

Lithuania Moves to Replace Russian Gas With U.S. Supplies

By [The Moscow Times](#)

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OSLO — Lithuanian liquefied natural gas (LNG) importer Litgas has signed a preliminary agreement with a U.S. supplier, looking to lessen the Baltic nation's dependence on Russia.

Litgas said Friday it had signed a memorandum of understanding (MOU) with Delfin LNG, a developer of the United States' first offshore gas liquefaction project.

U.S. LNG exporters are looking to the small Baltic states and Poland as hopes for a boom in Asian demand for cheap North American natural gas wane.

Delfin LNG LLC is developing an offshore liquefaction and export facility in Louisiana with a total export capacity of 13 million tons of LNG per year (about 18 billion cubic meters of natural gas).

Subject to regulatory approval, the project will be constructed in phases, and is expected to start in 2019.

The MOU is not binding in terms of selling or buying LNG, Litgas said.

Last year, Litgas signed a five-year contract to buy 0.54 billion cubic meters of natural gas per year from Norway's Statoil, and received the first commercial LNG cargo at the end of December via a floating LNG import terminal opened last year.

Another LNG cargo is expected to arrive on Saturday, and a further three are planned before October.

Lithuania's import terminal next to the Klaipeda port has a total import capacity of 4 bcm of natural gas (2.9 million tons of LNG) compared with annual consumption in the Baltic states of 4-5 bcm.

Poland plans to open a new 5 bcm per year LNG import terminal at the Baltic port of Swinoujscie later in 2015, and it is expected to import initially LNG from Qatar.

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