

Our View: European Buyers Say No to US Energy Dominance

Philip Verleger
January 29, 2026

On January 26, Greece held an auction to sell access to the Vertical Gas Corridor (VGC) pipelines. According to POLITICO, this was an opportunity for US natural gas suppliers to enter the market.¹

The January 27 report explained that “new and revamped terminals in Greece would receive shiploads of American liquefied natural gas, which would then be carried up [the VGC] to neighboring countries from Bulgaria to Ukraine.” The aim, US officials said, was to replace “every last molecule of Russian gas.”

The Greek government first asked energy companies to bid for VGC access in December 2025. It received no bids. The response was similar this month when the government received bids for just 0.1 percent of capacity. So much for the US becoming “the big new energy player in the Mediterranean.”

According to POLITICO, in November 2025, the US Ambassador to Greece, Kimberly Guilfoyle, held different expectations. Guilfoyle, who was once engaged to Donald Trump, Jr., told the press, “What we see for the future of Greece and the United States is Greece being an energy hub and showing this energy dominance that both of our countries can experience and work together cooperatively to achieve tremendous outcomes.”

For clarity, the VGC comprises the following:

The Vertical Gas Corridor (VGC) is emerging as a strategic route for transporting liquefied natural gas (LNG) from Greece into Southeastern and Central Europe, including Ukraine. Built upon the newly operational Alexandroupolis Floating Storage and Regasification Unit (FSRU) and the existing Trans-Balkan Pipeline in reverse flow, the VGC links seven countries—Greece, Bulgaria, Romania, Hungary, Slovakia, Moldova, and Ukraine—via existing infrastructure and modest upgrades leading to 10 BCM in transit capacity. This route not only offers a viable alternative to Russian gas but also opens access to Europe’s largest underground gas storage system, located in Ukraine.²

POLITICO noted in its January 27 article that some observers attributed the lack of bids to high transportation costs and weak gas demand along the corridor. However, Greek politicians pointed to the United States now being viewed as an unreliable supplier.

¹ Nektaria Stamouli, “Trump’s erratic trade policy blamed for US gas auction flop in Eastern Europe,” POLITICO, January 27, 2026 [<https://tinyurl.com/4k4m48ct>].

² “The Vertical Gas Corridor,” United States Energy Association, August 2025 [<https://tinyurl.com/mwvpfd7z>].

According to the report, the Greek energy minister Stavros Papastavrou said, **“The auctions did not go well at all, and this was a result of the conflict that existed and still exists [between the EU and the US]”** [emphasis added].

Charles Ellinas of the Global Energy Center of the Atlantic Council summed up the situation perfectly:

The initiative that the US pushed via Greece is important to the US, but for that to happen, the relationship between the US and Europe must become clearer. If Trump continues being erratic and continues doing what he did at Davos, nobody will want to invest or take or bring new initiatives until they know where these things are going.