

Oil and Gas News Briefs

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Market expects LNG oversupply to start in 2026

(Bloomberg; Sept. 8) - The global market for liquefied natural gas faces a multiyear supply glut starting in 2026, potentially pushing prices for the fuel to the lowest since the energy crisis triggered by Russia's 2022 full-scale invasion of Ukraine. After four years of tight supply, the International Energy Agency expects the biggest boost in LNG production next year since 2019. Exports from the U.S. are already booming as Venture Global's new plant in Plaquemines, Louisiana, ramps up faster than expected, and more big projects will follow with enthusiastic support of the Trump administration.

Meanwhile in China, which was supposed to be the main growth market, imports are contracting. China's own gas output has risen and a big pipeline deal with Russia could squeeze LNG imports. LNG gluts have been predicted before and not materialized, but this time looks different because so much new capacity is on the brink of completion.

LNG consumers shouldn't expect immediate price relief, especially in Europe where winter is set to start with lower inventories than usual. Over the next six months, the supply buffer will remain slim and the region will still be competing with Asia for LNG cargoes, with the potential for price spikes in colder periods, said Martijn Rats, global commodities strategist and head of European energy research at Morgan Stanley. But, "as we are out of the winter, a mild surplus will start in the second half of the year, which will become a sizable surplus in 2027 as production ramps up," Rats said.

In addition to new U.S. LNG production capacity coming online, QatarEnergy's North Field East expansion project should begin exporting gas later in 2026, marking the start of the nation's biggest expansion since delivering its first cargo in 1997. BloombergNEF expects LNG supply to consistently exceed demand between 2027 and 2030.

New gas line from Russia to China would hurt U.S. LNG

(Bloomberg commentary; Sept. 9) - It's a potential prize fight for the ages: U.S. "energy dominance" versus the Power of Siberia. A proposed gas pipeline from Russia into northern China threatens to complicate President Donald Trump's energy diplomacy and upend energy markets. The revival of the Power of Siberia 2 gas project during Russian President Vladimir Putin's summit with Chinese leader Xi Jinping represents a wildcard for the U.S. gas sector. Together with expansions of two other pipelines, this would open up 5.6 billion cubic feet per day of capacity to feed Russian gas into China.

To put that into perspective, it's equivalent to almost half the expected increase in China's gas demand over the next decade, and a quarter of the world's extra demand overall. More pertinent for the U.S., it would exacerbate and extend a looming glut in an energy sector at the heart of Trump's "dominance" agenda: Liquefied natural gas. The U.S. is the world's biggest LNG exporter — and spearheading a huge jump in capacity.

The International Energy Agency's latest long-term outlook, published late last year, had annual global demand for LNG rising by more than 5 trillion cubic feet of gas between 2023 and 2030. Yet, supply capacity is set to jump by almost double that. The industry's hope is that the glut will clear as demand grows and the boom in export capacity tails off. Injecting all that Russian pipeline gas to China into the mix would dash that hope.

U.S. gas producers and LNG developers would suffer. If Power of Siberia 2 moves closer to being a reality, some LNG capacity in the U.S. simply won't get built and some drill-baby-drill won't happen. This is where Trump's push for energy dominance may have created its own obstacle, by giving China a reason to sign up for the Russian pipeline. Power of Siberia 2 would diversify China's gas sources, bind Russia closer strategically and economically, and strike a blow against Trump's energy policy.

[Questions remain about new Russia-China gas pipeline](#)

(Bloomberg; Sept. 9) - Russia and China appear to be moving forward with a major gas pipeline between their countries after years of stalled negotiations. Russian energy giant Gazprom said it has signed a memorandum with China National Petroleum Corp. to build the Power of Siberia 2 line. China has yet to confirm the agreement was struck and key issues such as financing, pricing and volume to be sold remain unresolved. But if the line from Russia's Arctic Yamal Peninsula to northeast China goes ahead, it would deepen the economic ties between the two neighbors and affect the market for LNG.

For Russia, Power of Siberia 2 is an opportunity to compensate for some of the lost sales of piped gas to Europe, after the region turned to other sources following the full-scale invasion of Ukraine. For China, the pipeline offers a hedge against supply risks in the liquefied natural gas market, where its geopolitical rival the U.S. has become the world's biggest exporter of the seaborne fuel.

At full capacity, the new line will be able to carry an average of 4.8 billion cubic feet of gas per day. Russia already sends pipeline gas to China via Power of Siberia 1 under a 30-year agreement. Flows started in 2019 and reached full capacity of 3.6 bcf a day this year. A second conduit, the Far Eastern route, is expected to start operating in 2027.

The cost of Power of Siberia 2, how it will be financed and how long it will take to build are some of the key details that have yet to be disclosed. It's also unclear whether China will commit to a fixed-volume contract that makes use of the pipeline's full capacity, or if it will push for a more flexible arrangement in case domestic gas demand

falters or cheaper sources of gas arise. In addition, Russia will want China to agree to buy all the gas whether it needs it or not, to ensure steady future payments.

Exxon, Chevron optimistic of China's future demand for LNG

(Bloomberg; Sept. 9) – Exxon Mobil and Chevron are bullish on China's future appetite for liquefied natural gas even if Russia succeeds in adding another gas pipeline to the Asian nation. That's because China, the world's largest coal consumer, still has a long way to go to switch to cleaner fuels, such as natural gas, in power generation and industry, according to Exxon Mobil senior vice president Peter Clarke.

And China will want a diverse mix of suppliers to avoid overreliance on Russian gas as Europe once had, said Chevron's president for global gas, Freeman Shaheen. China's recent deal with Moscow to move forward with another major gas pipeline was widely seen as reshaping global gas flows next decade. China is embracing more piped gas supply — and domestic production is booming — with LNG imports slumping this year just as geopolitical rival the U.S. has become the world's biggest exporter of the fuel.

But while most analysts predicted a decline in China's demand for LNG if Russia's plans materialize, most likely on the other side of 2030, the two U.S. majors remain upbeat. "Actually, as you bring more pipeline gas into China, potentially, you just see a demand response because there's so much market there that is not connected, can't be supplied today," Exxon's Clarke said in an interview with Bloomberg at the GasTech conference in Milan. "And as you bring supply in, you actually create new demand."

China on track to become world's top importer of pipeline gas

(Bloomberg; Sept. 10) - China is set to overtake Germany to become the world's top importer of pipeline gas this year, as the Asian nation bolsters its energy security. After almost matching Germany in 2024, China is expected to take the No. 1 ranking as it boosts imports from Russia, according to Rystad Energy, along with importing large volumes from Central Asia producers, particularly Turkmenistan. Recent pacts between Beijing and Moscow, including the decision to proceed with the Power of Siberia 2 pipeline, will consolidate that position, Rystad partner Martin Opdal said at a webinar.

That shift underlines the transformation of the gas market since Russia's invasion of Ukraine in 2022 upended global commodities trade. Germany, which used to rely heavily on relatively cheap pipeline fuel from Russia's Siberian fields, switched to liquefied natural gas delivered by tankers from the U.S. and other suppliers. That's cut its exposure to Russian gas but triggered greater price volatility as Europe competes for LNG with other regions.

Norway remains the biggest supplier of pipeline gas to Europe, including Germany, but Europe has increased its LNG imports. China, meanwhile, is forging closer ties with Russia, which has spare capacity after 90% of its pipeline gas supplies to Europe were halted following its war on Ukraine. Most major countries are now looking for a variety of supply sources, both LNG and pipelines, Mark McCrory, International Gas Union director for strategy and advocacy, said at the same webinar as Rystad's Opdal. "China is probably a good case study of how you create lots of options for yourself," he said.

Japan's top buyer commits to 'continued dialogue' on Alaska LNG

(Reuters; Sept. 11) - Japan's top power producer and LNG buyer, JERA, will explore liquefied natural gas offtake from the Alaska LNG project, JERA and developer Glenfarne said, as talks to ink firm binding sale contracts for the \$44 billion project continue. Since assuming a 75% stake in the project and taking over the lead developer role from the state of Alaska in March, Glenfarne has lined up preliminary agreements that could lead to offtake deals with Taiwan's CPC and Thailand's PTT, but firm agreements have yet to be signed.

On Sept. 10, Glenfarne said in a statement that it had signed a letter of intent with JERA for the sale of 1 million tonnes a year of LNG from the project over a 20-year term. The letter of intent will facilitate information exchange and collaboration with Glenfarne as JERA assesses the project's timelines and economics, the Japanese company, a joint venture of Tokyo Electric and Chubu Electric, said in a separate statement on Sept. 11.

"This LOI (letter of intent) provides a platform for continued dialogue with Glenfarne, and as more details become available, we look forward to deepening our understanding of the project," Ryosuke Tsugaru, JERA's chief low-carbon fuel officer, said in the statement. Some Japanese officials and energy executives have raised concerns that the project's expected costs could make its gas less competitive than that from other sources. Glenfarne said it is targeting a final investment decision for the Alaska gas pipeline in late 2025 and a 2026 FID for the LNG export components.

Glenfarne signs offtake deal for Texas LNG project

(Reuters; Sept. 10) - U.S. energy infrastructure company Glenfarne said on Sept. 10 it has struck a 20-year deal to sell liquefied natural gas to global commodities trading firm Gunvor, moving its planned Brownsville export project in Texas closer to a final investment decision. The deal covers 0.5 million tonnes per year of LNG and converts a previous preliminary agreement between the two firms. The export terminal is planned for a production capacity of 4 million tonnes per year.

Texas LNG, a unit of Glenfarne Energy Transition, is developing the Brownsville project, with engineering, procurement and construction to be led by contractor Kiewit. Texas LNG, under its original developer, started work on the project, including obtaining property in the Port of Brownsville in 2013. The Federal Energy Regulatory Commission authorized the project in 2019. Glenfarne took control of Texas LNG after that. FERC last year extended its authorization for the project, giving Glenfarne until 2029 to put the plant into operation. Glenfarne has said it expects to take FID by the end of this year.

Developer commits to additional capacity at LNG project in Texas

(Upstream; Sept. 9) - NextDecade has given the green light to a fourth liquefaction train at its Rio Grande LNG terminal in Texas, the Houston-based liquefied natural gas exporter said on Sept. 9. The company has issued a full notice to proceed to its engineering, procurement and construction contractor Bechtel after reaching a positive final investment decision on Train 4. The first three production trains already are under construction, with a combined liquefaction capacity of 18 million tonnes per year.

NextDecade believes Train 4 will reach substantial completion in the second half of 2030, at which point it will also deliver the first of its contracted volumes. NextDecade estimated the latest expansion will cost \$6.7 billion. Financing includes a \$3.85 billion term loan, \$1.13 billion in equity commitments from NextDecade, and \$1.7 billion from Global Infrastructure Partners, GIC, Mubadala Investment Co. and TotalEnergies. Train 4 will add 6 million tonnes production capacity to the plant.

Train 4 already has 4.6 million tonnes worth of offtake deals, according to NextDecade. Customers include Abu Dhabi National Oil Co., TotalEnergies and Saudi Aramco. Meanwhile, NextDecade said it is still anticipating an FID by mid-November for the fifth liquefaction train at Rio Grande LNG, as outlined by its EPC contracts with Bechtel.

Developer selects engineering firm for Louisiana LNG project

(Upstream; Sept. 8) – U.S. contractor McDermott has been awarded a master services agreement to provide front-end engineering and planning services for the planned \$25 billion Monkey Island LNG project in Louisiana. Phase 1 of the project includes three liquefied natural gas trains with a capacity of 5.2 million tonnes per year each, for a total nameplate capacity of 15.6 million tonnes. Future expansion plans include two additional liquefaction trains, projected to bring total capacity to 26 million tonnes.

McDermott will provide engineering, execution planning and pricing for the Cameron Parish facility's engineering, procurement and construction phase. The agreement is expected to transition into a final EPC contract aligned with the timing of Monkey Island LNG's financing activities. Engineering and permitting are expected to begin in 2026,

with first LNG production targeted for the early 2030s. The project will be led by McDermott's Houston team, supported by its engineering group in Gurugram, India.

Monkey Island LNG, headquartered in Houston and Las Vegas, does not own or operate any LNG facilities. Its project is proposed for a 246-acre site on a deep-water port along the Calcasieu Ship Channel, about 2 miles inland from the Gulf of Mexico.

TotalEnergies CEO warns U.S. building 'too much' LNG capacity

(Reuters; Sept. 9) - The U.S. is building too many liquefied natural gas plants, TotalEnergies CEO Patrick Pouyanne said on Sept. 9, warning it could lead to a long-lasting glut in the market if all planned projects come online. The French oil major is the world's largest buyer of U.S. LNG, with gas surpassing oil in the company's sales mix for the first time last year, as a transition to cleaner fuels boosts global gas demand in a trend expected to last decades. In addition, Total holds an equity stake in the Rio Grande LNG project in Texas, which is under construction.

The United States is the world's top LNG exporter, with total annual capacity expected to reach 115 million tonnes this year and more projects on the way, according to the U.S. Energy Information Administration. "We are building too much," Pouyanne said during a panel on LNG at the GasTech conference in Milan. "We are facing many U.S. projects. We will face oversupply ... for some years if all these projects come onstream."

TotalEnergies owns a 17.5% stake in NextDecade, which is developing Rio Grande LNG, and also holds a 16.7% interest in Phase 1 of the project, which includes the first three liquefaction trains that are under construction. In April, it signed a 20-year deal to purchase 1.5 million tonnes per year from Train 4, although Reuters reported last month that Total had declined its option to invest in Train 5.

China headed toward regular deliveries of sanctioned Russian LNG

(Bloomberg; Sept. 7) - China appears to be setting up a system to regularly import cargoes of liquefied natural gas from a Russian project sanctioned by the U.S., a move that will test the Trump administration's willingness to penalize Beijing in its efforts to curb Moscow's energy revenue. Having taken the first-ever overseas export from the Arctic LNG 2 project in Russia in late August, China is now taking more blacklisted Russian LNG and has designated the Beihai terminal in southern China to accept shipments, according to people with knowledge of the matter.

By choosing a single port with limited international exposure, Beijing should be able to insulate its wider gas sector from retaliation. Purchases are also being done via a little-known company to obscure the actual end-user, the people said, asking not to be

named as the matter is sensitive. Meanwhile, Chinese importers, including state-owned CNOOC, are diverting regular deliveries away from Beihai to avoid being connected with the trade and falling afoul of the U.S., the world's largest LNG exporter, the people said. Several overseas traders are avoiding the port for the same reason, they added.

China now is poised to receive its third shipment from the U.S.-sanctioned Arctic LNG 2 export plant in Russia, according to ship-tracking data. China's first cargo from Arctic LNG 2 came ahead of Russian President Vladimir Putin's meeting with his Chinese counterpart and so was largely seen as a symbolic gesture. By continuing to accept deliveries, Beijing is sending a stronger signal and also threatening to get caught up in Washington's efforts to pressure Moscow over the war in Ukraine.

Analysts look to see if China absorbs world's excess supply of crude

(Bloomberg; Sept. 6) - As the oil market moves closer to a long-anticipated glut, traders are closely watching buying from China to see if it will absorb an excess that the world's crude-producing nations are set to pump. Earlier this year, China piled into the market to snap up millions of barrels, including some that went into its strategic storage. The buildup has since slowed as China's domestic demand picked up, but with expectations that Beijing will continue to amass barrels, its next steps are seen as critical.

With China's vast network of oil tank farms still a little over 50% full, according to OilX data, traders say another spree would limit the damage from a long-anticipated glut in other parts of the globe. That's significant because if China's buying is elevated, it will prevent a buildup of supply in a narrow set of hubs in the U.S. Midwest and Northwest Europe, limiting how far prices can fall.

"The key question is where stock builds will turn up," HSBC Holdings analysts including Kim Fustier wrote this week. "If China continues to absorb excess oil volumes via its strategic reserves, as it did in the second quarter, stock builds in the OECD could be muted." About 10% of its crude stockpiling has been directed to its strategic reserves, according to Kayrros analyst Antoine Half. There have also been additions to China's refining capacity, such as CNOOC's Daxie plant, and the addition of new storage tanks.

China's strategic reserves a big unknown in global oil market

(Bloomberg; Sept. 10) - At Asia's biggest gathering of oil executives and traders this week, two questions loomed over every conversation: How much oil is China buying for its strategic petroleum reserves, and how long will Beijing keep going? Estimating purchases by the world's top importer is more than a parlor game — the barrels underpin Chinese appetite for crude, which is vital to holding up global demand.

Without this short-term driver, the outlook is bleak. New supply is coming from OPEC+ and others, just as oil consumption is eroded by factors including the rapid uptake of electric vehicles. The trouble for attendees of the Asia Pacific Petroleum Conference in Singapore is that China's SPR is a tightly held state secret, and targets are long-range in nature, making it difficult to gauge storage levels or the pace of buying. Third-party data providers provide some insight, but underground storage clouds the real figures.

A network of coastal tanks and caverns built to help the country manage both availability and price volatility, China's SPR has expanded swiftly the past two decades as demand has grown. Adding to the limited disclosure, much of the oil can be from sanctioned countries such as Russia, Iran or Venezuela. Rising geopolitical tensions mean energy security has become more crucial for China, which imports more than 70% of its crude. Alongside commercial storage, the reserves are vital in the country's energy security.

U.S. oil industry cutbacks could mark end of rapid production growth

(Reuters; Sept. 8) - The U.S. oil industry has laid off thousands of workers and cut billions in spending due to lower oil prices and the biggest consolidation in a generation, in what could mark the end of the rapid output growth that made the U.S. the world's top producer. The Organization of the Petroleum Exporting Countries and its allies in the OPEC+ producer group are increasing output to win back market share that was lost to the United States and other producers in recent years. OPEC+ agreed on Sept. 7 to further raise production from October by 137,000 barrels per day.

Those increases have driven international oil prices down around 12% this year to just above break-even levels for many U.S. oil companies, prompting cuts in spending and jobs that industry officials say could curb production. A plateau or fall in output would diminish U.S. sway in global markets and challenge President Donald Trump's energy dominance agenda for the country. ConocoPhillips — the third-largest U.S. oil producer — said last week it would cut up to 25% of its staff. That followed news in February by rival Chevron, which said it would lay off 20% of its workforce.

Oil field service company SLB said it was reducing its workforce earlier this year, while service firm Halliburton has cut staff in recent weeks. Lower oil prices and rising costs have pushed 22 public U.S. producers, including Occidental Petroleum, ConocoPhillips and Diamondback Energy, to cut their capital expenditures by \$2 billion, according to a Reuters analysis of second-quarter earnings announcements. The analysis did not include oil majors Exxon Mobil or Chevron.

U.S. drilling rig count declines again as companies cut back

(Reuters; Sept. 9) - The U.S. oil industry is facing significant challenges, having laid off thousands of workers and reduced billions in spending due to declining oil prices and major industry consolidation. This shift may signal the end of the rapid output growth that once positioned the U.S. as the top global producer. In response, the Organization of the Petroleum Exporting Countries and its partners in the OPEC+ group are ramping up production to reclaim market share lost to the U.S. and other producers. On Sept. 7, OPEC+ said it would increase output by 137,000 barrels per day starting in October.

OPEC+ production increases have led to a nearly 12% decline in oil prices this year, bringing them close to break-even for many U.S. companies. This situation has prompted significant budget cuts and layoffs, which industry insiders warn could limit future production. Should output plateau or decline, it could weaken U.S. influence in global oil markets and complicate President Donald Trump's energy dominance agenda.

Compounding these issues, the U.S. oil rig count — a key indicator of future drilling activity — has dropped by about 69 to a total of 414 rigs this year, according to Baker Hughes. Experts suggest that oil prices need to stabilize between \$70 and \$75 per barrel for drilling operations to resume effectively. Current trading for U.S. West Texas Intermediate futures was at \$62.15 per barrel on Sept. 8.

Oil industry likes Trump policies, but they haven't boosted profits yet

(Wall Street Journal; Sept. 7) - Oil billionaire Harold Hamm high-fived Donald Trump on election night as results trickled in at the Mar-a-Lago watch party. Hamm, founder of family-owned oil-and-gas company Continental Resources, had good reason to celebrate. He and other oilmen had donated tens of millions of dollars to help reelect President Trump, betting that his pro-fossil-fuel agenda would stave off a long-term shift away from fossil fuels and keep the country hooked on gasoline.

That wager is paying off. The Trump administration is opening swaths of wilderness land and federal waters to drilling, approving new liquefied natural gas export terminals and proposing to ax environmental regulations, including an Obama-era rule used to curb emissions from power plants, tailpipes and oil and gas production. His One Big Beautiful Bill is expected to hobble renewable-energy projects and stunt the adoption of electric vehicles. Oil executives now enjoy extraordinary access to the White House.

So far, however, the industry's policy wins haven't flowed through to companies' bottom lines. Trump's shifting positions on trade, coupled with an increase in global oil supplies, have depressed oil prices, cost energy firms billions of dollars in stock market value and contributed to layoffs. Tariffs on steel and aluminum are making drilling more expensive. U.S. oil prices are hovering near \$62 a barrel — below the break-even point for many

smaller players — down from \$76 the week Trump took office. Yet some oil bosses see the turbulence as a price worth paying to see the president implement their agenda.

U.S., Japan trade agreement spells out investment pledge

(Nikkei Asia; Sept. 6) - Although Japan extracted lower auto tariffs from the U.S. after months of negotiations, the deal Japan has signed comes with a pledge of investments totaling \$550 billion that will be selected by President Donald Trump. The memorandum signed by Japan and the U.S. on Sept. 4 gives Trump the power to select the projects. The investments are to be made by Jan. 19, 2029, Trump's final full day in office.

An investment committee headed by the commerce secretary and comprising solely U.S. officials will recommend projects to Trump. Prior to making a recommendation, the investment committee will speak with a consultation body that will include representatives from the U.S. and Japan. This body is expected to include representatives from the Japanese government, the Japan Bank for International Cooperation (JBIC), and Japan's Nippon Export and Investment Insurance (NEXI).

It will examine potential investments against Japanese laws and regulations. In principle, the investment committee will direct work to Japanese firms. For example, if a power plant is built in the U.S., the parts will be made by Japanese companies, according to the Japanese government. If the project is a semiconductor plant, then the facility will use manufacturing equipment and materials made in Japan, Japanese officials say. The MOU does not specify how the Japanese side will raise the funds. Tokyo says that JBIC and NEXI will provide investments, loans and loan guarantees.

When Japan and the U.S. reached an agreement in July, Washington said the U.S. would receive 90% of the profits from the investments. However, this week's MOU says the profits will be equally shared between Japan and the U.S. until the principal and the interest on JBIC loans have been repaid. If a project continues to generate profit following the repayment, then the U.S. side will reap 90% of those earnings.

Abu Dhabi company looks to line up financing to take over Santos

(Bloomberg; Sept. 6) - Abu Dhabi National Oil Co. is considering lining up more than \$10 billion in debt financing from local and international banks as it moves forward with its roughly \$19 billion pursuit of Australian fossil fuel producer Santos, according to people familiar with the matter. The debt package is led by JPMorgan Chase, which is also the financial adviser to the ADNOC-led group, the people said, asking not to be identified because the process is private.

Discussions between ADNOC and Santos are progressing as they seek to reach a binding agreement by Sept. 19, when the exclusivity period expires, the people said. ADNOC's investment arm XRG is leading a consortium that includes Abu Dhabi Development Holding Co. and Carlyle Group, seeking to buy Santos for \$18.7 billion. The takeover, announced in June, would allow ADNOC to join peers including Saudi Aramco in targeting liquefied natural gas, one of the fastest-growing fossil fuel markets.

The buyers group is working on due diligence, internal approvals as well as engaging regulators to help clear the path to approval, the people said. Considerations are ongoing and no final decisions have been made, they said, adding that details such as the final size of the financing could still change. The board of Santos, Australia's second-largest fossil fuel producer, has recommended accepting ADNOC's cash offer.

Turkey inks a flurry of LNG import contracts

(Bloomberg; Sept. 10) - Turkey clinched a flurry of liquefied natural gas contracts at a major industry conference this week, helping to support its foreign trading ambitions and cut its reliance on longstanding suppliers Russia and Iran. State-run gas company Botas signed eight agreements with energy majors from across the globe at the Gastech conference in Milan, giving it access to about 210 billion cubic feet of natural gas as LNG a year. That's almost half its imports of the fuel in 2024.

The new supply means that within two days, Turkey has more than met the additional demand that the government anticipates between now and 2030. It also makes the country the most active dealmaker at the conference, underscoring its efforts to diversify suppliers just as older contracts run out. "These short-term deals could help assuage a potentially tight supply in the short run as it remains unclear whether some Russian pipeline gas deals will get renewed," said BloombergNEF analyst Olympe Mattei.

Key terms like duration and annual volume were missing from some of the announcements, but they were mostly three-year deals starting in 2026. With Turkey's own gas production from the Black Sea set to grow, the longstanding importer may end up having more gas than it needs. To balance it, Ankara could cut back spot LNG purchases or negotiate lower volumes on long-term pipeline contracts with legacy suppliers Russia and Iran, both of which are set to expire in the next year. Another option is to resell some of the excess on foreign markets, expanding its trading portfolio.