



New Zealand seeks LNG regas deal before November election

New Zealand's government is aiming to sign a contract for developing the country's first LNG facility before the November general election, with energy minister Simeon Brown saying a preferred bidder is likely to be selected before the vote. Imported LNG for power generation is intended to insulate New Zealand against drought risk, which can undermine its mainstay hydropower.

The LNG import plan is seen as the only solution that could be delivered quickly, with the terminal envisaged to start up in 2028.

The government wants to instate a commercial funding model with electricity companies, or gentailers, that would use the LNG regas terminal as backup supply in dry years. "We've said it very clearly, it's their obligation to fund this, because it's their dry year risk that they must manage," Brown told Bloomberg.

Imported LNG, in Brown's view, is a critical transition. The government has framed the project as a hedge against gas shortages and electricity price spikes, particularly after New Zealand experi-



enced tight supply conditions in 2024. A February government fact sheet said the administration was aiming to have a contract finalised by mid-2026 and that the LNG import terminal would be needed to bring fuel in from overseas.

Bracing for drought and hydropower shortages this summer, New Zealand has now built up a substantial coal stockpile at the

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Sizewell B extension to 2055 curbs UK's gas power demand

The UK government's decision to extend the operational life of the Sizewell B nuclear power station to 2055 is set to reduce Britain's long-term reliance on gas while stabilising wholesale electricity costs.

Under newly agreed terms with the French utility EDF, Sizewell B will receive a 20-year Contract for Difference (CfD) at £70.50/MWh in 2025 prices from 2035, its original closure date. The 1.2 GW pressurised water reactor currently supplies around 3% of UK electricity demand — enough to power approximately 2.5 million homes — and will now continue operating for an additional two decades.

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coal-fired power plant in Huntly in case there is a dry year before the LNG plant is available, Brown told Bloomberg, adding that this provides “a significant amount of

additional resilience that we didn’t have going into 2024.”

Critics dismiss the LNG import project as costly and rushed, with Labour calling

it a “knee-jerk reaction” to declining domestic gas supply. The public debate is likely to heat up before voters go to the polls. ■

Siemens Energy to rebrand as Omterra

Siemens Energy announced today it would rebrand as Omterra, ending its use of the Siemens name as a time-limited trademark licensing agreement following its 2020 spin-off from Siemens AG approaches its expiry.

The rebranding, which will begin later this year and be implemented in stages, will unite Siemens Energy and its wind turbine unit Siemens Gamesa Renewable Energy under the Omterra brand. The move had been widely expected because either party can terminate the trademark licensing agreement from 2027 onwards.

The Siemens name helped the energy company establish itself in international markets after the spin-off, but also increasingly created confusion over its ties with its former parent, whose ownership has fallen from 35% at the time of the listing to

around 5%. The licensing arrangement has also been costly, with Siemens Energy paying more than 300 million euros (\$351 million) in trademark fees in its 2024/25 financial year ending Sept. 30.

CEO Christian Bruch said the company had strengthened its strategic, operational and financial position since the spin-off, improving profitability and building customer and investor confidence, making this the right time to establish an independent brand.

Siemens Energy said the name Omterra was chosen to reflect its global footprint, technological expertise and commitment to supporting reliable energy supplies. The company said the brand transition would not affect its strategy or operations and would be carried out gradually.

Analysts warned the company’s image might suffer considering name of the former parent company was a major advantage for Siemens Energy abroad, as it opened doors, notably in Arab countries. ■



NEWS NUDGES

Seletar Campus to be powered by LNG

GasHub has finished an LNG storage and regasification facility at Rolls-Royce’s Seletar Campus in Singapore and begun LNG deliveries, with the system designed to support the campus’s long-term energy requirements, including reliable electricity demand. The setup is part of a shift away from compressed natural gas and aims to reduce fuel deliveries, emissions, and operating costs.

H2 turbine market to top \$3.5bn

The global market for hydrogen (H2)-compatible gas turbines will grow to nearly \$3.5 billion by 2032, expanding at an annual rate of over 10% during the forecast period. According to DataM intelligence, hydrogen is emerging as a strategic and sustainable alternative to fossil fuelled power generation as nations strive to reduce reliance on imported fossil fuels and stabilize their power grids.

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Publisher
Stuart Fryer

Editor
Anja Karl
anja@gastopowerjournal.com

Advertising, 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

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Less structural demand for gas

The extension effectively locks in a significant volume of baseload, low-carbon generation that would otherwise need to be replaced — most likely by gas-fired plants in the absence of sufficient alternative capacity.

Baseload nuclear generation competes directly with gas in the merit order. With a CfD strike price of £70.50/MWh, analysts expect Sizewell B to consistently clear ahead of gas generation when marginal gas-fired

power prices exceed this level — something that has occurred frequently since 2021 due to elevated gas prices and carbon costs.

Without the extension, closure in 2035 would have created a gap of roughly 8–9 TWh per year. In current market conditions, combined-cycle gas turbines (CCGTs) would be the primary replacement technology due to their dispatchability and existing capacity. By keeping Sizewell B online, the UK avoids structurally increasing gas-burn in the power sector over that period. ■



Baseload nuclear generation competes directly with gas in the merit order.



Heatwaves heighten concerns over data centre electricity use

US data centres' rampant electricity use is facing scrutiny as heatwaves push power grids to the limit. Cooling systems can account for a large share of a facility's power consumption, and that burden rises as temperatures climb.

The issue has become more critical as AI expands the number and size of data centres, many of which draw as much electricity as small cities.

During recent heatwaves, American offi-



cials took unusual steps to ease stress on the grid, e.g. mandating some large electricity users to rely more on backup generation. The moves underscored the tension between maintaining stable electricity supply for homes and businesses and supporting the rapid build-out of digital infrastructure.

Pairing gas with nuclear to power AI

Co-locating dispatchable gas capacity with nuclear reactors gives data centre operators access to round-the-clock electricity with a lower emissions profile than standalone fos-

sil fuel plants. Blue Energy and GE Vernova are hence planning a 2.5 GW hybrid gas-and-nuclear project in Texas aimed at supplying power to a data centre campus.

The proposed facility would combine up to 2.5 GW of gas-fired capacity with nuclear generation based on GE Vernova Hitachi's BWRX-300 small modular reactor (SMR) design, according to project details released by the companies.

Gas-fired generation could begin operating as early as 2030, while the nuclear component is targeted for deployment around 2032. ■

Asia's LNG demand falls as buyers switch fuel

Asian LNG demand is set for a second consecutive year of decline as the Qatari supply disruption pushes spot prices to levels that force buyers to cut volumes and switch fuels. Wood Mackenzie forecasts Asia Pacific demand at 257 million in 2026, down from 268 Mt in the previous year and a peak of 278 Mt in 2024.

Asian off-takers accounted for nearly 90% of Qatari and UAE LNG shipments transiting the Strait of Hormuz, and the current tighter global LNG market separates buyers with contracted cover and fuel-switching options from those without. "Japan and China are better insulated. South Asia is absorbing a genuine shock. But even the more resilient markets are making decisions now on nuclear, on coal, on long-term contracting diversification that will shape their LNG demand trajectories well into the next decade," said Maoping Hu, Wood Mackenzie's principal analyst for gas and LNG.

Northeast Asian demand covering China, Japan, South Korea and Taiwan is forecast to fall to 191 Mt in 2026 from 202 Mt in 2025. Each market is managing the disruption differently, and the divergence in their responses reveals how much contracted position and fuel-switching optionality matter when spot prices spike.

China enters 2026 with the largest inventory buffer in the region and the most diversified supply portfolio of any major Asian LNG buyer. LNG imports are forecast at 62.4 Mt in 2026, down from 66.4 Mt in 2025, with regas utilisation falling to just 29% against a nameplate capacity of 218.3 Mt, indicating buyers have other options than LNG to cover the country's energy needs.

Japan holds term contracts covering over 90% of 2026 LNG demand, a contracted position that insulates it more effectively than almost any other Asian buyer from the volatility

of the current spot market. The country's exposure to Middle East disruption is estimated at up to 0.5 Mt per month – "significant in absolute terms, but manageable given the diversifications available," analysts commented.

South Korea faces a sharp contractual exposure to direct supply disruption in Northeast Asia. KOGAS holds two 2 mmtpa contracts tied to Ras Laffan Train 6, damaged in Iran's missile attacks, with supply potentially interrupted for three to five years. The country's overall spot exposure exceeds 20%, meaning additional purchases in the current price environment will materially elevate KOGAS costs and ultimately flow through to end consumers.

Taiwan has moved quickly to secure alternative supply. A Strait of Hormuz closure could remove up to 0.7 Mt per month of Taiwan-bound LNG, but the shortfall in Qatari supply has largely been offset by increased US LNG imports. Taiwan is expected to replace up more than 75% of any LNG shortfall via spot purchases – a high ratio relative to peers – reflecting both necessity and purchasing power.

South Asia: prices are doing the rationing

Buyers in South Asia were hit harder by Qatar's *force majeure* on contractual LNG deliveries. India, Pakistan and Bangladesh are each navigating supply disruption in markets that remain structurally sensitive to price, and spot prices are now at levels that are translating directly into demand curtailment, industrial fuel switching and, in the



most acute cases, fertiliser plant shutdowns and power sector load shedding.

India faces potential supply curtailments of up to 1.5 Mt per month, the largest exposure in South Asia region by quantity. Energy-intensive industries are cutting run rates and switching to propane, fuel oil and naphtha at pace. The fuel-switching dynamic carries its own geopolitical complexity, analysts pointed out: India imports 80–85% of its LPG via the Strait of Hormuz, meaning switching fuels trades one supply concentration risk for another.

Pakistan returned to the spot market in April 2026 after a two-year absence, seeking three cargoes for April–May delivery following a period in which no LNG shipments were received since early March. The country can secure one SOCAR cargo per month from Azerbaijan under its current agreement, and operators previously withholding over 300 mmcf of domestic production can now begin releasing those volumes.

Bangladesh has shown the most resilient spot demand in the subcontinent. Soon after the outbreak of the Middle East conflict, Petrobangla secured two spot cargoes from Gunvor and Vitol at \$23–28/mmbtu for March delivery and tendered for three more for early April. ■

Airenergy's CAES power plant in Denmark rivals gas peakers

Airenergy is advancing plans to develop a compressed-air energy storage (CAES) power plant in Denmark that will use a salt cavern to deliver dispatchable electricity, positioning the technology as a low-carbon alternative to gas-fired peaking plants needed to balance renewable power generation.

The Tel Aviv-listed company is partnering with Dutch industrial group Nobian to evaluate a 2.5-GWh compressed-air energy storage facility connected to one of Nobian's existing salt caverns in Denmark. The proposed plant is expected to generate between 3 MW and 10 MW of electricity.

The project is Airenergy's fourth announced CAES development in Europe, following partnerships in England, Romania and Germany, as the company builds a portfolio of long-duration energy storage projects aimed at supporting increasingly renewable electricity systems.

Under the agreement, Nobian will oversee work related to the underground cavern, including permitting, regulatory approvals, stakeholder engagement and associated infrastructure, while remaining the

cavern's operator and licence holder. Airenergy will supply its proprietary AirBattery technology, including the air-compression system and electricity generation equipment.

Unlike battery systems designed for shorter-duration storage, CAES plants store excess electricity by compressing air into underground salt caverns when renewable generation exceeds demand. The stored air is later released through turbines to generate electricity during periods of high demand or low wind and solar output, allowing the plants to provide dispatchable capacity that can compete with conventional gas peaking units.

The Danish project forms part of Airen-



ergy's strategy announced in December to develop both pilot-scale and commercial CAES plants across Europe. The company is initially targeting 1-1.5 MW demonstration projects in England and Romania while advancing larger commercial developments in Romania and Denmark. ■

Pembina takes FID on 932 MW combined-cycle plant in Alberta

Pembina Pipeline Corp, Morgan Stanley Infrastructure Partners (MSIP) and Kinetikor have taken a financial investment decision (FID) on the 932 MW Greenlight Electricity Centre. The combined-cycle power plant, situated in Sturgent County within the Alberta Industrial Heartland will serve a major data centre development.

Competition for new large-scale power loads — particularly data centers — is intensifying across North America. Alberta's open wholesale market and proximity to Western Canadian Sedimentary Basin gas resources has a competitive edge.

Greenlight Electricity Centre Ltd Partnership, majority owned by Pembina and MSIP with 47.5 percent each, is a high-efficiency CCGT project, designated to provide behind-the-meter power to a data centre project. Pembina and Kinetikor Asset Management were instrumental in enabling development of that data centre project, a first of its kind in Canada.

Strong project economics stand out: Greenlight has secured a Class III capital cost estimate of about \$4 billion, or roughly \$2 billion net to Pembina, with around 85% of the cost covered under fixed-price agreements. Including about \$0.6 billion of interest during construction and other financing costs, total project cost is expected to reach approximately \$4.6 billion, or about \$2.3 billion net to Pembina; after the \$190 million net proceeds from land sales to the customer, Pembina's total net investment in the project would be about \$2.1 billion. The project is expected to deliver annual run-rate adjusted EBITDA of roughly \$310 million net to Pembina.

The project fits squarely within Pembina's 3C's strategy to capture volumes, connect them to markets, and catalyse new demand platforms. Once operational, the Greenlight CCGT will give the utility a new long-term, stable cash flow stream from a new customer segment.

Start-up is targeted toward the latter part of the decade, with current expectations

pointing to initial operations around 2028 or early 2029. If realized on the current timeline, the plant would add nearly 1 GW of firm capacity to Alberta's grid while creating a new structural demand source for regional gas production. ■



NEWS NUDGES

Wärtsilä powers Texan data center

Wärtsilä is preparing to deliver an off-grid power solution for a new data center, under construction in Texas. The 790 MW power plant will operate with 42 Wärtsilä 50SG engines running on natural gas.

Siemens expand switchgear factory

Siemens is investing €300 million to expand the production of high-efficiency power distribution systems for data centers, e-mobility and industrial automation. To that end, Siemens is expanding its switchgear factory in Frankfurt and a new supplier facility in Offenbach, creating 700 new jobs by the end of 2030.

EPRI tool reduces 'time-to-power' for large data centers

The Electric Power Research Institute (EPRI) is rolling out Flex MOSAIC with a view to accelerate the grid-connection of large data centers in the United States.

The voluntary framework – developed together with more than 65 utilities, TSO, regulators, hyperscalers, and technology providers – establishes a shared, credible way to define flexibility from large loads – particularly data centers – based on the magnitude, timing, duration, and frequency of their response.

"As demand from AI and data centers grows at unprecedented speed, flexibility is becoming the third leg of the speed-to-power stool, alongside generation and transmission," EPRI President and CEO Arshad Mansoor said, suggesting the new framework would allow stakeholders to have a common language about flexibility by defining practical performance characteristics.

MOSAIC defines and measures how fast a load can respond, how long adjustments can last and how much electricity can be reduced or shifted. These metrics are classified for utilities, TSOs and data centers to be applied consistently across regions.

"Technically grounded definitions of flex-

ibility are critical for reliability – especially since large, flexible loads play a growing role in the power system," said North American Electric Reliability Corporation President Jim Robb. A common framework, in his view, fosters better understanding between grid operators and planners which is vital for maintaining a reliable grid.

Initial framework participants include Alliant Energy, Arizona Public Service, California ISO, El Centro Nacional de Control de Energía (CENACE), Compass Datacenters, Constellation Energy, DTE Energy, Entergy, Exelon, Georgia Transmission Corporation, Google, Honeywell, Independent Electricity System Operator (IESO), ING, Jenbacher,

Korea Power Exchange (KPX), are also on board, along with KPMG, LG Pado, Lincoln Electric System, Lower Colorado River Authority, Meta, Midcontinent Independent System Operator (MISO), Nebraska Public



Power District, NERC, NVIDIA, Portland General Electric, PSEG, Rayburn Electric, Salt River Project, Siemens, Southern Company, Southwest Power Pool and United Power. ■

Pairing batteries and engines help lower Africa's energy costs

Africa can lower electricity system costs and improve reliability by combining battery storage with flexible engine capacity, rather than relying on storage alone. "Power systems do not require a single type of flexibility, but multiple layers of it," said Kenneth Englbom, VP for Africa at Wärtsilä Energy.

Modelling across African markets shows that least-cost systems combine three elements: low-cost renewables for bulk generation, battery energy storage systems (BESS) for fast-response services, and dispatchable engine power plants for medium-to long-duration flexibility covering evening peaks, multi-day shortfalls and seasonal variability.

As renewable penetration increases, so does variability – both intra-day and seasonal. Battery storage is exceptionally well-suited for fast-response services. It delivers

sub-second balancing, frequency control, and short-duration energy shifting.

But this is only one part of the flexibility spectrum. To cover evening peaks or multi-day renewable shortfalls a different capability is needed: dispatchable and scalable engine power that can run when needed, for as long as needed, stepping in when neither renewables nor storage can meet demand.

Precise modelling across African power system shows that grid configurations featuring the optimal mix of renewables, storage and flexible engines, deliver the lowest total cost of electricity while maintaining stability, Englbom underlined.

Hybrid configurations reduce total system costs versus storage-only approaches by avoiding oversizing batteries while maintaining grid stability and reliability. "In other words, BESS and ICE are not competing solutions. They are complementary ones," he concluded. ■



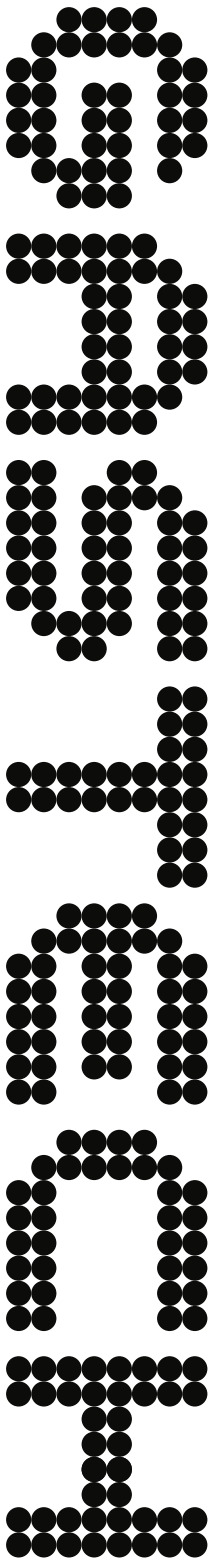
Blue Energy, GE pair gas with nuclear to power Texas data center

Blue Energy and GE Vernova are planning a 2.5 GW hybrid gas-and-nuclear project in Texas aimed at supplying power to an energy-intensive data centre campus, as developers increasingly turn to firm generation to meet soaring demand from AI workloads.

The proposed facility would combine up to 2.5 GW of gas-fired capacity with nuclear generation based on GE Vernova Hitachi's BWRX-300 small modular reactor (SMR) design, according to project details released by the companies. Gas-fired generation could begin operating as early as 2030, while the nuclear component is targeted for deployment around 2032.

Co-locating dispatchable gas capacity with nuclear reactors gives data center operators access to round-the-clock electricity with a lower emissions profile than standalone fossil fuel plants. Developers argue the hybrid approach can bridge near-term power needs while SMR technology advances toward commercial scale.

Texas has emerged as a focal point for such developments due to its deregulated power market, rapid data centre expansion, and comparatively streamlined permitting environment. Power demand in the Electric Reliability Council of Texas (ERCOT) region is forecast to rise sharply over the next decade, driven in part by AI-related infrastructure and industrial electrification. ■



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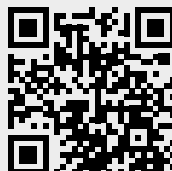
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