



Institute for Energy Economics  
and Financial Analysis

# Why Mexico?

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## Dissecting the LNG industry's plans for Mexico's Pacific Coast

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# North American LNG Export Tracker

Last updated: January 2026

## Key Findings

The United States exports more liquefied natural gas (LNG) than any other country.

North American LNG export capacity will roughly double by 2030.

The rapid growth of gas exports has strained North America's gas system, creating higher and more volatile gas prices for homes and businesses.

LNG projects in both Canada and Mexico have experienced lengthy construction delays and rising costs.

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### 1. [The Changing Landscape of North American LNG](#)

- Map of North American LNG projects
- North American LNG shipments
- Destinations for North American LNG
- The growing role of exports in the U.S. gas system

### 2. [Canadian LNG Export Projects Face Challenging Economics](#)

- Map of Canadian LNG projects
- Skyrocketing costs for Canadian LNG projects

### 3. [Mexican LNG Terminals Face Financial Struggles](#)

<https://tinyurl.com/NALNGTracker>

# Three key findings:

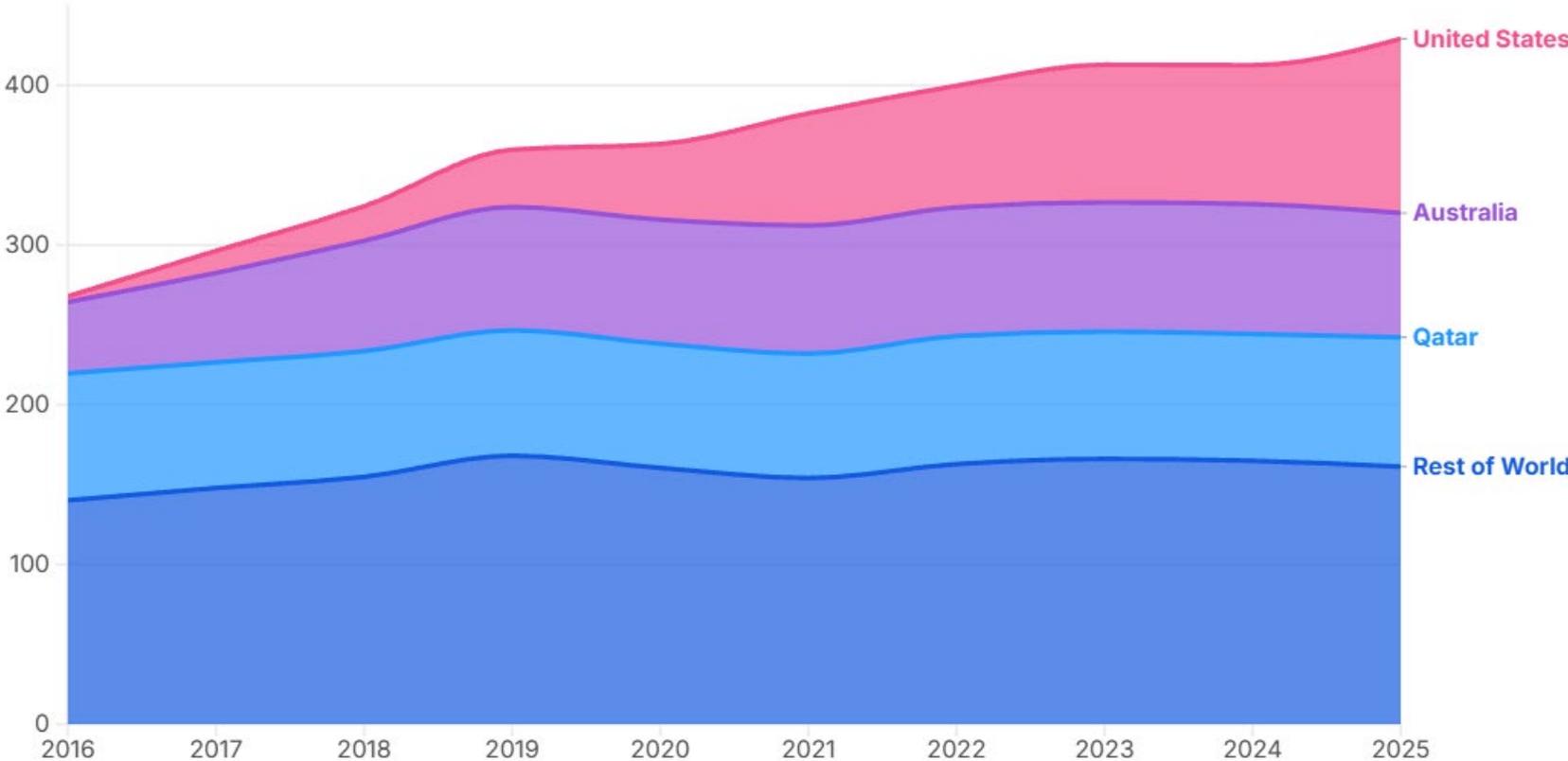
- **North America's LNG exports are growing rapidly**
- **LNG exports put stress on the continent's gas system**
- **LNG projects in Canada and Mexico have suffered delays and cost overruns**

# The U.S. has become the world's top LNG exporter

## Global LNG exports

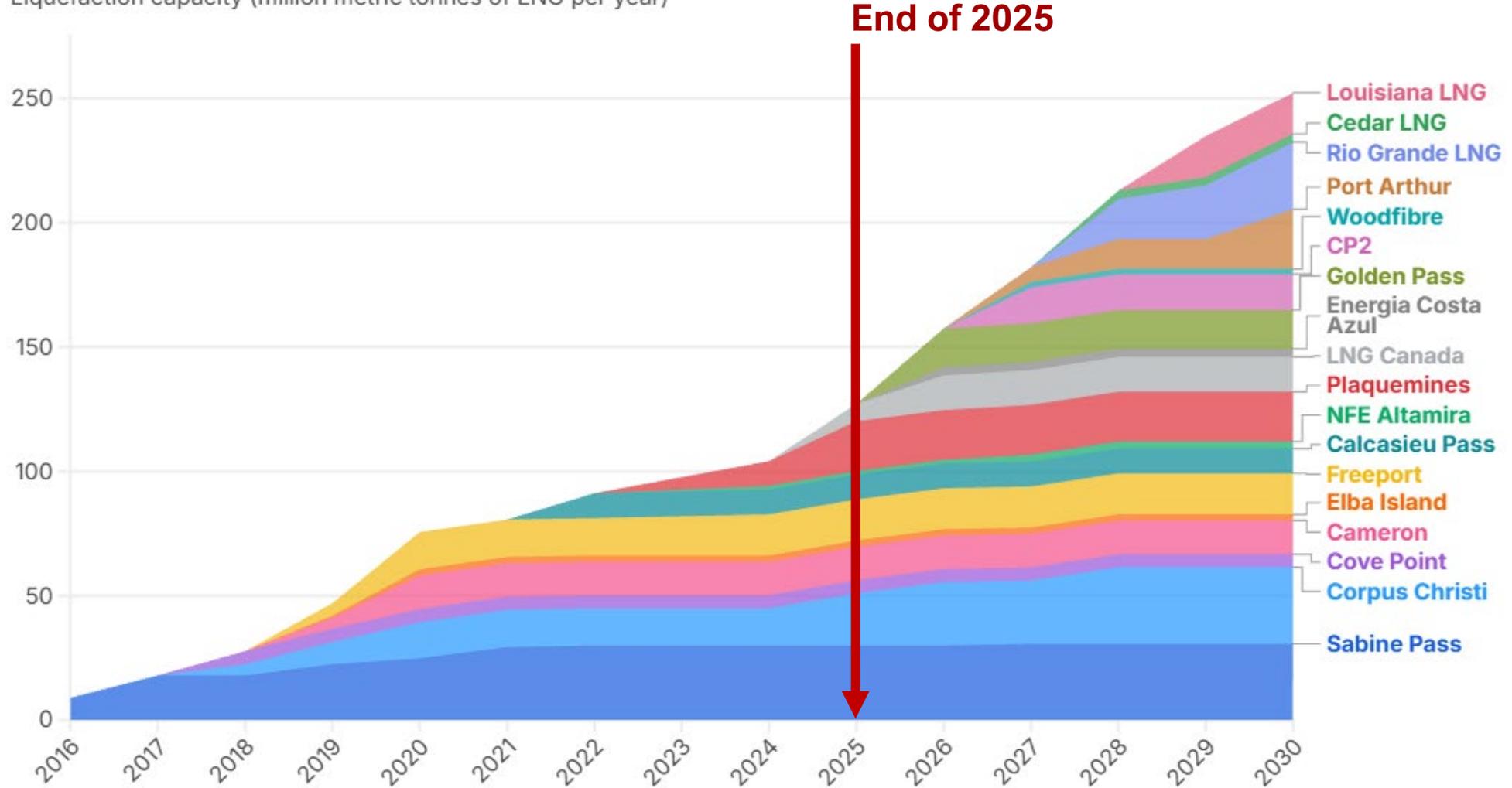
Rest of World Qatar Australia United States

Million metric tonnes of LNG

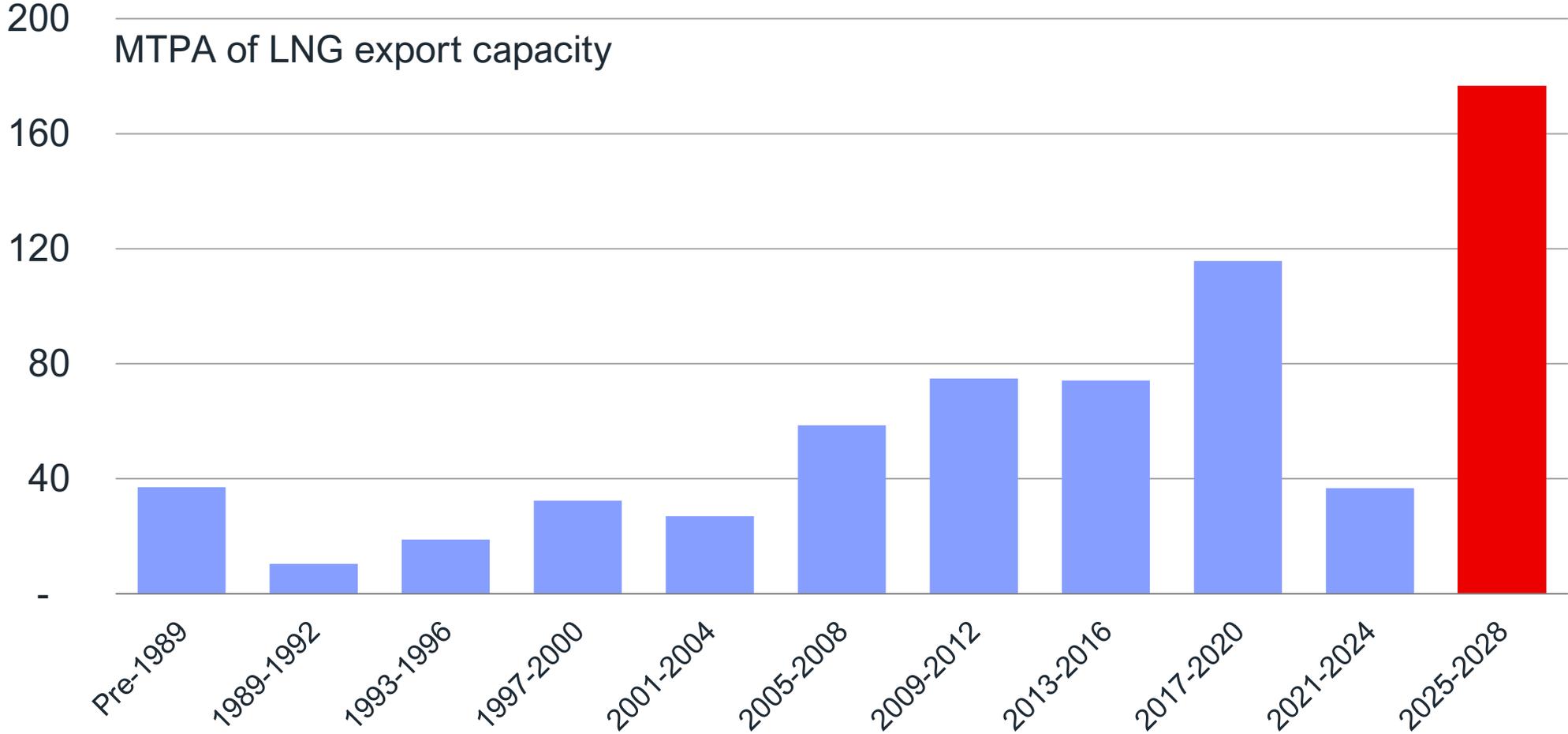


# North American LNG export capacity will roughly double by 2030

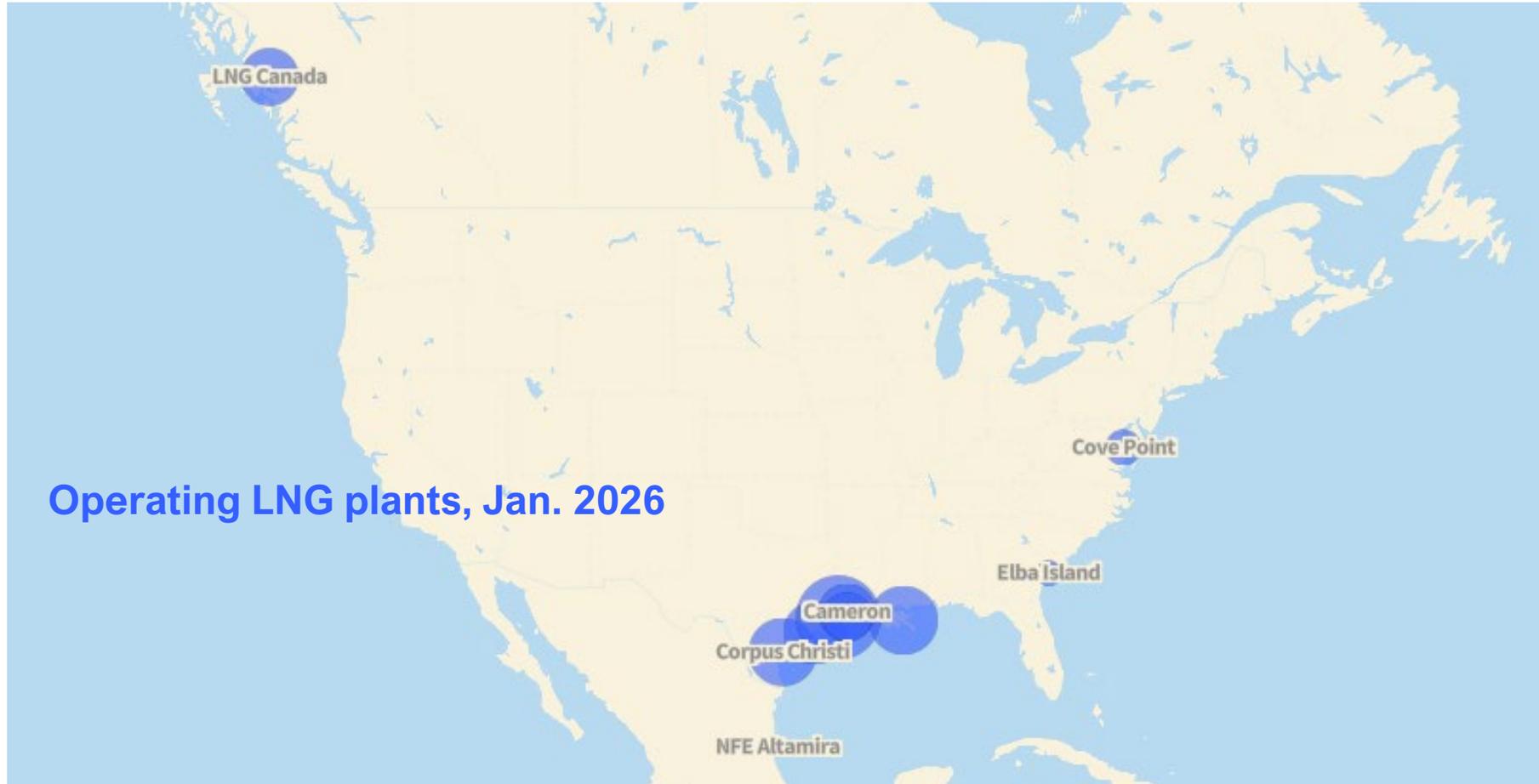
Liquefaction capacity (million metric tonnes of LNG per year)



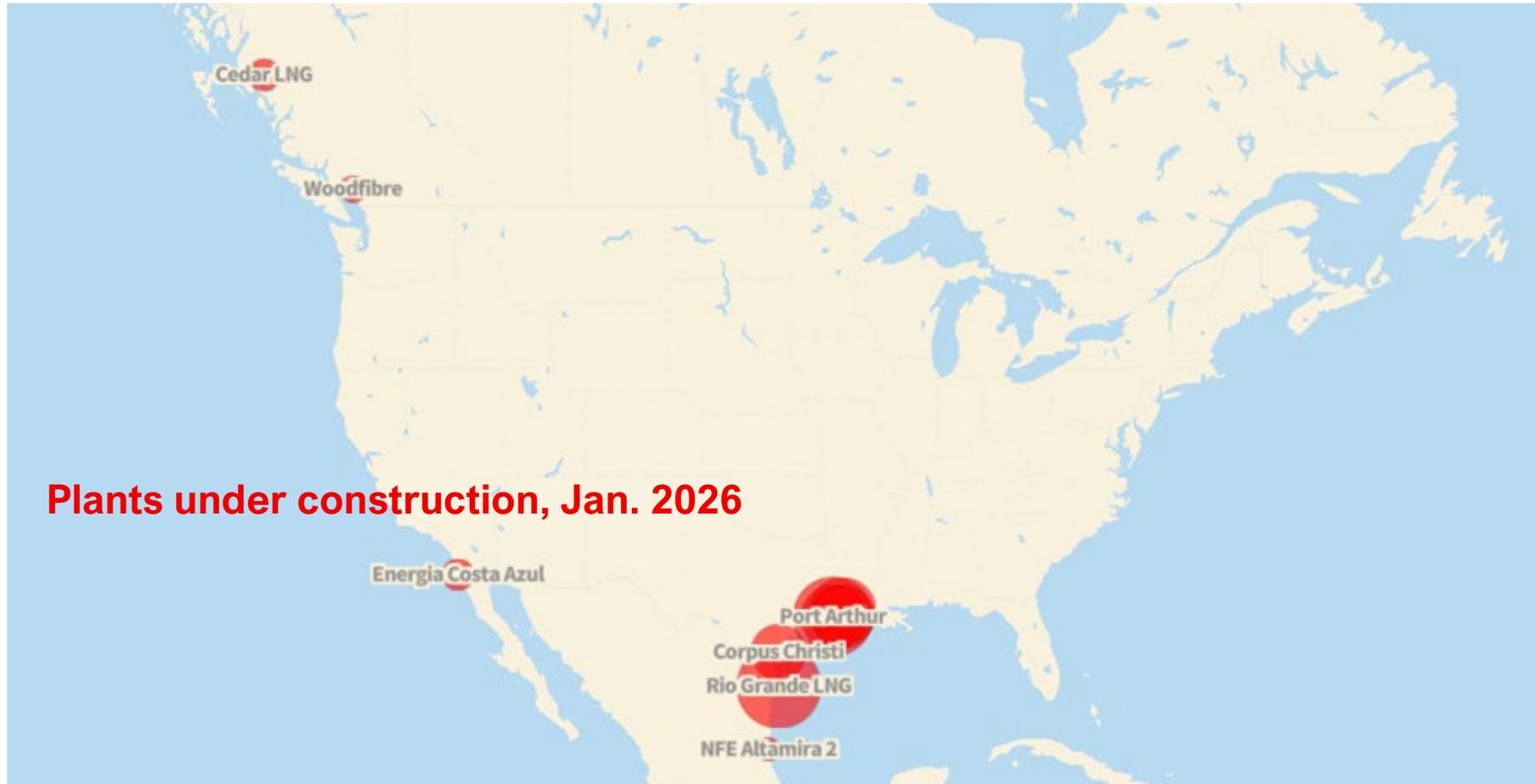
# Global LNG production capacity will grow faster than ever



# North America's LNG industry is concentrated on the Gulf Coast

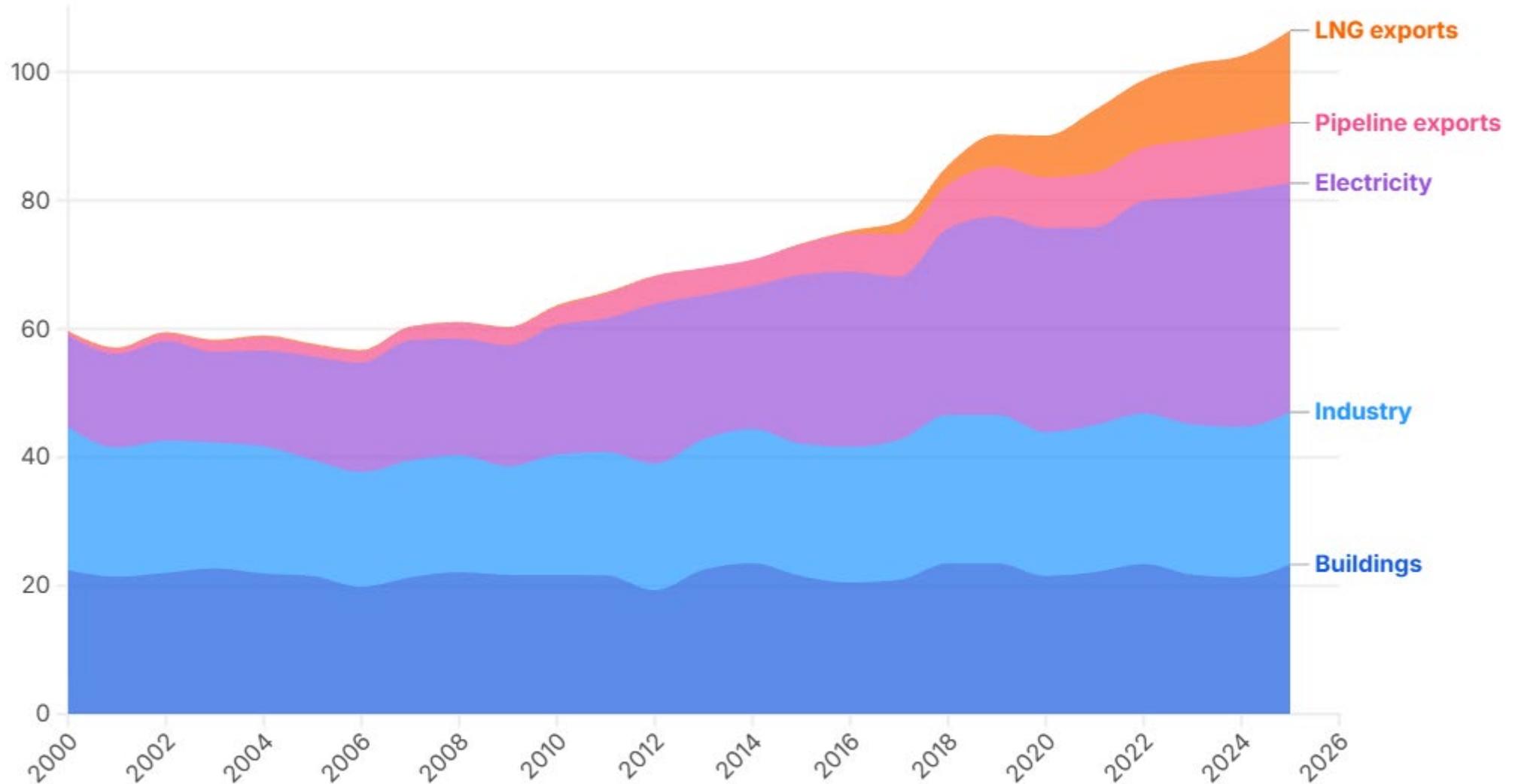


# North America's LNG industry is concentrated on the Gulf Coast

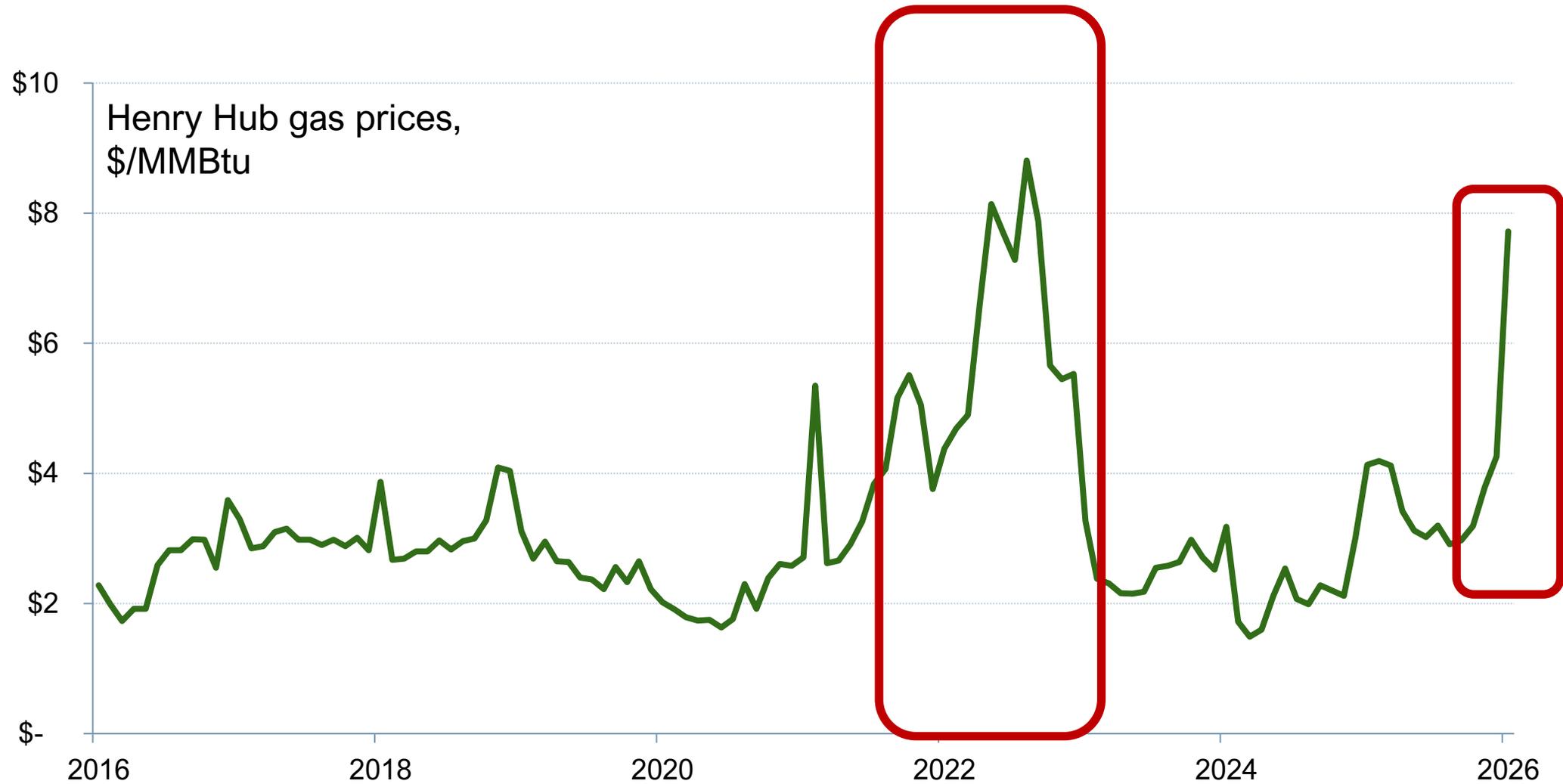


# Exports are a growing share of U.S. gas demand

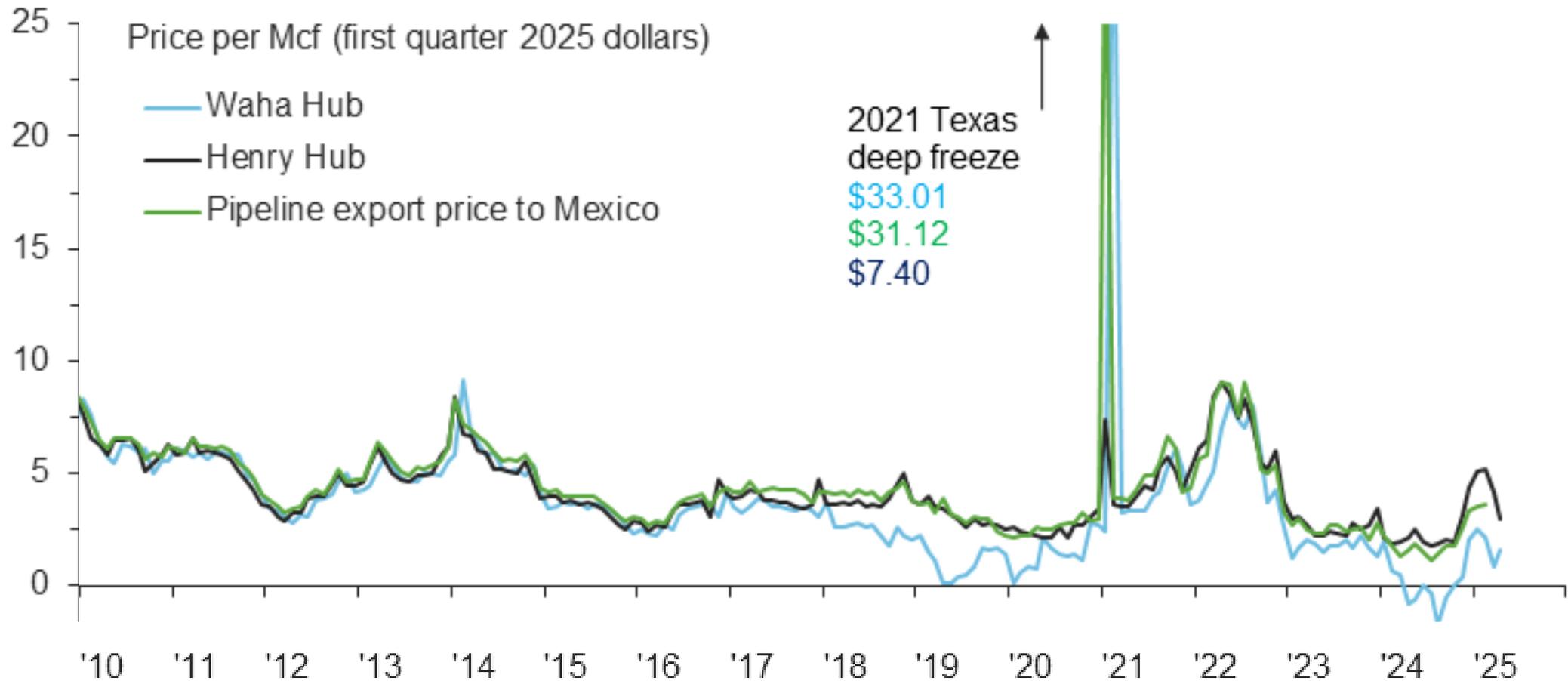
Billion cubic feet of gas per day (Bcf/d)



# As North America exports more gas, it imports price volatility



# U.S. and Mexican gas prices are linked



**So...Why does the gas industry want *even more* LNG?**

**And why Mexico?**

# Why Mexican LNG? Four reasons:

- U.S. gas producers want prices to rise
- West Texas has too much gas
- The U.S. gas industry wants better access to Asia
- LNG insiders can get rich *even if their projects fail*

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# As oil fracking matures, it gets “gassier”

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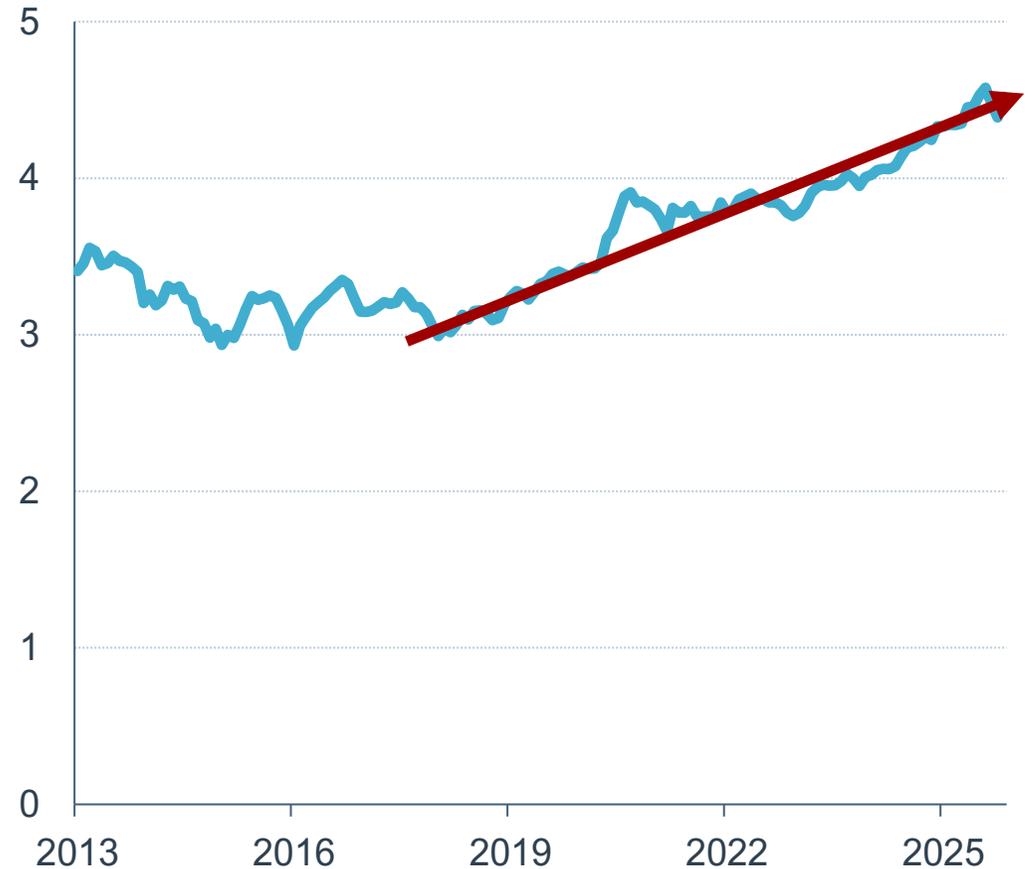
Fracked wells produce both oil and gas.

Oil production drops faster than gas.

The industry is running out of the “oiliest” rock, and newer wells have more gas.

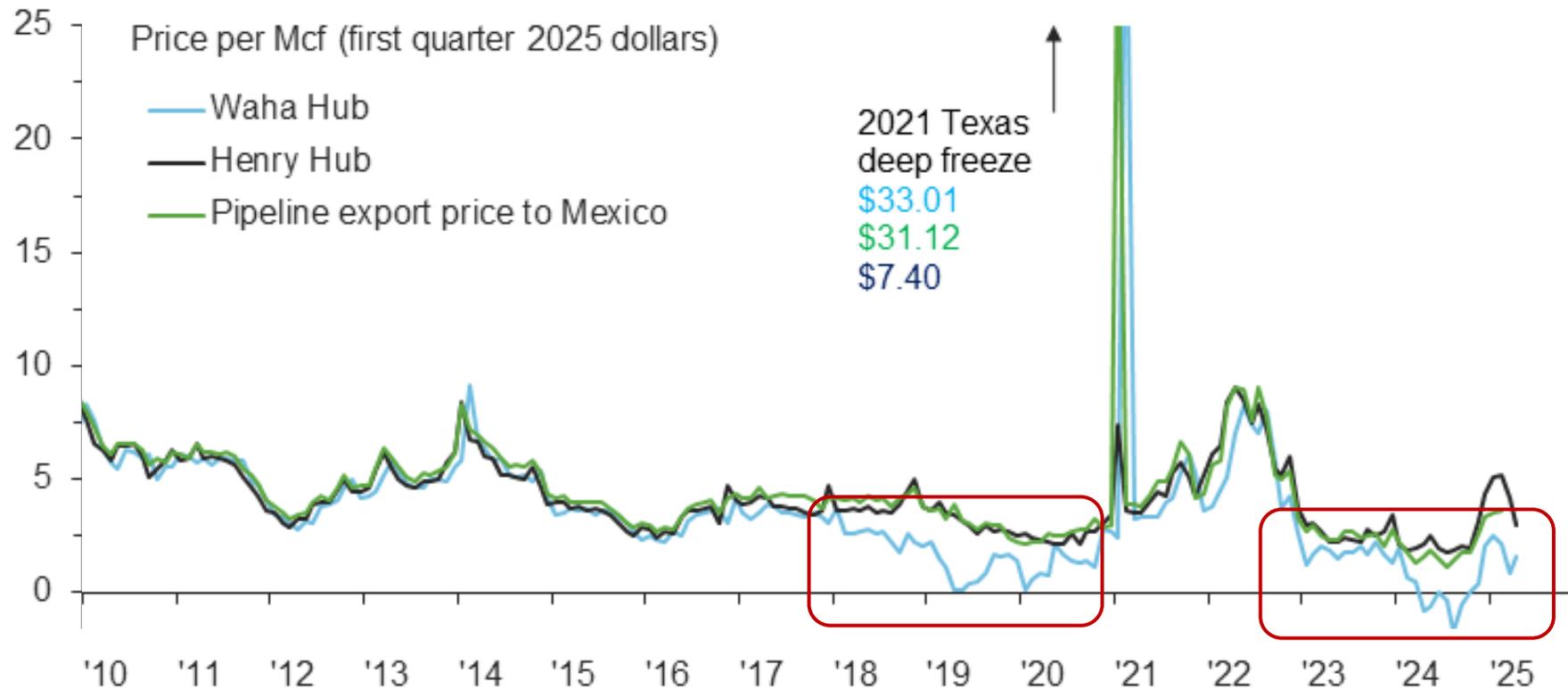
Over time, the Permian is getting “gassier.”

Permian Basin: Gas-to-Oil Ratio (Mcf/barrel)

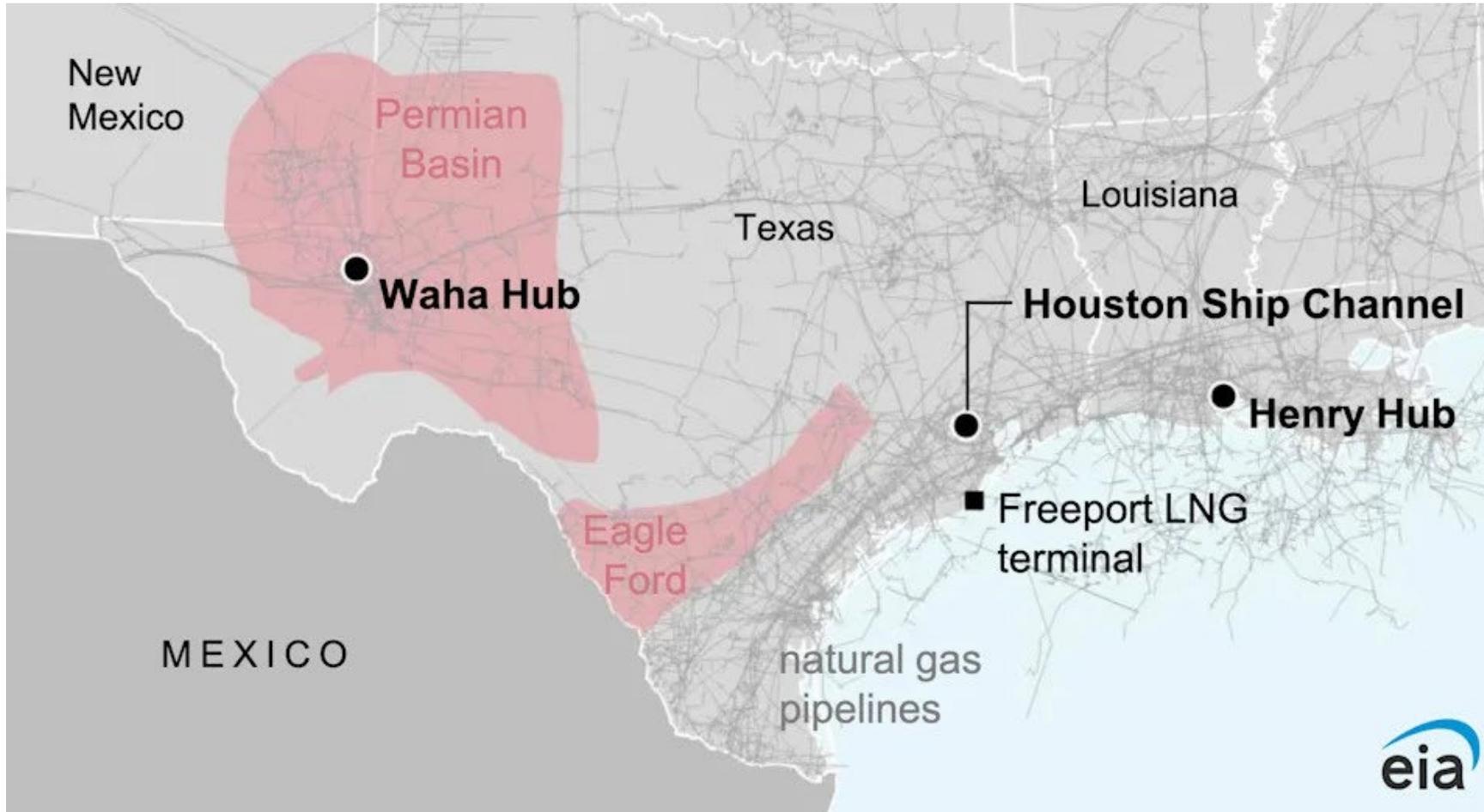


Source: Novi Labs

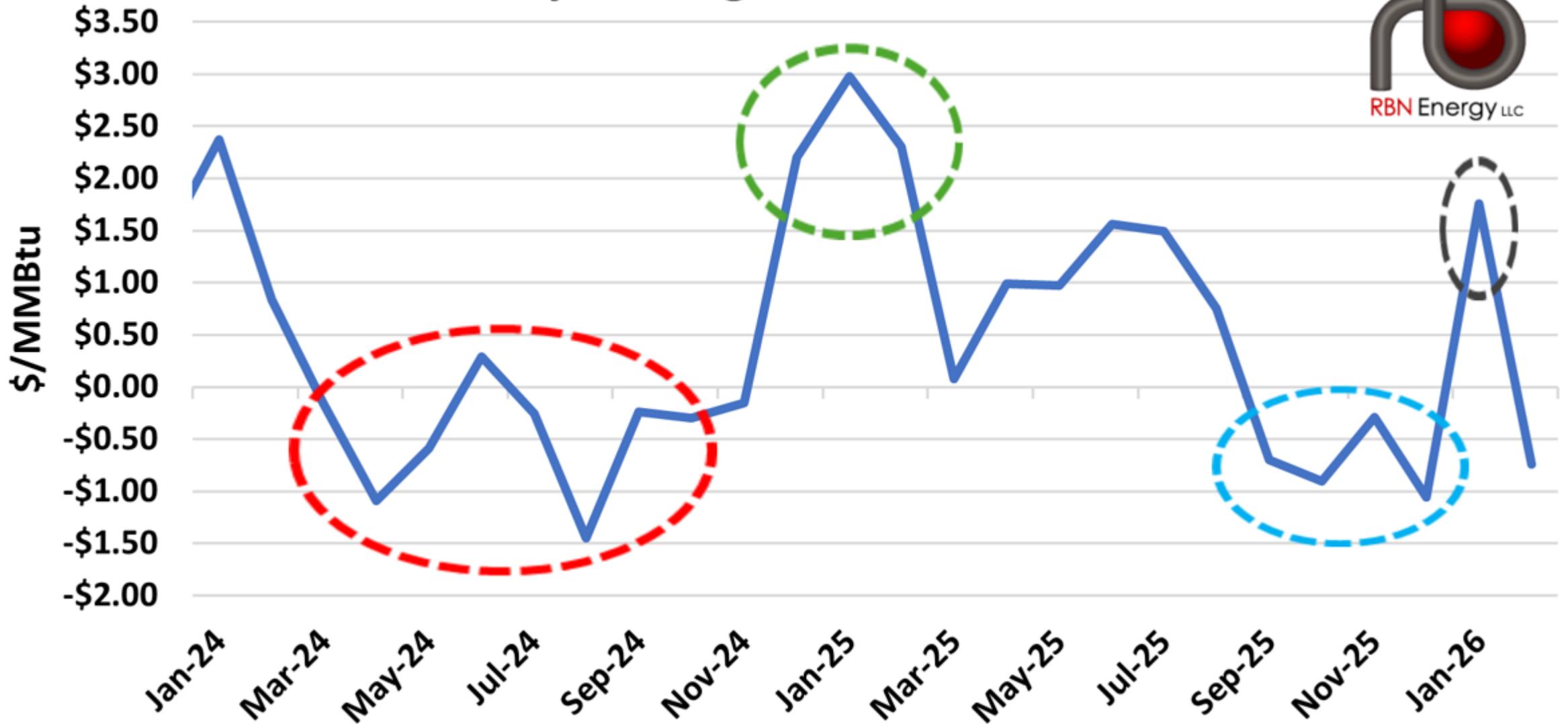
# U.S. and Mexican gas prices are linked... ...but sometimes Waha Hub gas sells at a **discount**



# When the Permian Basin produces too much gas, prices fall at Waha hub



# Monthly Average Waha Cash Prices



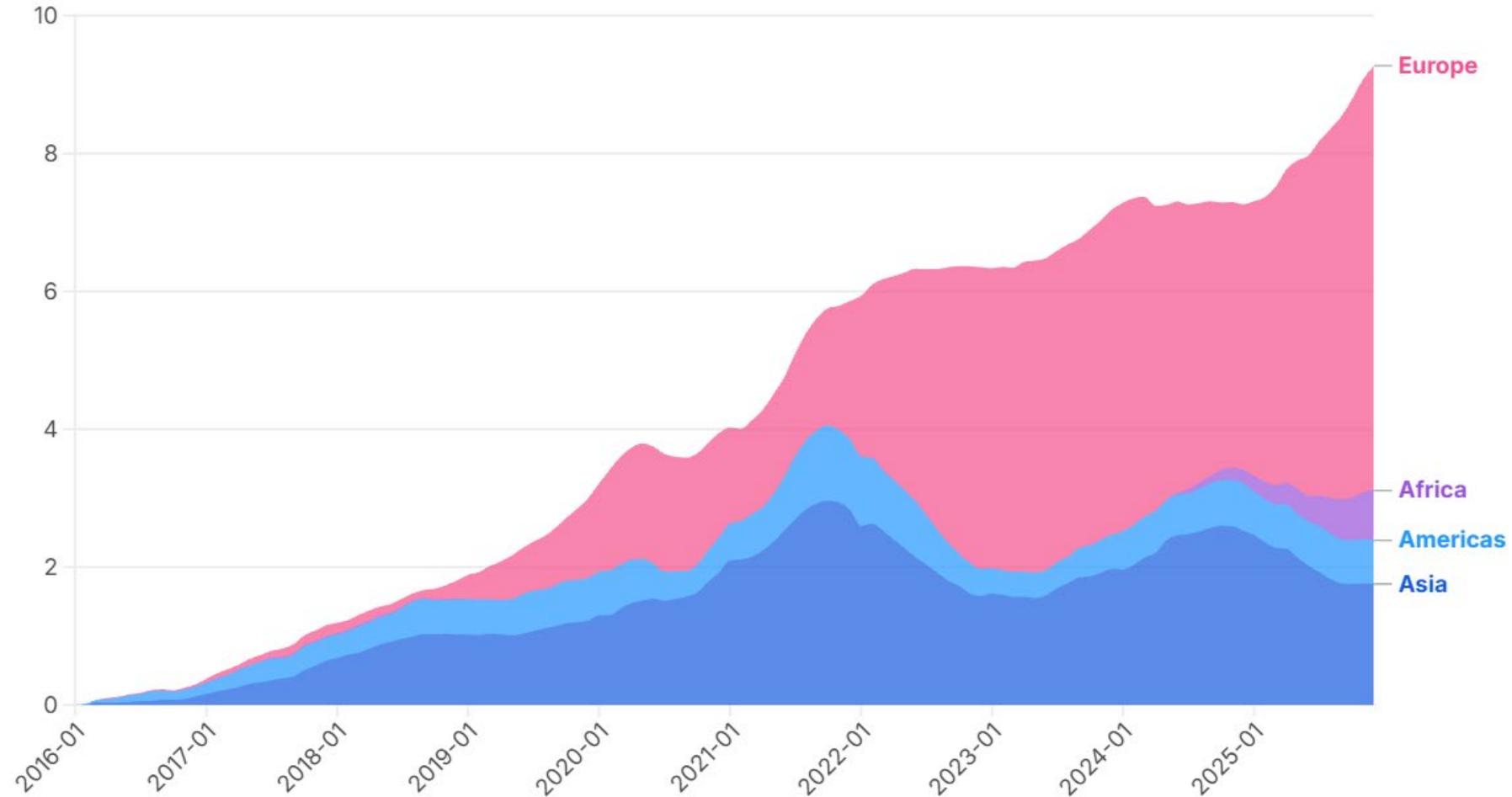
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# A growing share of U.S. LNG is sold to Europe

## North American LNG exports, by destination

Million metric tonnes of LNG per month (12-month moving averages)



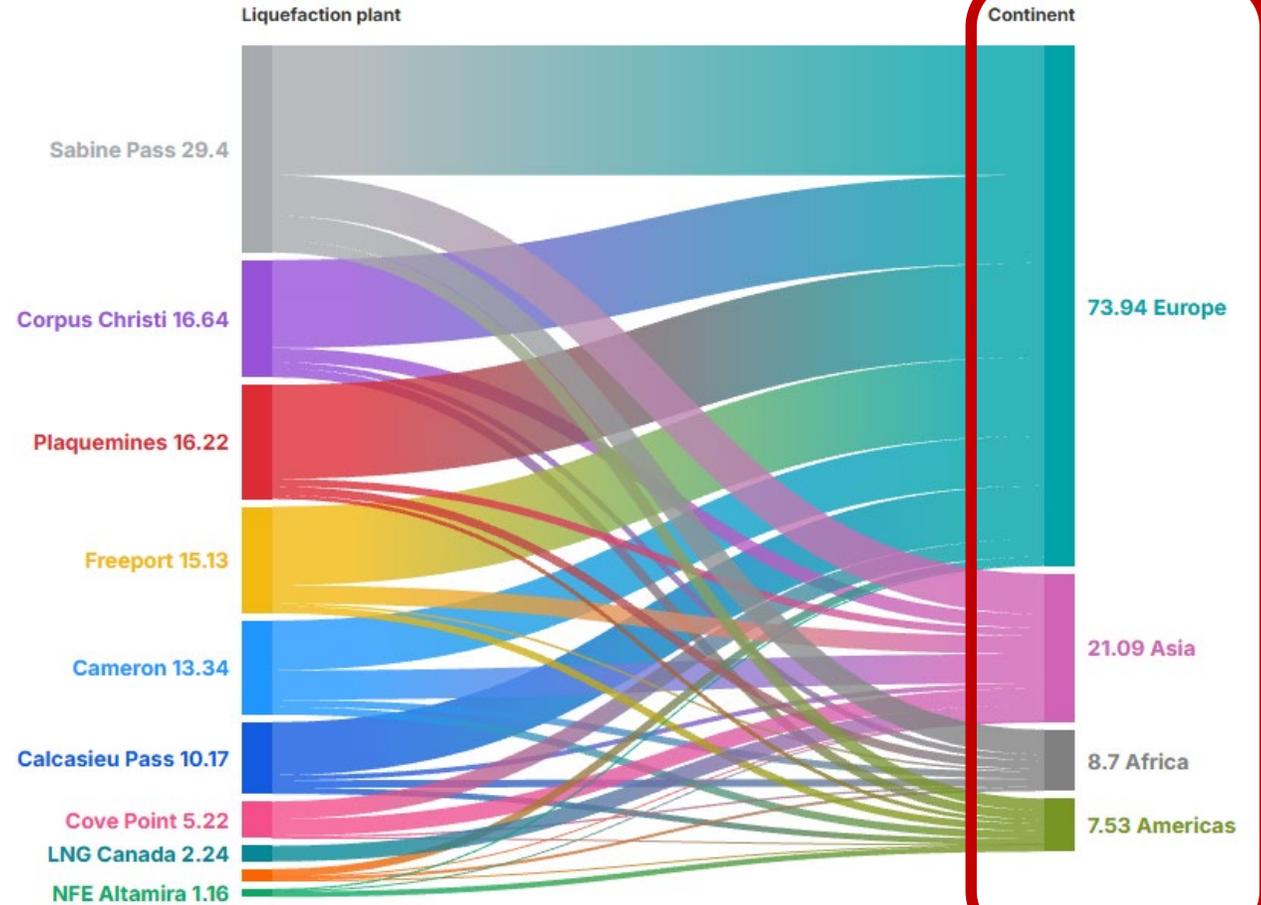
# High dependence on European buyers

In 2025, nearly two-thirds of North American LNG was shipped to Europe.

All operating North American LNG plants—except for LNG Canada—relied on Europe as a key market.

## LNG shipments, 2025

Million metric tonnes of LNG



Source: IEEFA, based on Kpler data

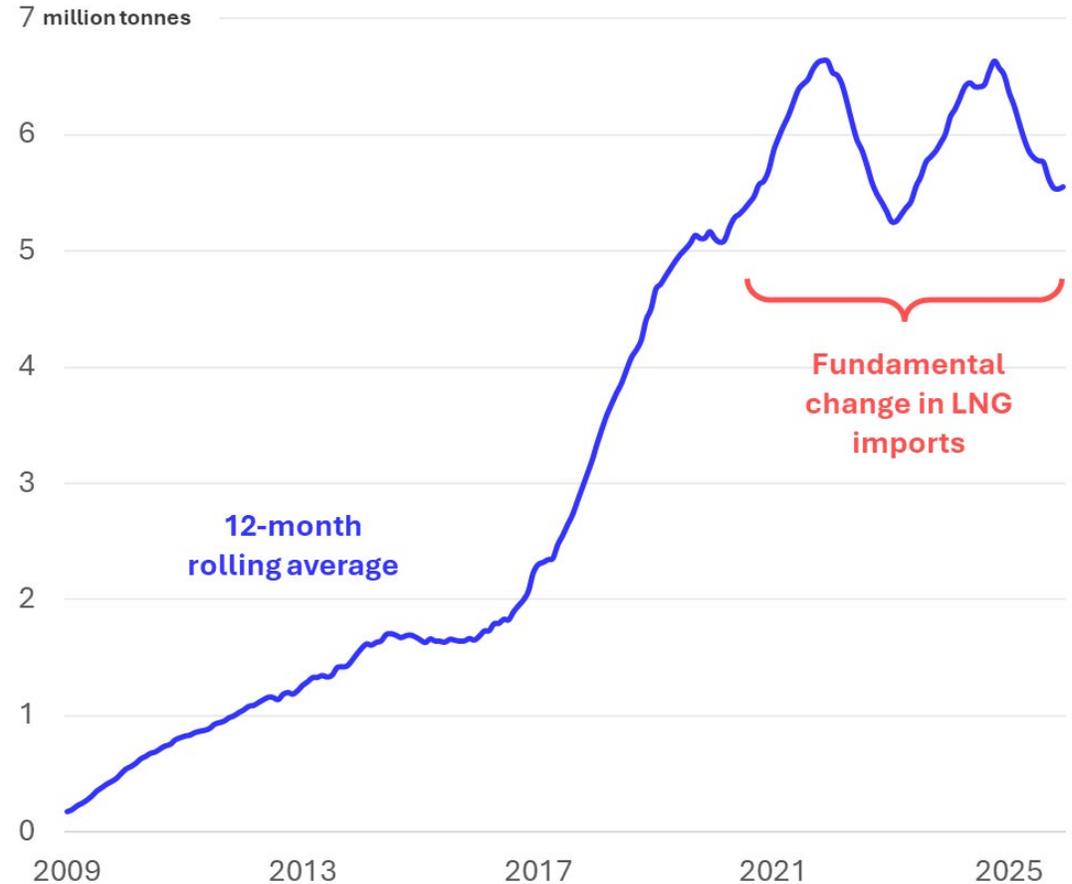
# China's demand is uncertain

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Both economics and energy security favor domestic gas and pipeline imports over LNG.

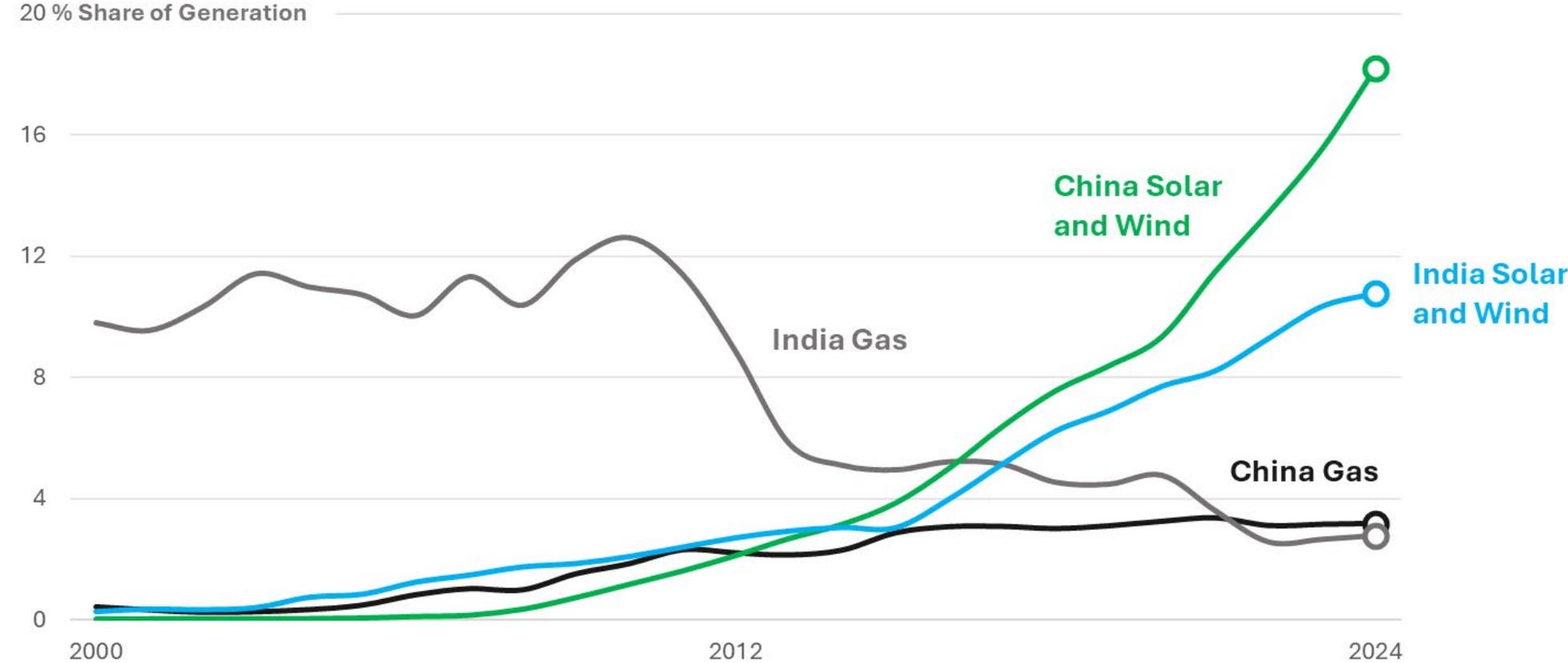
Unprecedented renewables expansion is limiting gas demand.

## Chinese LNG imports (12-month rolling average)



Source: IEEFA, based on Kpler data

# Renewables are undermining Asian gas demand



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# Cheniere CEO Collects \$142 Million Pay

Energy Firm Chief Charif Souki Cashes In as Natural Gas-Export Venture's Shares Soar

By [Daniel Gilbert](#) [Follow](#)

April 29, 2014 7:41 pm ET



Cheniere Energy aims to export liquefied natural gas. Above, construction at its site in Louisiana in May. BEN LEFEBVRE/THE WALL STREET JOURNAL

Source: The Wall Street Journal

## CHENIERE ENERGY, INC. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS (in thousands)

|   | 2013         |
|---|--------------|
| Net loss  | \$ (558,763) |
| Other comprehensive income (loss)                           |              |
| Interest rate cash flow hedges                              |              |
| Loss on settlements   | (30)         |
| Change in fair value of interest rate cash flow hedges      | 21,297       |
| Losses reclassified into earnings accounting                | 5,973        |
| Foreign currency translation                                | 111          |
| Total other comprehensive income (loss)                     | 27,351       |
| Comprehensive loss  | (531,412)    |
| Comprehensive loss attributable to non-controlling interest | 48,809       |
| Comprehensive loss attributable to common stockholders      | \$ (482,603) |

Source: Cheniere Energy

**Mexico's LNG buildout is NOT inevitable.**



# Thank You

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## Contact

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