



Energy Conference 2008

Energy Information Administration

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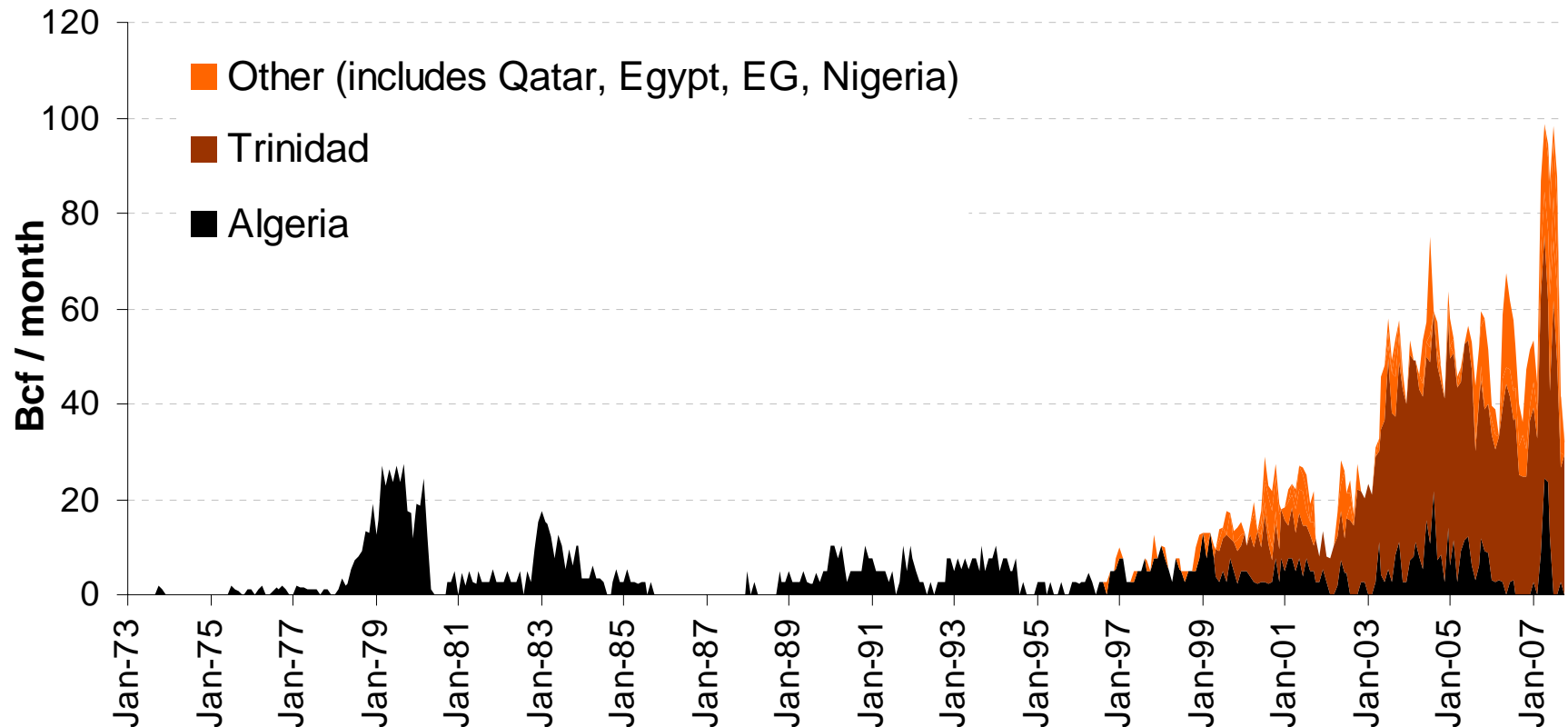
The Future of LNG: Growth spurts or growing pains?



- Industry background
- BG's US experience (2002 – present)
- Key issues
- The future

US LNG imports – the story so far

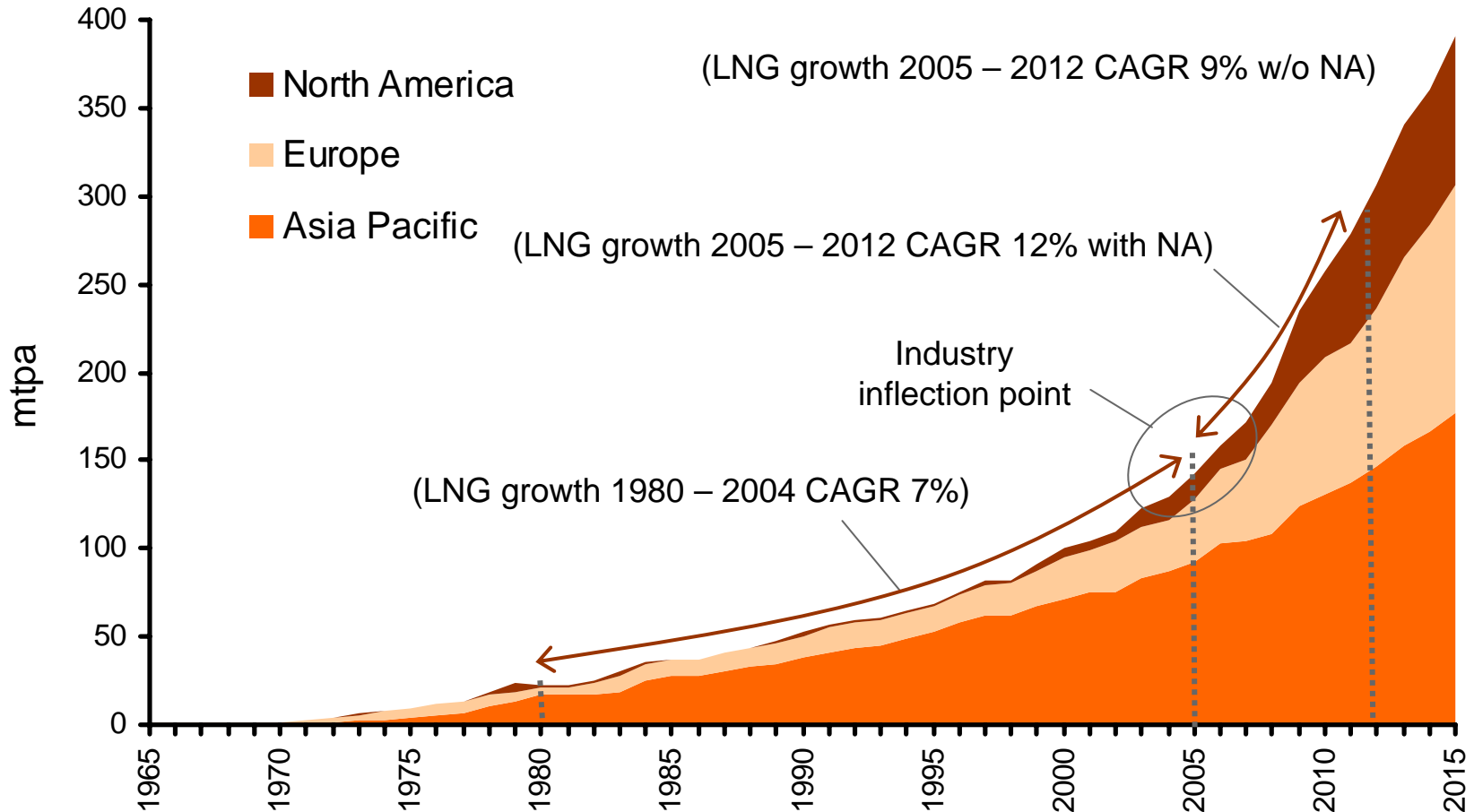
US LNG imports by source



Source: DOE 2007

Trinidad & Tobago imports signalled a new era

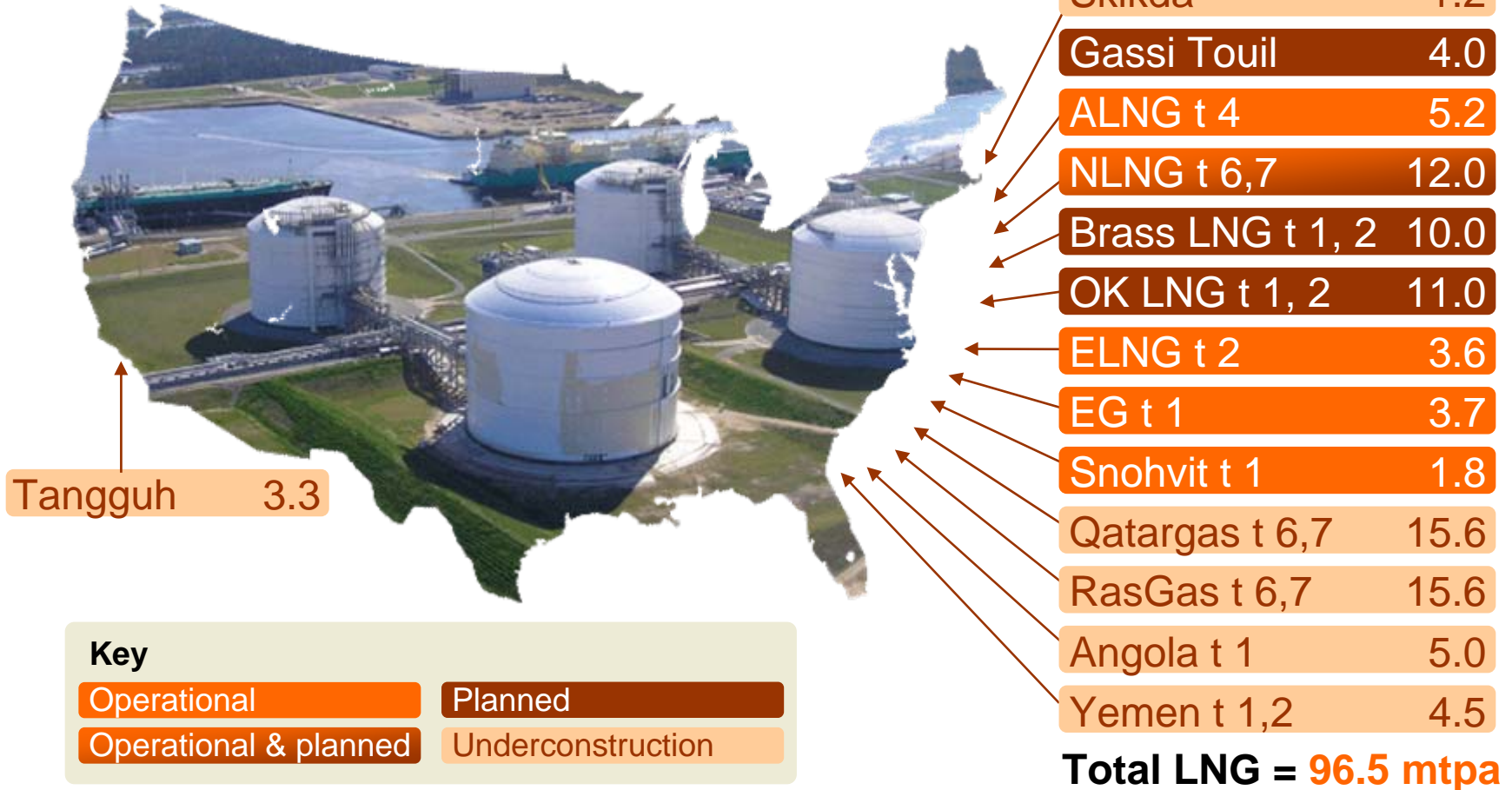
LNG trade growth



Source: CEDIGAZ World Outlook (1999), BP Statistical Review (1999-2006) and Wood Mackenzie (Sept 2007) demand outlook

US LNG market – engine of growth 2002+

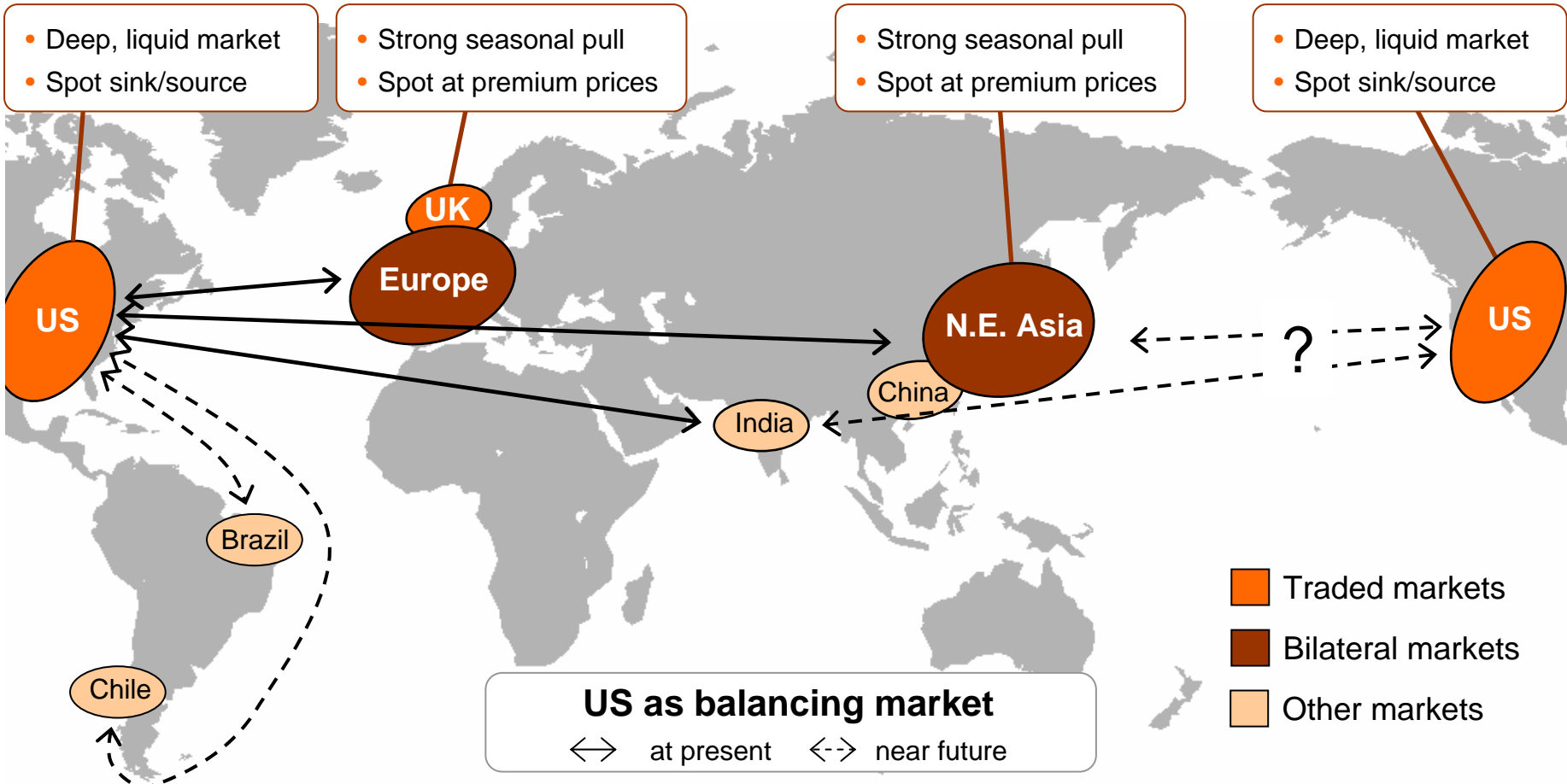
Supply projects



US LNG market – a global sink/source

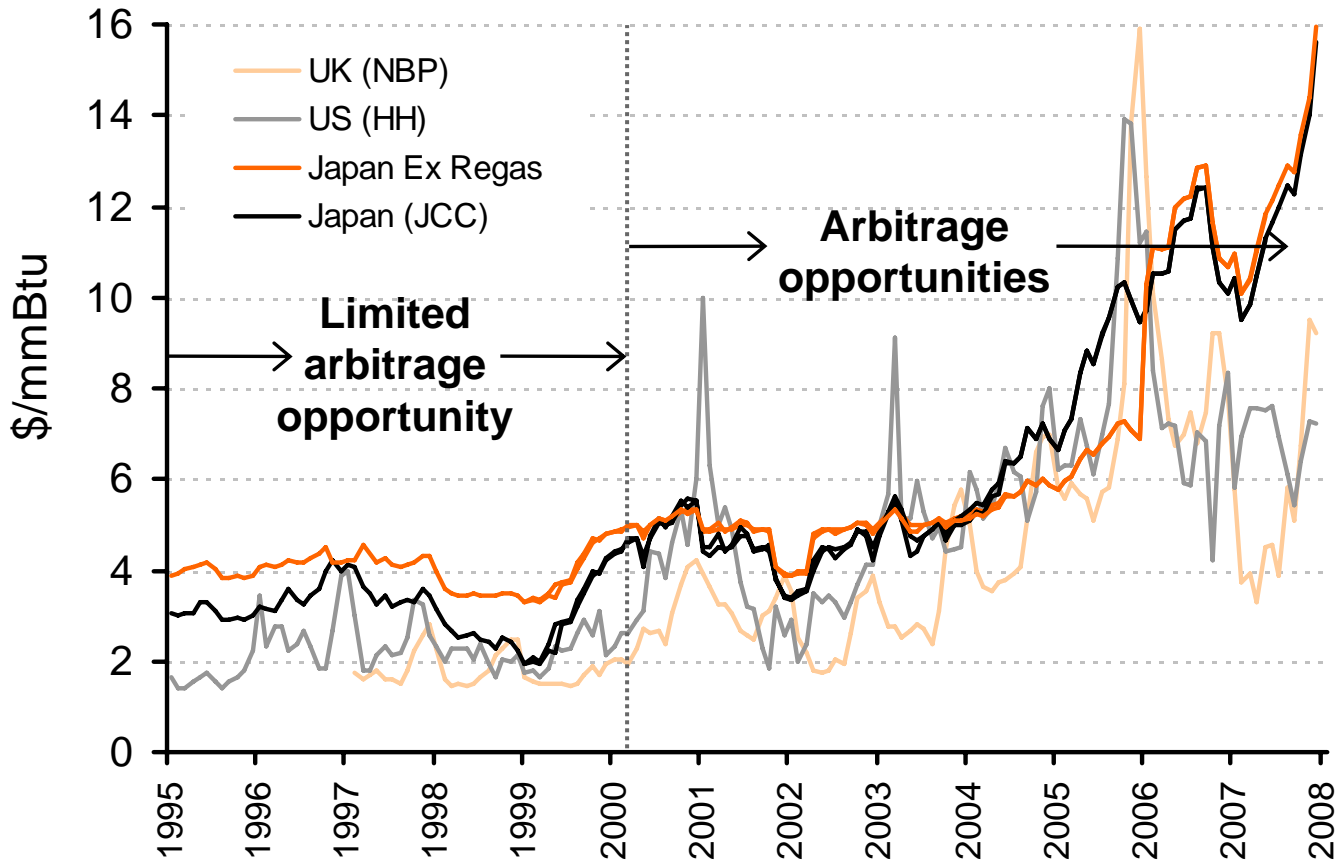
Atlantic Basin

Pacific Basin



US emerging as global LNG balancing market

Natural Gas prices – various markets



Data: JCC (Bloomberg), Japan EX Regas (BG est.), NBP (IPE), HH (NYMEX)

- Exogenous factors
- High oil / gas prices
- Supply tightness
- Globalization of trade

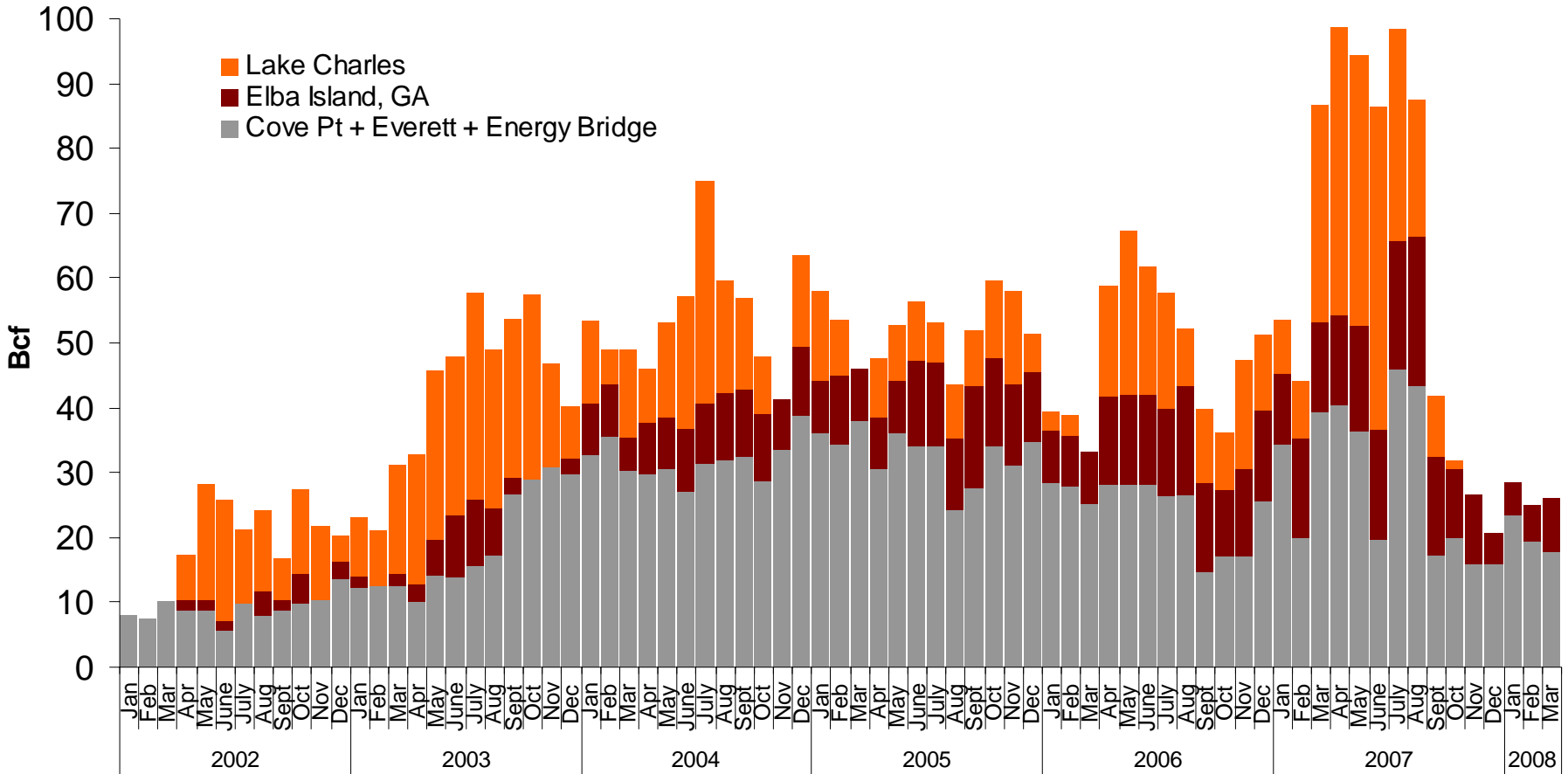
***All driving
arbitrage
opportunities***

Lake Charles import terminal



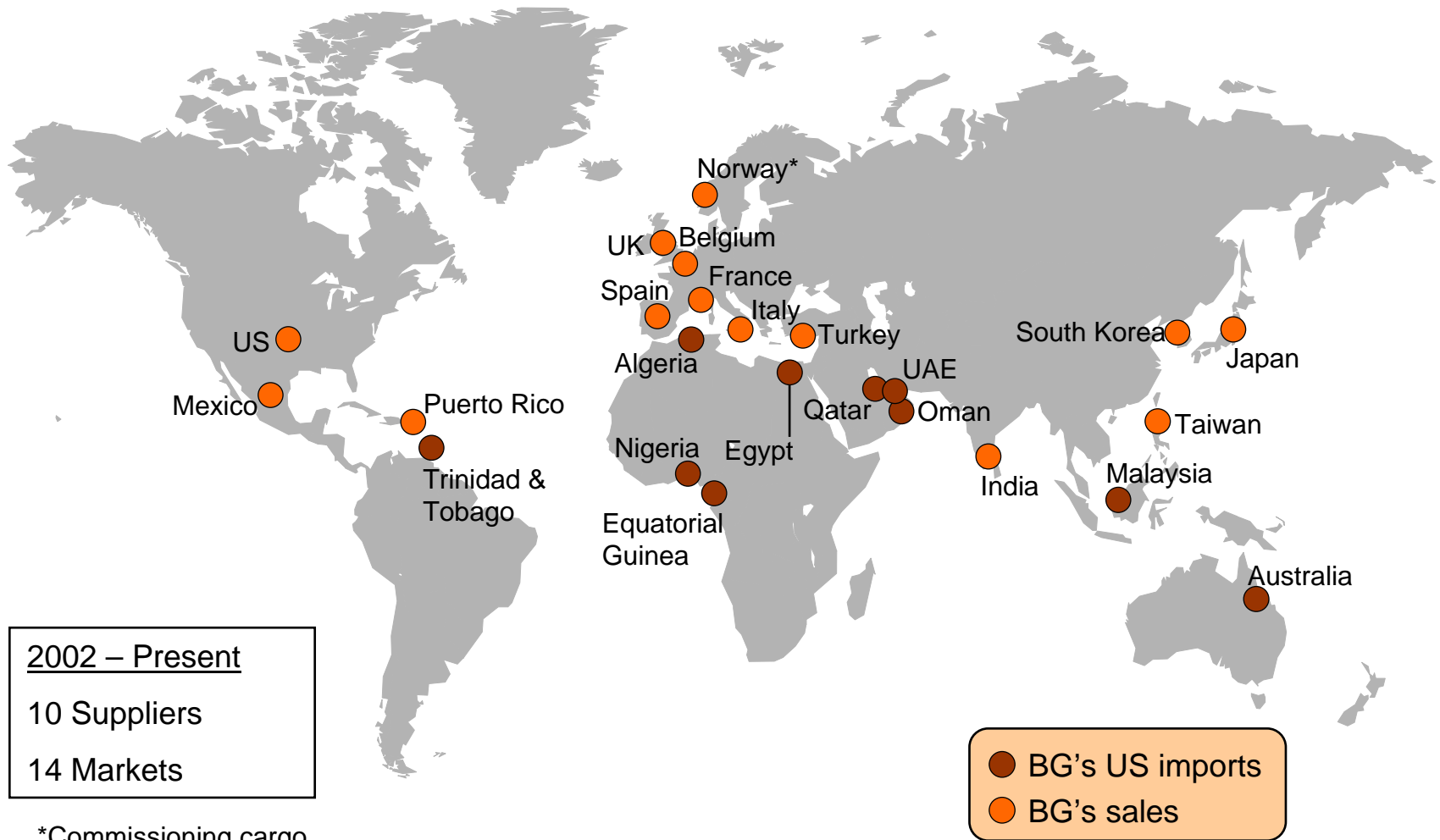
Flexible center of an evolving industry

US LNG imports 2002 – 2008



Source: US Department of Energy (2002 to Jan 2008), Waterborne (Feb & Mar 2008)

US as part of the global marketplace

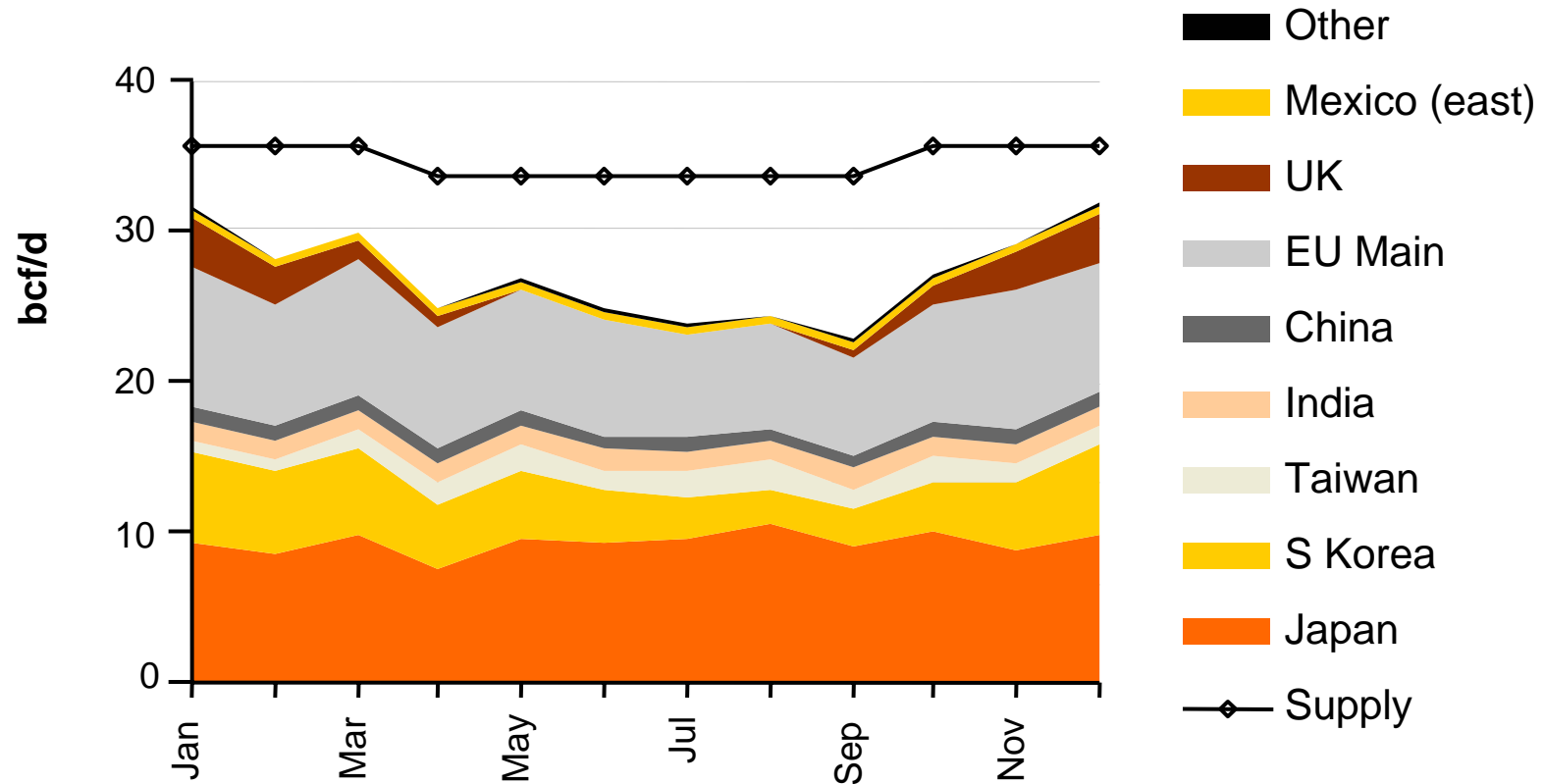


Issues – FERC agenda Nov. 2007

- LNG's role in US gas supply
- How does the US currently obtain the LNG it needs?
- Is there a need to change LNG procurement in the US?
- If so, what is needed to encourage contractual arrangements for LNG supply that will meet expected US demand for natural gas?
- Is imported LNG a dependable supply source?
- How is the U.S.'s role in the world LNG market changing?

Where will all the LNG go?

2010 view of the global LNG balance

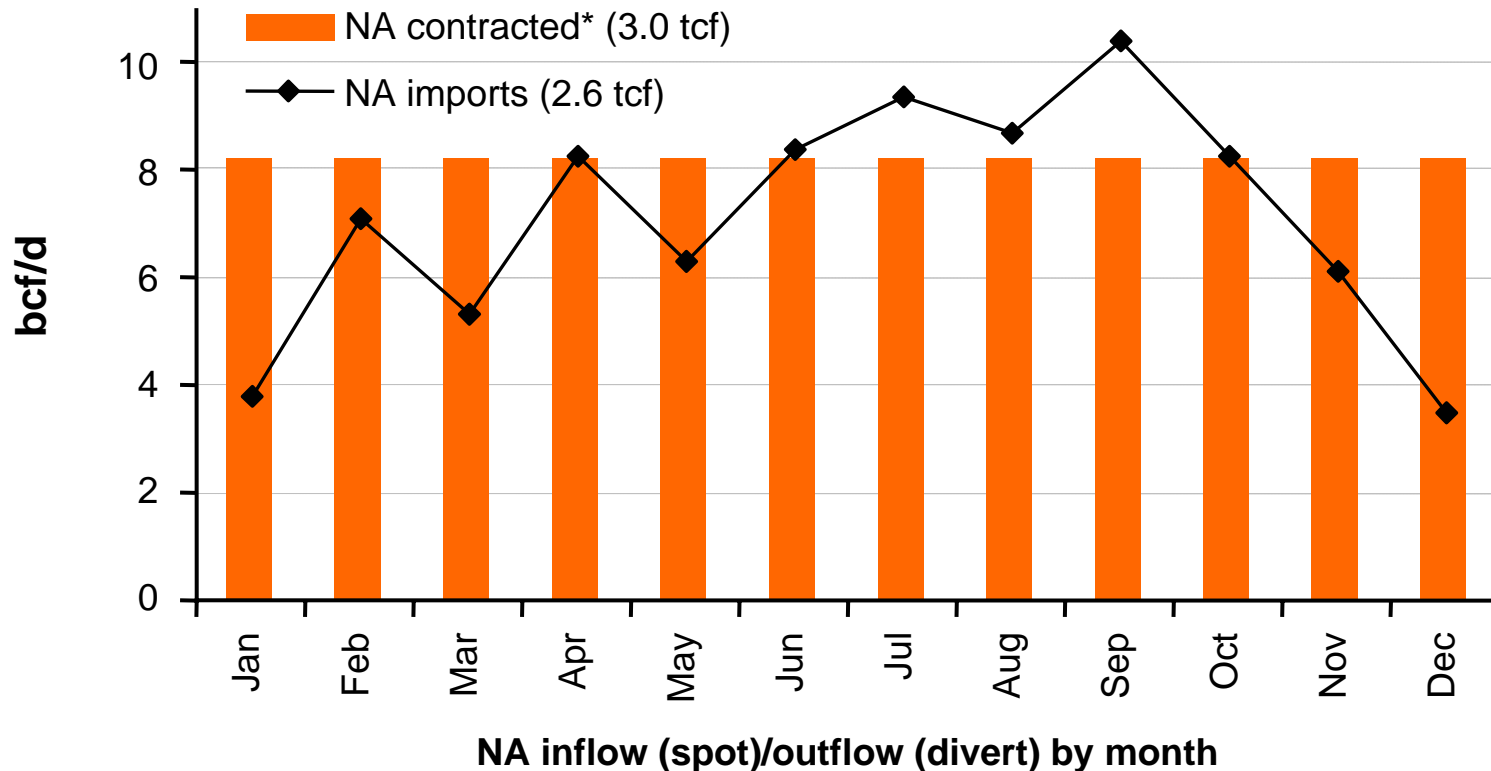


Source: Wood Mackenzie (2006), BG

US is the world's LNG balancing market



2010 estimated North American LNG volumes by month

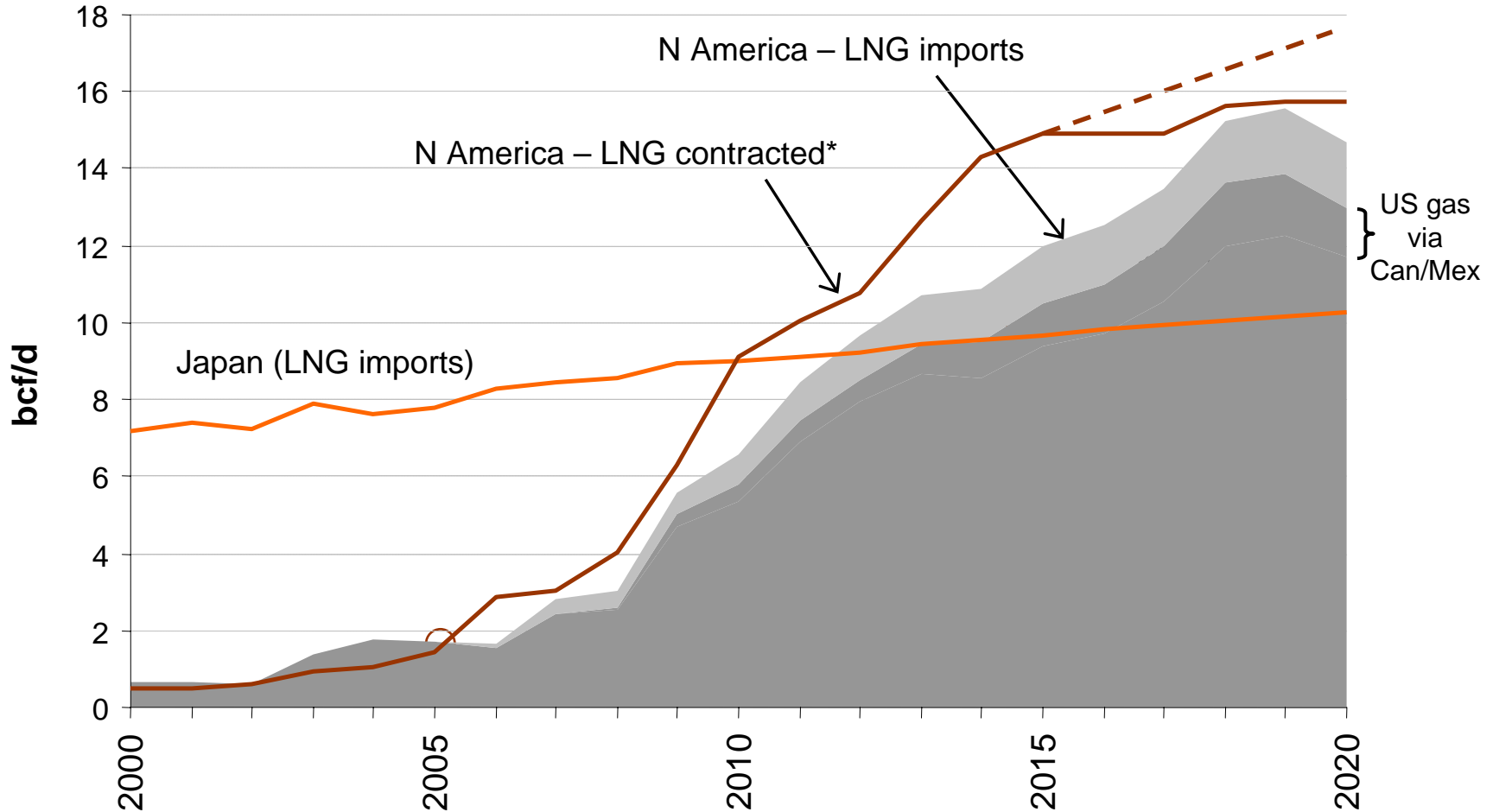


*Excludes Altamira

Source: Wood Mackenzie (2006), BG

Spot inflows observed during the summer

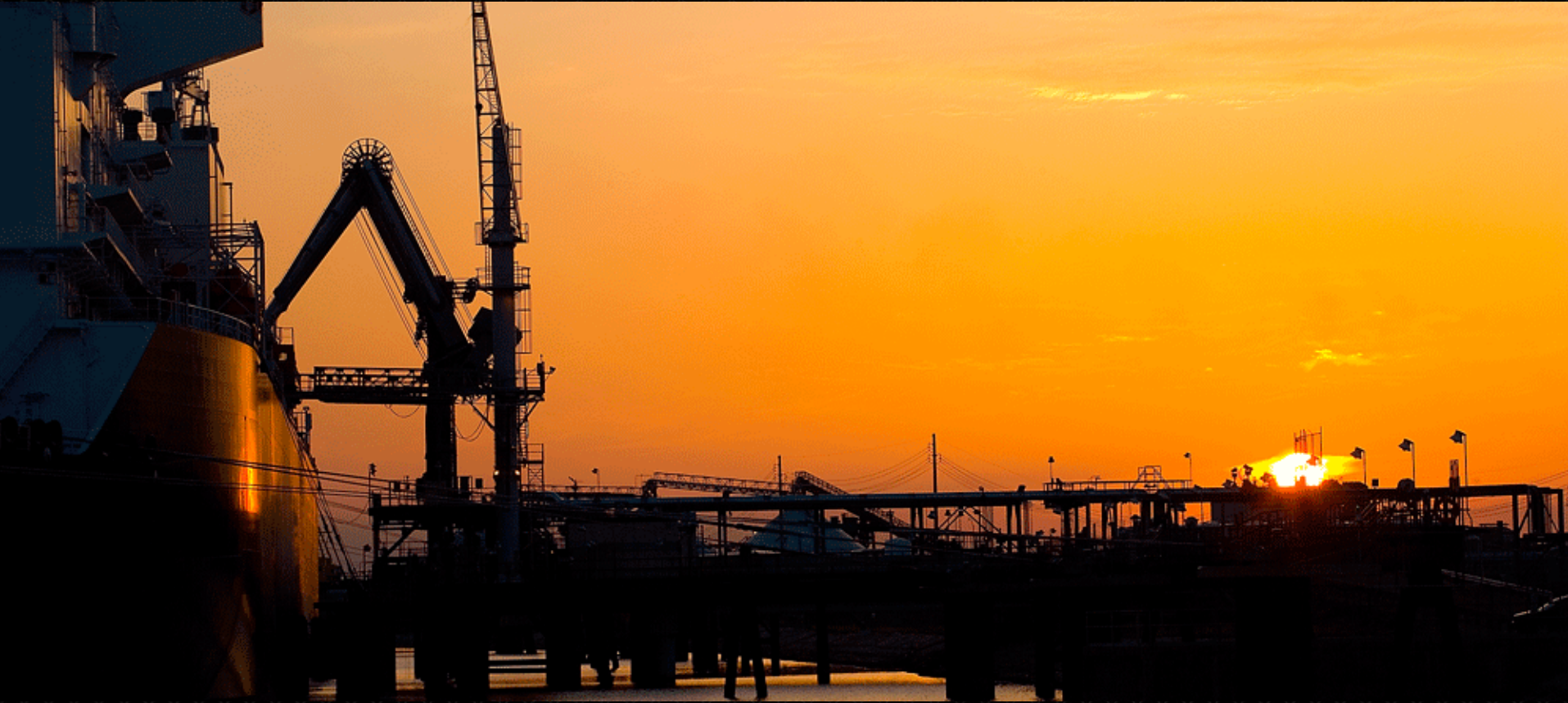
US LNG imports



*Includes existing and likely HoAs

Source: Wood Mackenzie (2007), BG

...Worlds largest LNG consumer by middle of next decade ?



Thank you