

NATURAL GAS  
MARKET REVIEW

2007

*Security in  
a globalising  
market to  
2015*



# Gas Demand and Supply Demande et Offre Gazière

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**Daniel Simmons**  
**International Energy Agency**

**Congrès du Gaz,  
Paris, August 2007**

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# World Primary Energy Demand by Fuel

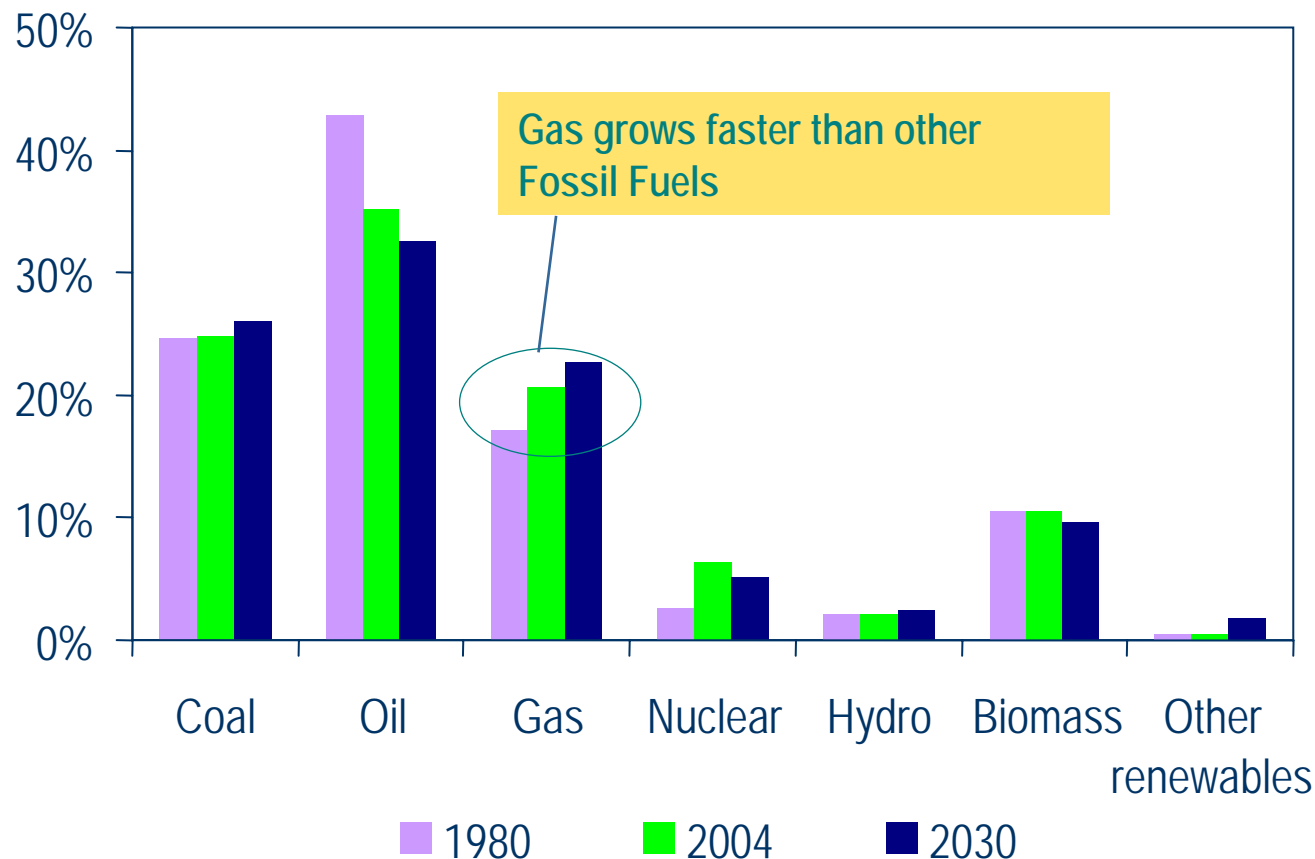
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## Share of Fuel in Primary Energy Demand



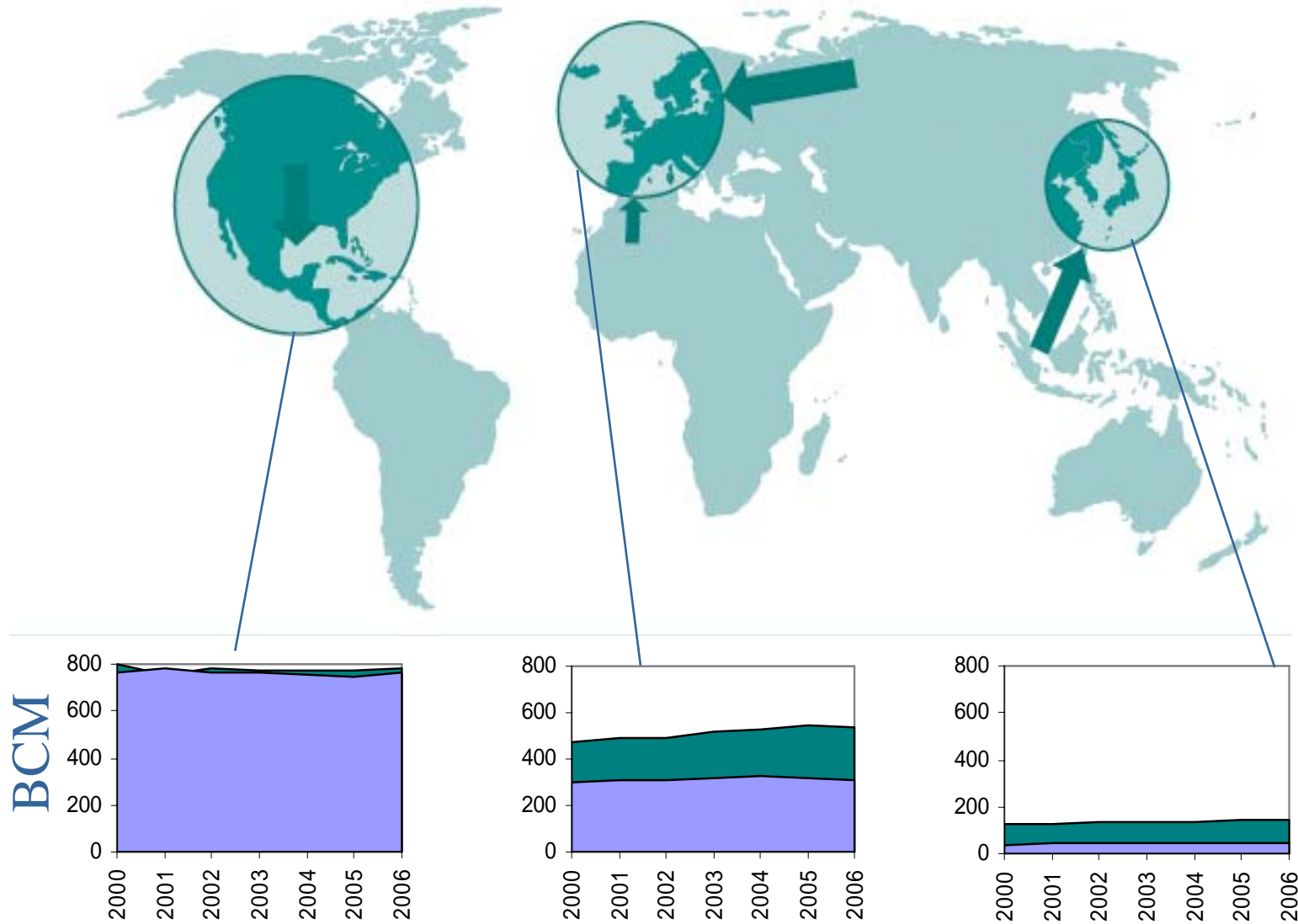
Fossil fuels supply 83% of incremental global energy demand to 2030  
(non-hydro renewables grow fastest, but relatively minor impact)

# Regional: Production and Imports

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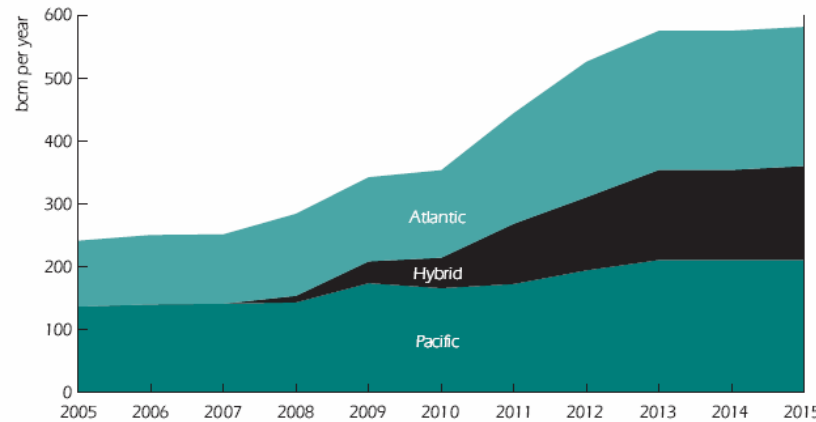


# Increasingly Global LNG Supply

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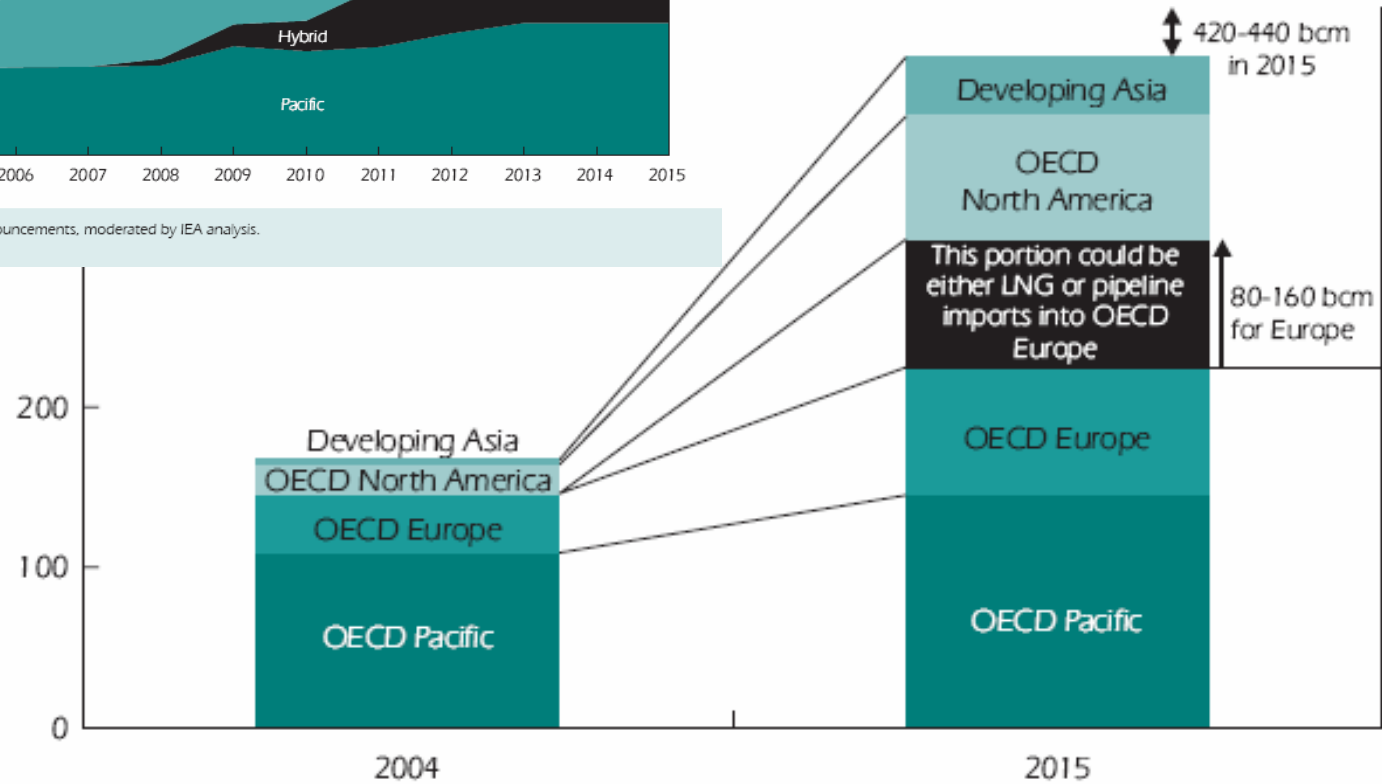
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Source: Company announcements, moderated by IEA analysis.

## LNG Capacity Grows Strongly



Note: Possible LNG imports into Latin America are not included.

Source: *World Energy Outlook 2006*, IEA, *Natural Gas Information 2006*, IEA.

# Gas to Power : Fuel of "No Choice"

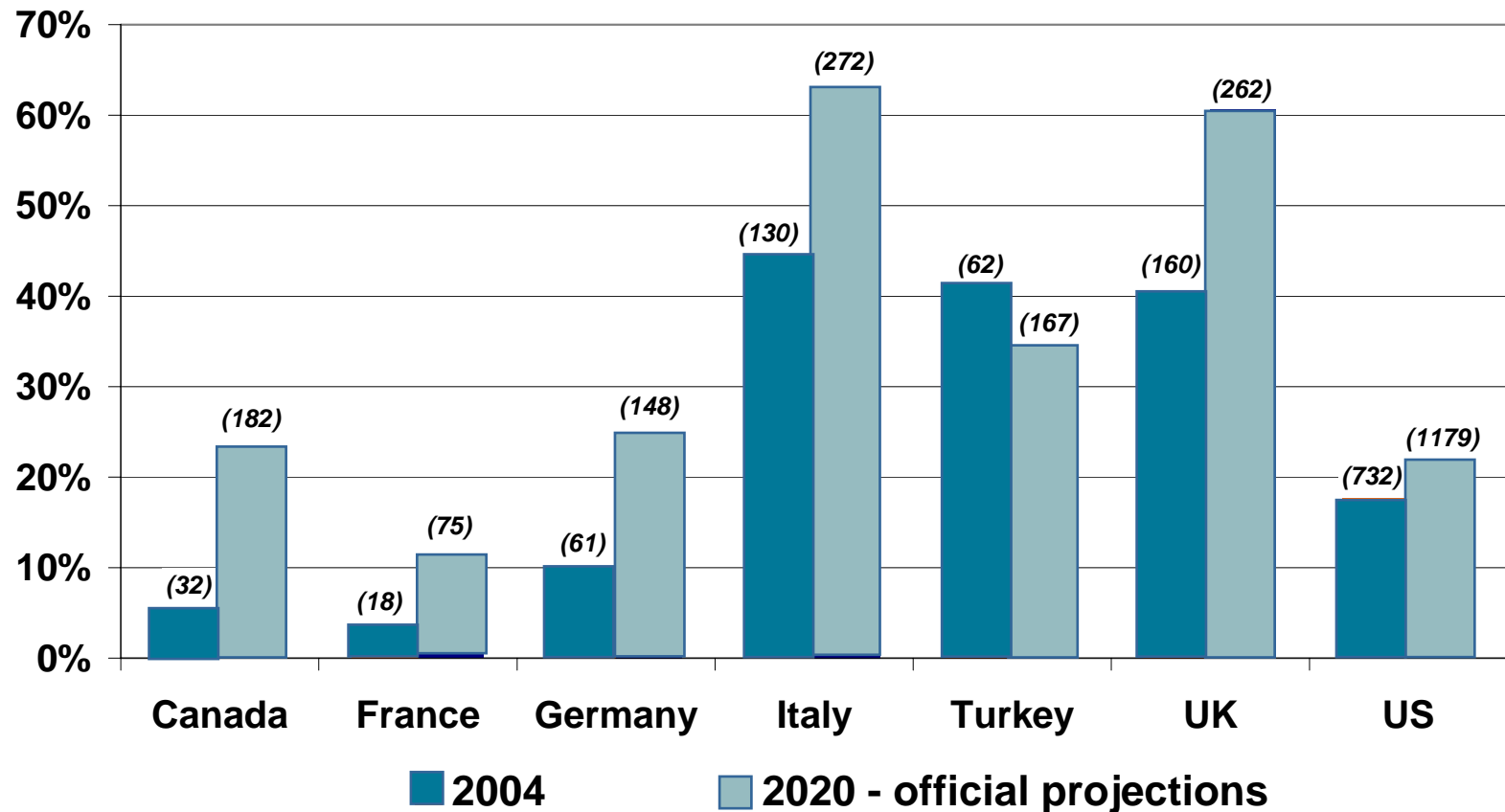
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## Shares of gas-fired power generation (TWh)



Substantial barriers to nuclear and coal in many IEA countries  
(Another recent IEA publication on investment in generation)

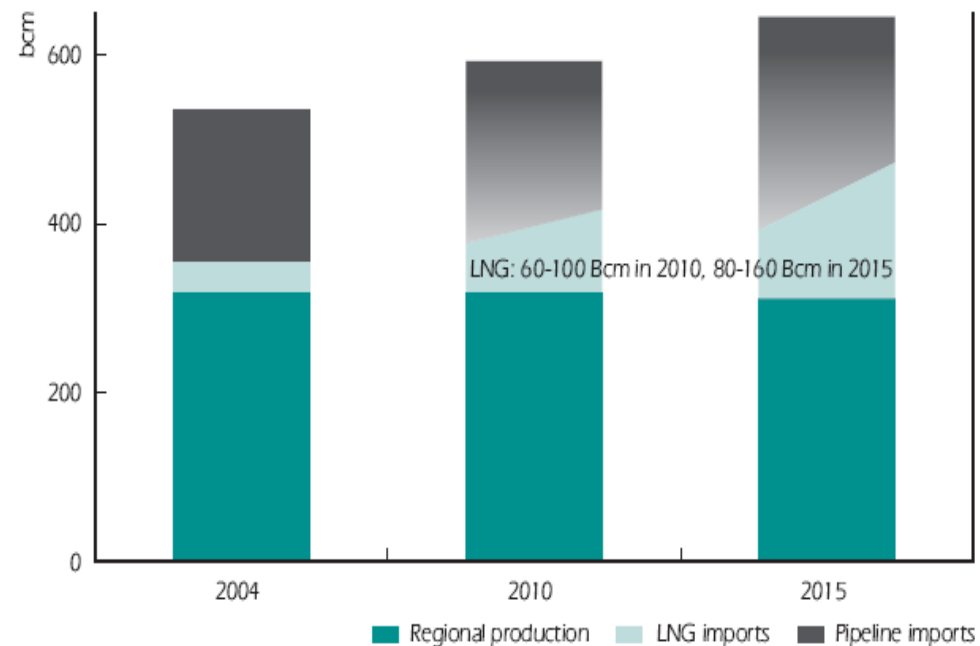
# OECD Europe

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Has plenty of reserves in economical distance  
Imports almost 60% of gas demand by 2015



How to get timely investment in upstream gas supply?  
How do we get timely cost effective downstream investment?  
How do we make markets work more efficiently?

# Conclusions

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- **Gas market is globalising**
- **OECD imports will increase**
  - LNG to North America and Pacific
  - LNG/pipeline competition in Europe
- **Pipeline investment lagging**
  - Global supply (Russia, Iran, Qatar)
  - Regulatory uncertainty downstream
- **Increasing challenge to security**
  - More imports over longer distances
  - Increased links with electricity

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Thank you

[www.iea.org](http://www.iea.org)

Merci bien

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INTERNATIONAL ENERGY AGENCY



# Power Generation Growth 2000-2005

## Total OECD eclipsed by Chinese Coal

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