MNI Gas Weekly: Arctic Blast Rallies Natgas

By Lawrence Toye, Daniel Dawson (28/01/2026)

Executive Summary:

- **European Gas Benchmarks** reached 10-month highs as cold weather impacted US LNG feedgas.
- Asia's **LNG market** joined the global surge amid colder weather and cargo competition.
- In the **Middle East & Africa**, Israel's upstream gas sector is set for a landmark year in 2026.
- **Henry Hub** has seen a significant rally in the past week due to Arctic storms.
- In **the Americas,** Trinidad will remove one of its liquefaction trains at Atlantic LNG from service.

European Natural Gas

TTF front month has risen further over the past week amid low storage levels and as cold weather in the US led to declines in LNG feedgas flows. TTF reached its highest since March 2025 on Monday though has since eased back amid an uncertain weather forecast heading into February.

- Front month TTF prices traded between €36.26/MWh and €43.38/MWh this week, compared to €31.8/MWh and €40.03/MWh over the previous week.
- Temperatures in NW Europe are forecast to hold either side of normal until around Feb. 5 but with risk of colder weather at the end of the two-week outlook. CWE wind generation is forecast to peak on Feb. 3 before dropping sharply the next day.
- NW European LNG sendout is estimated higher at 309mcm/d yesterday compared to an average of 289.7mcm/d so far this month, Bloomberg shows.
- European gas storage has fallen to 44.23% full on Jan. 26, according to GIE data compared to the previous five-year seasonal average of 59.5% full with net withdrawals rising above normal on the day.
- Norwegian pipeline supplies to Europe are down to 331mcm/d today. Gassco shows total capacity reductions of 32.1mcm/d today and at or above 19.8mcm/d until Feb. 17.
- Algeria gas flow to Italy at Mazara is estimated up at 54.3mcm/d today, Snam data shows, compared to an average of 56.3mcm/d over the previous week.

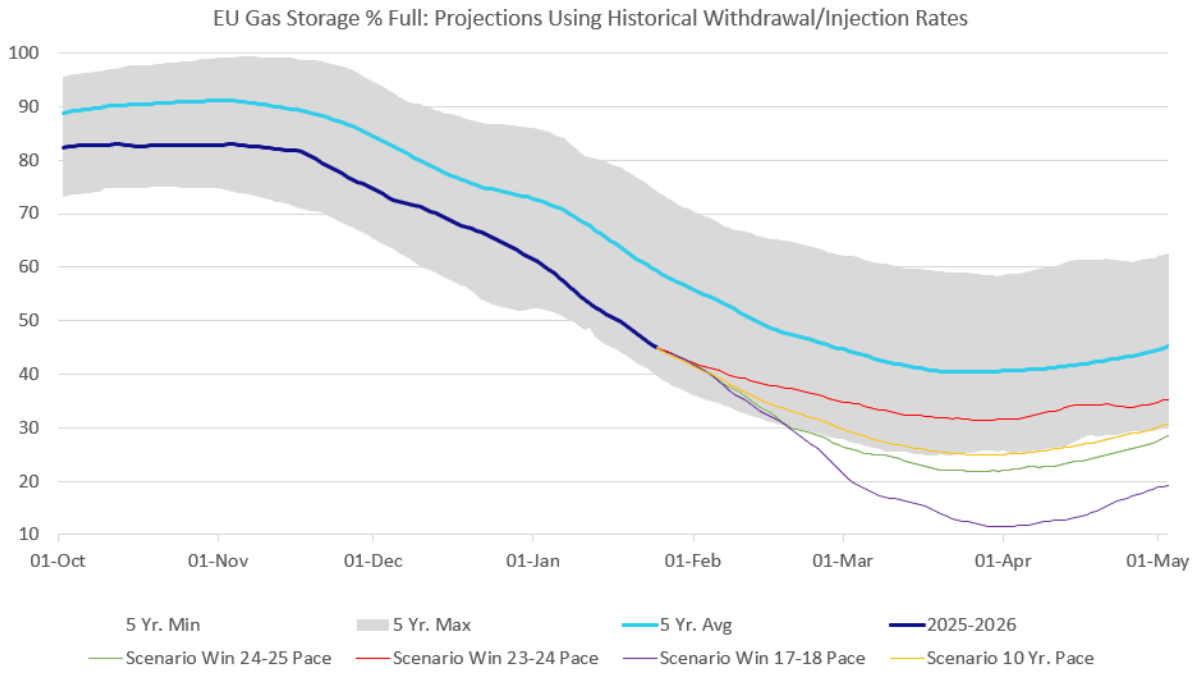
Cold Weather Risks Support EU Storage Withdrawals

European gas storage withdrawals have continued at or above normal over the last week as cold weather in the northern hemisphere and low stores have driven TTF prices higher in the last couple of weeks. An uncertain weather forecast for NW Europe heading into Feb has eased some of the upside pressure slightly while milder US temperatures into next month could ease US disruption.

- The tight near-term market has driven a rally in summer pricing this month. The Sum26-Win26 spread is currently around +€0.6/MWh and could challenge early summer injections due to the lack of intrinsic economic incentive.
- Based on the withdrawal rates from the last ten years from now until the end of March, the EU storage level would fall to an average of 24.9% of capacity at the end of the season with a range between 11.5% and 31.5%.
- The forecast for end winter gas storage levels in European Perimeter (Northwest Europe, Italy, Spain and Austria) has been revised down 9 percentage points from a previous outlook to 22% assuming normal weather, according to BNEF.

- The week to Jan. 25 showed an average net storage withdrawal of 7,948GWh/d compared to withdrawals of 6,800GWh/d the prior week. The previous five-year average for the week shows withdrawals of 7,028GWh/d, based on GIE data.
- Storage in Germany is at 92.4Wh (36.8% full), Italy at 123TWh (60.5%), Netherlands at 43.7TWh (30.3%), France at 44.7TWh (35.6%) and Austria at 49.4TWh (49%).

EU Gas Storage Scenarios - Source (MNI / GIE)

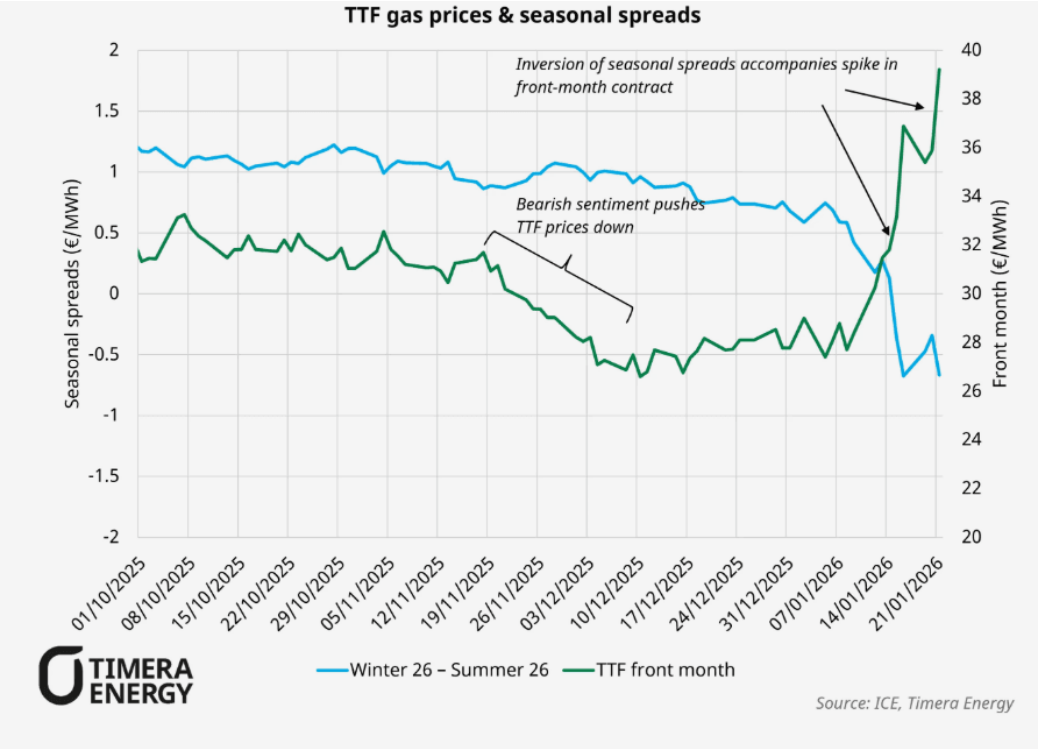


Europe Faces Difficulties Filling Gas Storage as Seasonal Spreads Invert

Europe is again facing potential difficulties in filling gas storage as W26-S26 seasonal spreads have inverted, according to Timera Energy.

- A recent price rally in TTF has flowed through the forward curve, which has shifted higher across 2026, with the strongest upward movement at the prompt end.
- Meanwhile, an additional 58 mtpa of LNG export capacity is expected to come online across 2026, the majority towards the second half of the year.
- This new supply puts greater pressure on late 2026/early 2027 prices.
- As a result, seasonal spreads have inverted with TTF Summer contracts now trading more than ~€1/MWh above Winter 2026.
- The inverted spread means storage operators lack an intrinsic economic incentive to inject gas ahead of winter 2026, complicating efforts to reach the EU's 80% storage target by Dec. 2026.
- TTF has now experienced prolonged periods of inverted seasonal spreads in three of the past four years, undermining the business case for storage operators.
- Given storage's importance for European security of supply, policymakers may be compelled to respond, Timera says.

TTF Prices and Seasonal Spreads - Source (Timera Energy)



Gas Balance Weaker in 2026 but Risk from Geopolitical Instability: OIES

Global gas balances continue to weaken through 2026 but rising geopolitical instability will play an outsized role in price formation, OIES quarterly gas market review said.

- There have been some bright spots in the EU gas to power sector, but demand remains sluggish elsewhere. Cold winter conditions and renewables availability are the main drivers to temporarily jolt gas markets higher.
- Deeper storage declines are inevitable given the lower pre-winter inventories, which will require stocks to rebuild faster than previous years from April.
- Early 2026 developments around Venezuela, Iran and Greenland are testing the international system although direct gas market implications are limited.
- The prospect of conflict in the Gulf puts Qatar in the crosshairs, potentially adding risk to the growing LNG supply. The first train of the North Field East Qatari expansion is expected in mid-2026.
- The economics of gas in the US could lessen the bearish oversupply impact with focus on the spread between US and European prices to sustain US LNG exports.

EU Countries Give Final Approval to Russia Gas Ban

EU countries on Monday gave their final approval to the bloc's plan to ban Russian gas imports by late 2027, allowing it to pass into law, Reuters reports.

- Ministers from EU countries approved the law at a meeting in Brussels on Monday, although Slovakia and Hungary voted against the law.
- Hungary said it would take the case to the European Court of Justice.
- The ban was designed to be approved by a reinforced majority of countries, allowing it to overcome opposition by Hungary and Slovakia, who remain reliant on Russian energy imports.
- Under the agreement, the EU will halt Russian LNG imports by end-2026 and pipeline gas by 30 September 2027. This is in line with previous agreements/expectations.
- The law allows the deadline to shift to 1 November 2027 at the latest if a country is struggling to fill its gas storage ahead of the winter heating season.
- Russia supplied more than 40% of the EU's gas before the Ukraine war. That share dropped to around 13% in 2025, according to the latest available EU data cited by Reuters.

Key Terms of EU Phaseout of Russian Gas Remain Unclear: JPMorgan

Key terms regarding the EU's phaseout of Russian gas remain unclear, according to JPMorgan, which expects deliveries to Hungary and Slovakia to be exempt.

- JPMorgan sees deliveries via TurkStream declining to 12-12.5 bcm by 2028 from 16 bcm in 2025, assuming the Russia-Ukraine war remains unresolved.
- Of the 16 bm delivered via TurkStream in 2025, 8 bcm went to Hungary and Slovakia under long-term contracts, while another 4-4.5 bcm was supplied to non-European countries.
- If a ceasefire is reached in the Russia-Ukraine war, the bank expects that Russian pipeline gas will return to the continent as part of any agreement given its strategic important to Russia.
- Restoring gas transits via Ukraine could potentially serve commercial interests to all parties.
- Assuming a ceasefire in 2026, JPMorgan expects a gradual return of Russian gas transit via Ukraine, reaching 15 bcm/y from mid-2027 onwards.
- Russian LNG imports in Europe are likely to decline in 2026 and could cease by 2027, though this will largely be offset by increased US and global LNG supply.
- Russian LNG imports to the EU totalled 20 bcm in 2025, with an estimated 8-8.5 bcm as spot or short-term volumes.

EU Shouldn't Rely Too Much on US Gas, Ribera Says

The EU shouldn't rely too much on US gas as it looks for alternatives to Russian supplies, the bloc's competition chief, Teresa Ribera said in an interview on RTE Radio, cited by Bloomberg.

- "We know that we cannot rely on Russian gas and that we should pay attention not to rely too much on American gas," Ribera says.
- Ribera also called on the EU not to lower environmental standards as part of a deregulation push.

- "If by simplification, there are people meaning to get rid of the social standards, label standards and environmental standards, we could be undoing the very heart of the European project."
- "Yes to simplification. Much better, if it can be simpler. Not, to get rid of the elements that have become a shield, a very good representation of what we could call the European dream."
- The EU has faced significant pushback from the US and Qatar over its corporate sustainability rules.

Mid-Pacific LNG Cargo Diverts Away from Asia

The Qingcheng LNG tanker, originating from LNG Canada, has changed direction mid-Pacific away from Asia and may transit the Panama Canal to deliver to Europe, Argus said.

- Delivery to Europe would be profitable at prevailing rates and delivered European premiums. If the cargo transits the Panama Canal and delivers to northwest Europe by the end of February, it would secure a price premium of $1.77/mn Btu, Argus estimates.
- European delivered prices have rallied in the past two weeks due to northern hemisphere cold weather, low European storage levels and US supply concerns.
- Asian demand is muted by healthy inventories and seasonally low holiday during the lunar new year in mid-February.
- Strong European gas prices have extended the open arbitrage into the Pacific basin, with Middle Eastern LNG deliveries to Europe more profitable even via the Cape of Good Hope.

Spanish LNG in Tank Price Backwardation Widens: Platts

Spanish TVB prices, which reflect the value of LNG stored at the country's regasification plants, have seen backwardation on the front curve widen as supply tightens, Platts said.

- Limited availability of swaps and declining inventories are adding to pressure in the prompt market.
- According to Enagas, LNG tank levels in Spain fell to 44% as of 22 January, down sharply from 65% at the start of the month.
- Imports have also slowed, with 14 LNG cargoes received so far in January, compared with 22 over the same period last year. No deliveries were recorded between 22–23 January.
- Weather conditions are compounding supply constraints. Storms affecting Spain and Portugal are disrupting unloading operations at key LNG terminals, including Sines, Mugardos and Huelva, with delays expected to continue through the weekend.
- While several cargoes are scheduled to arrive later in January and early February, traders note that prompt availability remains tight, raising concerns over Spain's ability to attract LNG amid wider European competition.

Poland/Ukraine Agree Phased Rise in Gas Supply Capacity from Feb

Poland and Ukraine have agreed to a phased increased in the gas supply capacity to Ukraine via Poland from Feb. 2026, energy minister Denys Shmyhal said on Jan. 27.

- Capacity will rise to 18.4 mcm/d by the end of April from 15.3 mcm/d.
- Ukraine imported 2.1 Bcm of gas via Poland in 2025, Shmyhal added.
- On Jan. 19, Poland's pipeline operator Gaz-System said it will increase gas transmission capacity to Ukraine to 720k cubic metres per hour from February to the end of April from 600k cubic metres per hour. The increase follows the modernisation of the metering station in Hermanowice although the solution is temporary.

- The increased capacity comes after regular Russian attacks on Ukraine's energy sector, threatening its electricity and gas production capabilities.
- GIE shows working Ukrainian gas storage 20.73% full at 66.38 TWh on Jan. 25 compared to 12.21% full this time last year.

APAC LNG

JKM prices surged to the mid-$11s/MMBtu level last week, driven by a severe cold snap in the northern hemisphere boosting heating demand and increasing regional competition for cargoes. This is coupled with fears of disruption to US supply.

- Traders told Bloomberg that the recent rally has likely run its course, as ample inventories are likely to limit demand from major buyers
- A steep drop in feedgas supply to US LNG plants due to the ongoing winter storm is bullish for global spot LNG prices, Platts said. Spot LNG prices have factored in the US winter storm, but any cargo cancellations would put a firm floor under prices.
- There is less pressure for importers in China as gas demand starts to moderate heading into Chinese New Year.
- Once the cold snap clears, gas demand is overall expected to remain sluggish amid subdued industrial activity in China and South Korea.
- LNG prices are therefore likely to drop back below $10/MMBtu in the near-term, according to Bloomberg Intelligence.
- At least two LNG have diverted away from eastbound routes towards Europe and Turkey in the past week, including the Clean Resolution and Zoe Knutsen.

LNG on the Water

The total estimated quantity of LNG on tankers that have not unloaded for at least 20 days fell 13% w/w to 2.26m mt as of Jan. 25, according to Bloomberg.

- The weekly decline was driven by fewer shipments from the US, pushing the total volume 5% below the 2021-25 average.
- Of the nine US cargoes on water between 20 and 30 days, down from 14 a week earlier, one is near Egypt and the remaining eight are in or heading to Asia or the Middle East.
- Only one US shipment is on water for at least 30 days, moored in Thailand.

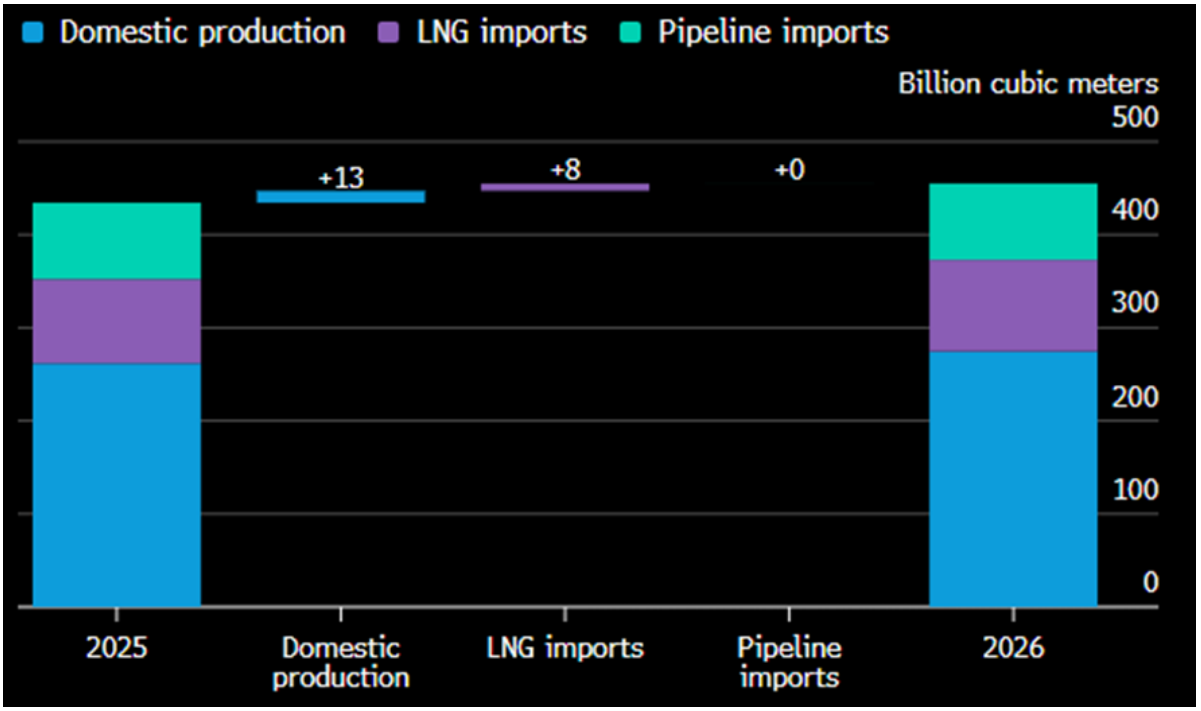
China

China's LNG imports in 2026 are set to stage a mild recovery after last year's slump, supported by stronger natural gas consumption and stagnant pipeline inflows, according to BNEF. China's natural gas demand is expected to rise 6% in 2026 to 449 bcm.

- Industrial consumption is likely to edge higher aided by easing trade tensions and the prospect of government stimulus.
- Gas use in the power sector is also set to increase underpinned by an additional 20 GW of installed capacity last year and 14 GW more this year.
- Steady expansion of the LNG truck fleet will continue to boost demand in the transport sector.

- China's gas supply is expected to increase 5% to 455 bcm, led by domestic production, while pipeline imports are likely to remain broadly unchanged year on year.
- LNG imports will rebound from last year's decline, rising by 5.7m mt to 71.3m mt amid higher gas demand and lower import costs. Most of the increase, about 3.1m mt, is expected in Q1.
- China is set to offer domestic-listed, yuan-denominated LNG futures contracts as soon as February, Reuters reported, reducing importer reliance on the West when hedging against price moves.
- The derivative product will be listed on Shanghai Futures Exchange (ShFE), sources told Reuters.

China's Natural Gas Supply by Source- Source (Bloomberg Finance L.P)



Japan

LNG stockpiles held by Japanese utilities edged 1.31% lower on the week to Jan. 25 to 2.26m mt, according to trade ministry data.

- Stocks have been little changed so far in January and remain healthy but below the highest since Jan. 2024 at 2.43m tons in late December.
- The five-year average for the end of January is 2.05m mt and stockpiles were 2.15m mt around this time in 2025.
- Gas-fired power generation for Japan's Tokyo area rose to the highest level since March 2024 with cold weather boosting heating demand, according to Bloomberg.
- Japan Meteorological Agency forecast temperatures for the capital city and the wider Kanto-Koshin region to remain below normal into this week.
- Tokyo Electric Power says it halted the restart process of the Kashiwazaki-Kariwa nuclear plant's No. 6 reactor due to an issue with electrical parts related to a control rod.

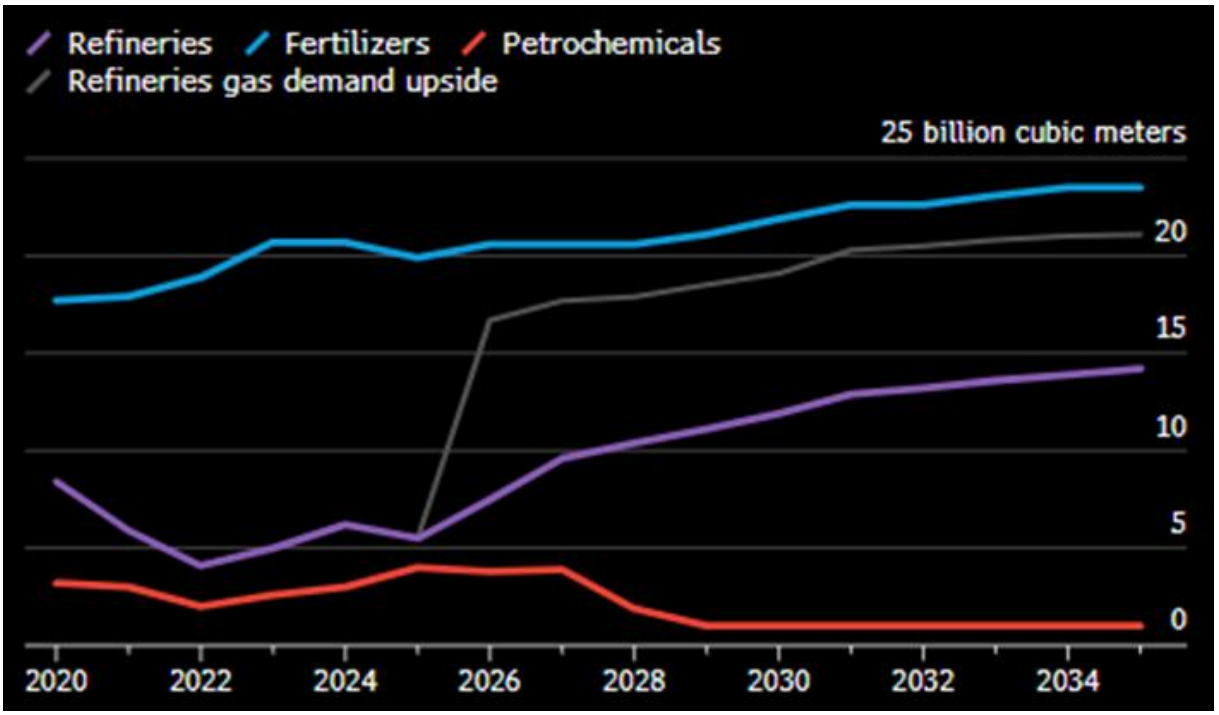
- Kpler analysts expect Japan's LNG imports to drop by 4m mt in 2026 from a year earlier to 62m mt due to higher nuclear power availability.
- Japan's LNG imports fell 1.4% in 2025 from a year earlier to 64.98m mt Ministry of Finance showed, and below China imports of 68.43m mt, Customs data showed.

India

India's gas demand in industries is expected to grow 54% between 2025 and 2035, reaching 77.7 Bcm, BNEF said.

- Industrial demand in India is set to remain the primary growth engine for the gas sector over the next decade. This is driven by fuel switching from liquid fuel to gas for heating and feedstock, amid an expected fall in LNG import prices.
- Gas demand from oil refineries in India could grow by 160% over the decade to 2035 in BNEF's base case, driven by new capacity additions that boost gas use for heating and hydrogen needs.
- Cost economics favouring natural gas over liquid fuels such as fuel oil and naphtha will support additional gas consumption.
- Refineries could raise gas demand by 7-9 bcm between 2026 and 2035 above the base case is oil products are fully displaced. Refinery demand could reach 14 bcm by 2035, up 160% on 2025 levels.

India's Industrial Gas Demand Forecast- Source (Bloomberg Finance L.P)



Business Address – MNI Market News, 3rd Floor, 1 Great Tower Street, London, EC3R 5AA

Darwin LNG

Australia's 3.7m mtpa Darwin LNG has exported its first cargo since restarting operations according to Kpler data. A shipment is underway to Sakai, Japan.

- Darwin LNG halted shipments in late 2023 as the plant's previous gas source, the Bayu Undan field in the Timor Sea, was depleting. It is now receiving natural gas from the Barossa oil and gas project.
- The vessel Kool Blizzard departed the facility on Jan 25. It is expected in Japan on Feb 1.
- Darwin's output gradually declined in recent years. Prior to the current loading, the last cargo from the plant loaded onto the Seapeak Mars on Nov. 11, 2023 and delivered to Kawagoe in Japan on 8 December 2023.

Russia

A Russian LNG cargo that loaded at the sanctioned Portovaya facility is heading towards China's Shenzhen area, aboard the tanker Kungpeng according to Kpler.

- It's of interest because it would mark a new terminal for those LNG flows which so far have only headed to Beihai LNG. The final destination remains unconfirmed
- With volumes coming from more than one Russian sanctioned LNG plant, traders told Kpler that one terminal is not enough.
- At Arctic LNG 2, the first Russian-built Arc7 class icebreaker LNG tanker, the Aleksey Kosygin, arrived at the facility, according to Reuters.
  The vessel is the first of 15 Arc7-type tankers under construction at the Zvezda shipyard to move cargoes from Arctic LNG 2.
- The first five tankers should have been transferred to the project in 2023 but were hit by delays.
- So far, Zvezda has only brought 3 tankers on the water for further outfitting, Alexey Kosygin, the Pyotr Stolypin, and the Sergey Vitte
- Russia's production of LNG in 2025 was around 32m mt, according to the country's Deputy PM Aleksander Novak, cited by Interfax.
- Global exports of LNG in the next 5-10 years may increase to 600m-650m mt, around 50% higher than 2025 levels, driven by demand in APAC, Novak added.

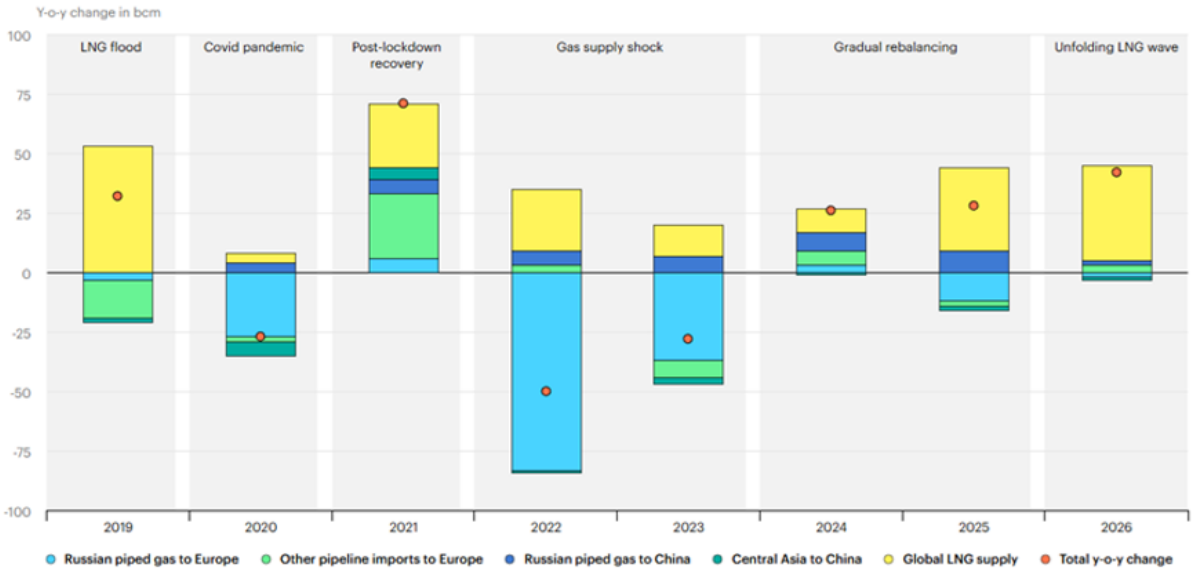
Gas Market Outlooks

A surge in LNG supply is expected to play a key role in rebalancing global gas markets in 2026, leading to stronger demand growth after a slowdown last year, IEA said. Geopolitical tensions and weather risks could still drive huge price swings.

- Global gas demand growth slowed to less than 1% in 2025 following a relatively strong increase in 2024.
- Global LNG supply rose by almost 7%, or 38 bcm, in 2025 and expected to accelerate further in 2026 to more than 7%, or over 40 bcm, its fastest pace since 2019.
- The rise in supply is expected to lead to stronger global gas demand growth of nearly 2% in 2026, driven primarily by China and emerging Asian markets.
- The correlation between European and Asian benchmarks rose to a record 0.955 in 2025 driven by increased destination-flexible LNG supplies with increasingly interconnected regional markets.
- Gas demand in JODI-reporting countries rose by 20.9 bcm on the month in November and by 2.3 bcm year on year, IEF showed.
- Gas production fell by 1.2bcm from October but 8 bcm higher vs Nov. 2024.

- Gas inventories fell 7.7 bcm from October, fell by 9.7 bcm on the year and were 12 bcm below the five-year average.

Annual Change in Key Piped Natgas Trade & Global LNG Supply 2019-2026- Source (IEA)

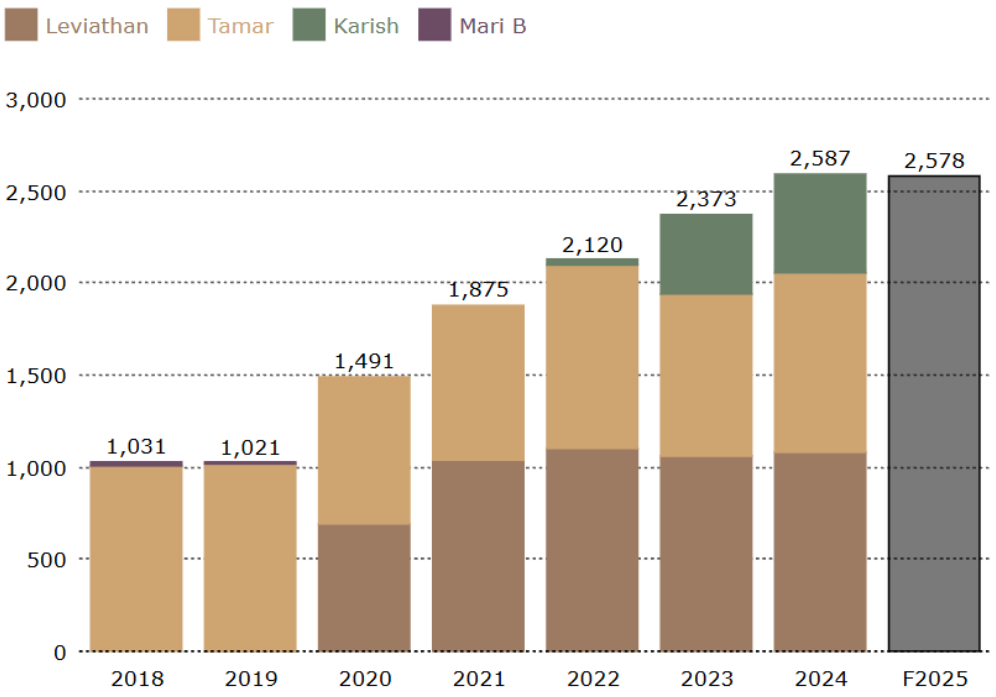


Middle East & Africa

Israel's upstream gas sector is set for a landmark year in 2026, driven by major expansions at its core offshore gas fields, although regional security risks continue to pose a significant threat to stable operations.

- Two large-scale capacity increases at the Leviathan and Tamar fields are expected to add a combined 600 mmcf/d, lifting total Israeli gas production to new record levels.
- As a result of these expansions, national gas output is forecast to exceed 3 Bcf/d later in the year for the first time.
- Most of the additional volumes will be exported to Egypt, supported by recent debottlenecking across the export pipeline network.
- The anticipated growth marks a return to Israel's longer-term expansion trajectory following a year of geopolitical disruption.
- While full data for 2025 are not yet available, output likely declined slightly from the 2024 record of 2.587 Bcf/d due to temporary shut-ins during June's conflict with Iran.
- Although 2024's production record should be surpassed in 2026, any renewed conflict with Iran could again cause serious supply disruptions.

Israel's Annual Natgas Output (MMcf/d) - Source (MEES)

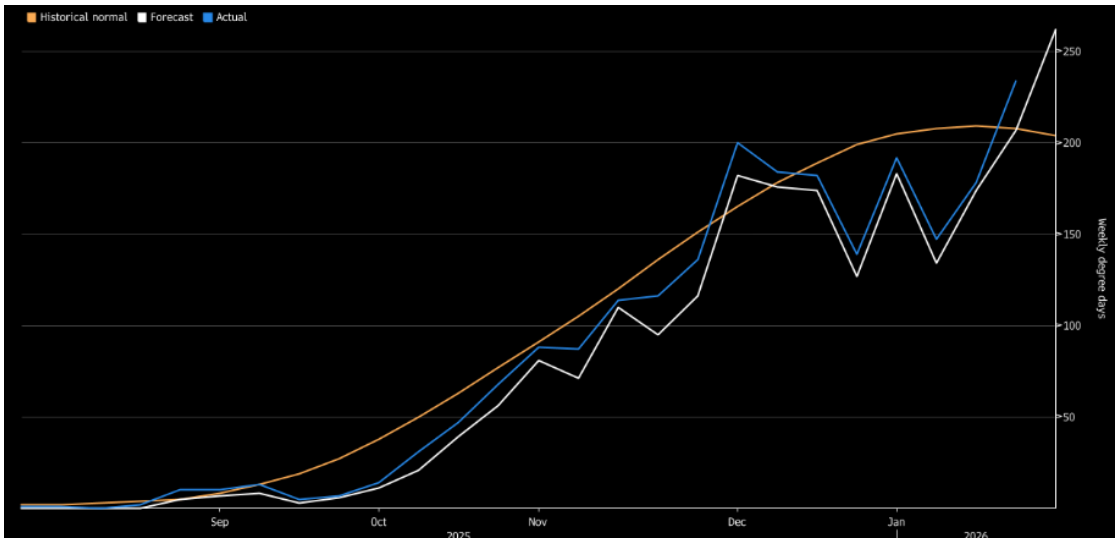


US Natural Gas

The Henry Hub front month surged by over 30% on the week and nearly 50% on the month driven by the impacts of Winter Storm Fern.

- Weather reporting has now switched focus to the next wave of cooling. The development of a Nor'easter along with a Bomb Cyclone from the North are expected to collide and keep temperatures low in the coming days.
- NOAA releases stated "another blast of arctic air will spread from the Plains through the East/Southeast Friday to Saturday with more record lows expected even in Florida. This could be the coldest temperature seen in several years for some places and the longest duration of cold in several decades".
- Henry Hub Front Month has traded between $4.66/MMBTU and $7.439/MMBtu this week, compared to $3.006/MMBtu and $5.099/MMBtu over the previous week.
- Goldman Sachs expects U.S. gas prices to be above $3.50/MMBtu this summer and sees two-sided risks to its forecast coming from weather and production uncertainty.
- Lower 48 natural gas production averaged 105.02 Bcf/d in the 10 days to Jan-27, compared to last week's 10-day average of 113.03Bcf/d.
- Baker Hughes US rig count: Gas: 122 (0) - up 23 rigs, or 23.2% on the year.
- US heating demand for the week ending Jan. 31 is forecast to be 57 heating degree days (HDD) above the long-term normal, according to Bloomberg, citing the NOAA. During the week to Jan. 24, the US was 26 HDD above normal.

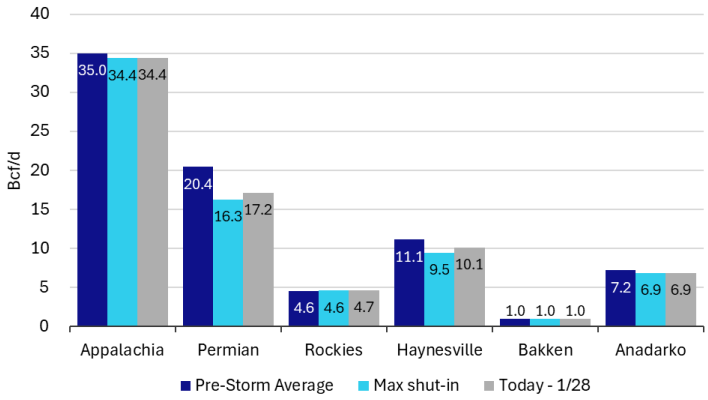
US HDD Count- Source (Bloomberg Finance L.P./NOAA)



L48 Gas Production

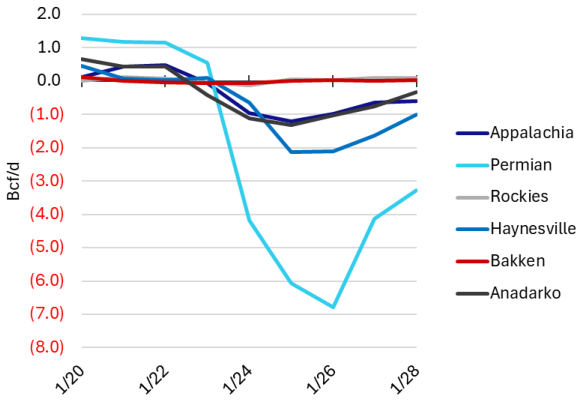
Production shut-ins exceeded pre-storm estimates by nearly double. L48 natural gas production was estimated at 95.3 Bcf/d on Sunday, down 16.3 Bcf/d from the 7-day pre-storm average, according to Bloomberg data. Production started to recover Monday, with volumes up 3.7 Bcf/d, but 5.2 Bcf/d remained shut-in as for January 28th. Permian volumes represented the largest amount of gas still offline.

US Core Producing Regions
Natural Gas Production Shut-ins and Recovery



Source: MNI, Bloomberg

Natural Gas Production Shut-ins
Daily Production vs. Pre-Storm Average



Source: MNI, Bloomberg

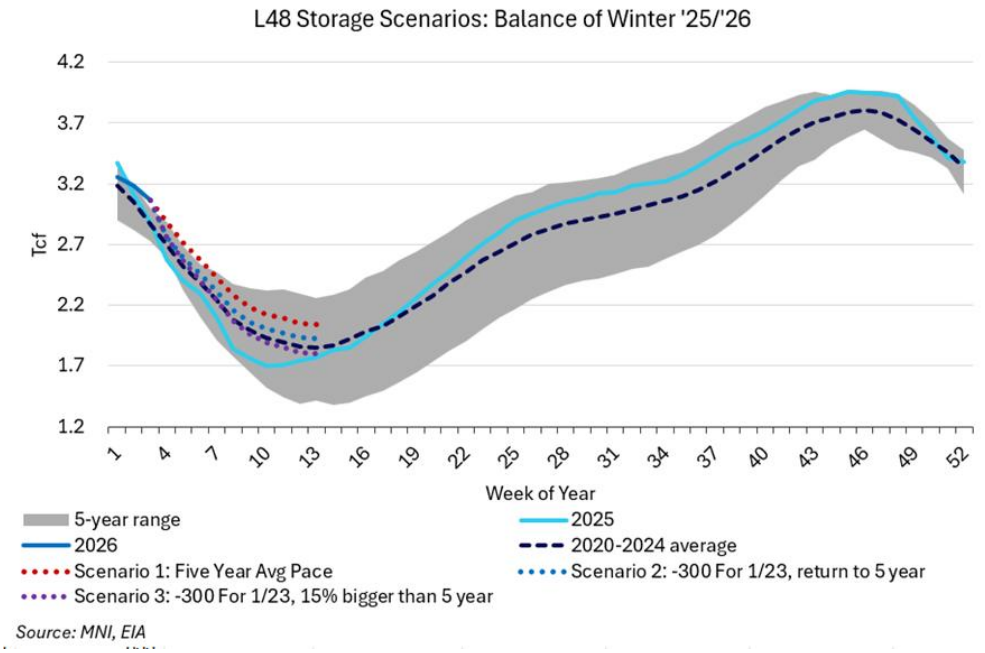
US Natgas Inventories

Early estimates for the US EIA gas storage data due for release at 10:30ET (15:30BST) on Thursday expect a 218 Bcf withdrawal for the week ending Jan 23, according to BNEF.

- Early estimates from market analysts suggest storage withdrawals between 200 Bcf and 300 Bcf, following Winter Storm Fern impacts.

- A withdrawal of 300 Bcf would be 1.7 times greater than the 5-year average of 179 Bcf, but the severity of the impending storm suggests a larger than normal withdrawal is likely.
- MNI tested a few scenarios to see how storage could respond for the rest of the winter.
- Scenario 1: Fern disappoints and storage withdrawals continue at 5-year average pace. Market would exit winter above normal at 2,045 Bcf.
- Scenario 2: Fern meets expectations, storage withdrawal of 300 Bcf for the week of January 22nd, and then withdrawals return to 5-year pace for remainder of winter. This would result in a market exit of 1,924 Bcf, still on the high end of normal.
- Scenario 3: Fern meets expectations and cool weather remains through end of winter. This requires a 300 Bcf withdrawal for the week of January 22nd, and then a 15% greater withdrawal pace than the 5-year average; meaning, withdrawals would need to average 15 Bcf per week more than the 5-year average. This would result in storage exiting at 1,798 Bcf, entering summer at a normal level.
- While power outages are expected and demand response high to pull on storage, if the power outages are long lasting a large withdrawal this week could be offset by reduced demand in the following weeks due to lower generation from outage repairs.

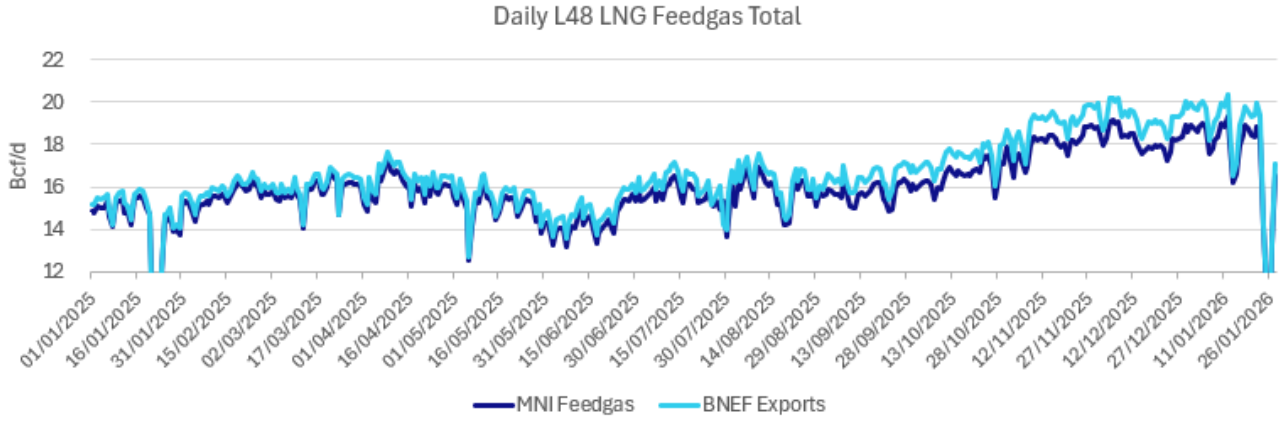
US Gas Inventories and Storage Scenarios Bal W25/26– Source (EIA, MNI)



US LNG

Natural gas deliveries to US LNG terminals averaged 14.85 Bcf/d in the seven days to Jan-28, compared to the seven-day average of 18.94 Bcf/d during the previous period. Winter Storm Fern impacted feedgas demand as facilities struggled with operational challenges and sourcing supply from the Haynesville and Permian. At the peak of the storm, LNG feedgas fell to 10.4 Bcf/d, representing only 50% of normal LNG feedgas demand. Feedgas began to recover after the storm passed, with 75% or reduction back up within 48 hours of the decline.

Daily L48 LNG - Source (MNI/Bloomberg Finance L.P.)



Alaska LNG

Glenfarne's 20-MTPA Alaska LNG project moved closer to reality, "early execution stage" according to Kpler, of first gas in 2029 with pipeline construction, EPC management deals, line-supply, and a gas-supply agreement with ExxonMobil

Glenfarne Group announced progress on Phase 1 of the proposed 20m mtpa Alaska LNG project, with advancements on two key construction awards.

- The company announced gas supply agreements have been executed with ExxonMobil, Hilcorp Alaska, and ConocoPhillips, which add to the previous agreements with Pantheon Resources and Great Bear Pantheon. The specifics of the agreements were not disclosed.
- Alaska LNG is a proposed 20 MTPA (2.6 Bcf/d) facility requiring a new 42-inch pipeline to be constructed from Alaska's North Slope production field. The target in-service date for first LNG is 2029.
- The company has not made a positive FID on the facility yet, but today's announcement suggests they are progressing towards one this year. They previously stated they expected to begin pipeline construction as early as December 2025, but developments on construction activity have not been provided.

CP2 LNG

Venture Global posted on social media that the equipment for Train 1 of CP2 arrived at the facility. The 20m mtpa (2.6 Bcf/d) facility will consist of 36 trains each with 0.626m mtpa of capacity.

- The December 2025 construction report filed with FERC reported CP2 was pouring foundations for the LNG tanks, which suggests that even though the first LNG train has arrived at the facility, there will be some weeks or months before construction around the train will begin.
- The company made positive FID for the first phase of the project in July 2025. They have a target FID of 2027.

DOE Issues Emergency Orders for ERCOT, PJM, and ISO-NE

Over the weekend, the DOE issues several orders for three US utilities to support grid reliability through Winter Storm Fern. The orders may allow for more gas-fired generation to occur from facilities that would have otherwise been capped due to emission regulations or other regulatory limitations. The orders are meant to support generation activities and mitigate black out risk in the regions. The orders are as follows:

- DOE approved an ERCOT request to direct customers with back-up generation, such as data centers, to rely on power generated at their facilities rather than grid power under conditions of energy scarcity to help ERCOT avoid needing to declare an EEA Level 3. That declaration would result in load-shedding. Norice in effect until 11:59pm on January 27th.
- ERCOT forecasts called for 84,000 MW of load on Monday an d81,000 MW of load on Tuesday, which would exceed their winter peak demand record of 80,560 MW. They noted the forecasts posed significant risk of emergency conditions jeopardizing electric reliability. They were also approved to allow for maximum generation from generating units, notwithstanding any operational limitations that may apply under federal and state environmental laws.
- PJM projects hitting an all time winter peak load of 147,000 MW Tuesday morning, and a peak load of 145,000 MW on January 31st, both of which would surpass the January 2025 all-time high of 143,700 MW. They also noted they were asked to provide energy to neighbors who are already in an Energy Emergency Alert Level 2.
- DOE approved PJMs request for "all electric generating units located within the PJM Region to operate up to their maximum generation output levels, notwithstanding air quality or other permit limitations or fuel shortages during the pendency of this emergency".
- ISO-NE made a similar request as PJM and the DOE also granted their request to authorize maximum generation from generating units notwithstanding air quality or other permit limitations. The request was filed after a generator notified ISO-NE that it would not be able to operate at maximum capacity due to federal permit limits.

Pipelines

Williams Cos. has been working on expansions across the NWPL system, including the Naughton Coal-to-Gas conversion, which was brought online January 27th. The NWPL informational postings show a new location has been activated today.

- The Naughton delivery point with 105,000 Dth/d of capacity initiated service today, January 27th, 2026.
- The location is tied to a power plant in Southwestern Wyoming according to SEC filings.
- The meter is located on NPWL's mainline between Muddy Creek and Kemmerer compressor stations in Lincoln County, Wy.
- William's November company presentation had this project slated for 2Q2026, suggesting the expansion came online ahead of schedule.

USDA Forest Service Updates O&G Leasing Rules

The finial revisions to the regulations governing federal oil and gas resources on National Forest System lands was released by the USDA today. The revisions seek to modernize and streamline the process for managing energy development on the lands.

- The final Rule (36 CFR 228 Subpart E) updated and simplified the federal lands leasing procedures for oil and gas.
- The rule allows the Forest Service and Bureau of Land Management to coordinate more seamlessly when issuing permits.
- It established a single, clearly defined leasing decision point and reduced duplicate analysis. The notice states the new rule improves response time to industry requests, reduces backlogs, accelerates lease issuance, and supports timely processing of applications for drilling permits.
- US basins with large footprints on federal lands include the Delaware Permian and Anadarko basins.

- Link to the updated rule: https://www.ecfr.gov/current/title-36/chapter-II/part-228/subpart-E

Pacifico Energy Advances GW Ranch Data Center Project

Pacifico Energy received its air permit from the Texas Commission on Environmental Quality (TCEQ) for their 7.65 GW gas fired generator.

- The approval marks the largest permit granted in the US according to the company release. The facility is likely to demand upwards of a 1.0 Bcf/d of natural gas for its operations.
- The company stated they have all site delineation complete, permits in-hand, and turbines secured, which will allow them to begin power generation in 1H2027.
- Phase 1 of the project is for 1 GW of capacity, with plans to phase the remaining capacity. It's located in Pecos County, Texas within the Delaware Permian acreage.
- The full facility includes 7.65 GW of dispatchable generation, integrated with 1.8 GW of battery storage, and up to 750 MWac solar.

Kinder Morgan 4Q Earnings Call Highlights

Kinder Morgan held its earnings call yesterday and provided several updates to key infrastructure projects that may have been overshadowed by Winter Storm Fern. The highlights are as follows:

- Construction began on Trident pipeline in January, and they received their FERC scheduling order for Mississippi Crossing and South System 4. They expect a final FERC certificate by July 31st. All three projects ahead of schedule.
- They moved up the in-service date of Mississippi Crossing, now targeting 2Q28 instead of 4Q28.
- Phase 1 of Double H pipeline is expected to come online in the late first quarter or early second quarter, and they are still working on future phases of the project. Expect a second phase will come as the macro environment strengthens.
- They also highlighted their second open season with P66 for the Western Gateway Pipeline system. The season closes on March 31, 2026, and adds new access to the Los Angeles market.
- Kinder Morgan expressed strong interest from Southeast customers, and they don't expect South System 5 (caller asked about SS E5) to be more than compression but could be some brownfield looping. They noted this hasn't been finalized yet.
- Their Haynesville gathering system set a daily throughput record of 1.97 Bcf/d on Dec 24th. Transport volumes were up 9% on the year, while natural gas gathering were up 19% year on year.

EQT eyes overseas markets

EQT CEO Toby Rice said the top US natural gas producer has no plans to explore drilling opportunities in Venezuela while overseas markets offer more promising growth than the domestic market.

- He said that US demand for natural gas is growing much faster than the pipeline and tank infrastructure needed to transport and store it, mostly because of permitting bureaucracy.
- Thus, the "drill, baby, drill" ethos won't solve high energy prices, and until Congress passes permitting reform legislation "the natural gas market is going to be incredibly volatile in the US."
- New LNG export terminals are moving forward as overseas gas prices remain significantly higher than US prices, making the global market more attractive and attainable.

- "We're a huge fan of renewables," Rice said. "The more we put in, the more natural gas we can export to the world." New drilling projects abroad, however, including in Venezuela, despite gas reserves that could be almost as vast and more obtainable than its oil, aren't on EQT's radar.

Latam

Trinidad and Tobago's Atlantic LNG facility will begin the process of removing one of its liquefaction trains from service in Q4, Reuters reported.

- Shareholders, including Shell, BP and Trinidad's National Gas Company, have agreed to decommission Train 1 because of ongoing natural gas supply constraints and its relatively poor efficiency compared with the other three trains.
- Although Train 1, with a nameplate capacity of around 3m mtpa, has not produced LNG for more than a year. However, it has remained operational as it houses common utilities serving the entire facility.
- The decommissioning plans are not expected to affect ongoing operations.
- The remaining three trains (trains 2,3,4) have a combined capacity of around 12m mtpa
- In December, Atlantic LNG exported 0.7m mt to various countries including the U.S. and Canada

Argentina Extends National Gas Emergency Declaration to December 2027

Argentina issued an executive order stating they are extending the energy emergency for natural gas transport and distribution as well as setting a temporary price cap on the LNG sold domestically.

- Argentina first declared the emergency in 2023 and has extended the notice several time since.
- The order states that the country has two regas facilities, one in Bahia Blanca and one in Escobar, but only the facility in Escobar is operational. It states the Secretariat of Energy and Ministry of Economy need to allow private LNG importers access to the existing regas infrastructure in order to satisfy the specifications of the order.
- Additionally, the order sees it necessary to establish a maximum price for the commercialization of LNG in the domestic market during the next two winter periods to avoid negative consequences that could result from a business monopoly. The specific price was not stated in the order.
- LNG imports remain a critical component of electrical generation in Argentina and the Executive Order states the extension is to ensure the supply of uninterruptible demand for natural gas at peak consumption and largely to support winter demand.