Costa Azul LNG Could Swing Southwest Gas Prices: Kinder Morgan

By Julian Hast

(Bloomberg) -- The startup of Sempra Infrastructure's Energia Costa Azul liquefied natural gas export terminal on Mexico's west coast will increase demand for the fuel in the US Desert Southwest, potentially increasing regional price volatility, a commercial director for pipeline operator Kinder Morgan said this week.

- The 400 million cubic feet per day of extra gas demand from Costa Azul LNG will lift Desert Southwest gas demand toward levels that are historically associated with "significant price volatility": Kinder Morgan presentation at the Energy Innovations: LDC Gas Forum Rockies & West conference in San Diego, California
- Costa Azul LNG, Mexico's second LNG export facility, exported its first cargo in July but has extended its start-up because of damage discovered during routine maintenance
    - Costa Azul now expected to reach completion by the fourth quarter
- Read More: Sempra's LNG Plant on Mexico's West Coast Exports First Shipment

--With assistance from Ruth Liao.