
Natural Gas: U.S. Markets in a Global Context

2010 Energy Conference

U.S. Energy Information Administration

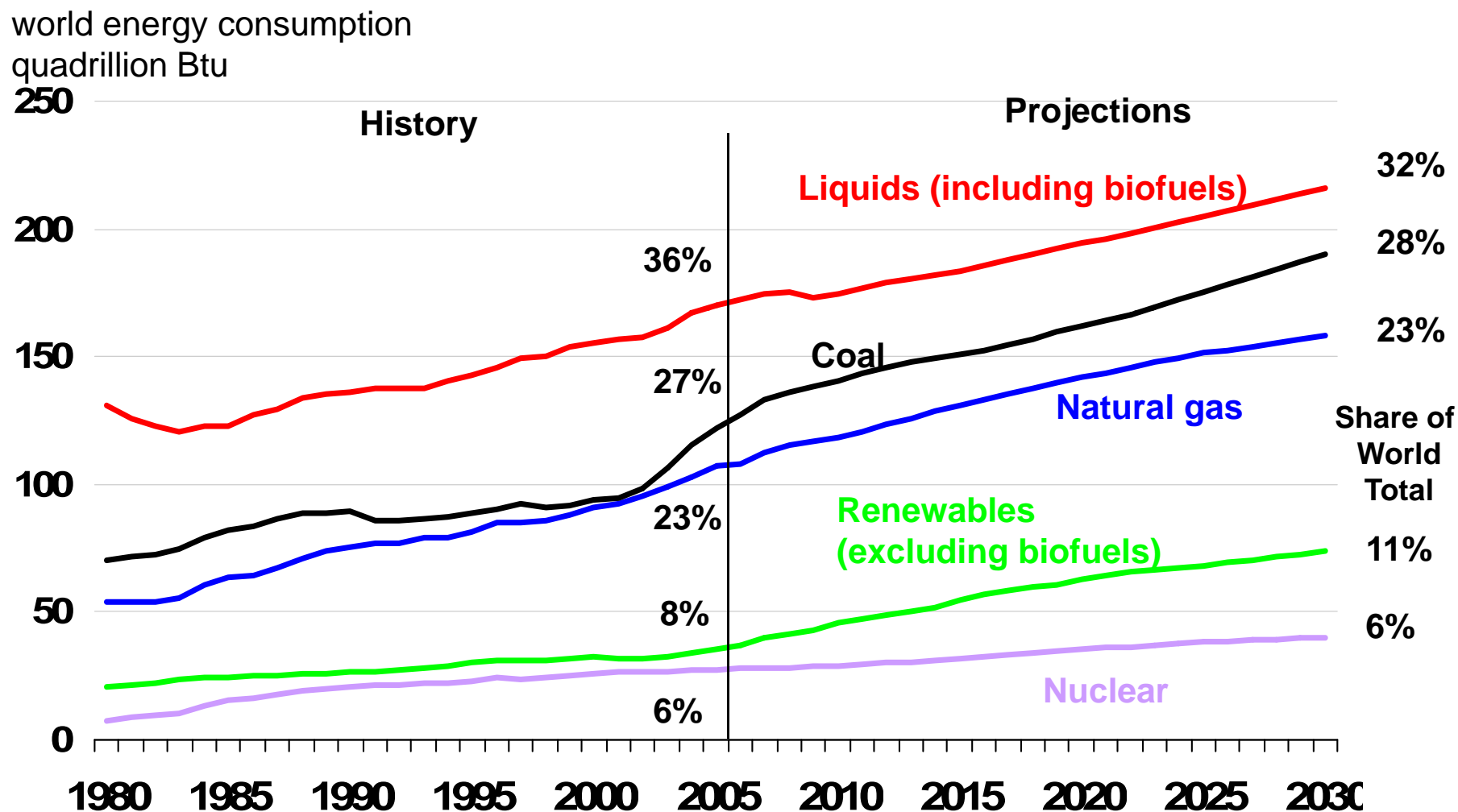
Johns Hopkins University - SAIS

April 7, 2010 - Washington, DC

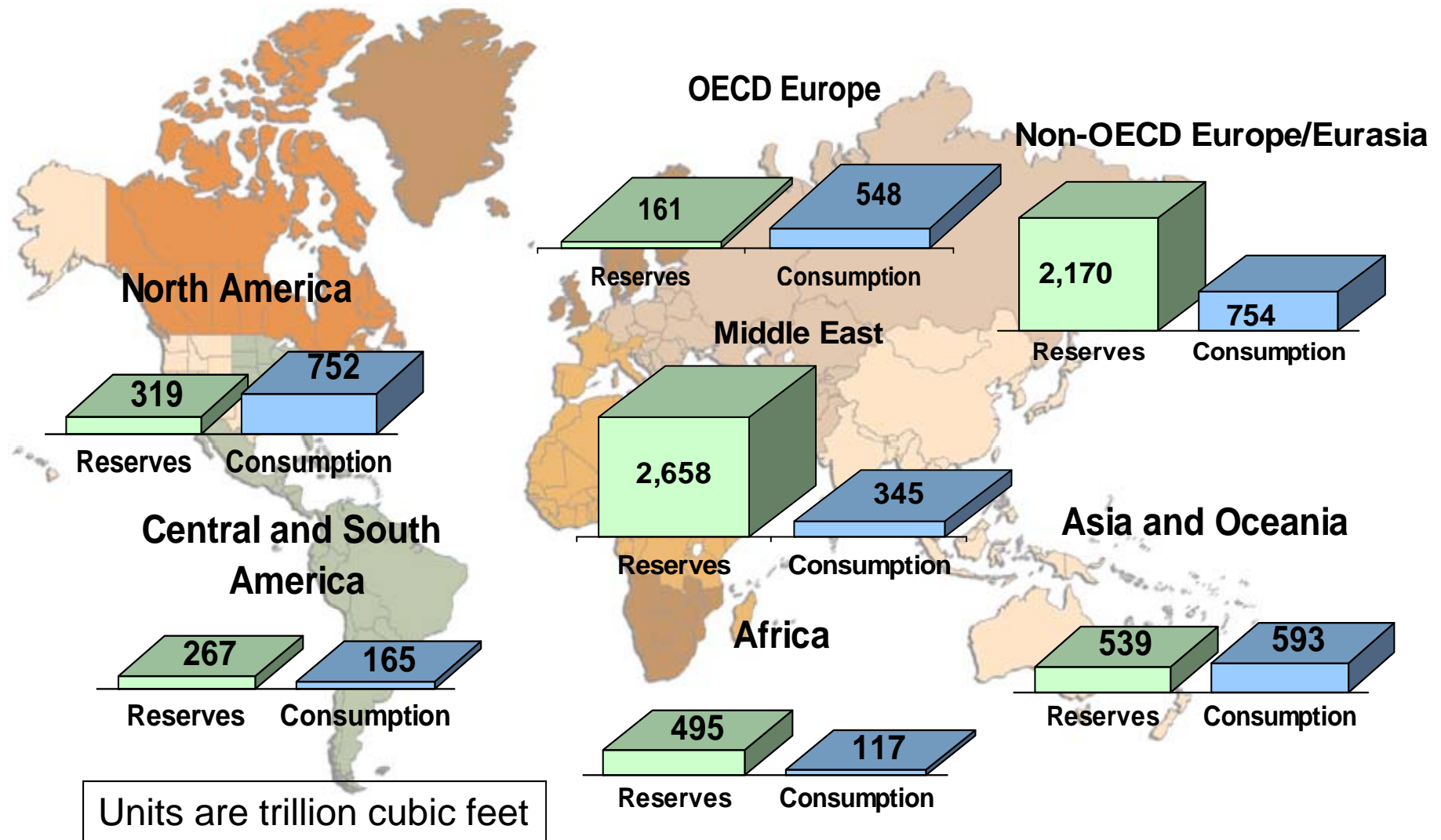
Discussion Outline

- Setting the context
- Demand/supply outlook for 3 regions
 - United States
 - OECD Europe
 - China
- Evolution of the global gas market
 - Expected trade flows
 - Pricing and contract issues
 - Key uncertainties

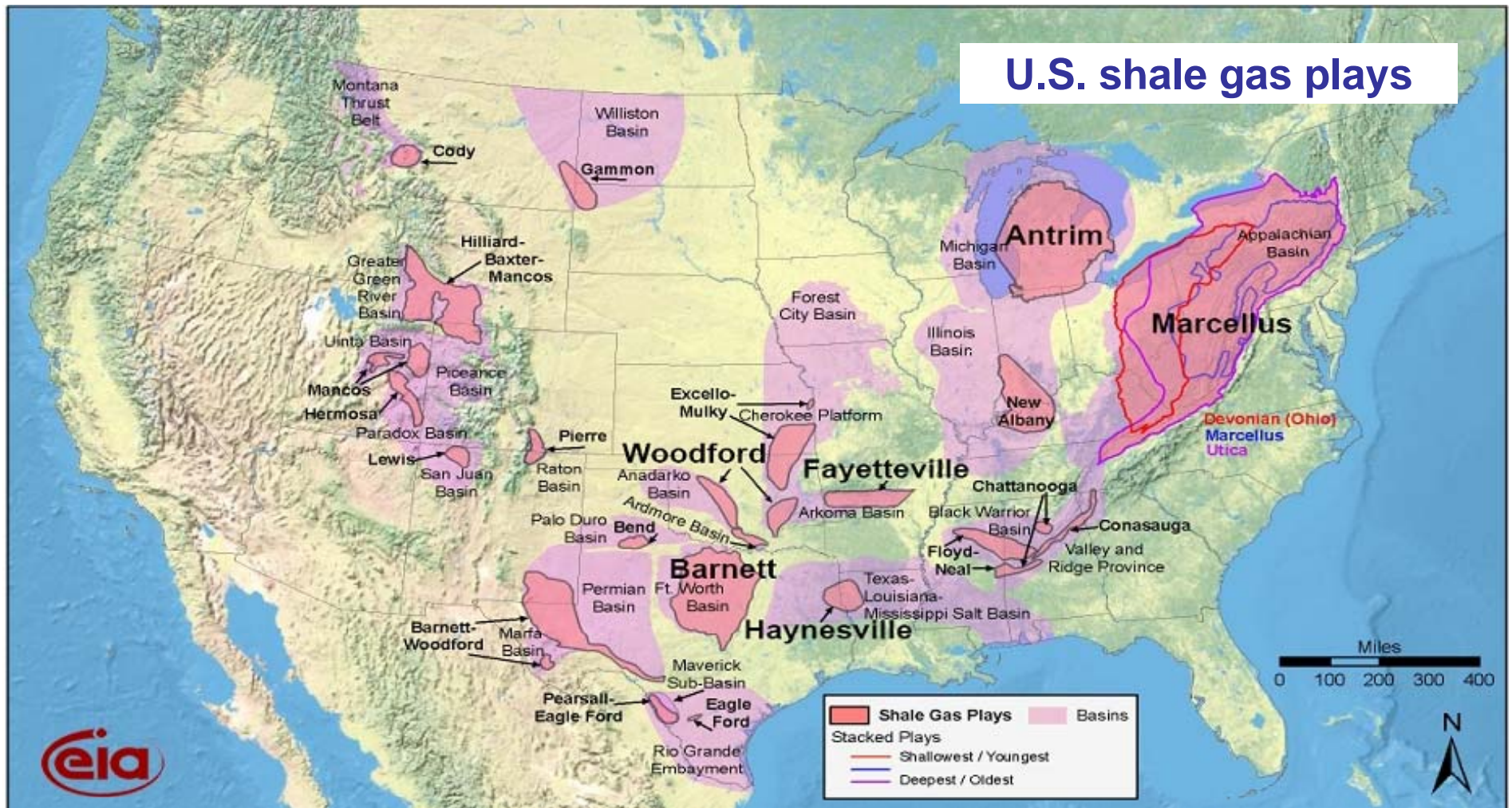
Natural gas is expected to provide about 23% of the world's energy needs



The largest gas markets are not located in the same regions as most of the world's gas reserves



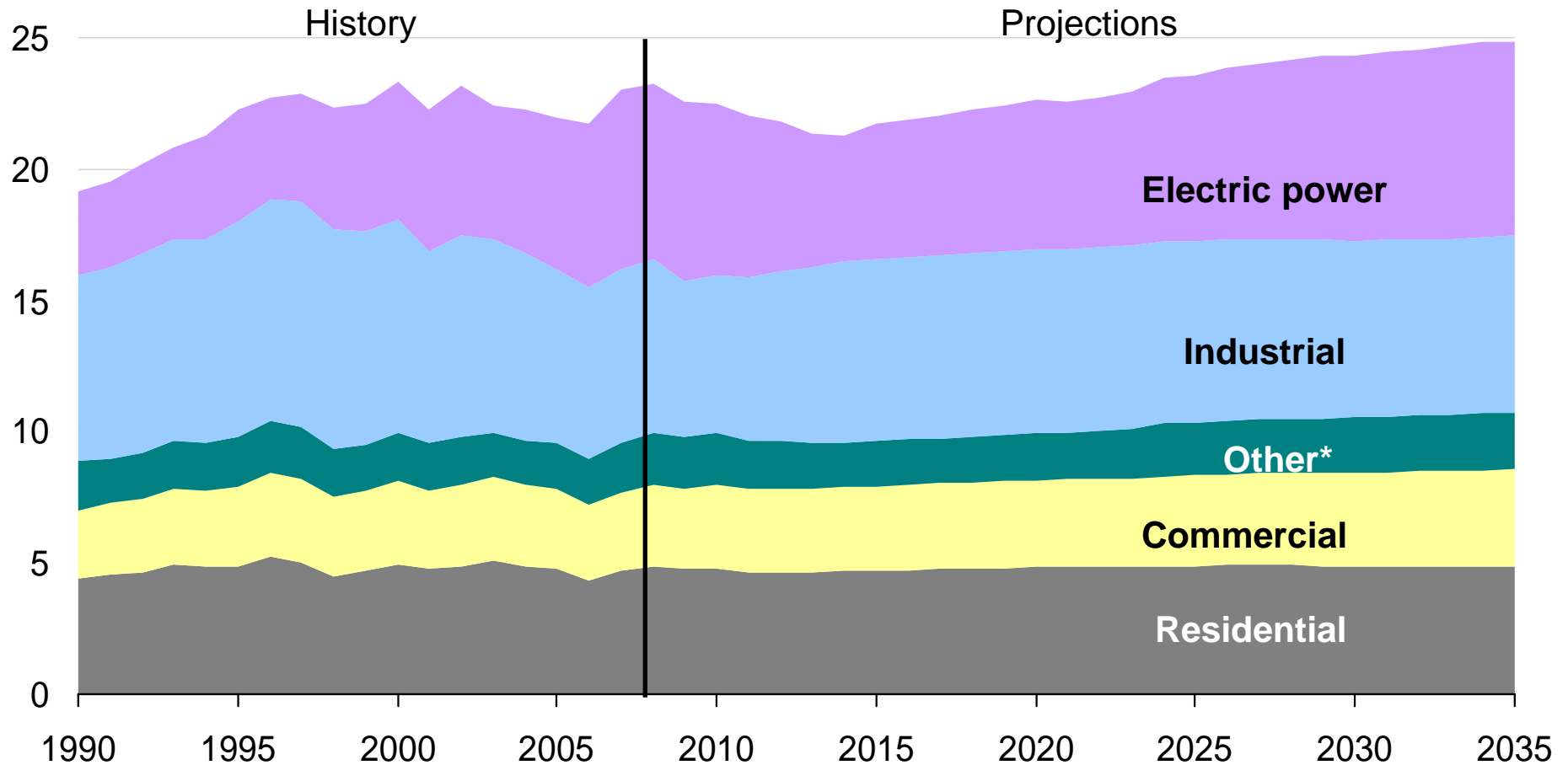
Locations of U.S. shale gas plays



Source: Energy Information Administration based on data from various published studies
Updated: May 28, 2009

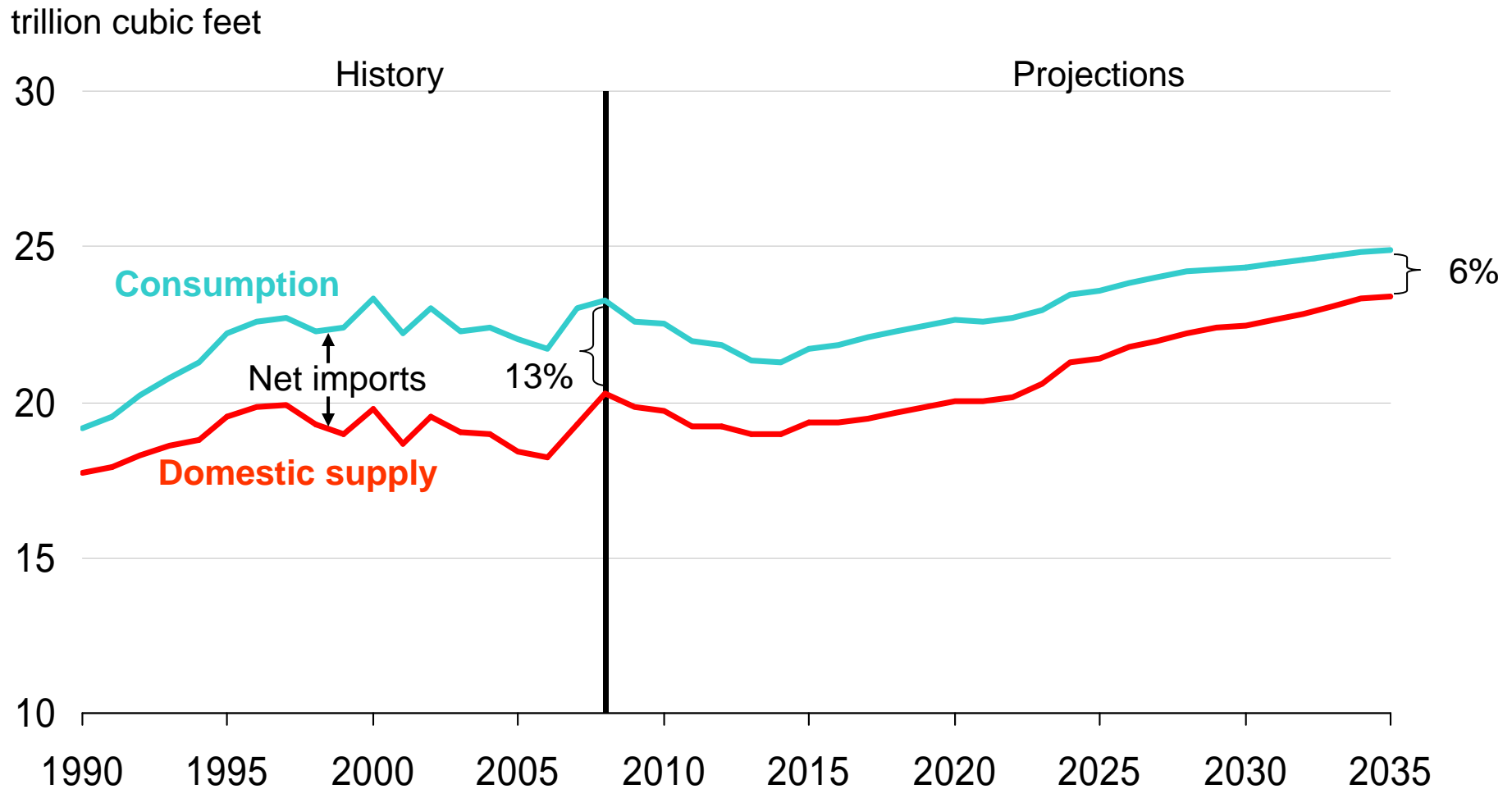
United States gas consumption

U.S. natural gas consumption
trillion cubic feet



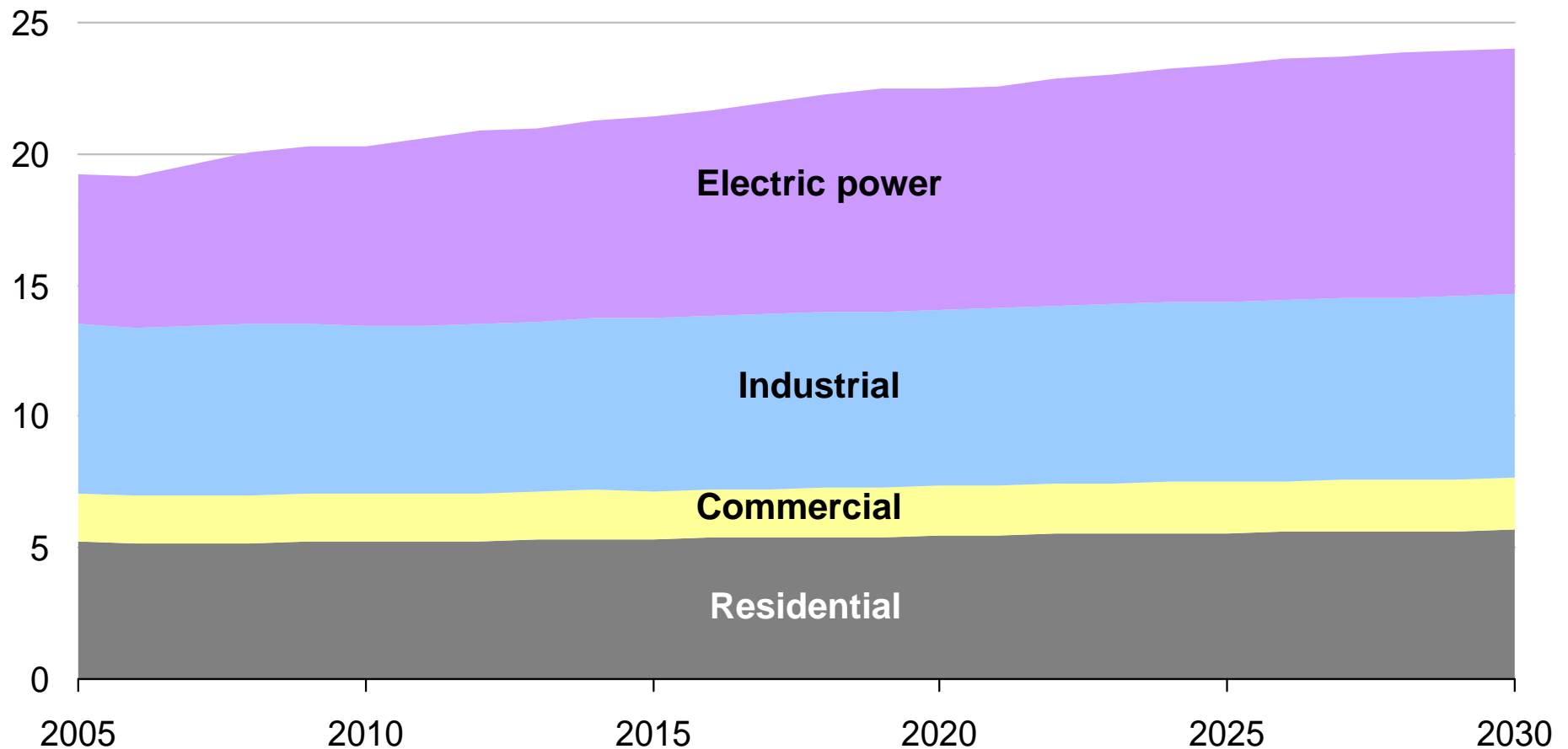
* - natural gas used for transport, pipelines, and lease and plant fuel

United States natural gas imports

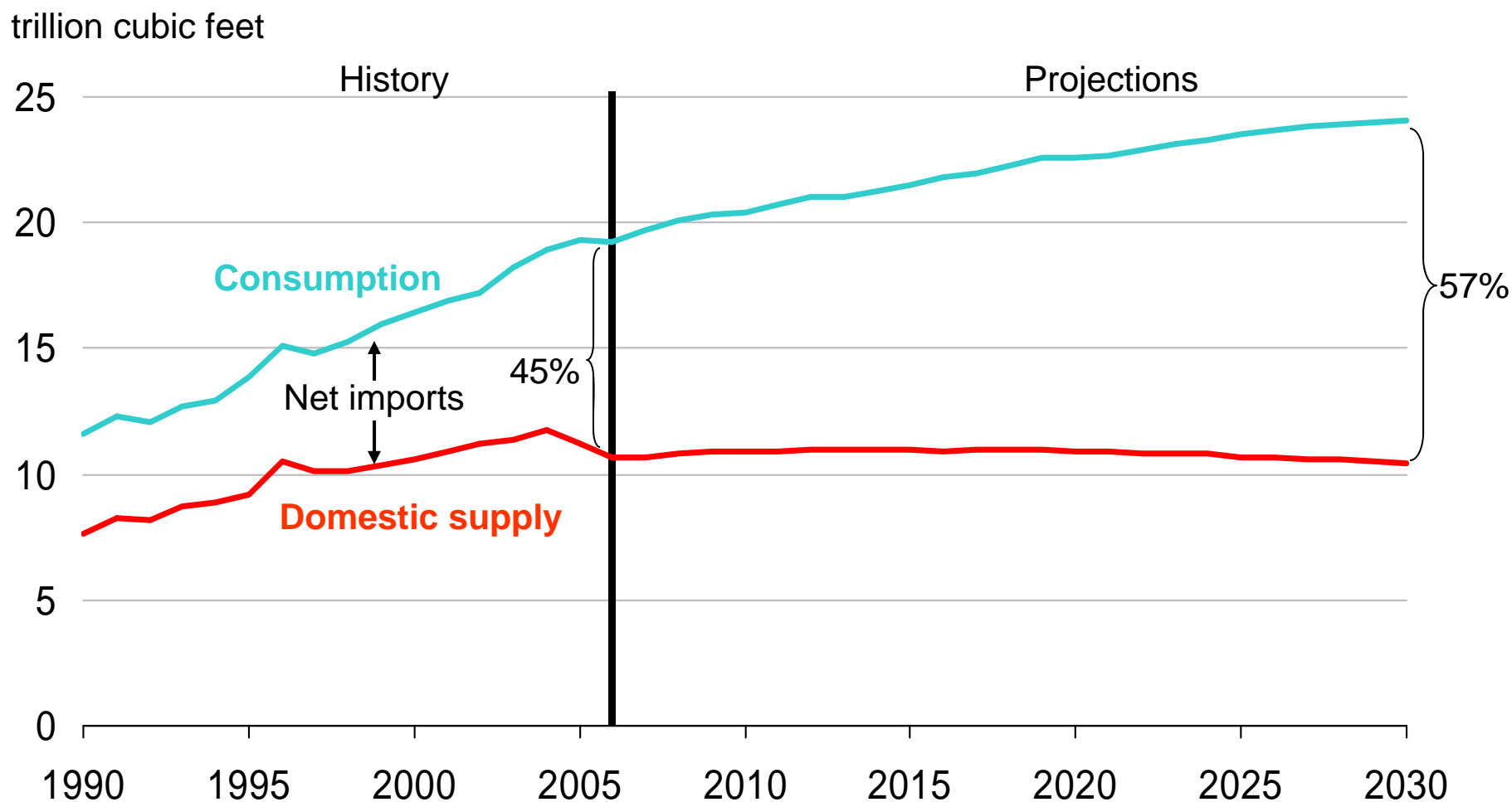


OECD Europe natural gas consumption

OECD Europe natural gas consumption
trillion cubic feet

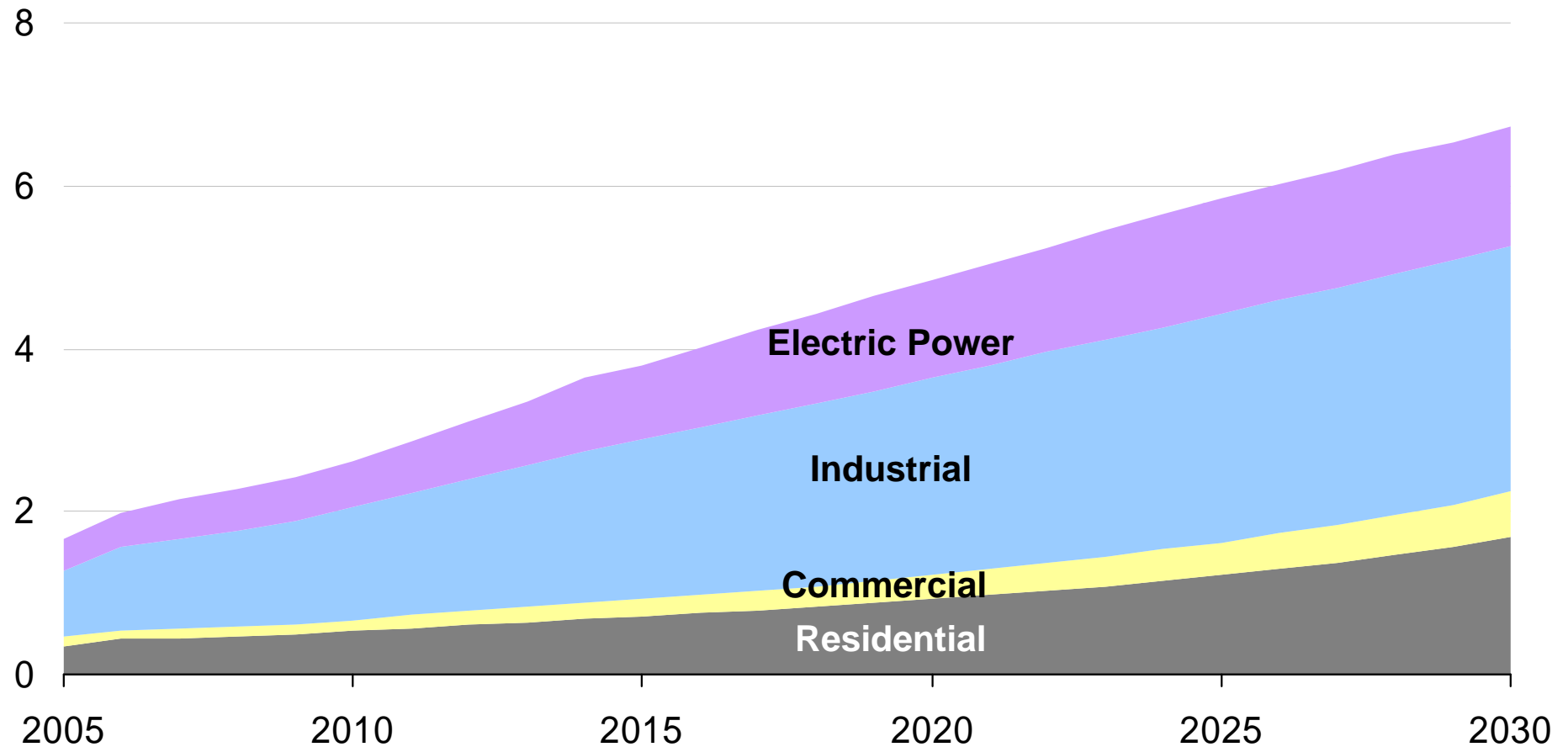


OECD Europe natural gas imports

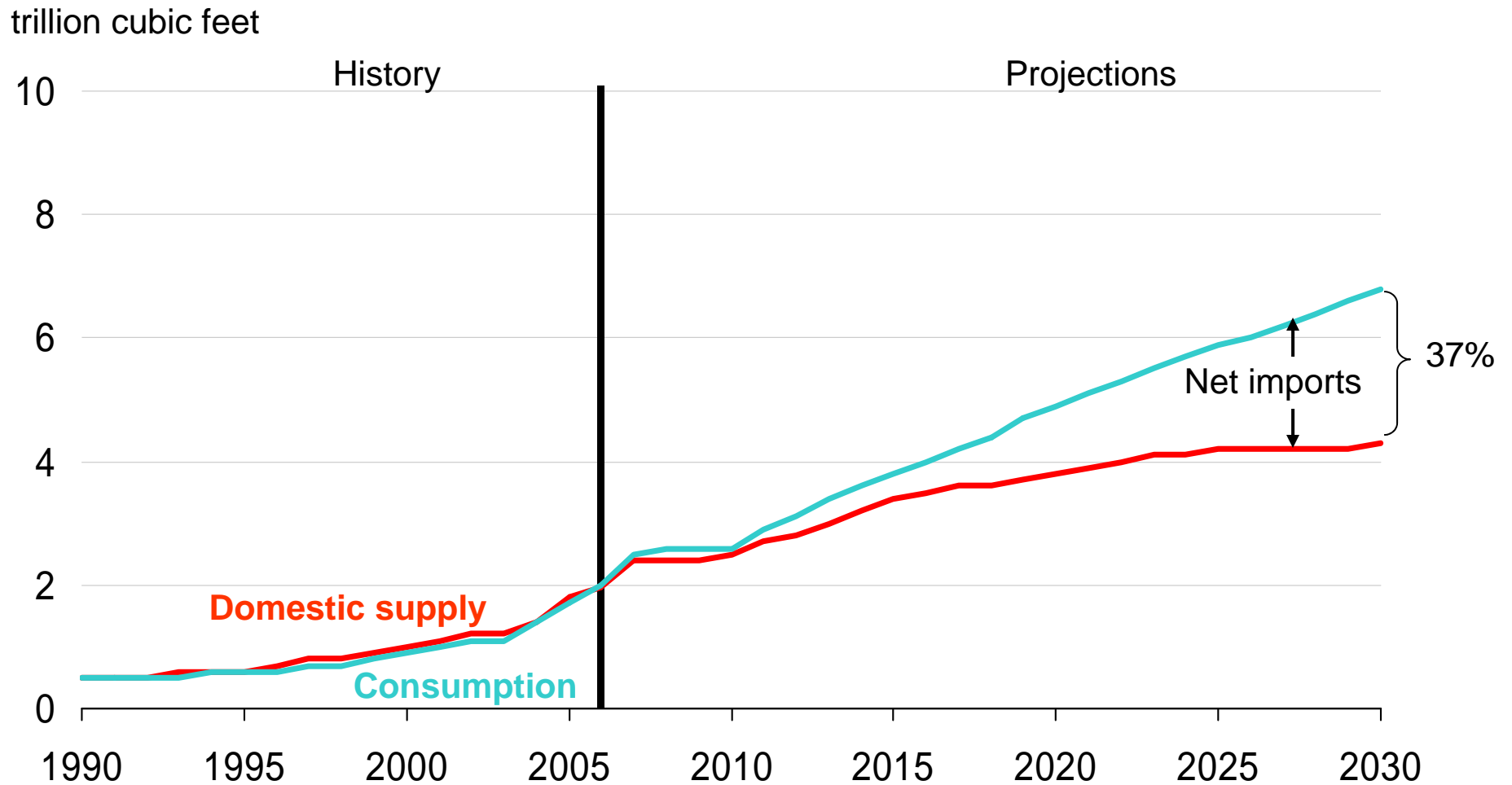


China natural gas consumption

China natural gas consumption
trillion cubic feet



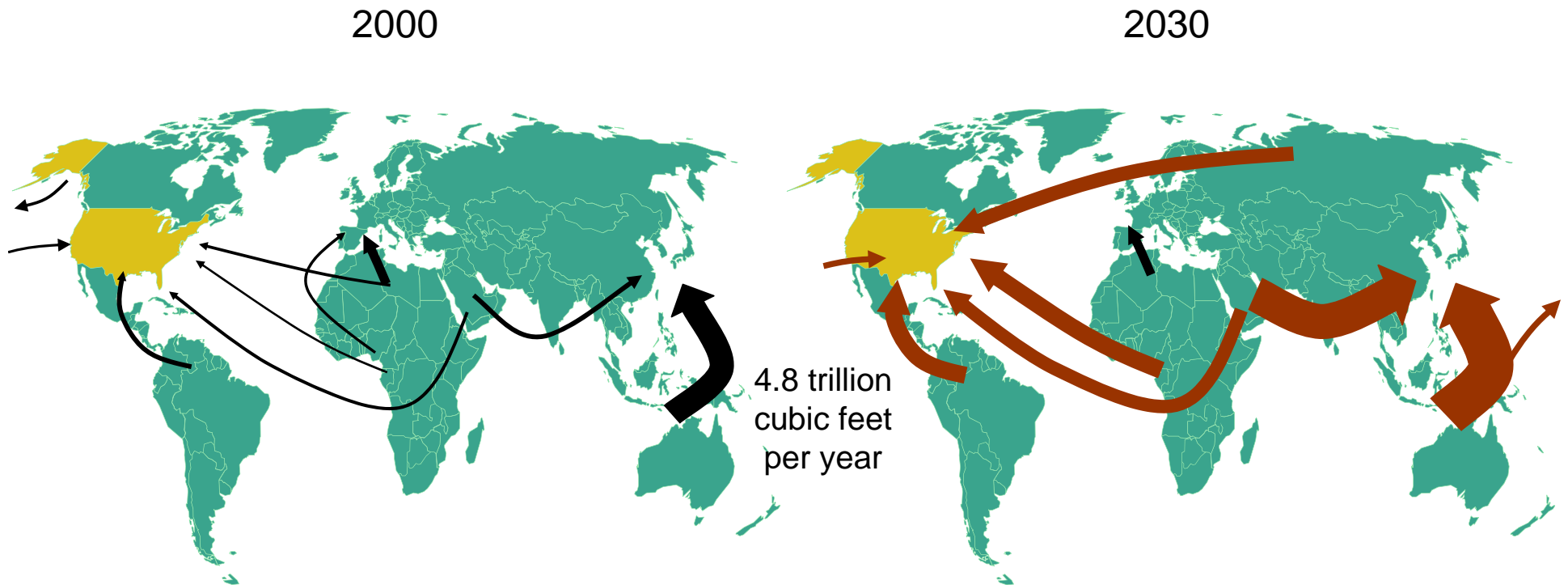
China natural gas imports



Source: EIA *International Energy Outlook 2009*

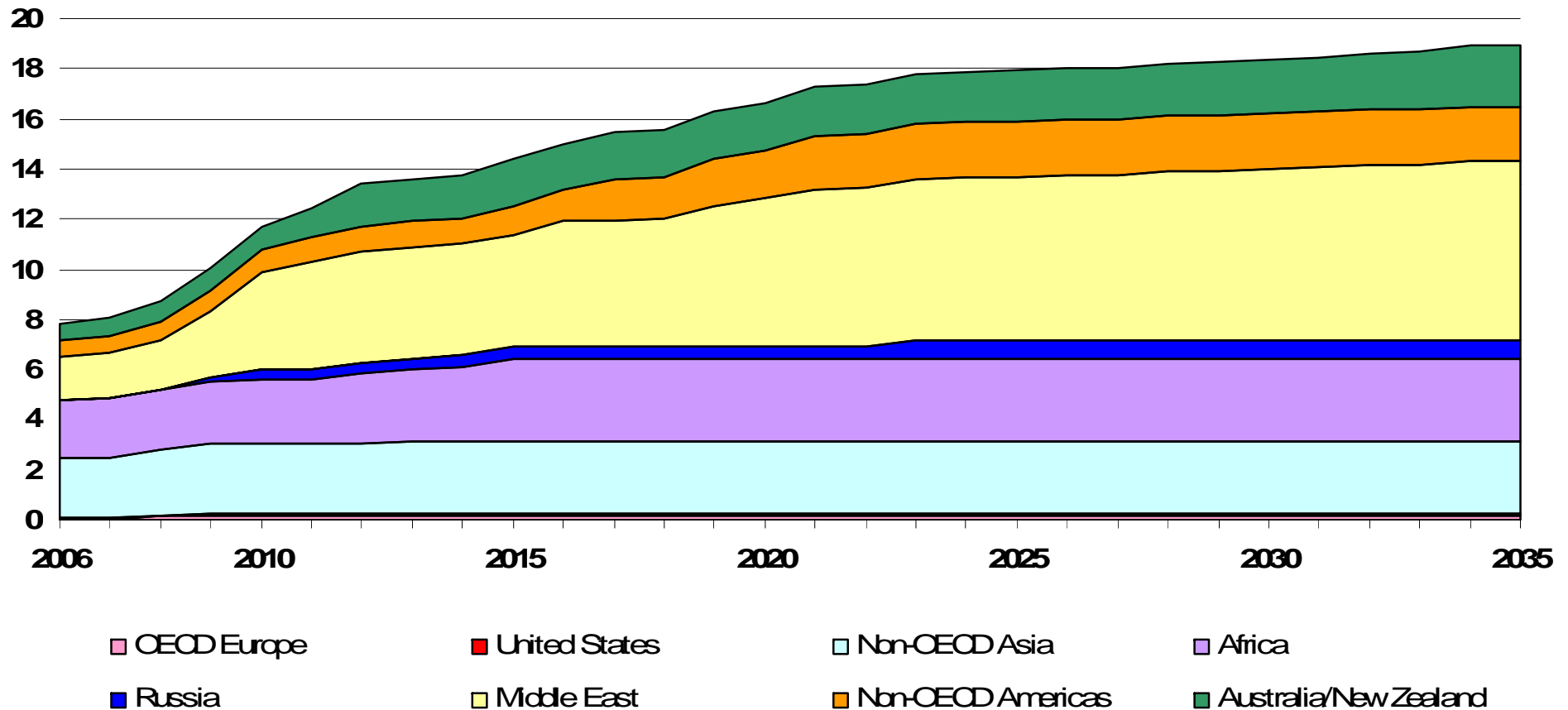
Outlook for global LNG trade

LNG trade expectations as of 2005-2006:
National Petroleum Council's "Hard Truth's" study



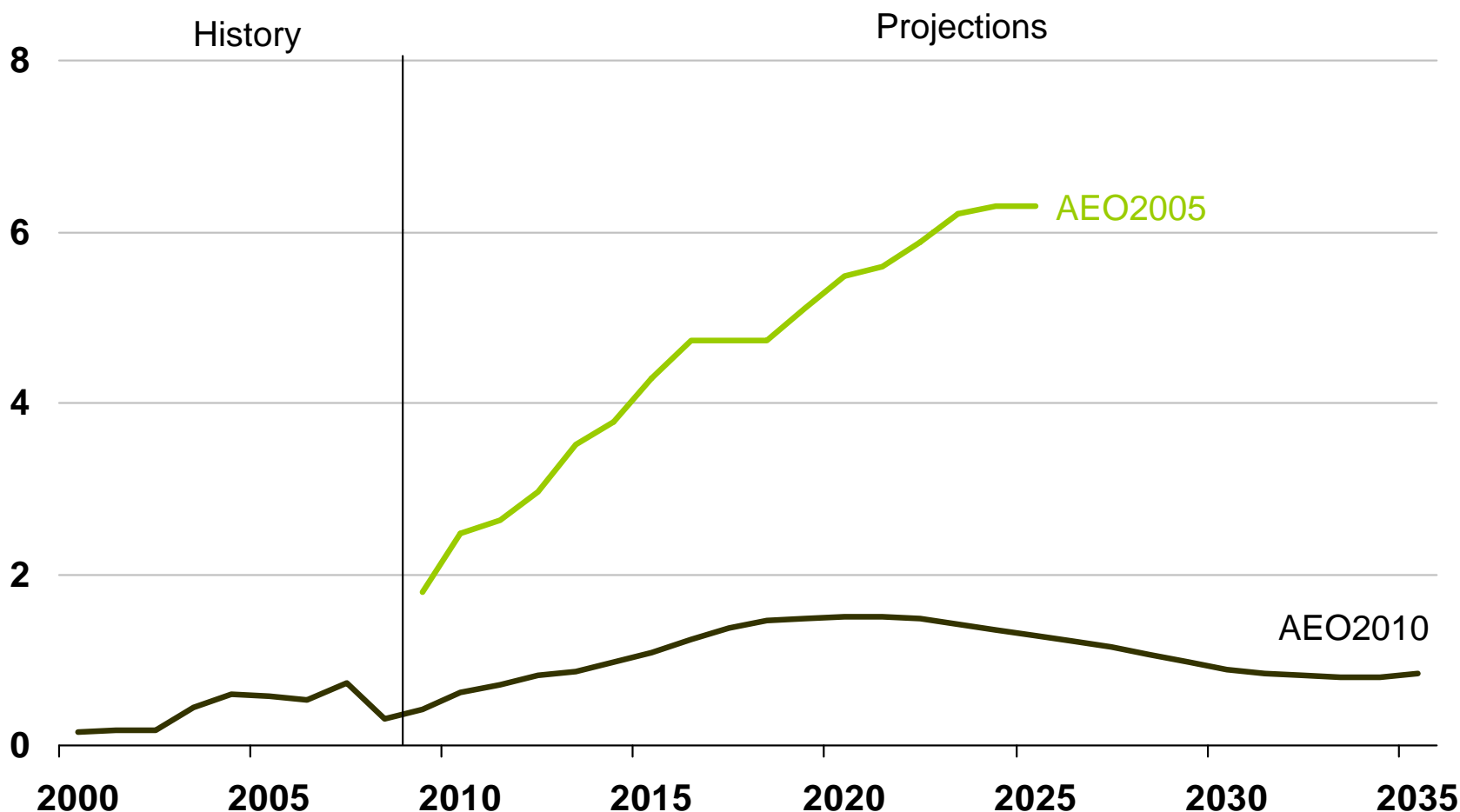
Increasing gas liquefaction capacity

liquefaction capacity
trillion cubic feet



Over the past 5 years, EIA has significantly lowered its projection of LNG imports into the U.S.

U.S. net LNG imports
trillion cubic feet



Oil prices could remain well above U.S. gas prices if shale gas production continues to grow

ratio of oil prices to natural gas prices
on a thermal equivalent basis

