

LNG in the USA

The Developing Market

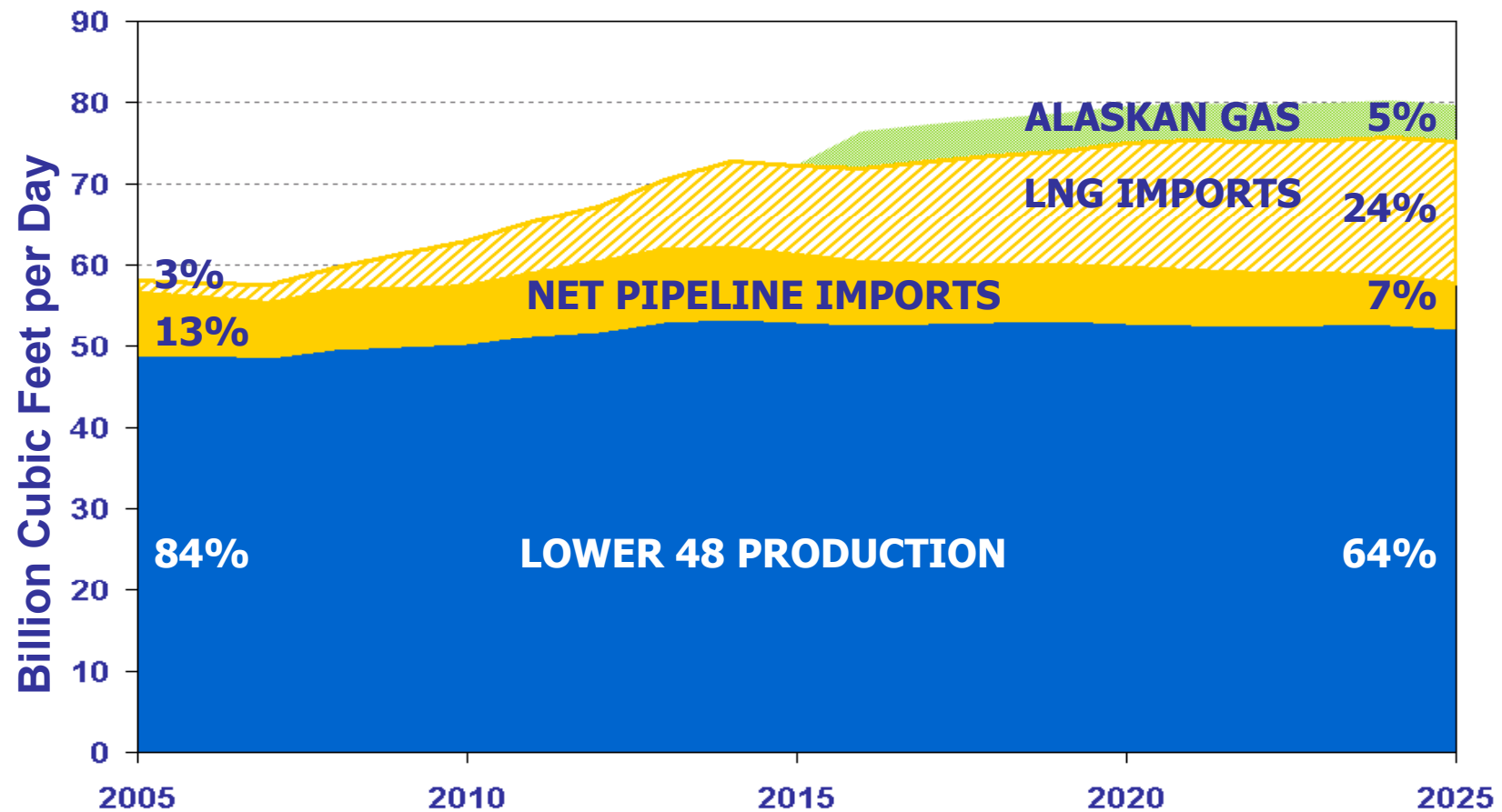


APGAS FORUM 2006
PERTH, WESTERN AUSTRALIA



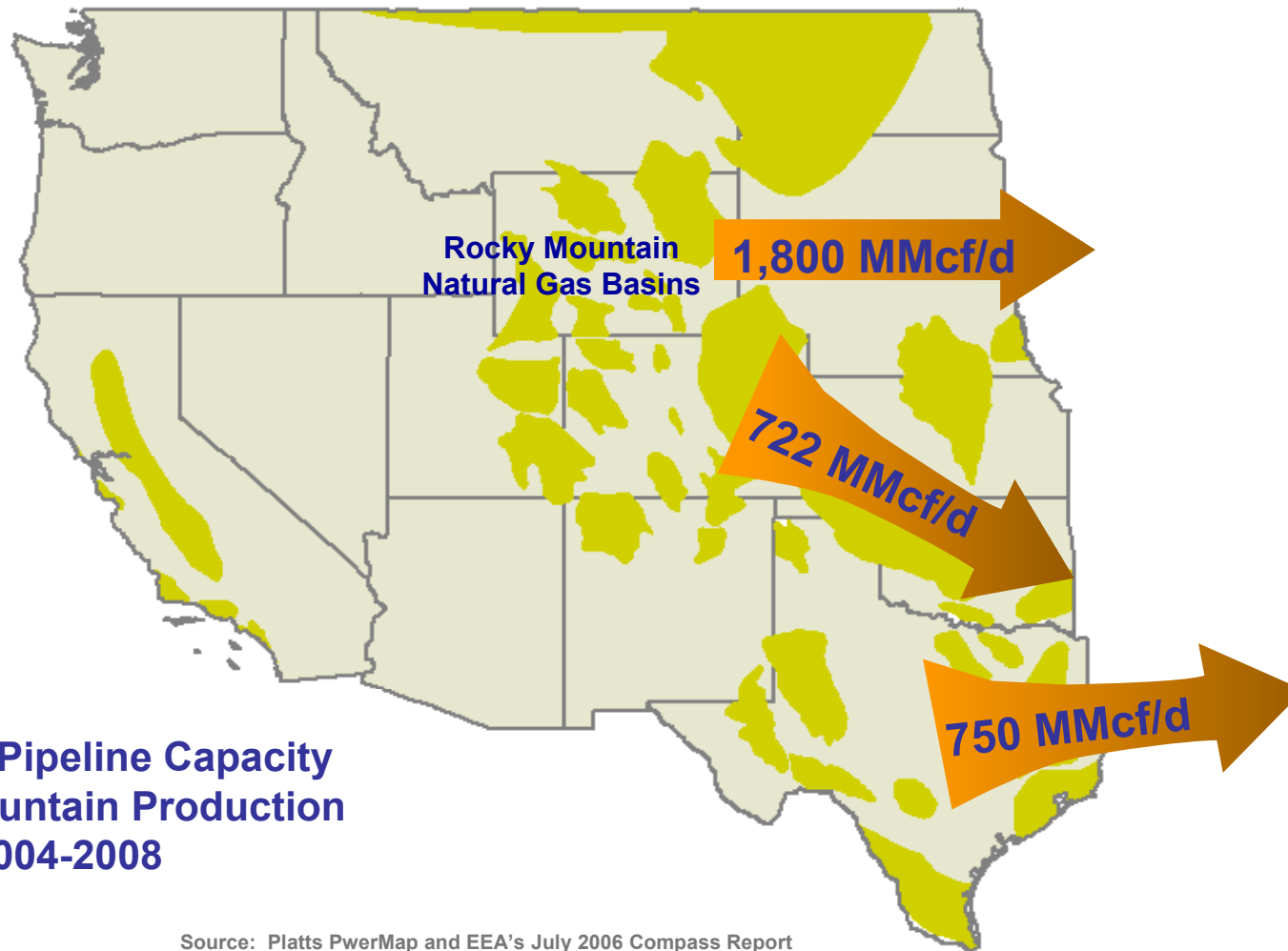
Joseph T. Kelliher, Chairman
Federal Energy Regulatory Commission
August 31, 2006

Domestic production and Canadian imports will not keep pace with total consumption. LNG will be a vital component of U.S. gas supply.



Source: EIA Annual Energy Outlook 2006

Supplies from the Rocky Mountains flow to the Midwest and the Southeast markets, no incremental flows to West Coast markets are planned.



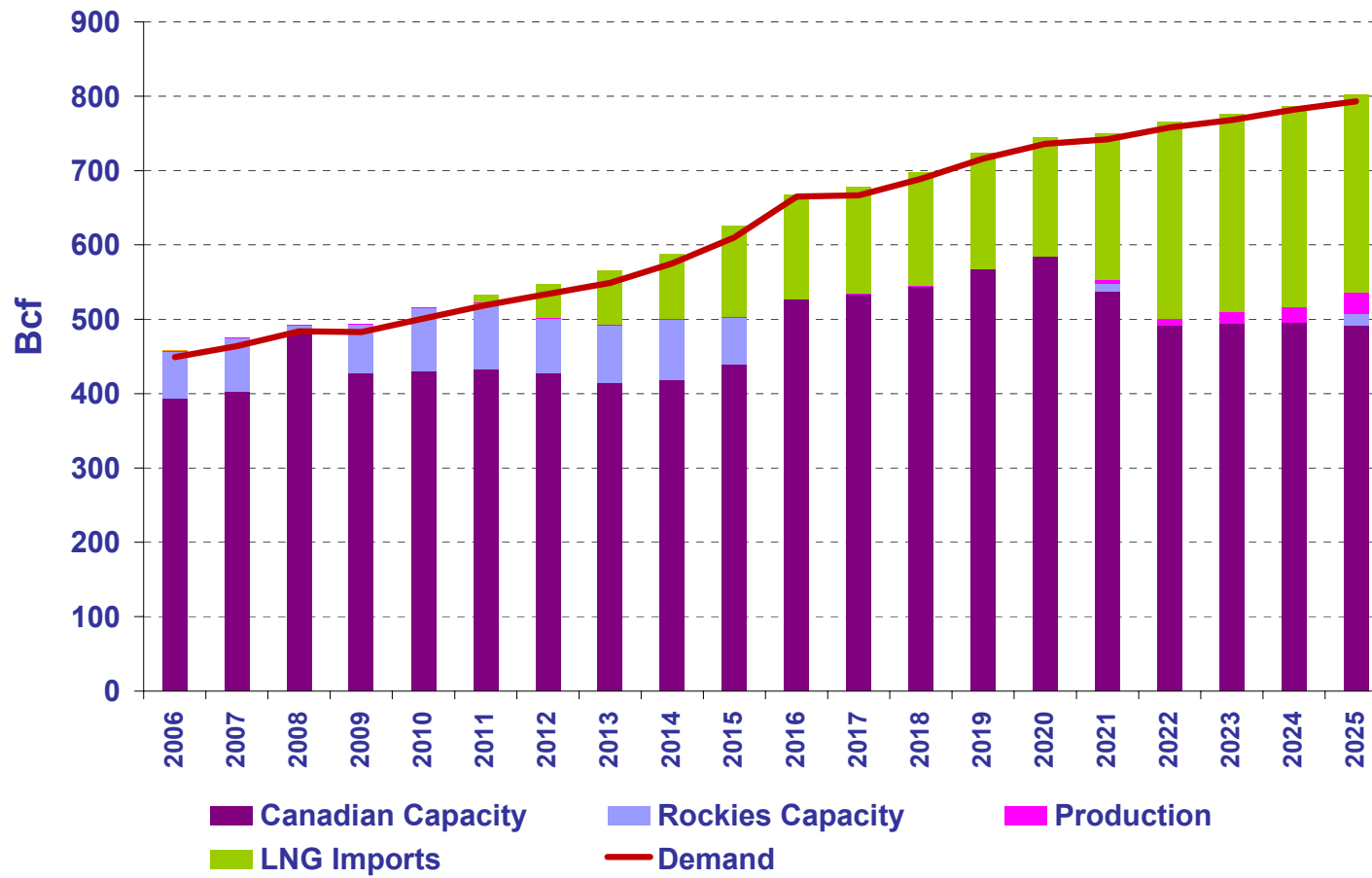
**Incremental Pipeline Capacity
of Rocky Mountain Production
2004-2008**

Source: Platts PwerMap and EEA's July 2006 Compass Report

LNG will be needed to meet projected natural gas demand in the Pacific Northwest states of Oregon and Washington by 2011.



Pacific Northwest Natural Gas Supplies and Demand Projection

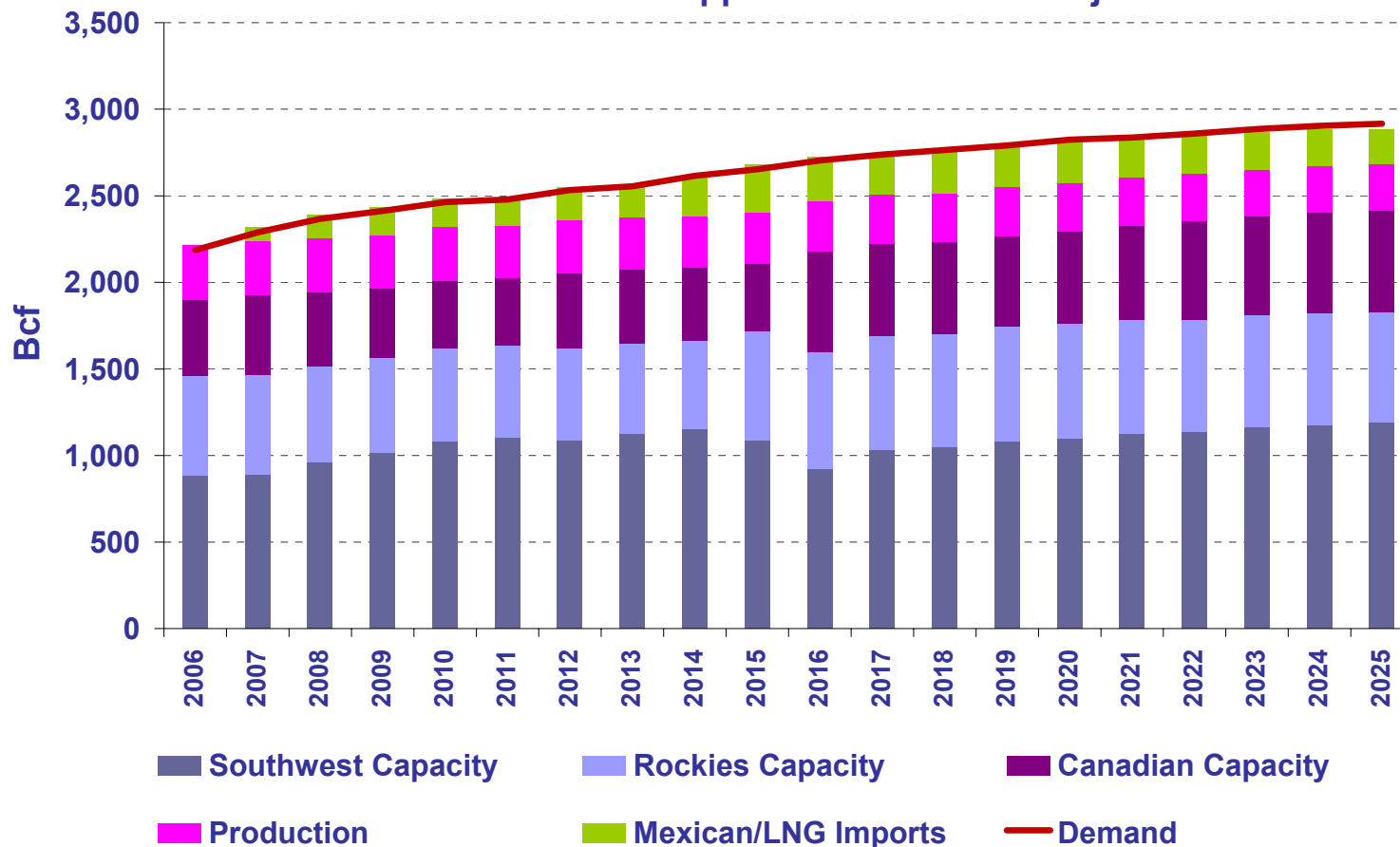


Source: Data from EEA's April 2006 Compass Report

LNG may be needed to meet California's projected natural gas demand as early as 2007.



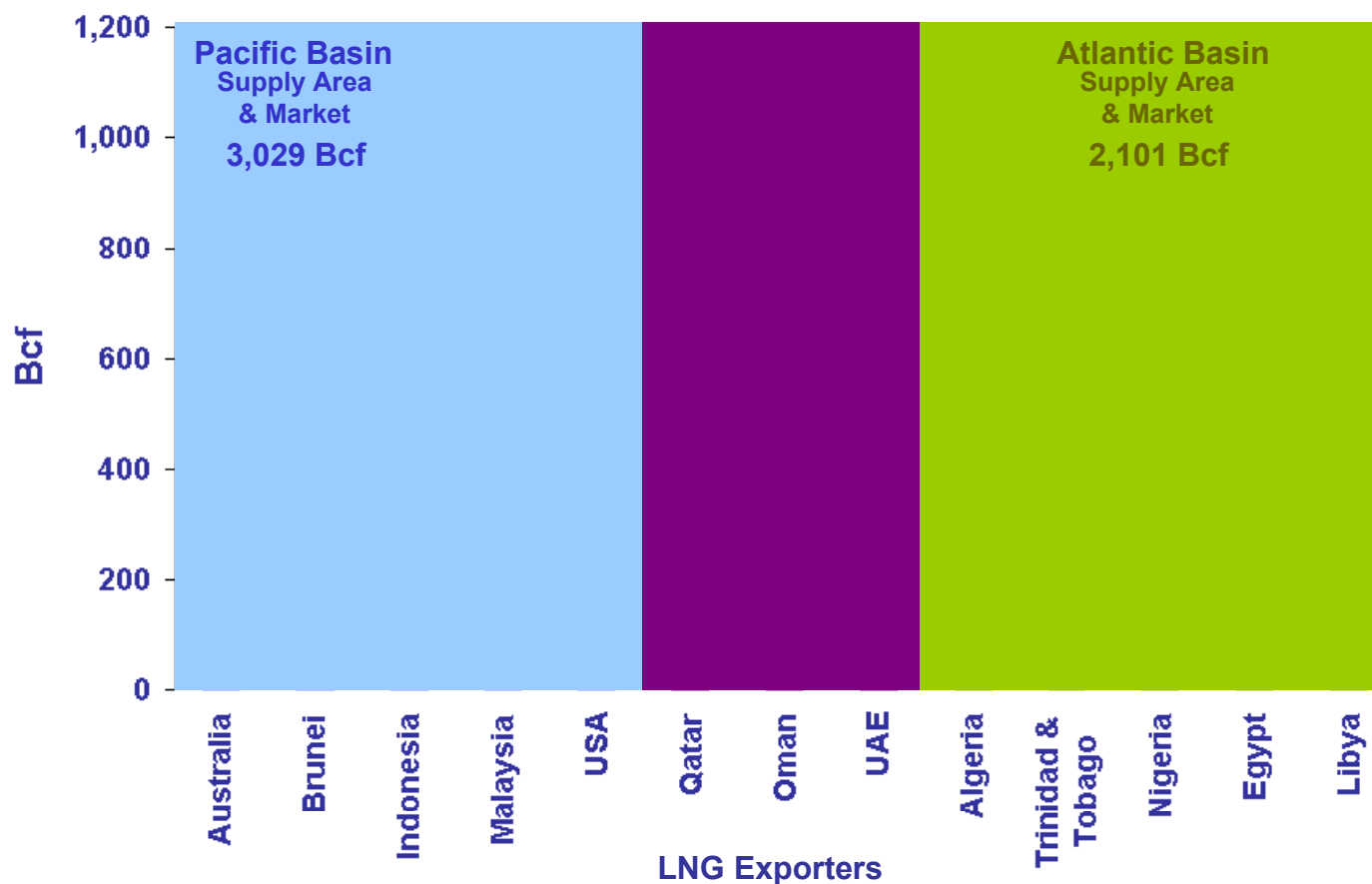
California Natural Gas Supplies and Demand Projection



Source: Data from EEA's April 2006 Compass Report



World LNG Exporters in 2005

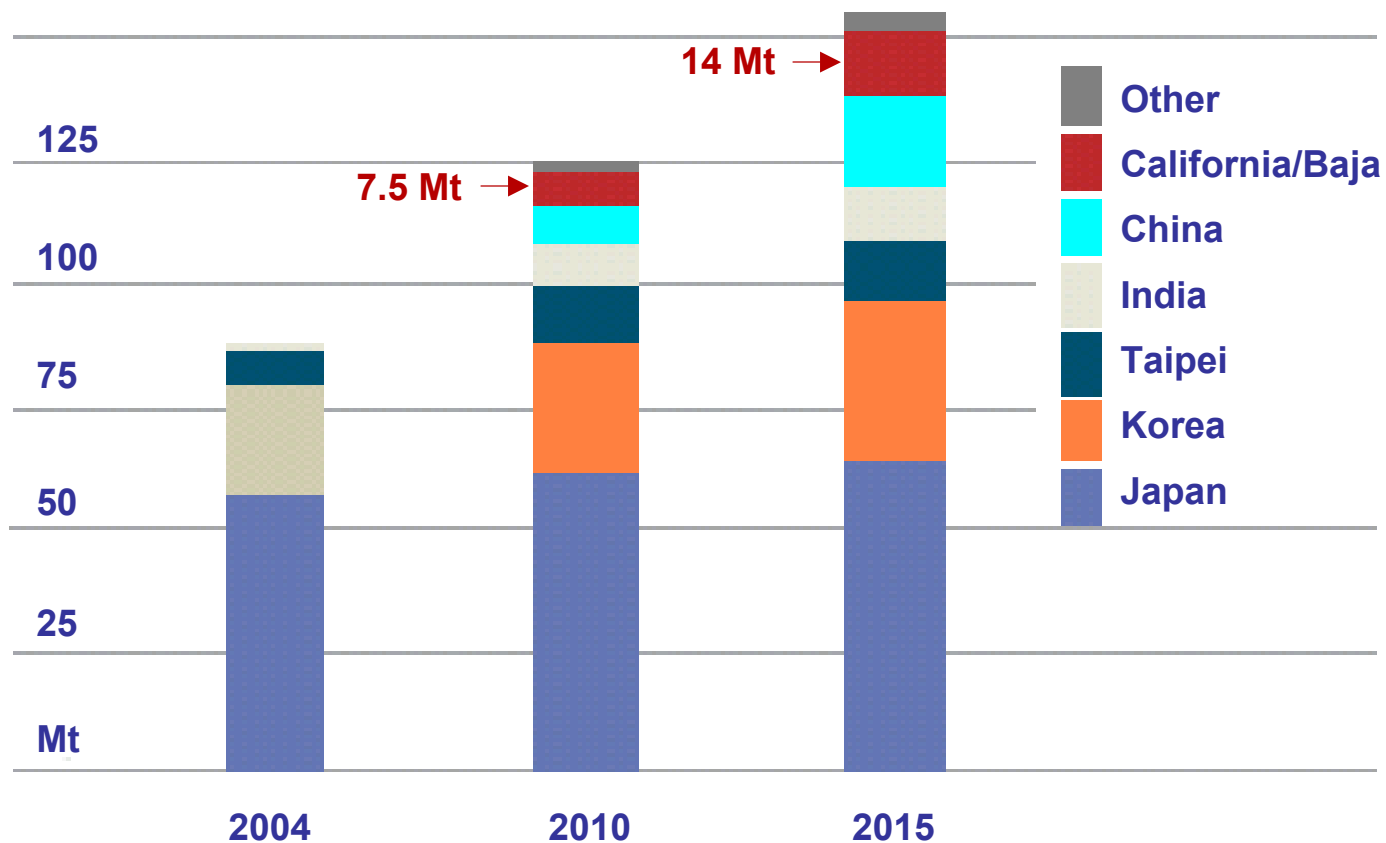


Source: Data from www.bp.com, Trade movements 2005 – LNG, Cedrgaz (provisional),

By 2010, the West Coast of North America is expecting to receive LNG imports from Asia Pacific region.



LNG imports, Asia Pacific

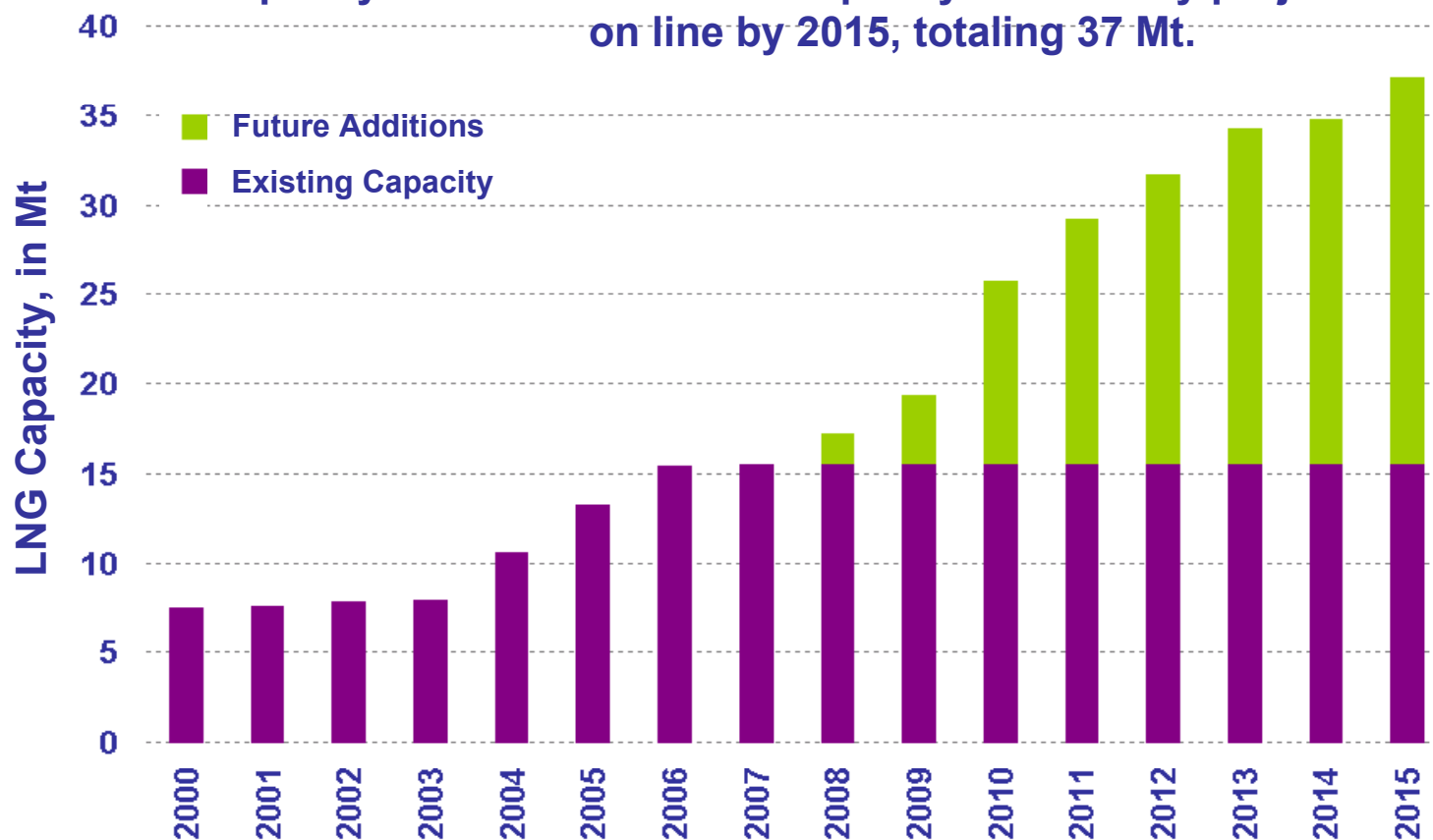


Source: ABARE - Asia Pacific LNG Market by Allison Ball

Australian LNG export capacity is expected to double by early next decade.



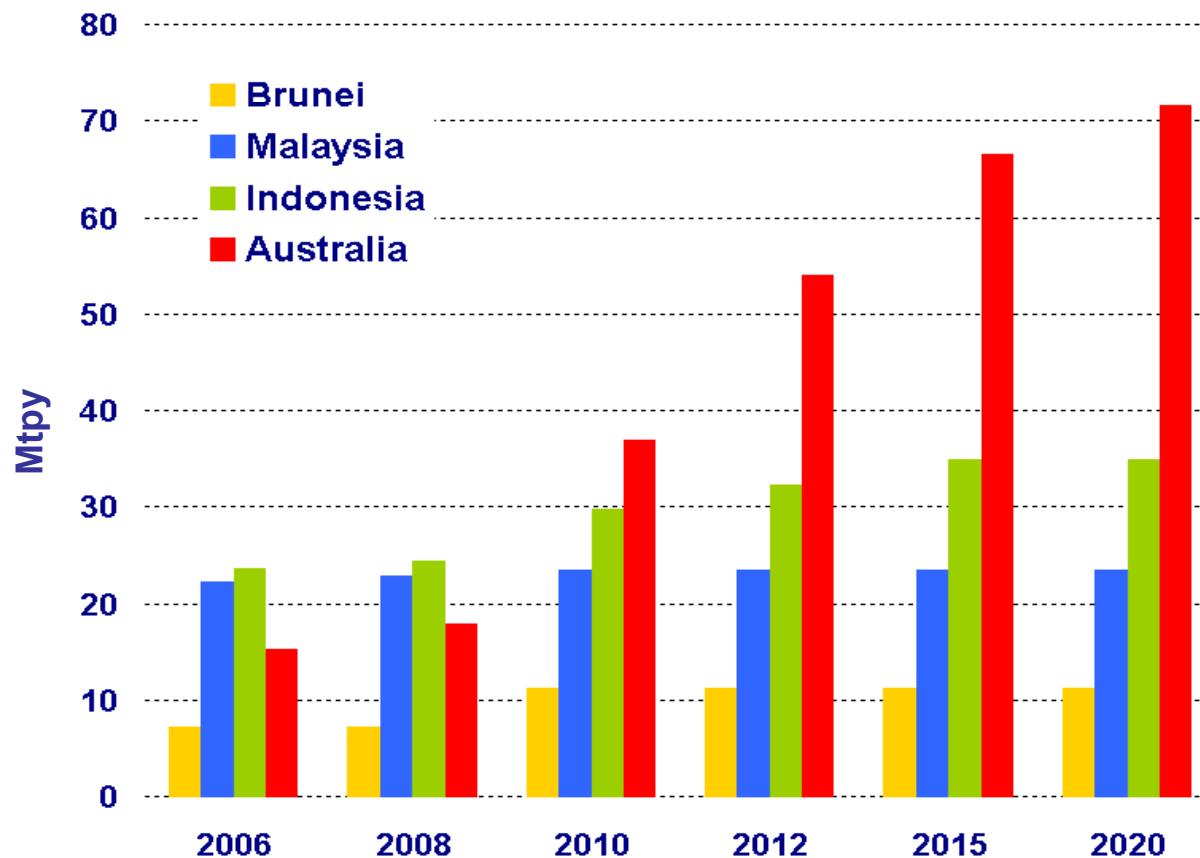
Australia has 15.5 million tonnes (Mt) of existing LNG liquefaction capacity. Another 21.6 Mt of capacity is currently projected to come on line by 2015, totaling 37 Mt.



Source: Based on data from www.abareconomics.com/interactive/energy/

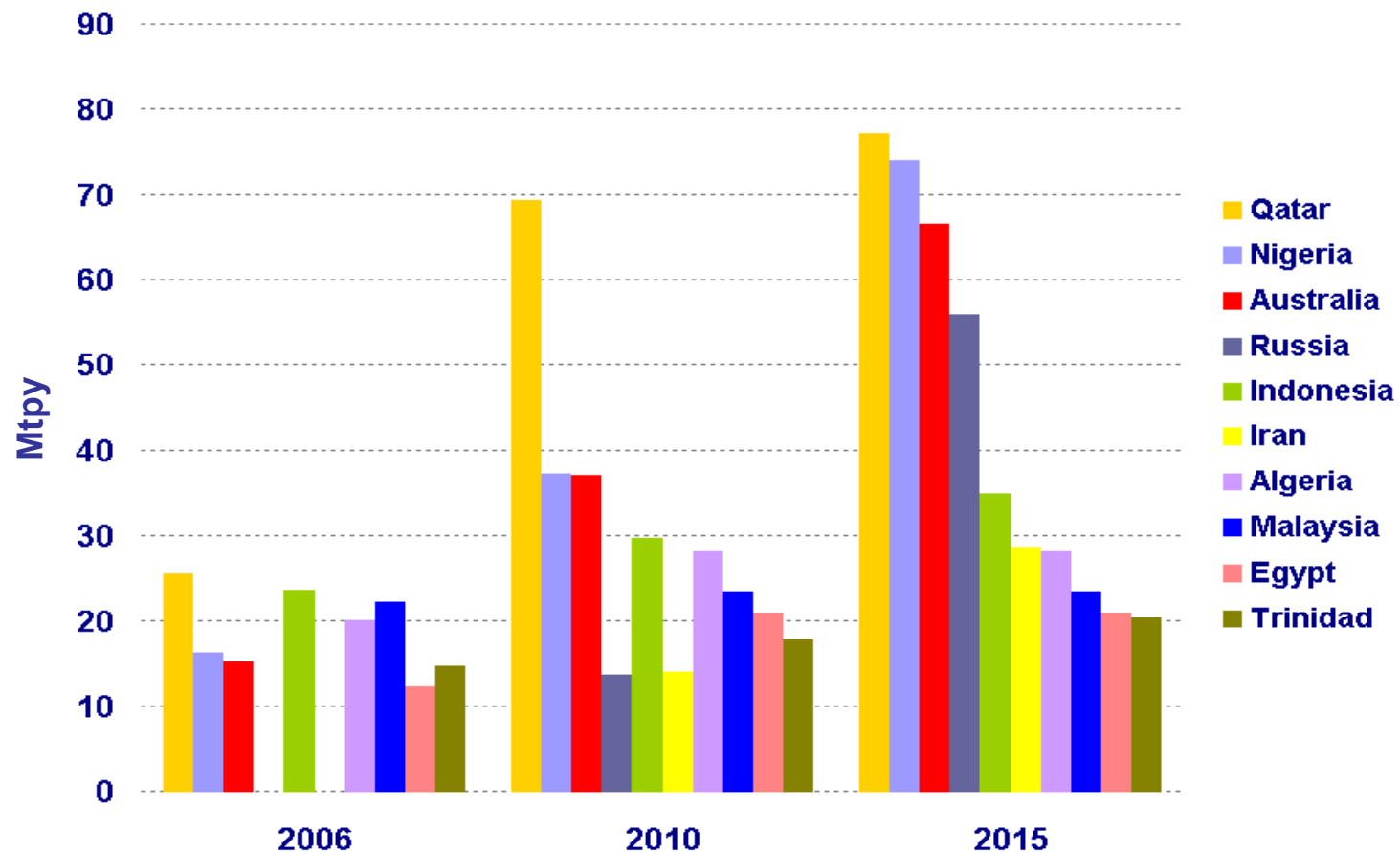


Growth in Australian liquefaction capacity will overtake other Asia Pacific suppliers by 2010 and nearly doubling that of Indonesia by 2015.



Source: Based on data from CERA Global Liquefied Natural Gas Watch, Spring 2006, Appendix 2.

Australia is expected to have 66 Mtpy by 2015, the country with the third highest liquefaction capacity globally.



Source: Based on data from Qatar Global Liquefaction Natural Gas Strategy, Spring 2006, Appendix B