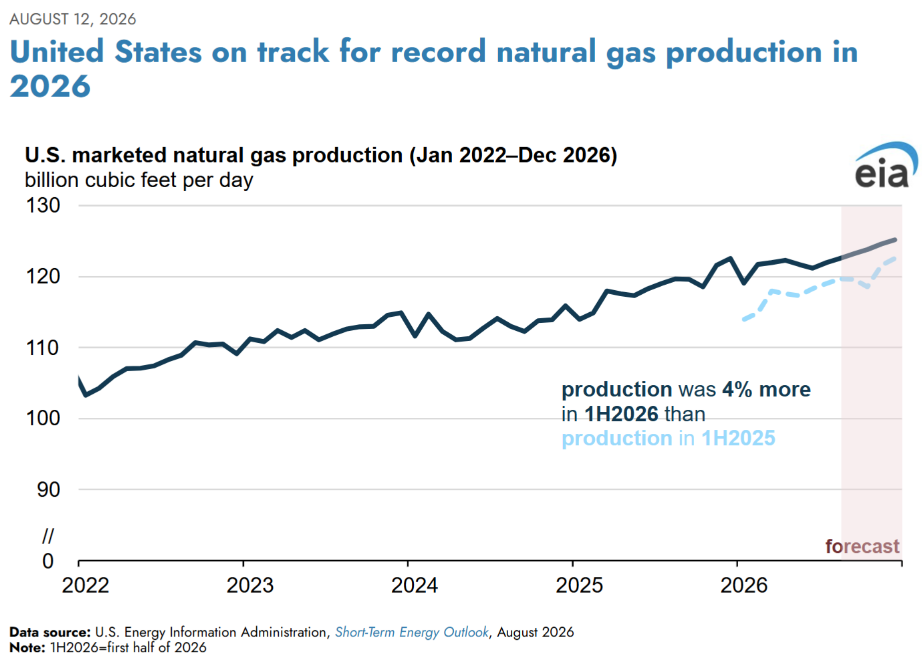
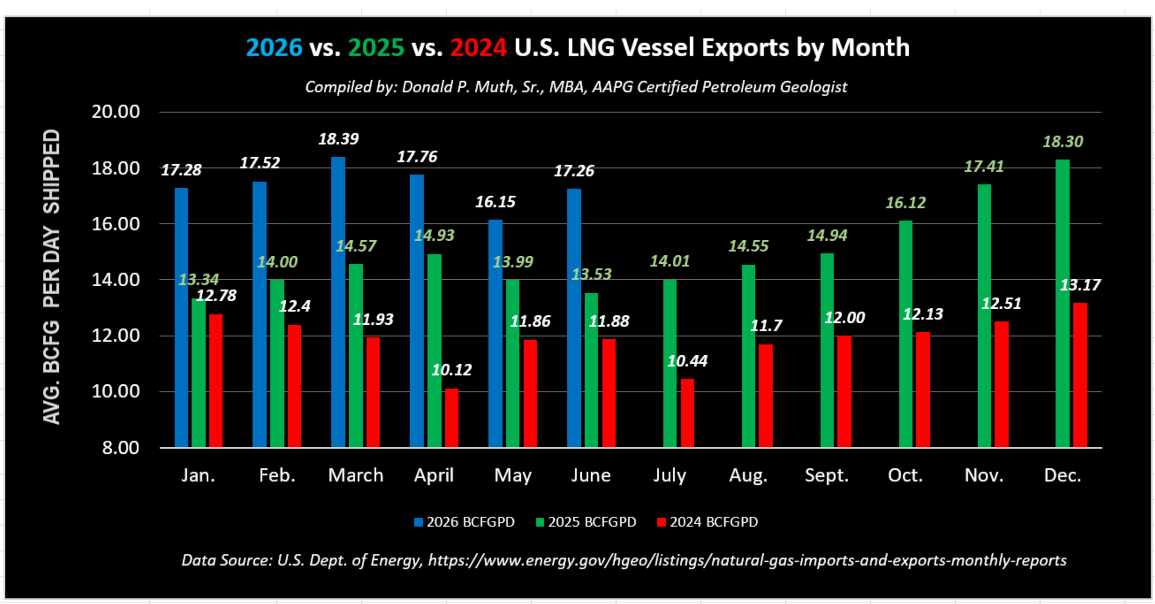
DID U.S. LNG EXPORTS INCREASE FROM HORMUZ STRAIT SHIPPING RESTRICTIONS?
By Donald P. Muth, SIPES VP of National Energy

The first half of 2026 (Q1 & Q2) reports U.S. LNG vessel exports averaged 17.388 BCFGPD from nine U.S. terminals and represents a **23% increase over 2025 exports in the same period**. The ninth U.S. LNG terminal, Golden Pass, shipped its first 3.619 BCF LNG shipment in late April and has been a disappointment. The facility shipped single-vessel shipments of 3.464 BCF in May and 3.449 BCF in June. Golden Pass is all but off-line still trying to resolve liquefaction issues. Qatar has a 70% ownership stake in Golden Pass and ExxonMobil has 30%. The loss of Golden Pass LNG not taking natural gas feedstock has kept downward price pressure on Henry Hub natural gas prices. Freeport and Sabine Pass LNG also experienced maintenance down time, further reducing natural gas feedstock intake. Record 2026 U.S. natural gas production is also underway. The EIA forecasts 2026 U.S. natural gas production will increase +4% over 2025 record volumes.



Yes, U.S. LNG Numbers Improved
March 2026 noted six of the eight operating U.S. LNG terminals delivered well above seasonal averages due to shipping restrictions in the Hormuz Strait. Such annual terminal monthly volume records, all in the same month, has never been achieved. March witnessed U.S. LNG expansion between 1.5 to 3.5 BCFGPD due to restricted passage closure of the Persian Gulf Hormuz Strait. More precise U.S. LNG export growth directly attributed to the Iran-U.S. conflict is difficult to measure against previous years due to 2024 Biden-Era policies to restrict LNG shipment at 12 BCFGPD and Trump-Era 2025 LNG escalation.



Ras Laffan LNG force majeure continues

Qatar, the world's 2nd largest LNG exporter extended force majeure on LNG contract deliveries into October 2026. The country's Ras Laffan LNG terminal was significantly damaged from Iranian missile attacks in March. No argument to Qatar deliverability destruction and U.S. expansion.

2026 U.S. LNG Export Records

The U.S. will set new LNG export volume records in 2026 with reasonable expectations of about 17.75 BCFGPD average for the entire year. Europe is measurably behind storage refill in Q3 and will need to rely heavily on U.S. imports for Q4 heating season if Mid-East Qatar deliveries remain restricted. U.S. LNG exports may exceed 19 BCFGPD in December 2026.