

News : Proposed Kinder Morgan pipeline in Texas to supply Golden Pass LNG

By [Corey Paul](#) ,[Amilcar Flores](#)

Published on - Tue, 15 Oct 2024 15:52:47 CST

- LNG project commits as anchor shipper
- 2.8 Bcf/d intrastate line to serve rising LNG exports
- Golden Pass maintains late 2025 startup target

Golden Pass LNG will be the anchor shipper for an up to 2.8 Bcf/d greenfield pipeline being developed by Kinder Morgan to deliver volumes from the Katy gas hub to the Port Arthur area, the developer of the LNG export project said Oct. 15.

Golden Pass has committed to 1 Bcf/d of capacity from the proposed line, the developer's Chief Commercial Officer Jeff Hammad said in a brief interview on the sidelines of LDC Gas Forums' Gulf Coast Energy Forum in New Orleans. Hammad said the LNG terminal is about 80% complete and stuck to the latest timeline for the project starting up in late 2025. The facility will have a total export capacity of up to 18.1 million metric tons of LNG per year.

The announcement of Golden Pass' capacity commitment for Kinder Morgan's proposed Trident Intrastate Pipeline came one day after the pipeline developer launched an open season for the 216-mile, 48- and 42-inch diameter project through Nov. 12. Kinder Morgan said Trident would transport gas from near Katy to Grimes, San Jacinto, Liberty, Hardin and Jefferson Counties in Texas, traversing north of Houston to get volumes to the Gulf Coast.

Kinder Morgan said in the notice of the open season that it had already executed binding transportation agreements for a portion of the available capacity with "anchor shippers" and that it is targeting a commercial in-service date of Feb. 1, 2027, pending the receipt of necessary regulatory approvals. Katy is a highly liquid hub with significant gas volumes supplied from the Permian Basin, and it connects to multiple pipelines from both in-state and out-of-state production areas.

"It's coming right to our doorstep," Hammad said.

Hammad said the name Trident is a nod to three major LNG export projects in the area. Beyond Golden Pass, they include Sempra's Port Arthur LNG export terminal in Texas and a proposed expansion of Cheniere's Sabine Pass LNG terminal across the river in Louisiana.

"Hence your Trident pipeline," Hammad said. "We're a natural market for them."

Kinder Morgan in a response to a message seeking comment did not identify other anchor shippers.

"We believe that this prospective project clearly indicates the positive tailwinds we are seeing and demonstrates the growing need for natural gas infrastructure," Kinder Morgan spokesperson Katherine Hill said.

The need for additional pipeline projects to supply an anticipated surge of feedgas demand in the coming years was a recurring theme at the conference.

Total US LNG feedgas demand is expected to average about 13.4 Bcf/d in 2024, according to S&P Global Commodity Insights. That demand stands to double by the end of the decade. And a significant ramp up is anticipated over the next two years, with average US LNG feedgas demand expected to exceed 16 Bcf/d in 2025 before approaching 20 Bcf/d in 2026.

Much of that demand will be concentrated on the US Gulf Coast.

Jack Weixel, senior director at East Daley Analytics, had raised the question during an Oct. 14 panel at the conference about how Golden Pass would receive the full 2.6 Bcf/d of feedgas it will require when all three trains are operating fully.

"They've got the supply contracts loaded up, so that's a good thing," Weixel said. "But how are they going to get it to them?"

Hammad on Oct. 15 identified five pipelines that will supply the project including Trident.

Golden Pass, which had originally targeted starting up in late 2024, has faced significant delays following the May bankruptcy of its lead construction contractor Zachry Group. The bankruptcy left the Golden Pass project interrupted before a July decision by a federal bankruptcy court allowed the remaining contractors -- McDermott's CB&I and Chiyoda -- to pick up work as Zachry exited the project.

The setbacks at Golden Pass have contributed to a tighter global supply picture than expected for 2025.

Qatar Energy owns 70% of Golden Pass, while ExxonMobil owns 30%. The energy giants agreed in 2022 to independently market their own shares of LNG production from Golden Pass after reaching a final investment decision on the project in 2019.

“We’re in the final stretch, so I feel comfortable with our current targets,” Hammad said.