2020s.

The analysis suggests the UK and Europe could face a prolonged period of lower gas prices, aligning with greater market stability after the energy shocks of 2022–2023. But lingering risks — including adverse weather or geopolitical supply disruptions — could still interrupt what appears to be a broadly bearish price outlook for 2026. ■

Indonesia looks to gas as coal exit efforts stall

Indonesia is increasingly turning to gas-fired power generation as delays undermine international efforts to accelerate coal plant retirements. The shift follows the government's decision in late 2025 to cancel early retirement of the 660 MW Cirebon-1 coal power plant, the Institute for Energy Economics and Analysis (IEEA) finds.

The cancellation of the Cirebon-1 shutdown has raised concerns about Indonesia's ability to deliver rapid coal phaseouts under existing legal and financial frameworks. "Coal retirement in Indonesia has proven far more complex than anticipated," an IEEA analyst said. "In the near term, gas is emerging as the most realistic option to reduce emissions while maintaining system reliability."

Funding too little, too late

International initiatives such as the Just Energy Transition Partnership for Indonesia (JETPI) were designed to unlock financing for coal retirements and clean energy. While JETPI partners have pledged US\$21.4 billion,

only about 14.5% of that funding has been approved so far. "The funding gap and slow disbursement mean Indonesia is defaulting to what it knows," an IEEA analyst said. "Gas is filling the space left by stalled coal retirements and underdeveloped renewables."

Indonesia's sustainable finance taxonomy has added to the uncertainty. Its permissive definitions allow continued fossil fuel financing without clear timelines, which analysts warn could confuse investors and weaken alignment with global standards. Yet, natural gas can only play a transitional role. Coal still supplies around 68% of Indonesia's electricity, and the energy sector accounts for nearly half of national greenhouse gas emissions. ■

Ansaldo to supply synchronous condenser for UK grid project

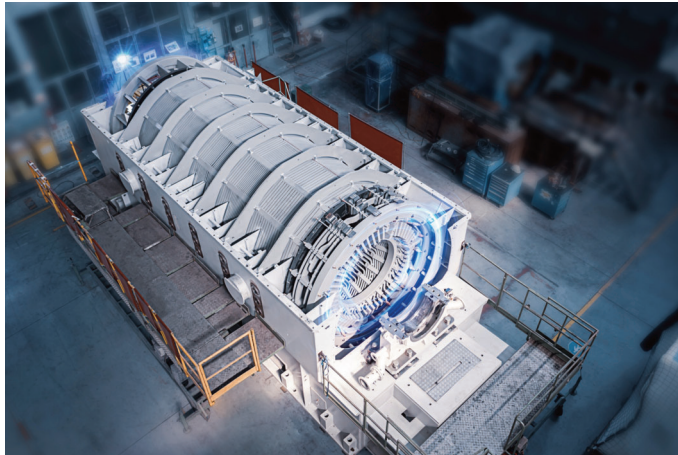
Ansaldo Energia has been awarded a contract by TKS UK to supply a synchronous condenser for Statkraft's Necton Greener Grid Park in Norfolk, as part of a grid stability project.

Necton Greener Grid Park – a project initiated in 2022 under the National Energy System Operator's Stability Pathfinder Programme – aims to maintain system stability as renewable generation increases and conventional thermal plants retire.

The equipment supply contract covers one TRY-L63 synchronous condenser with FW 19-63 flywheel, weighing 157 tonnes and measuring 10.7 metres, along with auxiliary systems, commissioning and operator training. Synchronous condensers provide voltage control, reactive power, short-circuit strength and inertia – services increasing required to balance a

growing share of intermittent renewable energy in Britain's electricity mix.

"This project will be Statkraft's largest synchronous compensator scheme to date and will support further renewable deployment to the GB grid," said Rubén Ondina, Projects Director at TSK UK.



Ansaldo-made synchronous condenser

Stefano Gianatti, EVP Thermal New Units at Ansaldo Energia, said the project reflects rising demand for grid stability solutions as renewable penetration increases. The Italian manufacturer entered the synchronous condenser market in 2014 and supplies units for stand-alone applications and integration with power plants. ■

Hitachi to incorporate Pakal's silicon power switch

Hitachi Energy is collaborating with Pakal Technologies, a Silicon Valley-based start-up, on the design of silicon power semiconductor. Thyristor, Pakal' insulated gate turn-off, silicon power switch will be integrated into Hitachi's power modules for ≥ 3.3 kV applications.

Semiconductors are vital for the functionality of modern power grids. Analysts hence expect the Hitachi and Pakal tie-up will tackle losses in high-voltage conversion, fostering growth in power-hungry sectors like data centers and underpin efficient transmission of renewables to help decarbonise the grid.

The IGT0(t), the first new high-voltage silicon device since the 1980s IGBT, reduces electricity transmission losses by 30% at high currents and temperatures versus IGBTs.

Its adaptability allow means the IGT0 fits into existing module designs, and helps enable higher power density, lower cooling needs, and higher energy efficiency in rail, renewables, energy storage, AI data centers, and grid infrastructure.

"Pakal Technologies was founded to make power conversion simpler, better, and more efficient," said CEO Ben Quinones. "Collaborating with Hitachi Energy... ensures we can contribute to today's sprint toward the electrification era." ■



View into Hitachi Energy's semiconductor manufacturing plant

Rolls-Royce launches modular gas engine plant

British engine maker Rolls-Royce has launched a modular gas engine solution capable of delivering up to 300 MW of electricity per site at the E-world trade show in Essen. The pre-fabricated modules are rated at 10, 20 and 30 MW each, with grid connection possible within 12 to 18 months of order.

Fast, modular gas power stations are marketed as a step-stone to help implement the German government's long-delayed Power Plant Strategy. The gas-fuelled solution, designed by Rolls-Royce's mtu business unit, is hydrogen-ready which is future-proving their operational runtime in the face of increasingly stringent emission rules.

In addition to grid-balancing, the modu-

lar plants can serve as interim or bridging solutions that provides continuous power until a permanent grid connection becomes available. Once another baseload power source (e.g. nuclear) is in place, the gas engine gensets can shift to a standby or backup role.

"With our modular gas engine power plants, we are implementing the German Government's Power Plant Strategy quickly and economically," said Tobias Ostermaier, President Stationary Power Solutions at Rolls-Royce Power Systems. "Our partner network ensures speed and local value creation. Utilities and data centers around the world rely on our solutions – more than 17 gigawatts of installed capacity speak for themselves." ■



Rolls Royce's modular gas engine power plants

US developers plan to add over 6 GW of gas power capacity

Developers in the United States plan to bring 6.3 gigawatts (GW) of new natural gas-fired generation capacity online in 2026. According to EIA data, the bulk of this new capacity — more than 80% — is slated for development across Texas, Oklahoma, Ohio, Tennessee and Florida, where strong electricity demand growth and grid-balancing needs underpin investment in gas-fired assets.

The two largest projects scheduled to enter commercial operation this year are the 1,158-MW Orange County Advanced Power Station in Texas and the 900-MW Trumbull Energy Center in Ohio, both designed as high-efficiency combined-cycle facilities capable of supporting baseload and flexible generation needs.

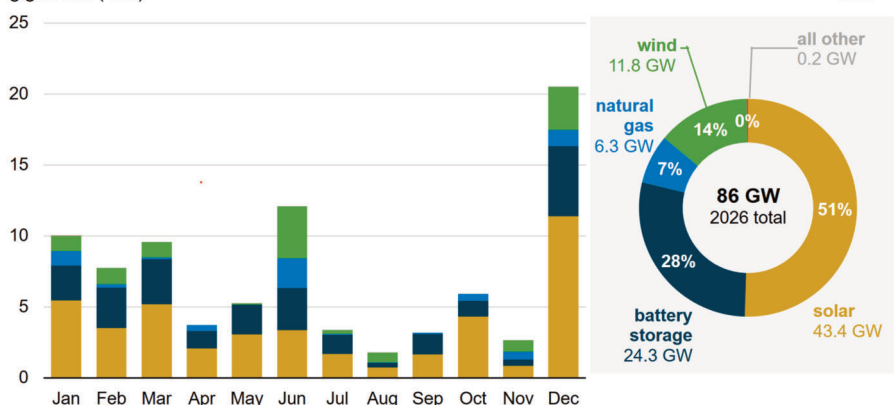
Of the total planned additions, combined-cycle gas turbine (CCGT) power plants are expected to contribute 3.3 GW, while simple-cycle combustion turbine units will add another 2.8 GW.

Crucial complement for renewables

EIA analysts noted that while renewable energy additions remain the dominant source of new capacity in the United States, gas-fired generation serves as a “crucial complement”, offering immediate dispatchability during periods of variable wind and solar output.

Wind capacity additions have slowed to just over 11 GW following a record build-out of more than 14 GW in both 2020 and 2021.

U.S. planned utility-scale electric generating capacity additions (2026)
gigawatts (GW)



Data source: U.S. Energy Information Administration, *Preliminary Monthly Electric Generator Inventory*, December 2025

Two large offshore wind plants, the 800-MW Vineyard Wind 1 in Massachusetts and the 715-MW Revolution Wind in Rhode Island, which the companies now strive to bring into operation this year following delays.

2026 is expected to be another record year for solar additions. Developers plan 43.4 GW of new utility-scale solar capacity in 2026, a 60% increase in capacity additions from last year — if realized.

Battery storage — another key source of

grid balancing — is on the rise, with developers seeking to add 24 GW of utility-scale battery storage to the grid this year, compared with a record 15 GW added in 2025. Three of the four largest battery storage projects scheduled to come online in 2026 are in Texas, notably the 621 MW Lunis Creek BESS in Jackson, Texas, the 600 MW Clear Fork Creek Solar and BESS SLF in Wilson, and the 418 MW Tehuacana Creek 1 Solar and BESS in Navarro County.

Pacifico gets 7.65 GW power gen permit for GW Ranch Project

GW Ranch — a private grid powergen campus in West Texas — has received an air permit for up to 7.65 Gigawatt of gas-fired powergen capacity at GW Ranch. Developed by Pacifico Energy, the project will link multiple gas turbines with 1.8 GW of battery energy storage and 750 MWac of solar power.

The massive private-grid project will be delivered build-ready on an 8,000+ acreage with space for future expansion. Securing the TCEQ air permit allows project developers to start construction in due course.

First power targeted in H1-2027

Constantyn Gieskes, VP Project Development at Pacifico Energy called the TCEP approval a “defining milestone” for the project

“With all site delineations complete, permits in-hand, and turbines secured, GW Ranch will provide customers with power in the first half of 2027 with a guaranteed pathway to scale to over 5 GW.”

As electricity prices rise across the US and large data center loads place growing pressure on regional grids, Pacifico’s development philosophy is intentionally designed to protect ratepayers. Utilizing a private-grid that combines natural gas turbines, solar, and battery storage, GW Ranch enables rapid AI and digital infrastructure growth — without impacting the electricity grid or increasing energy costs for Texans.

Fuel for the 7.65 GW of gas-fired turbines will come via multiple laterals, including a 1 billion cubic feet per day (bcf/d) direct pipeline stretching over 15-mile to Waha Hub.



Render of GW Ranch

US utility orders 24 Wärtsilä engines

American power plant, operated by an investor-owned utility, will be retrofitted with 24 Wärtsilä 50SG engines delivering an output of just under 430 MW. Delivery of the engines will be fast-tracked with a view to get the project into commercial operation by late 2028, or early 2029.

“The extreme surge in data centre growth requires reliable electricity, creating an urgent need for increased grid capacity across the United States,” said Risto Paldanius, VP Americas at Wärtsilä Energy.

50SG engines can respond fast to fluctuating demand, helping to strengthen overall grid resilience. Thanks to their compact footprint, the high-efficiency engines are suitable for both primary power and balancing needs.

Fast-start capability allows the engines to respond quickly to changes in power demand — whether driven by the intermittency of renewable or varying data-centre loads.

LNG Journal Subscription Package

Your LNG Journal subscription includes broad coverage of LNG across the globe – from trade and shipments through to LNG prices, plus in-depth technical coverage. With over 20 years of LNG reporting experience, we remain the market leading source of information for decision makers in the LNG industry.

LNG Daily News

Delivered to your inbox and online



LNG Journal

The flagship LNG monthly



LNG Unlimited

Your fortnightly summary of LNG news



LNG Market Tracker

Weekly empirical insight into the LNG market



LNG North America

Bi-monthly report on LNG in the US, Canada



LNG Transition

Quarterly in-depth look at LNG as a transition fuel



LNG Shipping News

Fortnightly coverage of LNG shipping



LNG Asia

Bi-monthly review of LNG in Asia



LNG Monthly Markets

Key developments in LNG markets



Gas to Power Journal

Peakload power and energy storage



Subscription Contacts

For new subscriptions or general subscription queries please contact:

Lauren Evans

lauren@lngjournal.com

To renew an existing subscription or to upgrade your package, please contact:

Gabi Weck

gabi@lngjournal.com

Sign up now for an Online Subscription at only US\$1240; €960 or £860

Discount options are available for multi-users

Contact us for more information or to arrange a free trial