The Rapidly Expanding Role of LNG in North America

Phyllis Martin
Energy Information Administration
Phyllis.Martin@eia.doe.gov
202-586-9592

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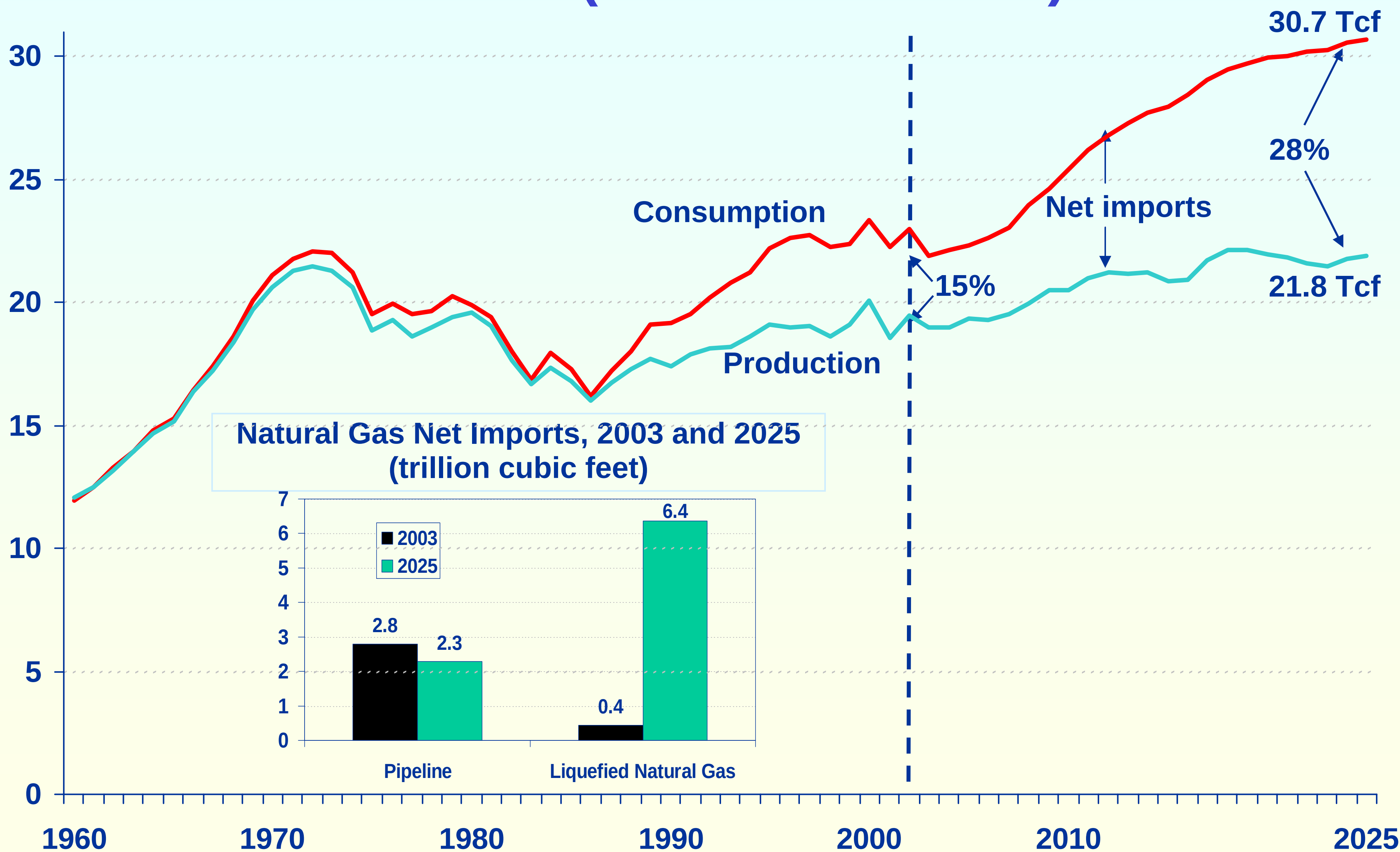
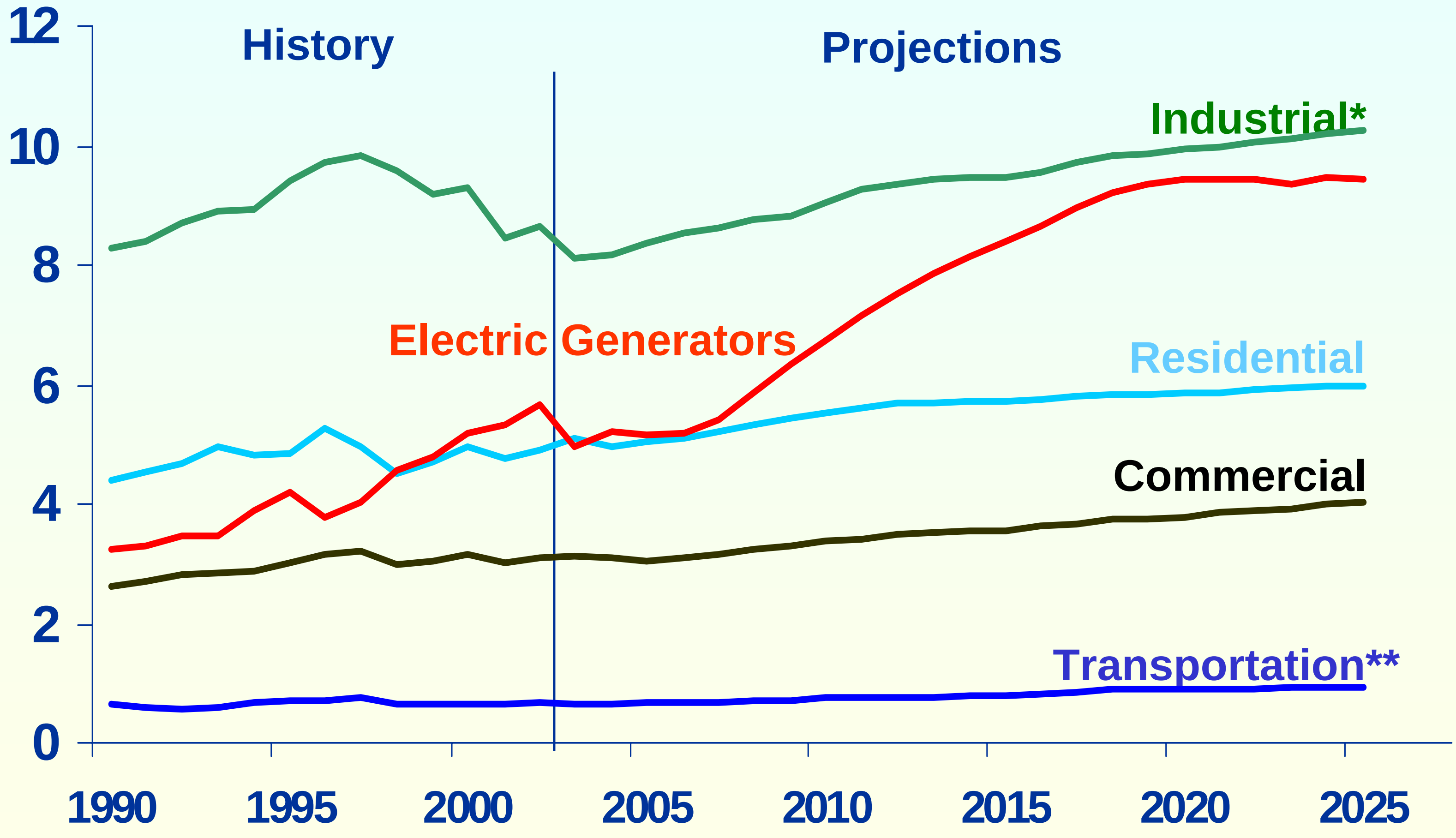
Siting Issues
in the Development of U.S. LNG Receiving Terminals

Natural Gas Production, Consumption, and Imports, 1960-2025 (trillion cubic feet)



Source: *Annual Energy Outlook 2005*

U.S. Natural Gas Consumption by Sector, 1990-2025 (trillion cubic feet)

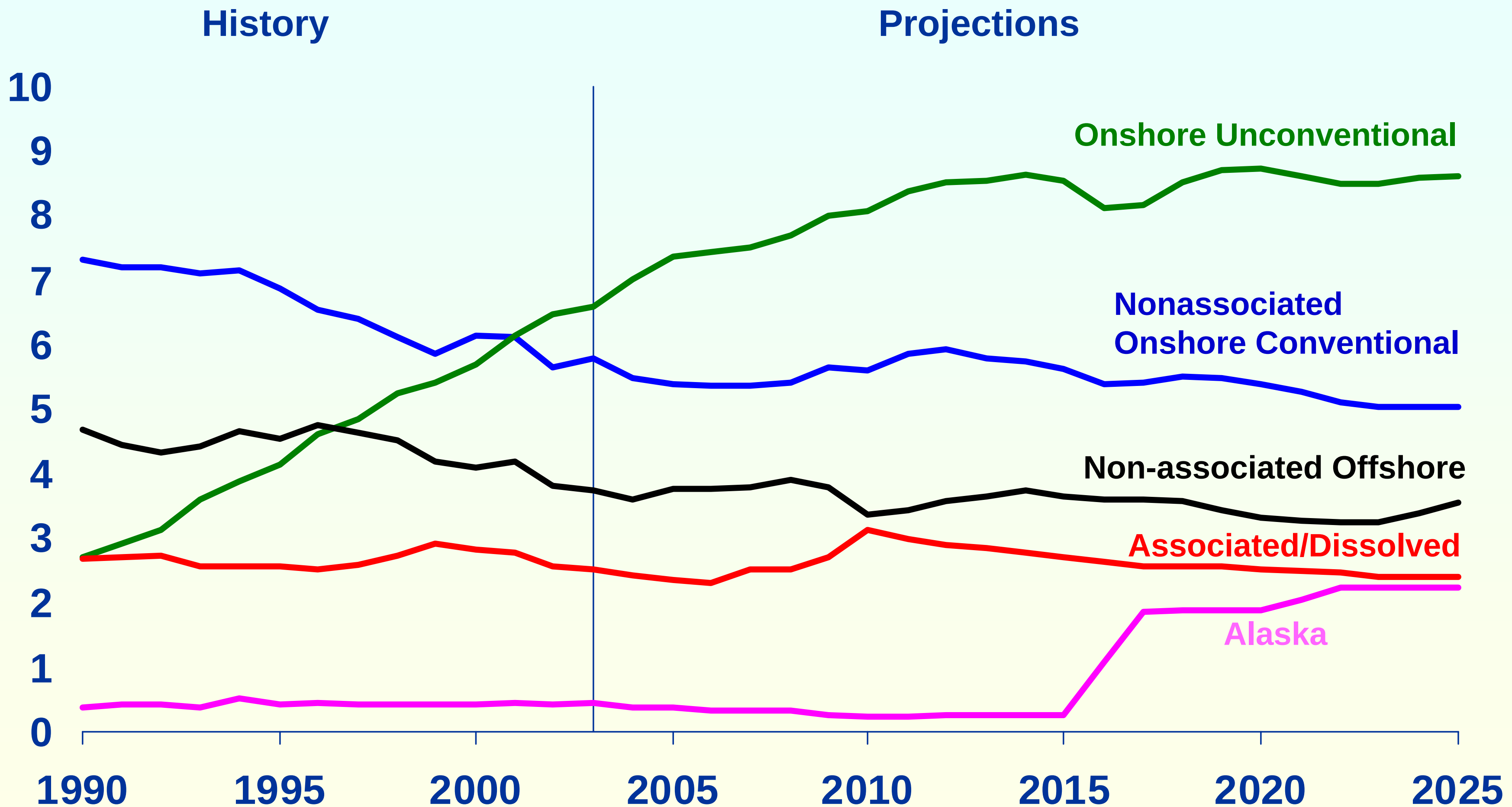


* Includes lease and plant fuel

** Includes pipeline fuel

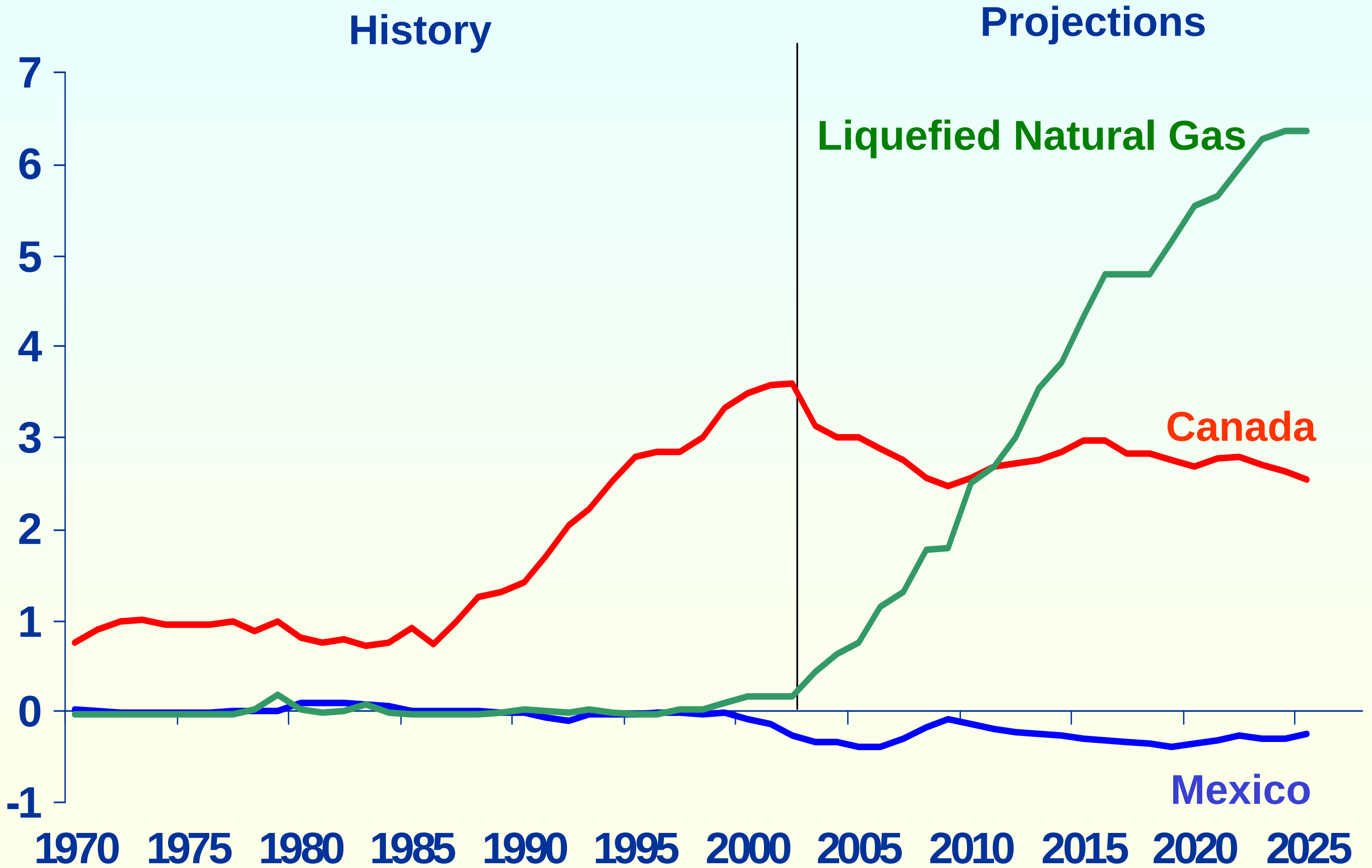
Source: *Annual Energy Outlook 2005*

U.S. Dry Natural Gas Production, 1990-2025 (trillion cubic feet)



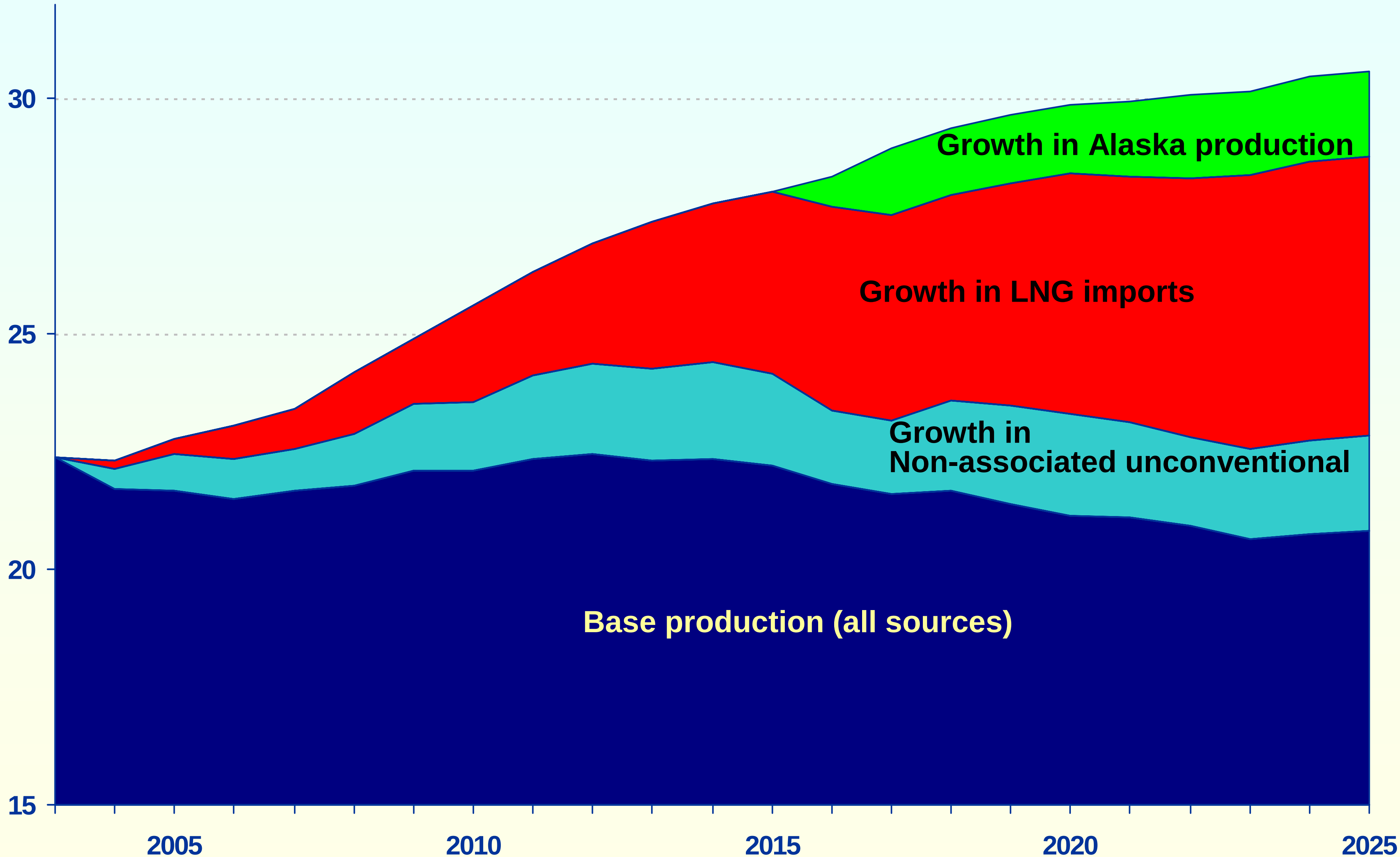
Source: *Annual Energy Outlook 2005*

Net U.S. Imports of Natural Gas, 1970-2025 (trillion cubic feet)



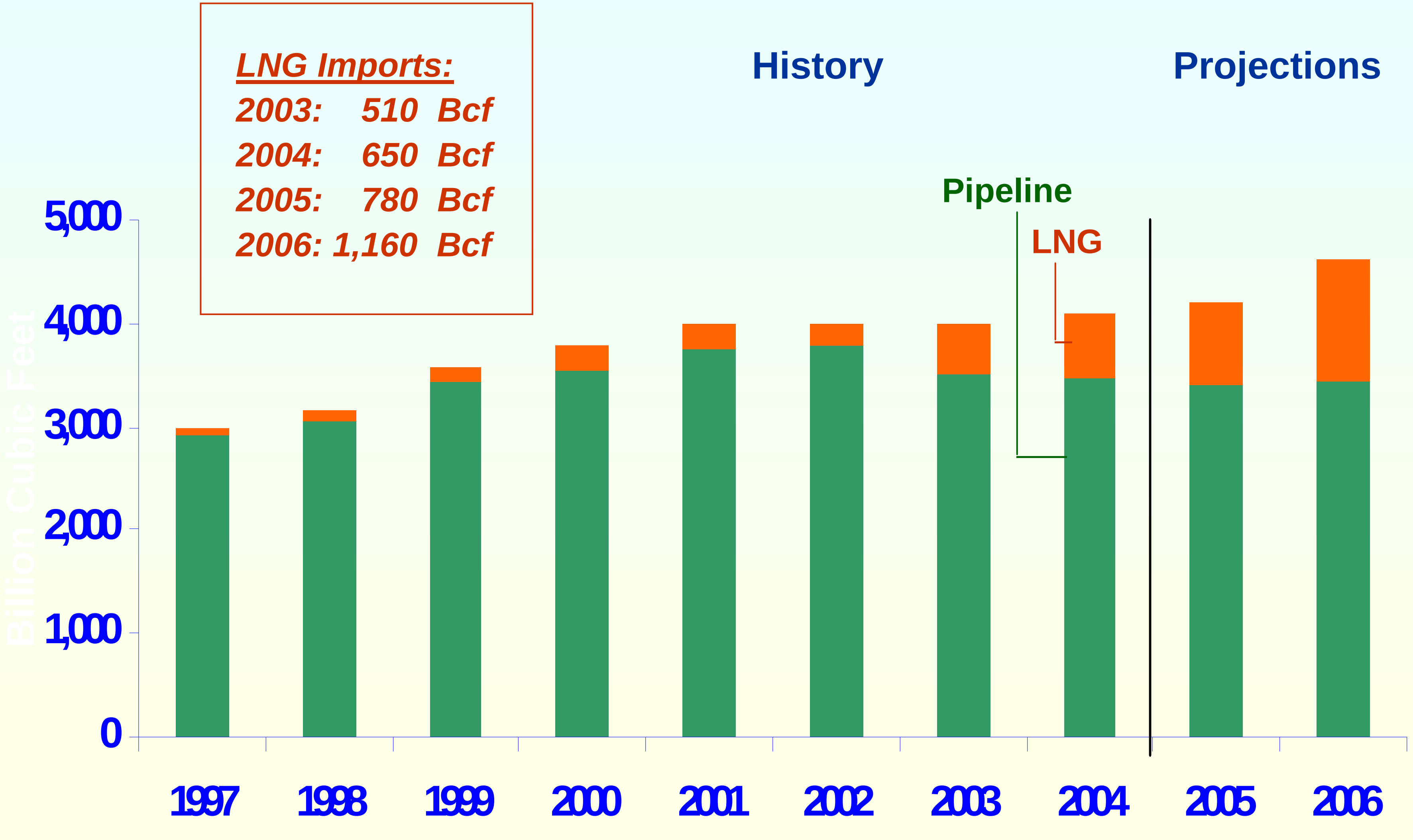
Source: *Annual Energy Outlook 2005*

Major Sources of Incremental Natural Gas Supply, 2003-2025 (trillion cubic feet)



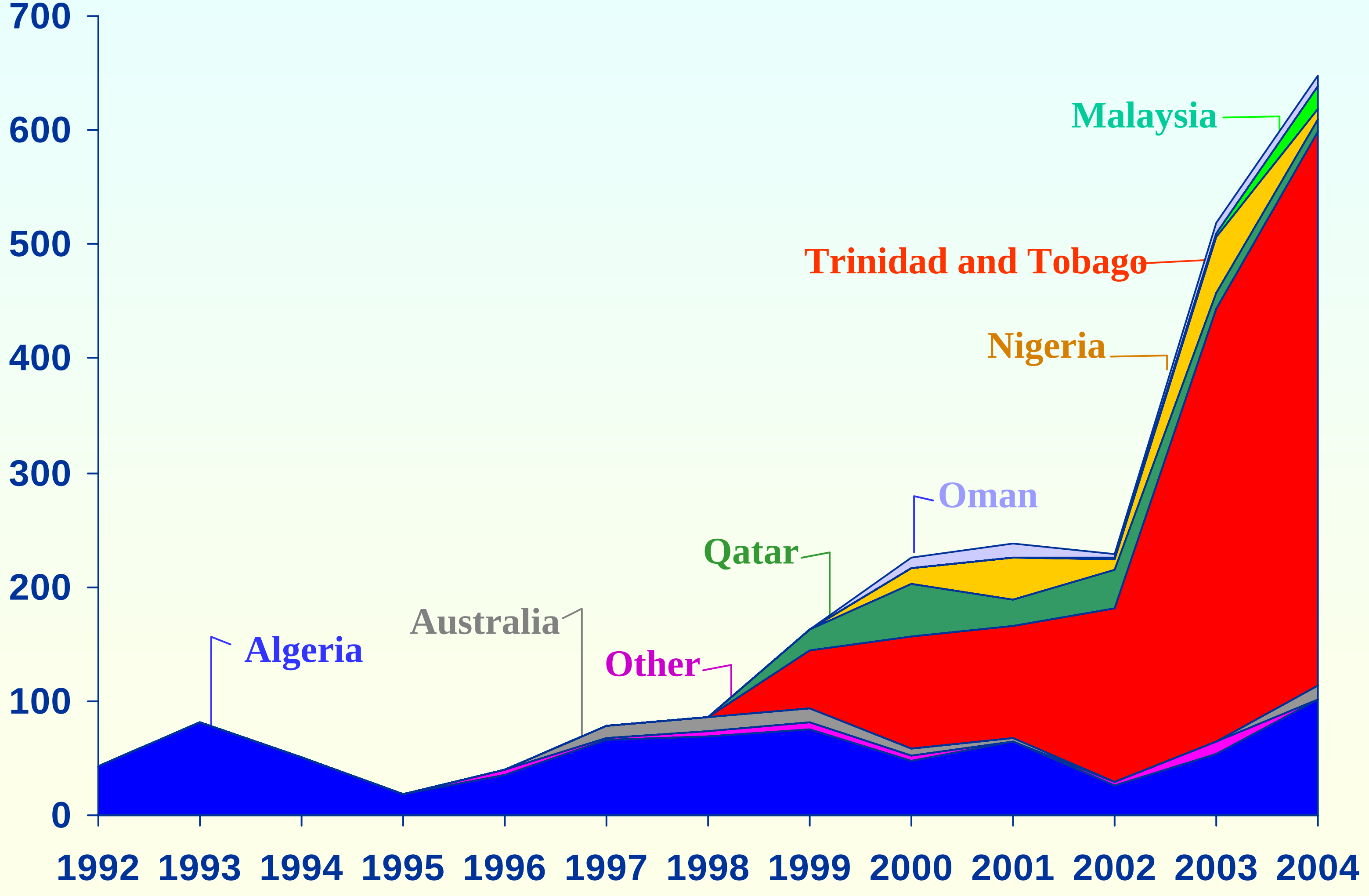
Source: 2005 *Annual Energy Outlook*

Natural Gas Imports, 1997-2006
(billion cubic feet)



Sources: History: EIA; Projections: *Short-Term Energy Outlook* March, 2005.

U.S. LNG Imports by Country, 1992-2004 (billion cubic feet)



Source: EIA

Current U.S. LNG Import Terminals

Everett, Massachusetts
3.5 Bcf Storage Capacity
Regasification Capacity:
Peak: 885 MMcf per day
Baseload: 710 MMcf per day

Cove Point, Maryland
7.8 Bcf Storage Capacity
Regasification Capacity:
Peak: 1 Bcf per day
Baseload: 750 MMcf per day

Elba Island, Georgia
4.1 Bcf Storage Capacity
Regasification Capacity:
Peak: 675 MMcf per day
Baseload: 460 MMcf per day

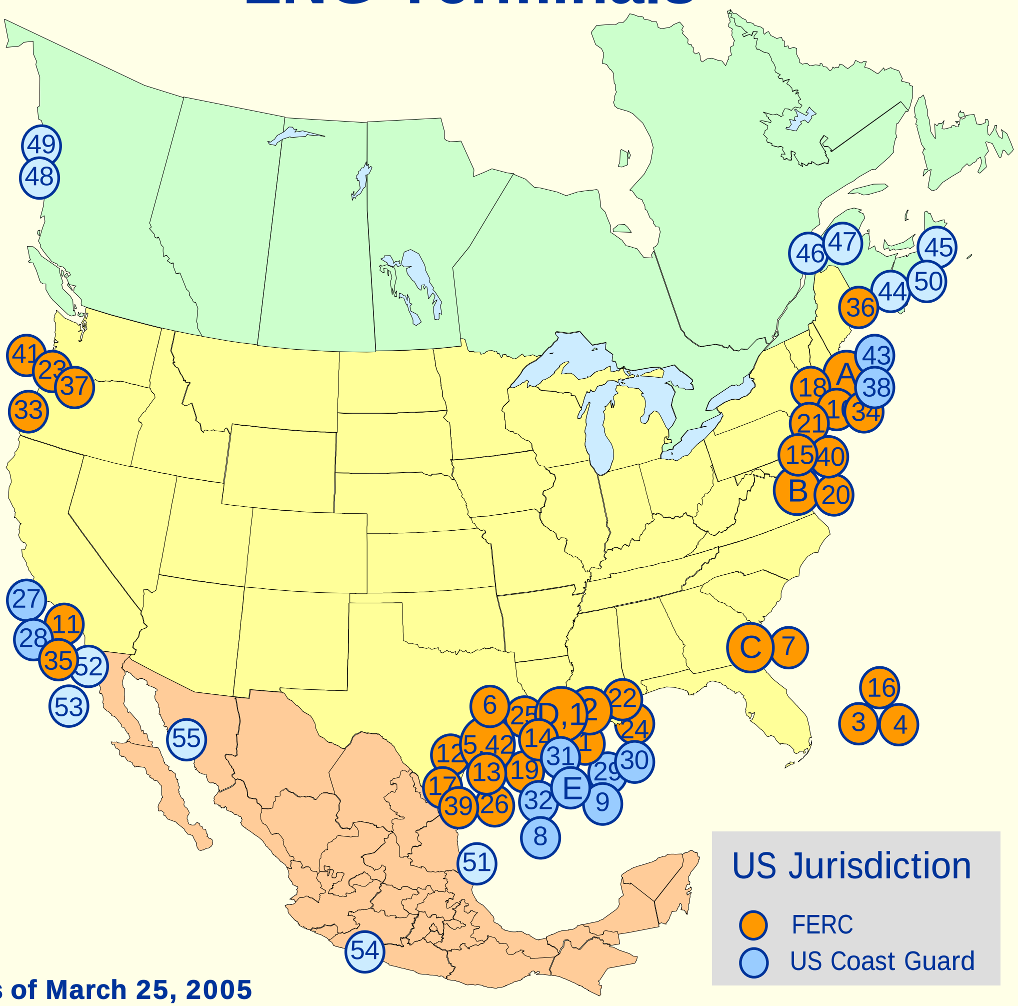
Lake Charles, Louisiana
6.3 Bcf Storage Capacity
Regasification Capacity:
Peak: 1.2 Bcf per day
Baseload: 630 MMcf per day

Gulf of Mexico, Offshore
Shipboard
Regasification Capacity:
Peak: 500 MMcf per day
Baseload: 500 MMcf per day

Source: Energy Information Administration

FERC

Existing, Proposed and Potential North American LNG Terminals



As of March 25, 2005

**   US pipeline approved; LNG terminal pending in Bahamas*
*** These projects have been approved by the Mexican and Canadian authorities*

Office of Energy Projects

CONSTRUCTED
A. Everett, MA : 1.035 Bcfd (Tractebel - DOMAC)
B. Cove Point, MD : 1.0 Bcfd (Dominion - Cove Point LNG)
C. Elba Island, GA : 0.68 Bcfd (El Paso - Southern LNG)
D. Lake Charles, LA : 1.0 Bcfd (Southern Union - Trunkline LNG)
E. Gulf of Mexico: 0.5 Bcfd, (Gulf Gateway Energy Bridge - Excelerate Energy)

APPROVED BY FERC
1. Lake Charles, LA: 1.1 Bcfd (Southern Union - Trunkline LNG)
2. Hackberry, LA : 1.5 Bcfd, (Sempra Energy)
3. Bahamas : 0.84 Bcfd, (AES Ocean Express)*
4. Bahamas : 0.83 Bcfd, (Calypso Tractebel)*
5. Freeport, TX : 1.5 Bcfd, (Cheniere/Freeport LNG Dev.)
6. Sabine, LA : 2.6 Bcfd (Cheniere LNG)
7. Elba Island, GA: 0.54 Bcfd (El Paso - Southern LNG)

APPROVED BY MARAD/COAST GUARD
8. Port Pelican: 1.6 Bcfd, (Chevron Texaco)
9. Louisiana Offshore : 1.0 Bcfd (Gulf Landing - Shell)

PROPOSED TO FERC
10. Fall River, MA : 0.8 Bcfd, (Weaver's Cove Energy/Hess LNG)
11. Long Beach, CA : 0.7 Bcfd, (Mitsubishi/ConocoPhillips - Sound Energy Solutions)
12. Corpus Christi, TX : 2.6 Bcfd, (Cheniere LNG)
13. Corpus Christi, TX : 1.0 Bcfd (Vista Del Sol - ExxonMobil)
14. Sabine, TX : 1.0 Bcfd (Golden Pass - ExxonMobil)
15. Logan Township, NJ : 1.2 Bcfd (Crown Landing LNG - BP)
16. Bahamas : 0.5 Bcfd, (Seafarer - El Paso/FPL)
17. Corpus Christi, TX: 1.0 Bcfd (Ingleside Energy - Occidental Energy Ventures)
18. Providence, RI : 0.5 Bcfd (Keyspan & BG LNG)
19. Port Arthur, TX: 1.5 Bcfd (Sempra)
20. Cove Point, MD : 0.8 Bcfd (Dominion)
21. LI Sound, NY: 1.0 Bcfd (Broadwater Energy - TransCanada/Shell)
22. Pascagoula, MS: 1.0 Bcfd (Gulf LNG Energy LLC)
23. Bradwood, OR: 1.0 Bcfd (Northern Star LNG - Northern Star Natural Gas LLC)
24. Pascagoula, MS: 1.3 Bcfd (Casotte Landing - ChevronTexaco)
25. Cameron, LA: 3.3 Bcfd (Creole Trail LNG - Cheniere LNG)
26. Port Lavaca, TX: 1.0 Bcfd (Calhoun LNG - Gulf Coast LNG Partners)

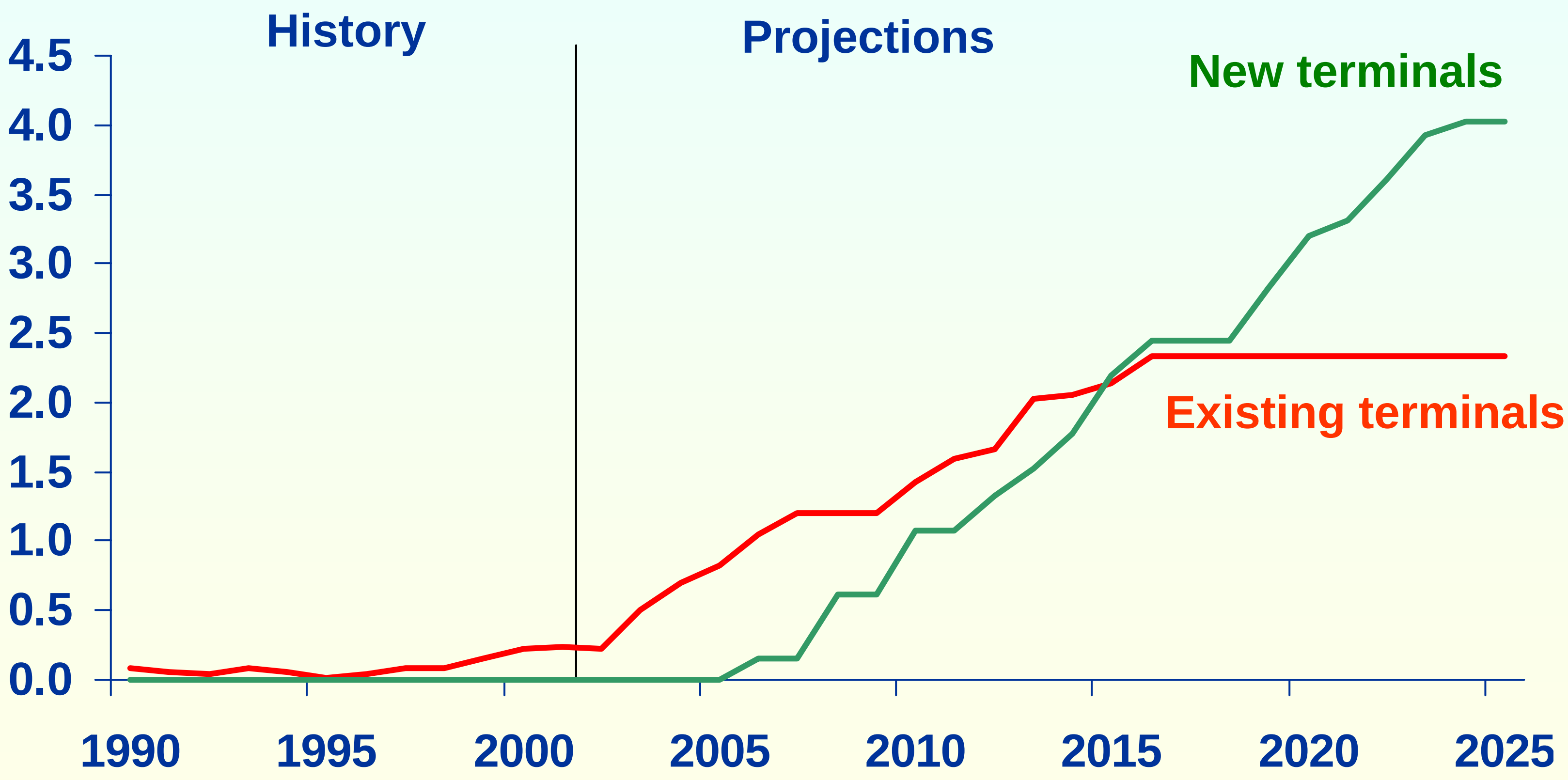
PROPOSED TO MARAD/COAST GUARD
27. California Offshore: 1.5 Bcfd (Cabrillo Port - BHP Billiton)
28. So. California Offshore : 0.5 Bcfd, (Crystal Energy)
29. Louisiana Offshore : 1.0 Bcfd (Main Pass McMoRan Exp.)
30. Gulf of Mexico: 1.0 Bcfd (Compass Port - ConocoPhillips)
31. Gulf of Mexico: 2.8 Bcfd (Pearl Crossing - ExxonMobil)
32. Gulf of Mexico: 1.5 Bcfd (Beacon Port Clean Energy Terminal - ConocoPhillips)

POTENTIAL SITES IDENTIFIED BY PROJECT SPONSORS
33. Coos Bay, OR: 0.13 Bcfd, (Energy Projects Development)
34. Somerset, MA: 0.65 Bcfd (Somerset LNG)
35. California - Offshore: 0.75 Bcfd, (Chevron Texaco)
36. Pleasant Point, ME : 0.5 Bcf/d (Quoddy Bay, LLC)
37. St. Helens, OR: 0.7 Bcfd (Port Westward LNG LLC)
38. Offshore Boston, MA: 0.8 Bcfd (Northeast Gateway - Excelerate Energy)
39. Galveston, TX: 1.2 Bcfd (Pelican Island - BP)
40. Philadelphia, PA: 0.6 Bcfd (Freedom Energy Center - PGW)
41. Astoria, OR: 1.0 Bcfd (Skipanon LNG - Calpine)
42. Freeport, TX: 1.5 Bcfd, (Cheniere/Freeport LNG Dev. - Expansion)
43. Offshore Boston, MA: 0.4 Bcfd (Neptune LNG - Tractebel)

CANADIAN APPROVED AND POTENTIAL TERMINALS
44. St. John, NB : 1.0 Bcfd, (Canaport - Irving Oil)
45. Point Tupper, NS 1.0 Bcf/d (Bear Head LNG - Anadarko)
46. Quebec City, QC : 0.5 Bcfd (Project Rabaska - Enbridge/Gaz Met/Gaz de France)
47. Rivière-du- Loup, QC: 0.5 Bcfd (Cacouna Energy - TransCanada/PetroCanada)
48. Kitimat, BC: 0.61 Bcfd (Galveston LNG)
49. Prince Rupert, BC: 0.30 Bcfd (WestPac Terminals)
50. Goldboro, NS 1.0 Bcfd (Keltic Petrochemicals)

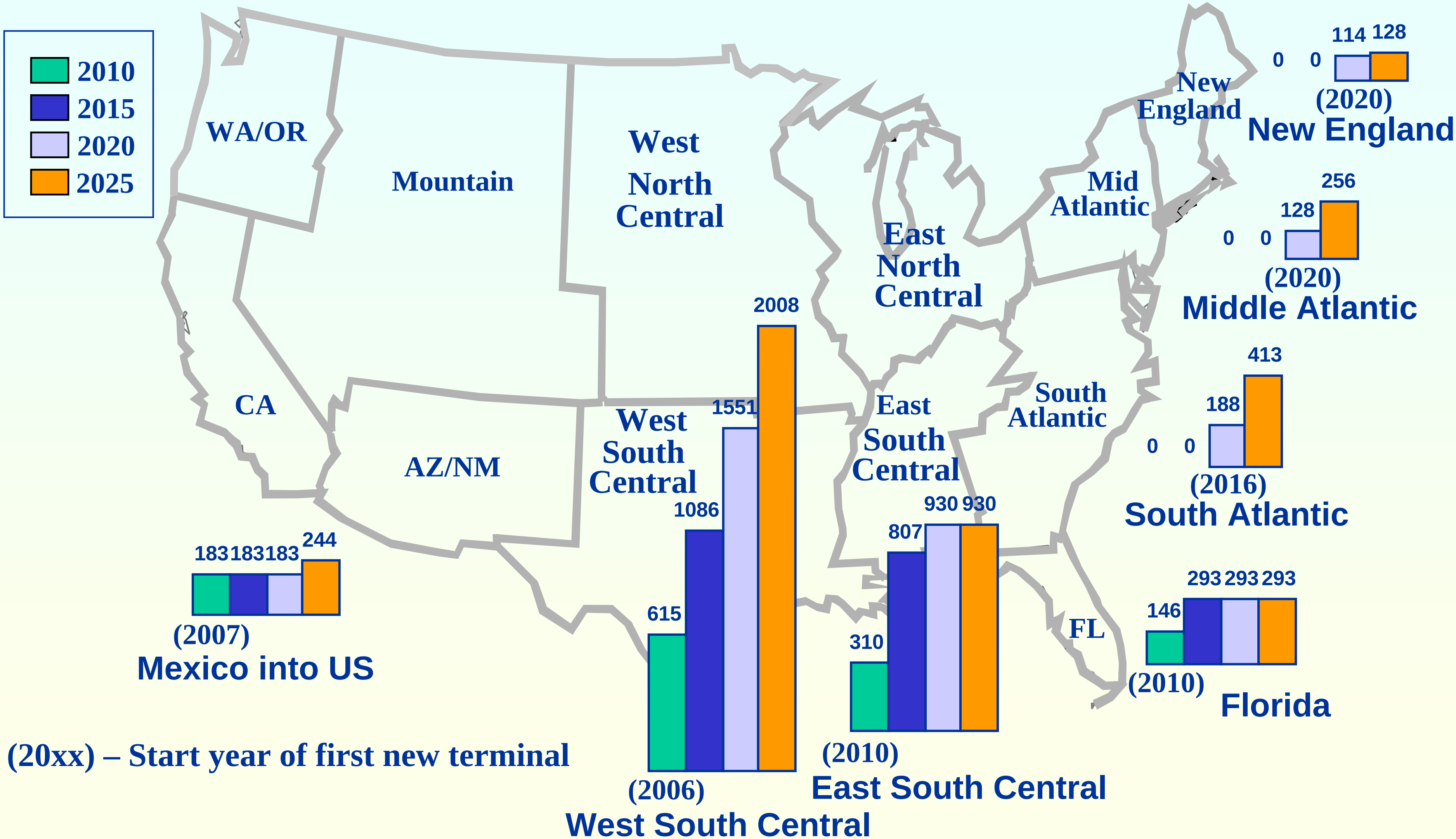
MEXICAN APPROVED AND POTENTIAL TERMINALS
51. Altamira, Tamulipas : 0.7 Bcfd, (Shell/Total/Mitsui)**
52. Baja California, MX : 1.0 Bcfd, (Sempra & Shell)**
53. Baja California - Offshore : 1.4 Bcfd, (Chevron Texaco)
54. Lázaro Cárdenas, MX : 0.5 Bcfd (Tractebel/Repsol)
55. Puerto Libertad, MX: 1.3 Bcfd (Sonora Pacific LNG)

U.S. LNG Imports, 1990-2025
(trillion cubic feet)



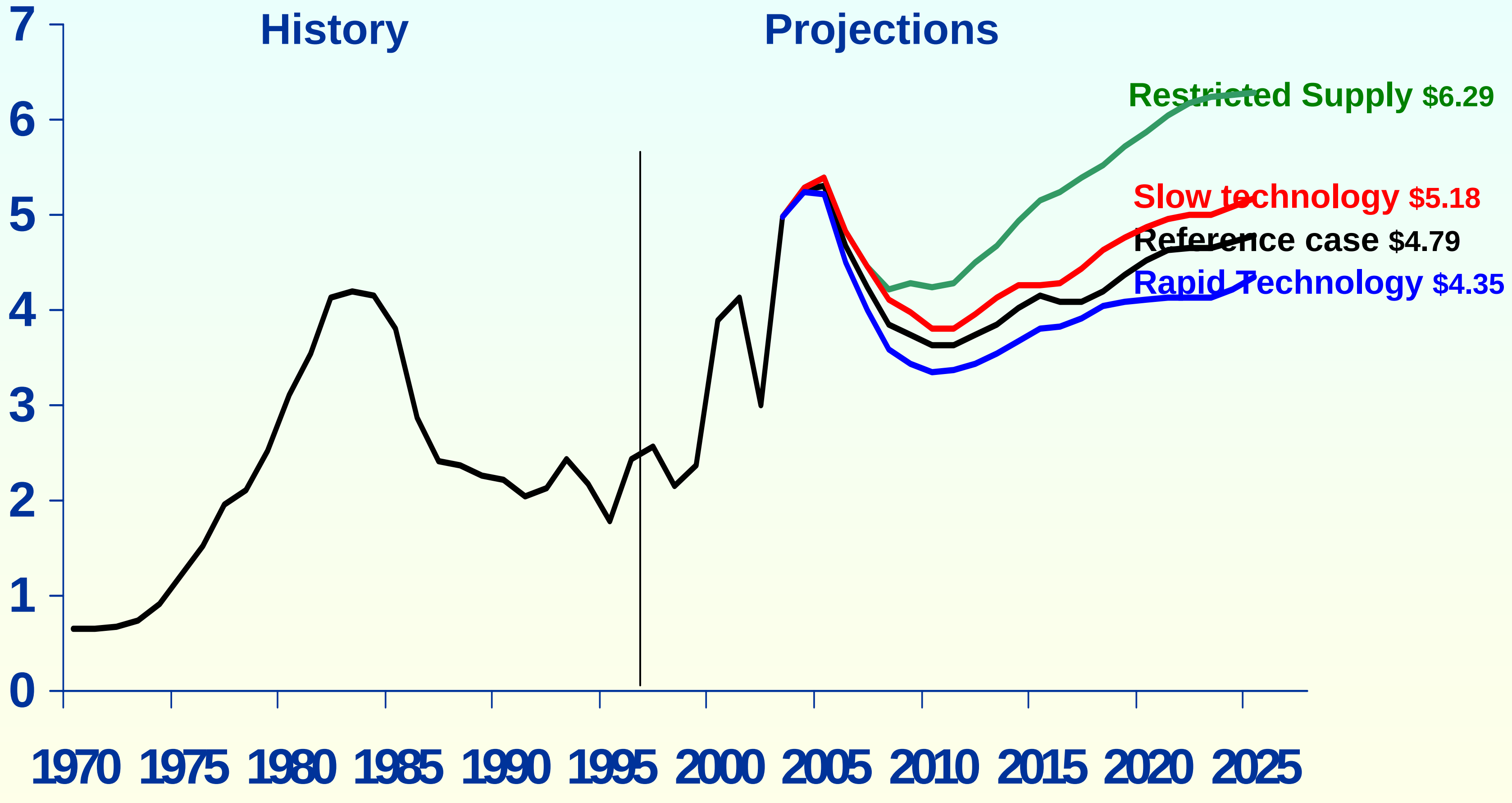
Source: 2005 *Annual Energy Outlook*

Regional LNG Imports at New Terminals, 2010, 2015, 2020, and 2025 (billion cubic feet)



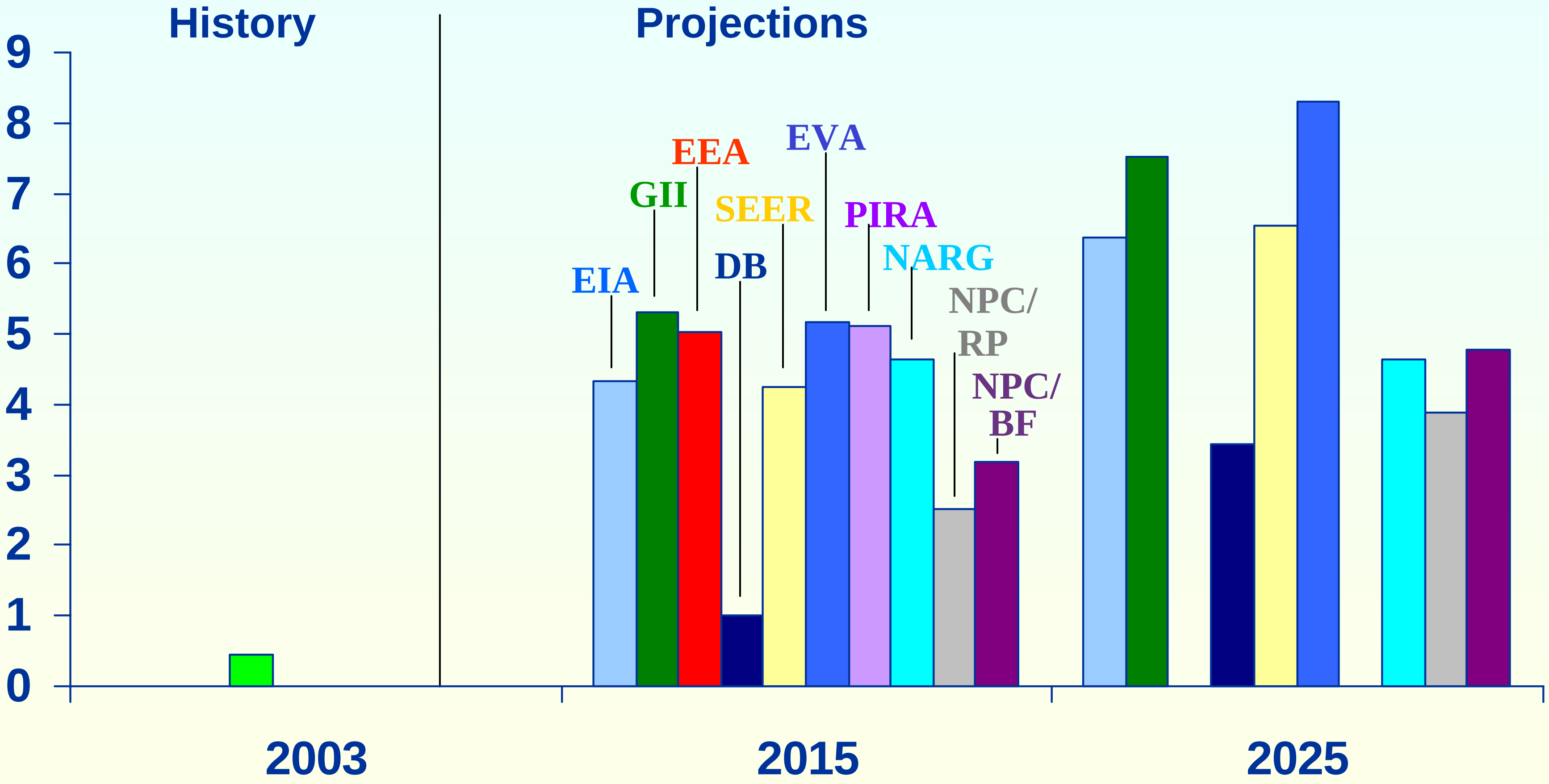
Source: EIA *Annual Energy Outlook 2005*

Lower 48 Natural Gas Wellhead Prices, 1970-2025 (2003 dollars per thousand cubic feet)



Source: EIA *Annual Energy Outlook 2005*

Comparison of Net LNG Import Forecasts (trillion cubic feet)



Source: 2005 *Annual Energy Outlook*

Summary

- More than 8 tcf of new U.S. gas supply will be needed by 2025, with more than 60 percent coming from imports.

- By 2025, almost 75 percent of net U.S. imports is expected to come from LNG, as Canadian imports decline.

- Siting issues are a key component in determining the rate of penetration of new LNG facilities into the marketplace.

- NIMBY issues and safety concerns must be addressed if LNG is to become a viable source of supplemental supply for North American markets.

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