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U.S. LNG project developers on track for second-biggest year ever

(Reuters; Nov. 6) - U.S. liquefied natural gas developers are on track this year to ink the second-highest annual number of binding sales contracts, despite industry concerns about increasing capacity and rising costs. In the first 10 months of 2025, U.S. LNG producers signed sales-and-purchase agreements for 29.5 million tonnes of LNG per year, more than four times the 7 million tonnes signed in all of 2024, data from consulting firm Rapidan Energy Group shows.

The contracts are used by developers to raise financing by showing that their projects can generate positive cash flow, with customers locked into contracts for as long as 20 years. The only time more binding deals were signed by U.S. exporters was in 2022, when Russia invaded Ukraine, according to Rapidan Energy. A flurry of final investment decisions for U.S. projects have come this year, adding new capacity of 61.5 million tonnes per year of LNG to an existing base of 120 million. Cheniere Energy, Venture Global, Sempra, Next Decade and Woodside Energy have all greenlit facilities this year.

The U.S. Energy Information Administration expects the country's overall LNG production capacity to double by 2029. America could export one third of global LNG by 2030, according to the International Energy Agency. Rapid expansion of U.S. LNG could result in a global glut, with the IEA predicting lower prices. “As new supply comes to market, notably from the United States and Qatar, it should apply downward pressure on prices — offering welcome relief for gas importers worldwide,” said IEA Director of Energy Markets and Security Keisuke Sadamori.

South Korea’s trade minister says investment in Alaska LNG unlikely

(The Chosun Daily; South Korea; Nov. 6) - Minister of Trade, Industry and Resources Kim Jung-kwan said the proposed Alaska LNG project is unlikely to qualify as a target for South Korea’s investment fund for U.S. ventures. His statement contradicts the Trump administration’s earlier statement that South Korea could participate in the Alaska project. Kim attended a plenary session of the National Assembly’s Budget and Accounts Special Committee in Yeouido, Seoul, on Nov. 6.

“Gas pipeline projects are high-risk, high-risk ventures,” he said. “Commercial rationality is limited to projects that can generate cash flow, so the Alaska gas field does not easily meet our criteria.” The South Korea government had previously announced that its pledged investments in the U.S. worth $200 billion — following the outcome of the

Korea-U.S. tariff negotiations — would be restricted to projects with commercial rationality. Kim clarified that the Alaska project does not align with these standards.

When Rep. Bae Joon-young of the People Power Party asked, “Can we consider this outside the scope of our investable items?” Kim replied, “That is the case for now.” He added, however, “given aspects like gas security diversification, both domestic companies and the government are monitoring the project’s progress with interest.”

Developer wants more equity partners for Louisiana LNG project

(Reuters; Nov. 6) - U.S. pipeline operator Energy Transfer will not give its Lake Charles liquefied natural gas export facility in Louisiana a financial go-ahead until 80% of the project has been sold to equity partners, company executives said Nov. 5 on a post-earnings call. Energy Transfer has been developing the 16.5-million-tonne-per-year LNG terminal and has sold most of the expected production to long-term customers, but has faced rising project costs and wants to share the risk with equity partners.

"Our projects need to meet certain risk-return criteria, and we're not there yet on LNG," co-CEO Tom Long said. "We are hoping that these equity partners will step up by the end of the year and get us to where we want this kind of risk profile, in the space we want this project.” The company earlier this year signed a non-binding agreement with MidOcean Energy to jointly develop Lake Charles LNG. MidOcean is expected to pay for 30% of the construction costs of the facility and receive 30% of the LNG production, or roughly 5 million tonnes a year.

Nearly all of the project's offtake is contracted, but the "last, big, most important box" is adding equity partners, co-CEO Mackie McCrea said. “We've got our work cut out for us" to sell down equity stakes before needing to reset the terms of its engineering, construction and procurement contract with contractors Technip Energies and KBR. "Let me make this real clear: We will not proceed with LNG until we have secured 80 percent of equity partners similar to ourselves," McCrea said. The midstream firm has sought for years to convert the existing Lake Charles import facility into an export terminal.

U.S. producing record volume of gas in 2025; more forecast for 2026

(Reuters; Nov. 7) - U.S. energy firms produced a record amount of natural gas during the third quarter as producers scrambled to keep up with soaring domestic and export demand for the fuel. Power-hungry data centers and a boom in liquefied natural gas exports are driving U.S. gas use, pushing producers to pull more gas out of the ground. Both supply and demand are set to hit record highs in 2025 and 2026, according to the U.S. Energy Information Administration.

The EIA projected dry gas production will climb from 103.2 billion cubic feet per day in 2024 to 107.1 bcf per day in 2025 and 107.4 bcf per day in 2026. That compares with a record 103.6 bcf in 2023. The agency also forecasts gas consumption, including exports, will rise to new records in 2025 and 2026. In addition to available U.S. production, Canada also sends about 8 bcf per day of gas to the U.S. via pipelines.

The 10 biggest, mostly gas-focused energy firms, including Expand Energy and EQT, produce almost a quarter of the nation's gas, primarily from gas-producing shale formations like the Marcellus and Utica in Pennsylvania, Ohio and West Virginia and the Haynesville in Louisiana and Texas. Many energy firms also produce gas from oil wells, known as associated gas, in shale formations like the Permian in West Texas and New Mexico and the Bakken in North Dakota.

Japan will buy more LNG for its strategic reserves

(Reuters; Nov. 7) - Japan, the world's No.2 LNG importer, plans to buy liquefied natural gas for emergency reserves on a monthly basis starting in January, instead of buying only during peak demand periods, to guard against supply shocks, two industry ministry sources said. The reinforcement of the country's Strategic Buffer LNG (SBL) program, run by the Ministry of Economy, Trade and Industry (METI), will ensure at least one LNG cargo is secured each month to mitigate supply risks.

For the year, that means Japan will buy at least 12 LNG cargoes for its emergency reserve, about four times as much in the past two years. If there is no emergency, the cargoes may be used or resold. Any resale losses are covered by the government, while profits must be returned to the government. Japan is expanding its role as an LNG trader as domestic demand declines, selling excess cargoes abroad during periods of weak local consumption.

Since December 2023, JERA, Japan's top LNG buyer and a certified SBL supplier, has bought one cargo for each of the three winter months over the past two winters to add to the reserve, although it was never activated. From 2026, JERA will buy at least one SBL cargo every month from January to December, one ministry source said on Nov. 5. Japanese power utilities have called for an expansion of the strategic buffer, which allows JERA to supply a cargo to a utility facing an urgent shortfall, hedging against disruptions from conflicts or nuclear reactor outages, among other issues.

LNG Canada project starts up production at second liquefaction train

(Reuters; Nov. 6) - LNG Canada has started production of liquefied natural gas at the second of its two processing units, known as Train 2, the company said. Both trains at the Shell-led project in Kitimat, British Columbia — each with a capacity of 6.5 million tonnes per year — are now operational, a spokesperson told Reuters. LNG Canada is the first major LNG export facility in Canada and the first on the West Coast of North America that provides direct access to Asia, the world's largest market for the fuel.

LNG Canada, which took almost seven years to build, shipped its first cargo on June 30. However, technical challenges have made the ramp-up slower than many analysts expected. A 22nd cargo departed the facility on Nov. 6 for export to global markets, the spokesperson said. Market participants have expressed hope that the start-up of the second train will create enough demand to reduce the glut of natural gas in storage in Western Canada and help lift prices for producers. LNG Canada is a joint venture of Shell, Malaysia's Petronas, PetroChina, Japan's Mitsubishi and South Korea's KOGAS.

Canadian gas producer will sell LNG to Europe via U.S. Gulf Coast

(Financial Post; Canada; Nov. 6) - More Canadian natural gas is set to make its way to European shores. Canada's largest gas producer, Tourmaline Oil, has announced a 10-year supply deal with Centrica Energy, the trading arm of British Gas owner Centrica. The contract will see Tourmaline deliver about 50 million cubic feet of gas per day — the equivalent of five liquefied natural gas cargoes a year — to Centrica beginning in 2028, the company said Nov. 5. It is the second direct supply deal the Canadian gas producer has struck with a European buyer in recent months. Tourmaline is also set to supply German utility Uniper through deliveries of natural gas to the U.S. Gulf Coast, where it will be liquefied and shipped as LNG to Europe.

Canadian gas producer signs commercial deal with LNG plant

(Vancouver Sun; Nov. 6) - The minority partner in the $4 billion Cedar LNG project under development near Kitimat, British Columbia. has signed a major commercial deal to use the plant's capacity just as its owners are seeking permission to boost its output. Calgary-headquartered Pembina Pipeline, which owns 49.9% of the Haisla-Nation led LNG project, said it reached a 20-year agreement with Malaysian state-owned firm Petronas to use one million tonnes per year of the plant's 3-million-tonnes capacity.

Terms of the deal will see Pembina provide another export outlet for the gas produced by Petronas' Canadian subsidiary in B.C.'s northeast and earn a stable, long-term revenue stream for the Cedar LNG project. Petronas is also 25% joint-venture partner in the neighboring LNG Canada plant in Kitimat, which started operations this summer, but an executive said the deal with Pembina "improves supply diversity" for its production.

Pembina made the announcement the same week B.C.'s Environmental Assessment Office opened a public comment period for Cedar LNG's application seeking to amend the project's permit to accommodate a 25% increase in capacity to 3.75 million tonnes per year. In its filing, Cedar LNG said advanced design and engineering work identified operational efficiencies within the liquefaction plant that is under construction, which will allow for expansion of its production capacity. Start-up of the plant is estimated for 2028.

First Nation takes over permits for abandoned LNG project in B.C.

(The Globe and Mail; Canada; Nov. 6) - The Haisla Nation has reached a deal to acquire the assets of a cancelled project formerly envisaged to be one of the largest terminals for exporting liquefied natural gas from British Columbia. The sellers, Chevron and Australia's Woodside, scrapped the on-again, off-again project in 2021 after investing hundreds of millions of dollars. The co-owners, which each hold a 50% stake, were unable to secure any buyers for the plant's output.

The abandoned Kitimat LNG project had hoped to export up to 18 million tonnes a year. Chevron and Woodside disclosed a total of US$2.32 billion in write-downs related to asset devaluations from investments in the LNG venture on Haisla reserve land. The agreement with the Haisla Nation, revealed in a regulatory filing posted Oct. 30 and subject to approval from B.C.'s Environmental Assessment Office, would see the Haisla's Bish LNG take over the permits, licenses and land for the abandoned project. Haisla officials have not announced any plans for the property near Kitimat, B.C.

The Haisla already own 50.1% of Cedar LNG, while Calgary-based Pembina Pipeline holds 49.9% of the floating project, also located at Kitimat, which is under construction. Woodfibre LNG is the only other project under construction in the province, despite companies unveiling over 20 proposals from 2011 to 2015 for exports to Asia. Woodfibre anticipates that it will complete construction at its site near Squamish by late 2027, while Cedar expects to begin shipments by late 2028. Shell-led LNG Canada became the country's first export terminal when it started shipments to Asia from Kitimat in June.

LNG project will use second floating hotel for construction crew

(Business in Vancouver; Nov. 6) - A second worker "floatel" will soon be stationed at the Woodfibre LNG construction site north of Vancouver, British Columbia. A request from the project developer to allow a second floating camp, or floatel, to accommodate workers building the liquefied natural gas export facility southwest of Squamish has been approved by the provincial Environmental Assessment Office. The 2.1-million-tonne-per-year LNG plant is scheduled for completion by the end of 2027.

The application to amend Woodfibre LNG's environmental assessment certificate required approvals by Sḵwx̱wú7mesh Úxwumixw (Squamish Nation). "Ensuring the protection of Sḵwx̱wú7mesh (Squamish) people, lands and waters is paramount. The Squamish Nation Environmental Assessment Agreement is the first Indigenous-led assessment and regulatory process in Canadian history and gives our Nation a unique and independent regulatory role over the Woodfibre LNG project," said Sxwíxwtn Wilson Williams, chairperson of Sḵwx̱wú7mesh Úxwumixw, in an emailed statement.

The first floatel, the Isabelle X, a converted cruise ship, was moved to the construction site in June 2024. In May 2025, Woodfibre LNG announced it was seeking to bring in a second floatel to speed up construction work. It will have accommodations for about 650 workers. The original idea to use a cruise ship for housing resulted from concerns within the community about pressures on housing and potential violence against women.

Santos close to shipping first LNG from new Australia offshore field

(Bloomberg; Nov. 8) - Santos signaled progress toward shipping the first liquefied natural gas cargo from its $4.5 billion Barossa field off northern Australia, a project that counts as a cornerstone asset for the company. The cargoes could begin in the next few weeks, Sean Pitt, executive vice president for marketing, trading and shipping, said in a speech Nov. 8 at the China International Oil and Gas Trade Congress in Shanghai.

Santos — a major supplier of LNG to Asian buyers — trimmed its natural gas production outlook last month after an unplanned two-week shutdown at Barossa, which only recently started production. The Barossa project includes a 163-mile undersea pipeline to an onshore liquefaction plant, and will deliver as much as 3.7 million tonnes of LNG a year, or about 4% of Australia's total export capacity. Santos operates and owns half of Barossa, with the rest held by South Korea's SK Innovation E&S and Japan's JERA.

China builds floating LNG production unit for Republic of Congo

(Ships Monthly; Nov. 7) - China has unveiled the world's largest domestically built floating liquefied natural gas production facility, completed in just 33 months. Named Nguya FLNG, the massive structure will operate in the Republic of Congo. At 1,233 feet long and almost 197 feet wide, Nguya FLNG is the largest floating LNG unit constructed in China. Its storage capacity is more than a standard LNG carrier could load. Its annual production capacity is 2.4 million tonnes of LNG — about 35 tanker cargoes.

It was built at the Nantong shipyard in Jiangsu province and marks a major leap in China's offshore equipment manufacturing capabilities. The facility will be stationed 31 miles offshore from Pointe-Noire, in waters 115 feet deep, giving it direct access to the Congo's Marine XII block via subsea pipelines. It will complement the existing Tango FLNG unit at the Congo LNG project operated by Italian oil and gas major Eni. According to Lin Boqiang of Xiamen University, the project enhances China's influence in global LNG markets and showcases its competitive edge in offshore engineering.

[China has become ‘the supermajor of clean tech,’ Total CEO says]

(Wall Street Journal; Nov. 6) - A decade after the Paris climate accord was signed, political support for it is fraying across the West. President Donald Trump has pulled the U.S. out again, and Europe and Canada are balking at the cost and political unpopularity of climate measures. Yet the global shift to clean energy is barreling ahead — driven largely by China’s emergence as a clean-tech superpower. China’s massive manufacturing investments in the sector have sent the cost of clean energy plummeting, making it competitive with fossil fuels in many markets with few or no subsidies.

As governments gather in Belém, Brazil, for the annual United Nations climate conference, China sits at the center of the negotiations like never before. Beijing’s turn to clean energy is helping keep the Paris accord intact, despite developing nations’ frustration with Western backsliding on climate goals. But China is also the largest emitter of greenhouse gases, and it has yet to begin cutting emissions — a big reason why global warming is on pace to crash through the temperature targets of the accord.

When the agreement was signed in 2015, few predicted how quickly China’s clean-tech industry would achieve astonishing scale, particularly in solar panels, batteries and electric vehicles. Back then, EVs and batteries were barely mainstream. “China has become the supermajor of clean tech over 10 years,” said Patrick Pouyanné, CEO of TotalEnergies, the French oil and gas major that is one of the world’s top investors in renewables. “We didn’t really see it in 2015, but the acceleration has been spectacular.”

Now Chinese manufacturers are flooding global markets with solar panels, batteries and EVs. The cost of solar power is less than half what analysts in 2015 predicted it would be in 2025. For poorer nations, the plummeting cost of clean energy is helping offset a sharp drop in climate finance from wealthier nations.

[Russian crude oil trades at steepest discount in a year]

(Reuters; Nov. 6) - Russian oil is trading at its steepest discounts to Brent in a year in Asia, as major Indian and Chinese refiners reduce purchases following fresh U.S. sanctions on leading Russian producers, industry sources said. The price gap for Russia's flagship Urals crude widened by $2 to about $4 per barrel below the international benchmark Brent for December arrival, the widest discount seen in about a year, according to four trading and refining sources involved in Russian oil supplies.

The discounts, though less severe than those seen after the initial wave of Western sanctions in 2022, when they stood at around $8 per barrel, reflect mounting pressure on Russian oil revenues — a critical lifeline for Moscow's budget. The United States recently imposed tough restrictions on Russian oil giants Lukoil and Rosneft, setting a Nov. 21 deadline for companies to conclude all transactions with these entities.

In response, key Indian refiners including Hindustan Petroleum, Bharat Petroleum, Mangalore Refinery and Petrochemicals, HPCL-Mittal Energy and Reliance Industries have paused orders for Russian oil intended for December arrival. Together, these five companies account for about 65% of India's imports of Russian oil. Chinese state oil majors have also suspended purchases of seaborne Russian oil following the U.S. sanctions on Rosneft and Lukoil, multiple trade sources said on Nov. 6.

Tanker owners switch from refined products to crude to reap profits

(Bloomberg; Nov. 5) - A spike in freight rates for oil tankers has prompted a wave of vessels to join the lucrative trade, with dozens of ships switching their focus from hauling products to carrying crude. In the first four days of this month, nine so-called long range-2 tankers — the largest ships that carry products such as jet fuel and diesel — switched to carrying crude oil instead, according to ship-tracking platform Signal Ocean. That brings the year-to-date tally of so-called clean-to-dirty switches to 35.

The pivot unfolding in parts of the world’s tanker fleet offers fresh evidence of the impact from oil-producing nations boosting output, as well as the knock-on effects of tighter Western sanctions against Russia and Iran. OPEC+ has ramped up oil supply this year, as have drillers outside the alliance, meaning that there are greater volumes of crude that need shipping to customers.

“Dirtying-up was bound to happen,” said Georgios Sakellariou, a chartering analyst at Signal Maritime, a vessel-pool management company under the same group as Signal Ocean. “What used to be more of an operational consideration for shipowners is now a broader market trend.” Sakellariou pointed to earnings prospects as driving the shift, with increased fees for hauling oil. Benchmark earnings for very-large crude carriers recently hit the highest in years. Going from clean (products) to dirty (crude) means owners need to factor in the costs of having the ship’s existing coatings compromised.

Global commodity trader withdraws offer to buy Lukoil assets

(Wall Street Journal; Nov. 7) - Gunvor pulled its offer to buy the international assets of sanctioned Russian oil producer Lukoil after the U.S. Treasury Department said Nov. 6 it opposed the deal and called the Swiss commodities trader the “Kremlin’s puppet.” The move signals the Trump administration is taking a hard-line approach in its recently launched effort to use economic pressure on Moscow to end the war in Ukraine.

Last month, Washington ratcheted up sanctions on Russia with a direct focus on its oil companies, including Lukoil. Soon after the blacklisting, Lukoil struck a deal with Gunvor, a firm with a rich history in post-Soviet Russia, for its international assets. “As long as Putin continues the senseless killings, the Kremlin’s puppet, Gunvor, will never get a license to operate and profit," the Treasury Department said in a post on X. Shortly after, Gunvor said it withdrew its offer for Lukoil's assets. It disputed the Treasury Department's statement, calling it "fundamentally misinformed and false."

The rebuke of Gunvor marked an escalation in Washington's effort to strangle Russia's oil income, which has fueled Moscow's war on Ukraine. The aborted deal also leaves Lukoil's global network — a portfolio spanning major refineries in Europe, oil fields in the Middle East and gas stations around the world — hanging in the balance. With the U.S. threatening secondary sanctions on banks and parties that transact with them, Lukoil's overseas assets are at a heightened risk of governmental seizures or shutdown.

Trump administration not moving to refill strategic oil reserves

(Wall Street Journal; Nov. 5) - President Donald Trump pledged in his inaugural address to make the country's emergency oil reserves whole. He appears to be in no hurry. The president inherited low stocks from predecessor Joe Biden, who drew historic amounts to tamp down rising gasoline prices. But Trump's administration has done little thus far to ensure that the deep salt caverns in Texas and Louisiana that serve as the Strategic Petroleum Reserve are replenished. Trump's sprawling tax-and-spending bill slashed funding for new crude purchases, and Congress has yet to appropriate new monies.

Without new funding, the stockpiles are poised to languish at some of their lowest levels in 40 years — and at a time when the U.S. is flexing its muscles in combustible geopolitics. Since June, it has respectively bombed, threatened and sanctioned Iran, Venezuela and Russia, which together account for more than 15% of global oil production, according to the U.S. Energy Information Administration.

Global markets today enjoy ample oil supplies, and U.S. oil prices have fallen to about $60 a barrel, which takes the heat off stockpiling efforts. But this means that now is also a good time to fortify the federal buffer against rising geopolitical tensions, analysts say. "You're not guaranteed to get a $60 price forever," said Kevin Book, head of research at energy-research firm ClearView Energy Partners. The task of refilling the reserves is made harder by Trump's colliding policies. Vacuuming large volumes of crude from markets would tighten supplies and complicate his goal to keep gasoline prices low.

In the best-case scenario, it would take more than two years — and tens of billions of dollars — to fill the caverns to their capacity of about 714 million barrels, analysts say. But Republicans who lambasted Biden for depleting the stash have shown no interest in footing the bill. Trump's budget legislation allocated $171 million to crude purchases — down from $1.3 billion in a previous version — as Congress sought to fund his tax cuts.

Longer drill laterals cut costs in Wyoming’s Powder River Basin

(Cowboy State Daily; Wyoming; Nov. 7) - Oil and gas in the Powder River Basin are inching ever closer to a significant milestone that could help unlock this underperforming play. That metric is a barrel of oil that consistently costs less than $50 to produce, which is the point where this play becomes competitive with other shale plays in America. That’s vital to attracting development capital and infrastructure, creating further efficiencies to unlock the play.

The Powder River’s average break-evens have been around $60 to $65 for the Mowry and the Niobrara formations. Drilling 3-mile laterals, however, is changing that, bringing the average down to more like $55, according to an analysis by Enverus, which tracks the oil and gas industry in all of America’s major plays. Getting to $55 is significant movement in the right direction for the Powder River Basin to finally start taking off, Enverus analyst Ryan Hill said.

“What is still most relevant to the market is sub-$50,” Hill said. “But we do think there are ways to get there, and there are certain operators who are already achieving sub-$50-per-barrel break-even.” Devon led the way with 3-mile laterals, Hill added, drilling the play’s very first one. So far, Devon has drilled 38 of the 3-mile laterals, while powerhouse Continental comes in second with 33. The play’s largest private operator, Anschutz, drilled its first 3-mile laterals this summer and has completed three to date.

Report says Australia’s LNG exports could crowd out renewables

(Australian Broadcasting Corp.; Nov. 5) - A secret report has undermined the Western Australia government's claim that domestic gas production is helping the rest of the world decarbonize, while the state's own greenhouse gas emissions rise. The report throws doubt on Australia's ability to reach net-zero emissions by 2050 and substantiates claims that the country's liquefied natural gas export industry could be hampering global efforts to decarbonize, according to climate and energy analysts.

The state government commissioned and paid $402,000 for the report from consultancy firm Deloitte and received it in January, but had kept it under wraps until journalists obtained and reviewed the document. The revelation comes almost eight weeks since federal Environment Minister Murray Watt granted final approval for gas giant Woodside to extend the life of its North West Shelf gas project until 2070.

The report said that while gas could serve as a "bridge" from other fossil fuels like coal to cleaner energy, it could also achieve the opposite effect. "There are substantial risks that gas could crowd out investments in renewable technologies or delay the broader adoption of zero-emission energy systems," the report said. Among the risks noted was that countries could divert resources to build gas infrastructure, which could ultimately lock-in their dependence on fossil fuels. Gas is Australia's third-largest export, with $67 billion exported in 2024. Western Australia is the country's largest LNG exporter.