Gas to Power Journal
Peakload Power and Energy Storage

Weekly News 6 March 2026

Focus on Iran crisis, supply squeeze

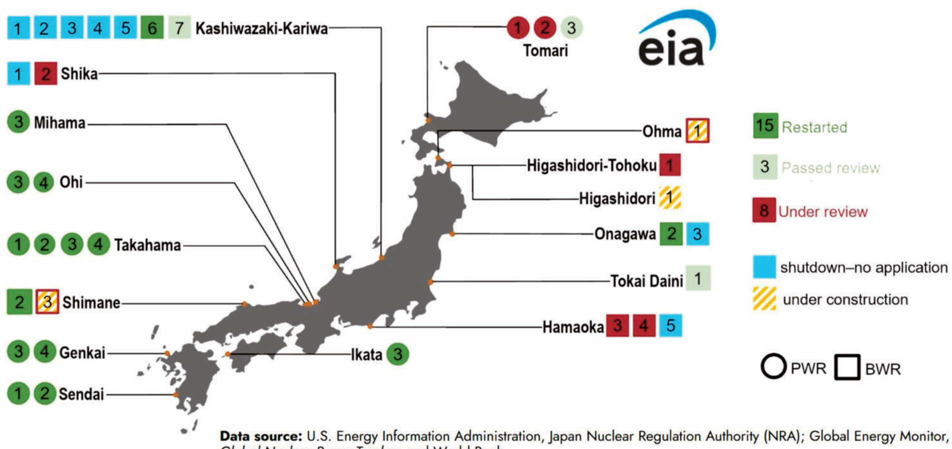
Nuclear restart in Japan displaces LNG-fuelled generation

TEPCO is rushing to restart of Unit 6 Japan's largest nuclear power station to displace LNG-fuelled power at a time of escalating gas prices. With 1,356 MW installed capacity, Kashiwazaki-Kariwa Unit 6 could help avoid combustion of 1.3 million tons of imported LNG, based on Japanese government estimates of fuel substitution.

The timeline of the nuclear ramp-up is being accelerated, as the operator Tokyo Electric Power Company (TEPCO) seeks to maximise the availability and dispatch of nuclear baseload power amid soaring crude oil and LNG prices following the escalating Iran conflict. Brent crude prices jumped to $82 per barrel on Monday morning and are feared to exceed $100 per barrel, if air strikes intensify and the geopolitical situation deteriorates further.

Regasified LNG accounted for one-third of Japan's power generation in 2024, but rising fuel prices and supportive government policies are making utilities rush to get nuclear power units back into service.

Status of Japan's nuclear reactor fleet by plant and reactor number as of February 2026



Data source: U.S. Energy Information Administration, Japan Nuclear Regulation Authority (NRA); Global Energy Monitor, *Global Nuclear Power Tracker*; and World Bank
Note: PWR=pressurized water reactor, BWR=boiling water reactor

Ramp-up completed by mid-March

Kashiwazaki-Kariwa Unit 6 is TEPCO's first reactor to resume operations after all units were shut down for mandatory safety inspections and safety upgrades following the 2011 tsunami and Fukushima nuclear accident.

Analysts estimate that Unit 6 will produce 9,500 gigawatt-hours

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Iraq's power sector hit by halt in Iranian gas supply

A near-halt in Iranian gas exports to neighbouring Iraq has left the country with an electricity shortfall of 4,500 MW. Natural gas imports from Iran fell from the contractually agreed 55 mcm/d to less than 10 mcm/d, leaving many Iraqi gas-fired power plants unable to operate.

Fuel oil can be co-fired at some thermal power stations in an effort to rebalance Iraq's power system and avert rolling blackouts. The fuel shortfall adds to Iraq's growing energy gap, where electric power producers generated 27,000 MW of electricity in 2024, while actual demand stands at 48,000 MW.

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View into Besmaya Iraq's largest gas power plant (4.5 GW)

AGENDA

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(GWh) of electricity annually once fully operational, likely around mid-March. However, high retrofit costs have led TEPCO to delay the restart of Kashiwazaki-Kariwa Unit 7 until 2029 or early 2030.

With the latest nuclear restart, Japanese utilities have 15 reactors in operation with a combined capacity of 33 Gigawatts (GW).

Dispatch of LNG-fuelled power units is decreasing accordingly. Japanese companies are expected to import 9 billion cubic feet per day (Bcf/d) in 2025, compared to 11 Bcf/d in 2018. Yet, analysts underlined Japan is still importing the second most volume of LNG after China. ■

TTF soars though continued price spiral 'unlikely'

Despite a 52% surge at Europe's benchmark TTF gas trading hub due to the escalating Iran conflict, analysts expect price-sensitive Asian buyers will bear the brunt of supply constraints – rather than premium markets like Europe that are willing to bid aggressively for cargoes.

With Qatari LNG entire liquefaction capacity of 77 mtpa halted and the Strait of Hormuz closed, global LNG supply is set to tighten sharply, pushing up prices. The scale of lost volumes hinges on the duration of the Strait's closure to maritime traffic.

"In a scenario where there is limited or no damage and hostilities subside quickly, leading to a 15-day production halt, we estimate a 4.3% decline in 2026 output, equivalent to around 3.3 million tonnes (Mt)," said Rystad Energy's senior gas & LNG analyst, Jan-Eric Fahnrich.

A full-scale interruption of ship transits via the Strait, lasting four to five weeks, would translate into a loss of approximately 11.2 Mt of LNG for the full year 2026. Yet, considering the central role of LNG in Qatar's economy, Energy Aspects expects "production will be restored within weeks rather than months."

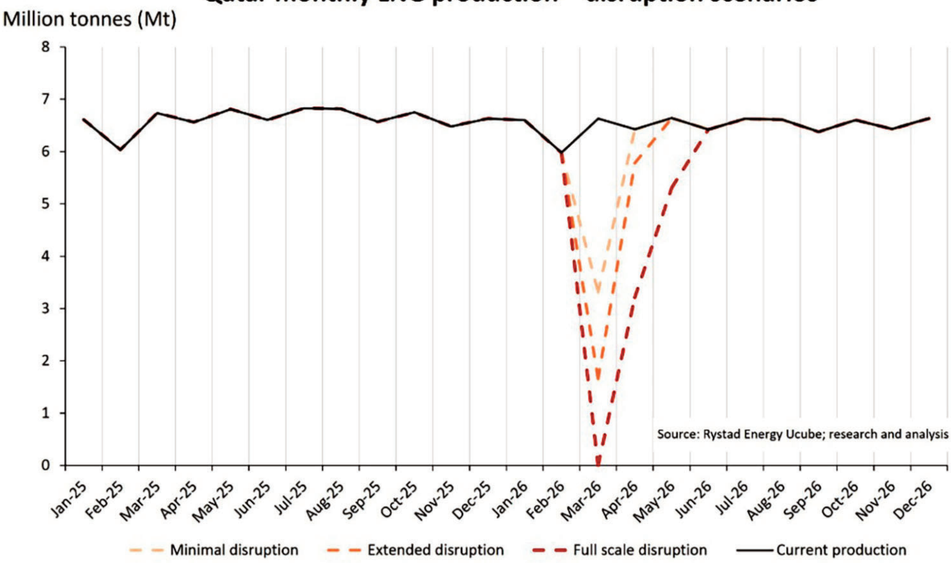
In a worst-case scenario, swing producers could bring to market up to 15 Mt of incremental LNG, while the reintegration of Russian LNG could yield another 18 Mt, Fahnrich explained.

Emerging southeast Asian economies – notably Bangladesh and Pakistan but also India – are seen hit hardest by soaring LNG prices. Demand in the most affected countries are "chiefly price-sensitive," so developing economies are much more likely to seek refuge in fuel-switching, focusing on thermal coal more so than similarly affected oil products, rather than triggering a bidding war.

While the Iran crisis cloud Qatar's short-to-medium-term outlook, the LNG powerhouse is still progressing with plans to add 64 mtpa of liquefaction capacity across three expansion phases – North Field East (32 mtpa), North Field South (16 mtpa) and North Field West (16 mtpa).

Analysts expect North Field East's first train is will come online in 3Q26, barring infrastructure damage or continued shipping difficulties. First gas from North Field South is targeted in late 2028 or early 2029 and North Field West took FID only days ago. ■

Qatar monthly LNG production – disruption scenarios



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Responding to recurring power shortages, the government in Bagdad incentivises the development of domestic energy resources and is looking to import US LNG.

Talks with Exelerate on purchasing US LNG

Talks are ongoing with Excelerate Energy to supply LNG to Iraq's state-run South Gas Company.

Contract volumes have not been publicly disclosed, but Iraq is understood to seek between 1 and 1.5 million mtpa of LNG imports, equating 140–210 million standard cubic feet per day (mmscf/d) of regasified natural gas, mostly designated for power generation. If the deal with Exelerate comes to fruition, the LNG will likely be sold indexed to Henry Hub prices.

Importing LNG is vital for Iraq given that many of the country's gas-fired power stations are underutilized due to a chronic gas shortage and lack of domestic supply. During peak summer months Iraq's electricity demand typically exceeds 30 GW, mostly met by gas-fired power plants.

Looking at domestic supply, Iraq currently produces approximately 3.2 billion cubic feet per day (bcf/d) of gas, but more than half of this is flared due to inadequate capture and processing infrastructure. ■

Iran goes dark – electricity blackout, internet closure

Iran has been plunged into an internet blackout and rolling electricity rationing after Israel and the US launched air strikes around the country on Saturday. Iran relies heavily on natural gas for power generation, the current strikes are more extensive than in Israel's previous targeted attack.

In the aftermath of the strikes, US President Donald Trump wrote on Truth Social that said the "heavy and pinpoint" bombing in Iran "will continue uninterrupted throughout the week or as long as necessary to achieve our objective of peace throughout the Middle East."

Trump claims the Iranian regime has instated the internet blackout to pre-empt potential cyberattacks during their own military operation, but also to avoid leaking the locations of senior regime figures. The Iranian supreme leader Khamenei was killed in air strikes on Saturday.

Trump claims the strikes were meant to end a security threat caused by Iran's nuclear enrichment programme. Analysts call the move a "huge gamble for both sides," which a likely backlash in internal US politics given that Congress has not been involved in Trump's decision-making process. Israeli civilians are also at risk to be impacted, though retaliatory strikes on Israeli territory are limited so far.

Israeli airstrikes on Iran's domestic energy industry seem to be more extensively than in the previous targeted attack. Any damage to infrastructure related to the South Pars gas and condensate field, and related transmission pipelines, installations worsens existing electricity shortages and increases the risk and frequency of blackouts nationwide, particularly in urban and industrial centres. ■

Iran's IRIB's news broadcasting studio came under attack

Iran strikes black out AWS data centers in Bahrain, UAE

Amazon Web Services (AWS) data centers in Bahrain and the United Arab Emirates (UAE) have faced severe electricity and connectivity disruptions on Monday, as Iranian retaliatory air strikes across the Gulf region. The power outages hit two AWS availability zones in the UAE as well as in Bahrain.

Eager to rein in the impact, AWS urged data center customers to shift to unaffected regions, estimating full restoration would take multiple hours.

AWS data center in Bahrain was hit by a drone strike

Analysts highlighted risks to cloud-dependent operations in conflict-ridden regions, with a Dubai-based consultant warning that "geopolitical flashpoints expose vulnerabilities in power grids and physical security" – despite Big Data's heavy investment in the Arab Gulf region.

AWS, which operates me-central-1 in Bahrain and me-central-2 in the UAE, has invested heavily in redundancy, yet Monday's events underscore limits of the company's risk managing at times of an active military conflict in the region. ■

Asian LNG exporters to gain in prolonged Iran conflict; Fitch

Asia-Pacific energy exporters – notably Australia – stand to benefit first if the Iran conflict prolongs disruption to Qatari LNG supply as buyers scramble for replacement cargoes, Fitch Ratings said. Buyers are turning to producers in Australia and Indonesia, which offer immediate alternatives.

According to Fitch Ratings this is set to boost prices and cash flow for Santos, Oil and Natural Gas Corp and PT Pertamina Hulu Energi.

Analysts expect LNG prices to rise further if Qatar's Ras Laffan LNG export terminal stays closed, as it accounts for about 20% of global supply.

Utilities switch to thermal coal

Soaring gas prices also support fuel switching to thermal coal, particularly in Japan, South Korea and Taiwan. "This would mostly favour Australian exporters in the near term, given their role in supplying high-energy thermal coal to east Asia, with Indonesian exporters also supported," Fitch said today.

Newcastle coal futures already gained about 9% to $129 a ton on 3 March 2026.

Refining margins get squeezed

By contrast, downstream refiners like Indian Oil, Bharat Petroleum) and Hindustan Petroleum would face margin and working-capital pressure if input prices rise faster than they can pass through costs to customers. The risk is greater where fuel prices are regulated or crude supply disruptions force production cuts once inventories are depleted.

Fitch noted PT Pertamina (Persero) could receive government compensation for selling gasoline and diesel below market prices, though this would squeeze cash flows. Refiners with ample domestic oil and liquids supply, like Vietnam's Binh Son, are less exposed. ■

Ansaldo to upgrade Enerwave's Thisvi CCGT in Greece

Ansaldo Energia has secured a contract from Enerwave to carry out an AE94.3A gas turbine upgrade at the Thisvi combined-cycle power plant (CCGT) in Greece. Installation works are planned for March 2027.

The project highlights the Ansaldo's ability to extend the value of existing assets. "The Thisvi power plant will be better equipped to meet the evolving needs of the Greek electricity system and support long-term energy security," said Ansaldo's VP Thermal Service, Reto Furrer.

Located in Viotia, central Greece, the 436-MW Thisvi plant has been in operation since 2010 and is among the country's most modern gas-fired power plants.

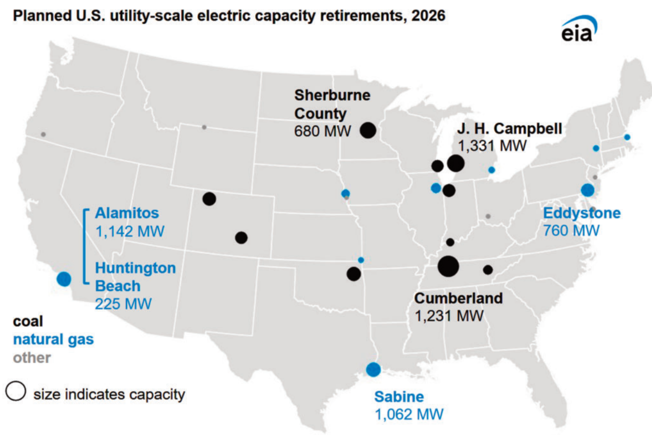
The upgrade will increase the plant's output and efficiency, resulting in lower fuel consumption and reduced CO_2 emissions. The AE94.3A turbine upgrade turbine's ramp rate, enabling faster responses to grid fluctuations driven by expanding renewable power generation in Greece.

Thisvi CCGT is one of Greece's most modern gas-fuelled

The contract includes a renewed long-term service agreement (LTSA), for Ansaldo to provide o technical support for the next 14 years. ■

Rampant load growth makes DOE delay coal power retirements

The U.S. Department of Energy (DOE) has been extending the operations of several coal-fired plants to meet rampant load growth from AI data centres and gas-fuelled capacity additions cannot keep pace. Only 2.6 GW out of an anticipated 8.0 GW of coal power capacity were retired as the regulator seeks to safeguard grid stability.



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

Retirements of several coal-fired plants scheduled for last year were postponed to later this year, notably the 1,331 MW J.H. Campbell in Michigan plant, South Oak Creek Units 7 and 8 in Wisconsin (616 MM), the R.M. Schahfer Units 17 and 18 in Indiana (722 MW), the Craig Station Unit 1 in Colorado (427 MW), the Comanche Unit 2 in Colorado (335 MW) and the F.B. Culley Unit 2 in Indiana (90 MW).

Any renewed or new emergency orders could affect retirements planned for this year as well, analysts cautioned at the US Energy Information Administration (EIA) cautioned.

Looking at gas-fuelled power stations, there is 4.6 GW of capacity due for retirement. Most of the capacity, or 76%, are older steam turbine units, which are less efficient than the newer combined-cycle units.

Two aging California plants, AES Alamitos and Huntington Beach, with a combined capacity of 1,368 MW, will mark the largest natural gas retirement this year. The units were initially set to retire in 2020 and later in 2023 but were kept open to support grid demand. More efficient CCGTs have been developed at both sites to replace the older units.

In addition, Elwood Energy Units 1–7 in Illinois and Sabine Units 1, 3, and 4 in Texas are expected to retire 1,050 MW and 1,062 MW, respectively, this year. Eddystone Units 3 and 4, with a combined total of 760 MW, were set to retire last year; but the retirements were delayed until 2026 following a DOE emergency order. ■

Malakoff secures 2nd batch of Mitsubishi turbines for Malay CCGT

Malakoff Corp, Malaysia's largest independent power producer (IPP), has signed a second reservation agreement with Mitsubishi Power for two M701JAC gas turbines and generators. The equipment is designated for a new 1,400 MW combined-cycle power plant in Malaysia's northern region.

The deal is similar to an October 2025 reservation for two turbines for a 1,400 CCGT in the south of Malaysia.

The air-cooled, high-efficiency M701JAC turbines have a thermal efficiency of more than 64% and are capable to run on LNG and hydrogen blends. The turbine will improve efficiency of Malakoff's upcoming power plant projects, while reducing emissions and lowering fuel costs.

In January 2026, the Energy Commission of Malaysia extended operations at Malakoff's three existing gas plants with a combined capacity of 2,082 MW. Adding four M701JAC units will lift the company's total installed capacity toward its 10,000MW target by 2031.

Headquartered in Kuala Lumpur, Malakoff operates five domestic power plants with 5,342 MW effective thermal capacity, including the 1,890 MW Tanjung Bin coal-fired facility in Johor – one of Southeast Asia's largest. It supplies electricity to Tenaga Nasional Bhd under long-term agreements. ■

Malakov IPP is getting an upgrade

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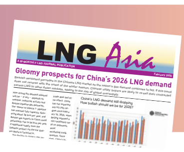

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