

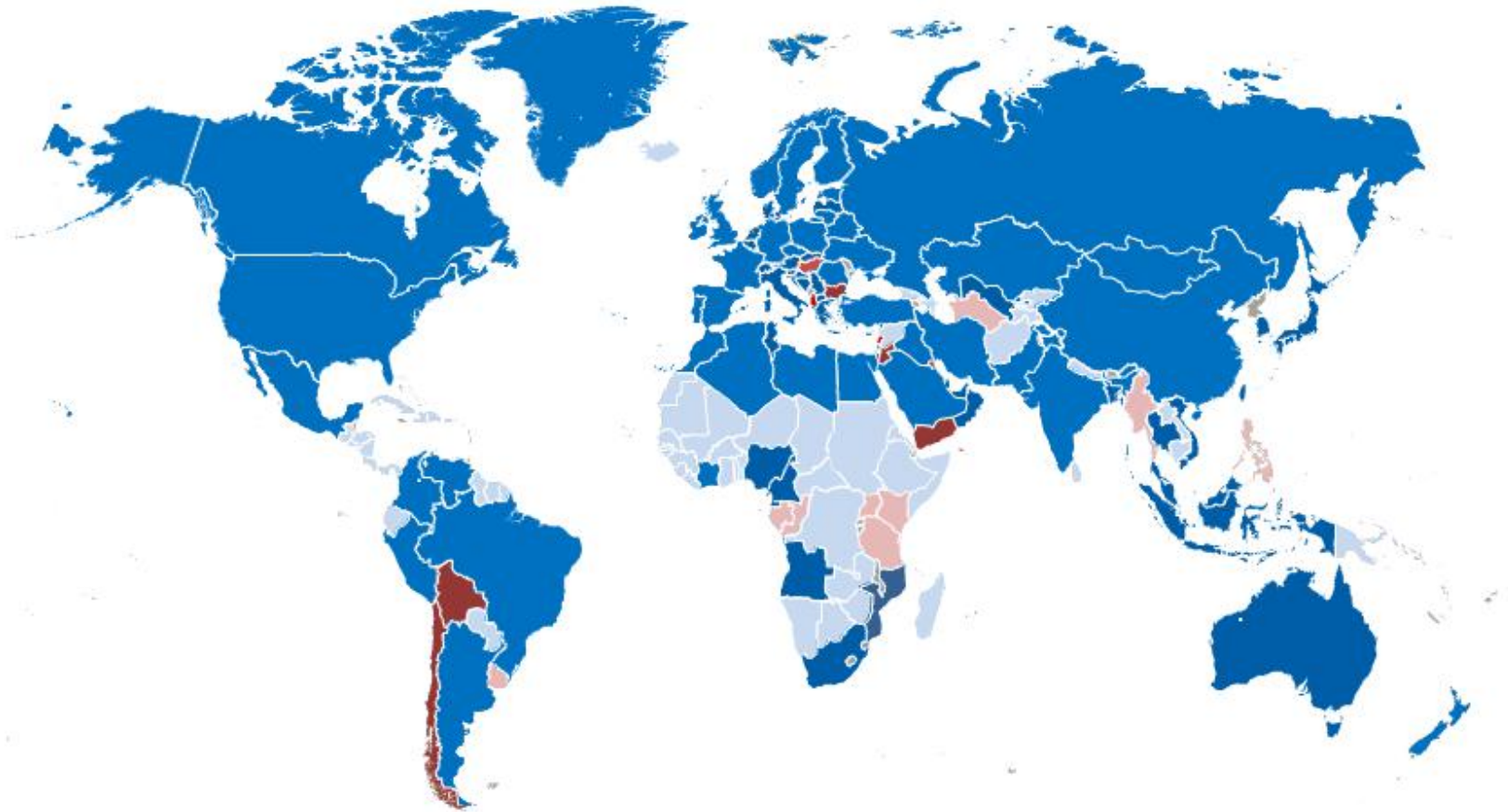





Tuesday 18 November 2014

*Overlooking 15 years of gas deregulation process in the EU:
consequences on security of supply,
infrastructures and pricing*

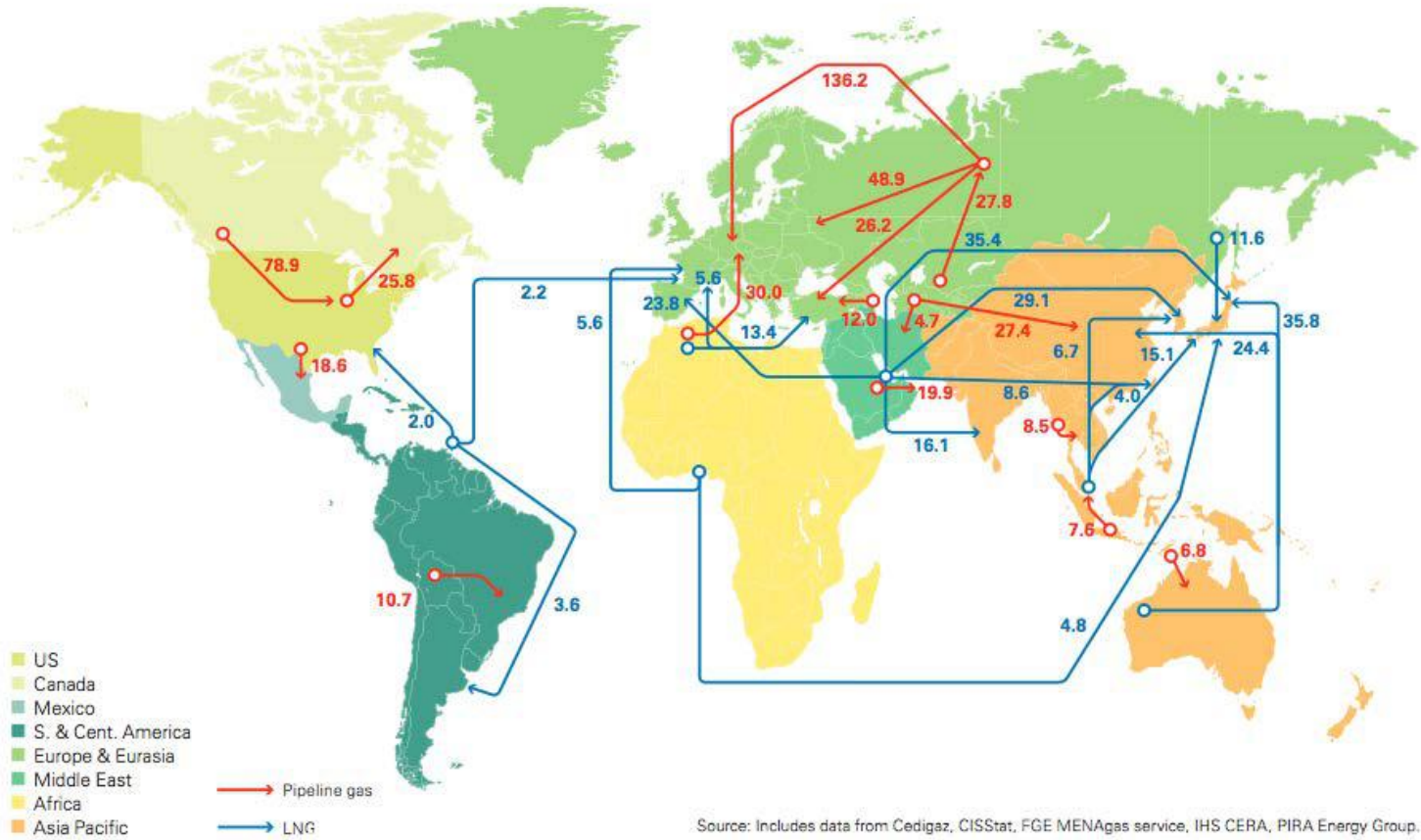
Jérôme Ferrier
President IGU

IGU is the voice of 95 % of the Global Gas Market



-  91 Charter members – 51 Associate members
-  New members
-  Targets

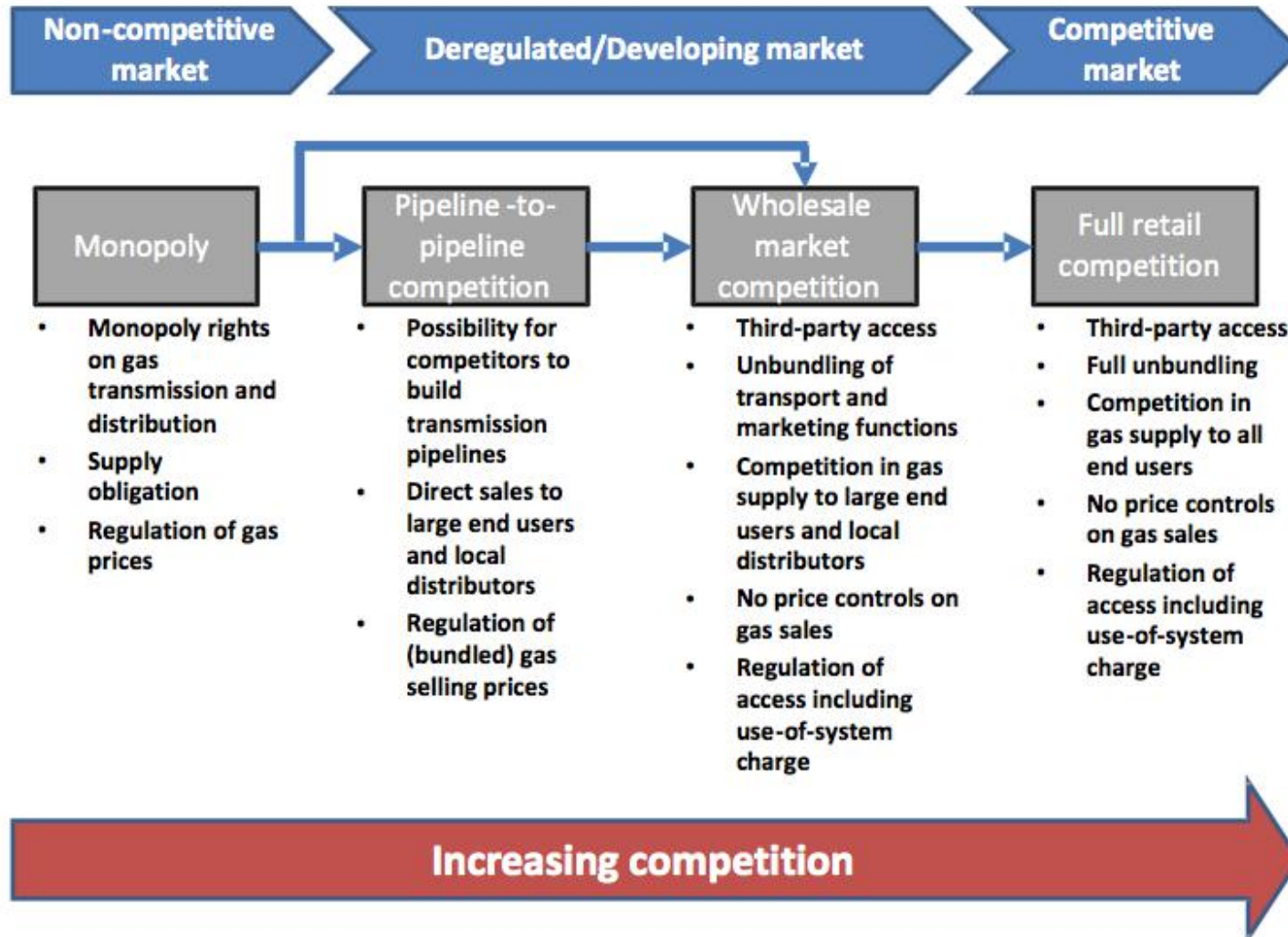
Major Natural Gas and LNG Trade Flows in 2013 (Bcm)



Source: Includes data from Cedigaz, CISStat, FGE MENAgas service, IHS CERA, PIRA Energy Group.

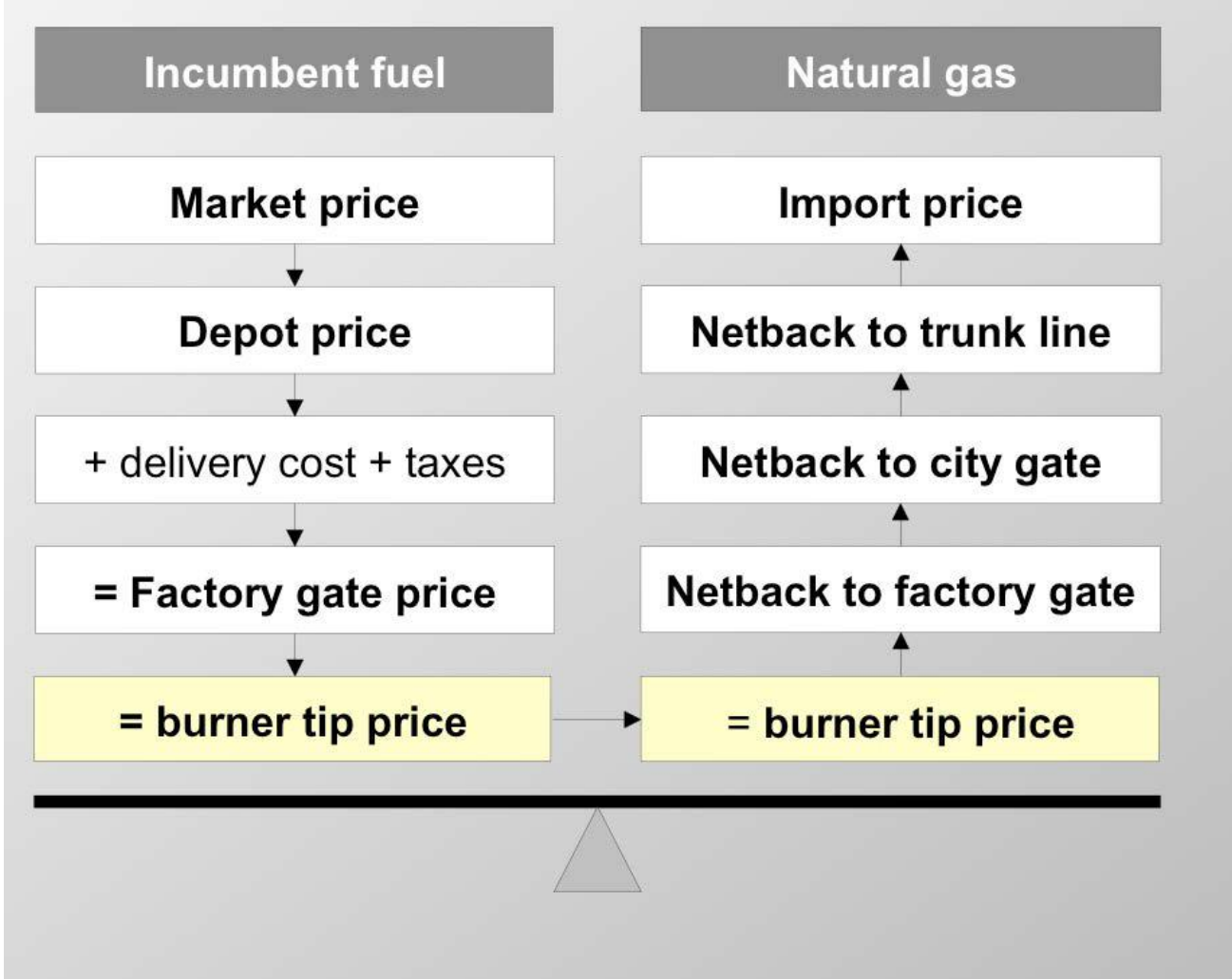
Source: BP Statistical Review 2014

Stages of development of gas-to-gas competition

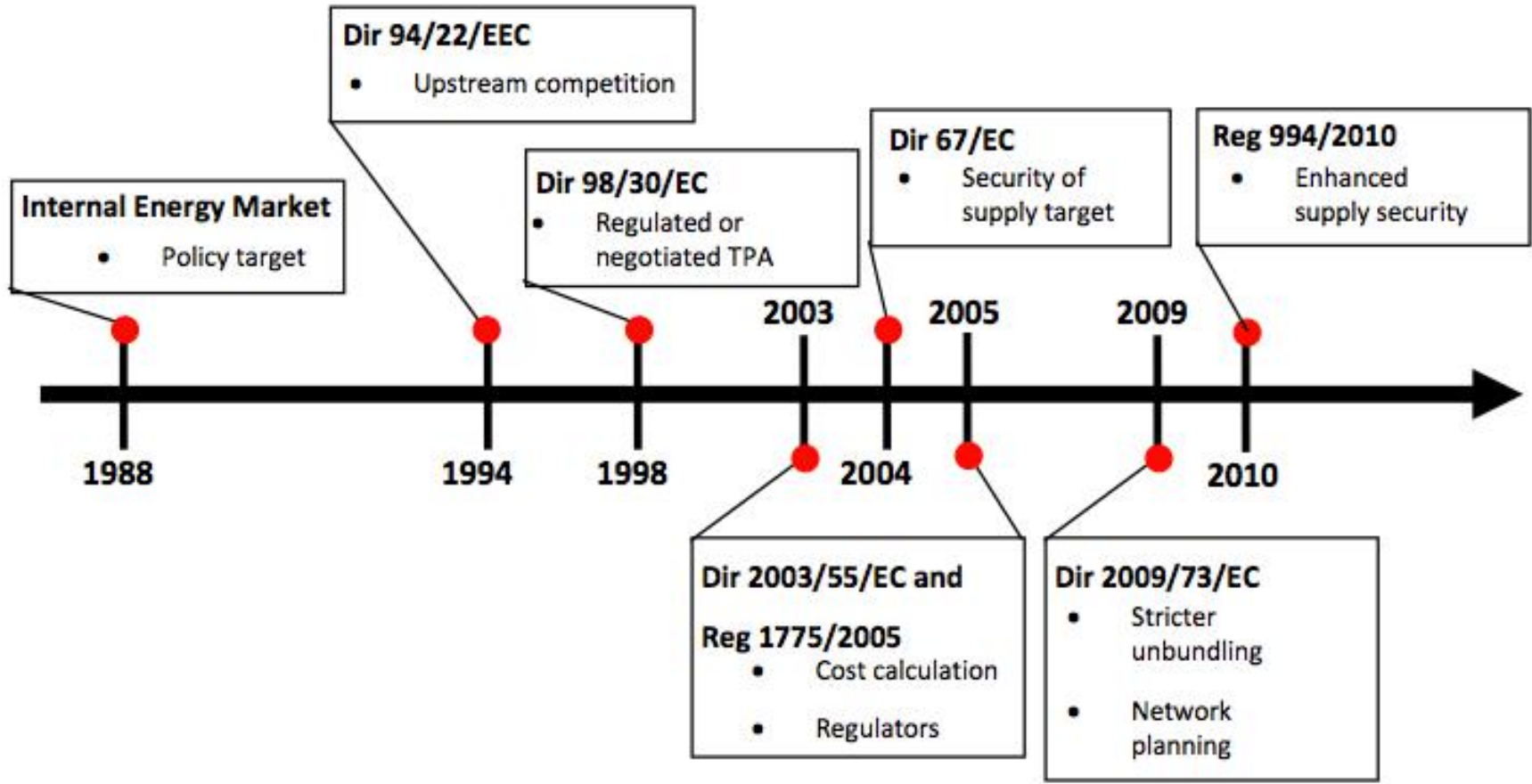


Source: IEA

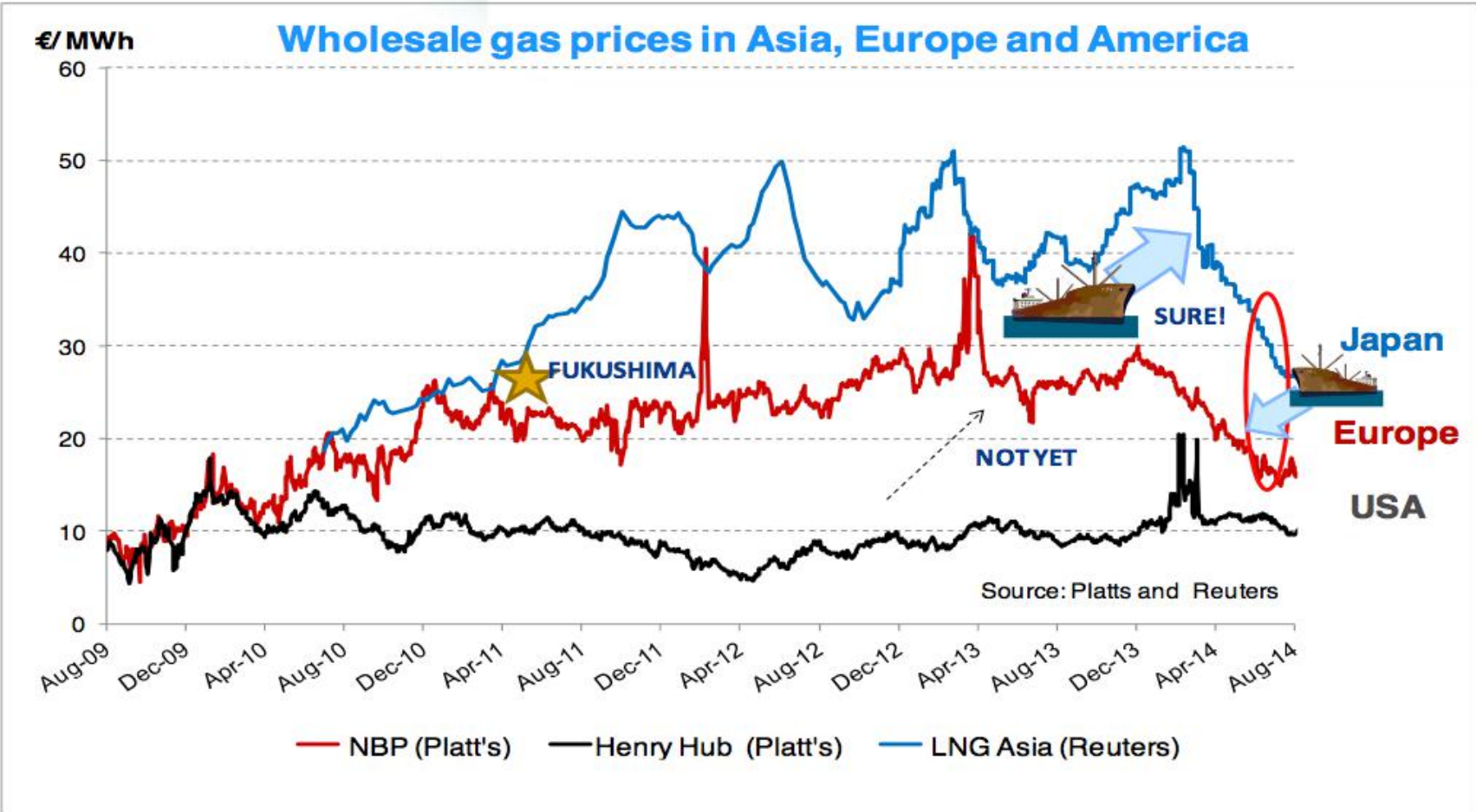
Netback Pricing of Natural Gas



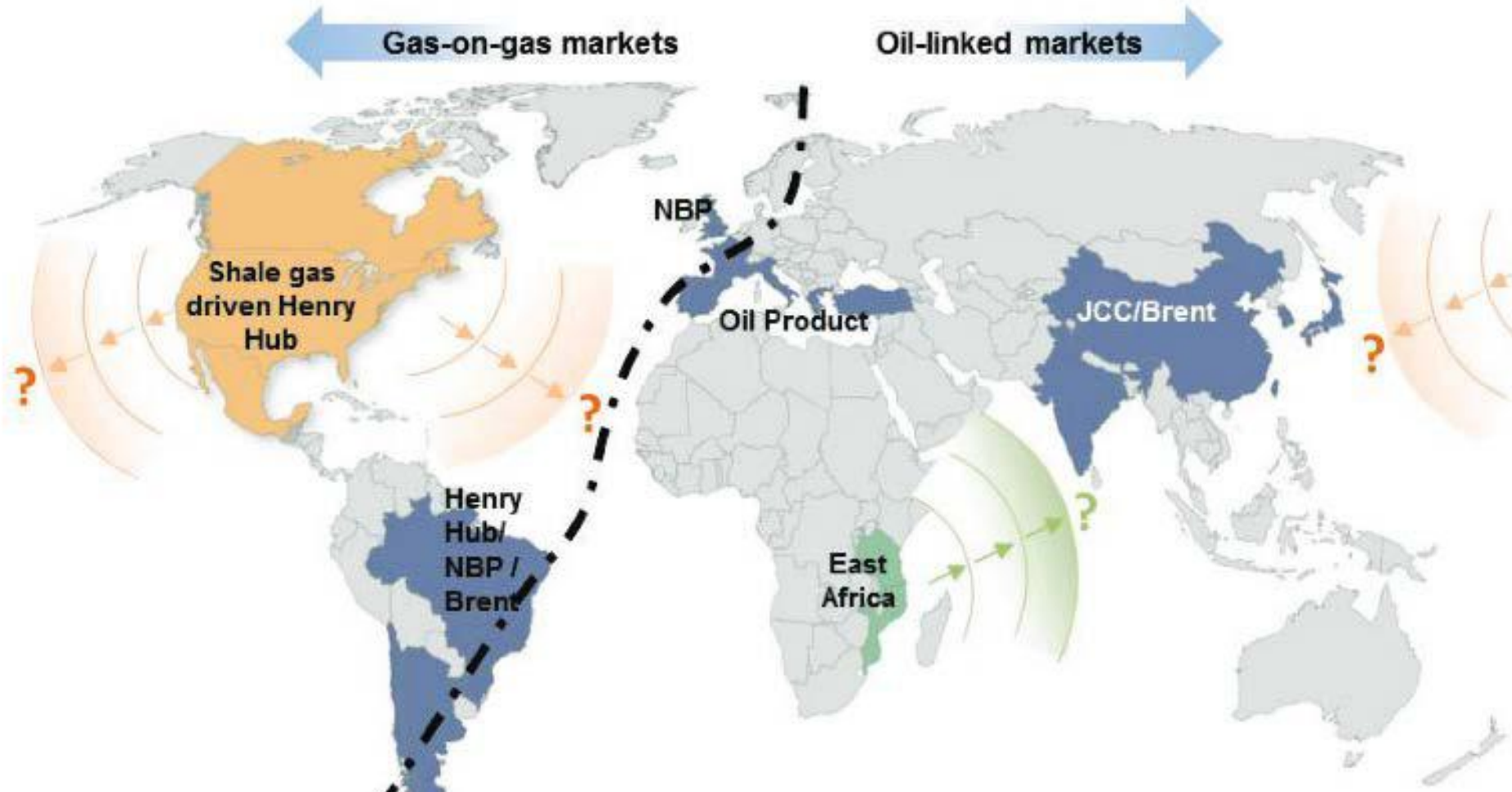
Major steps towards opening of the EU gas market



Natural gas prices in Asia, Europe and the USA

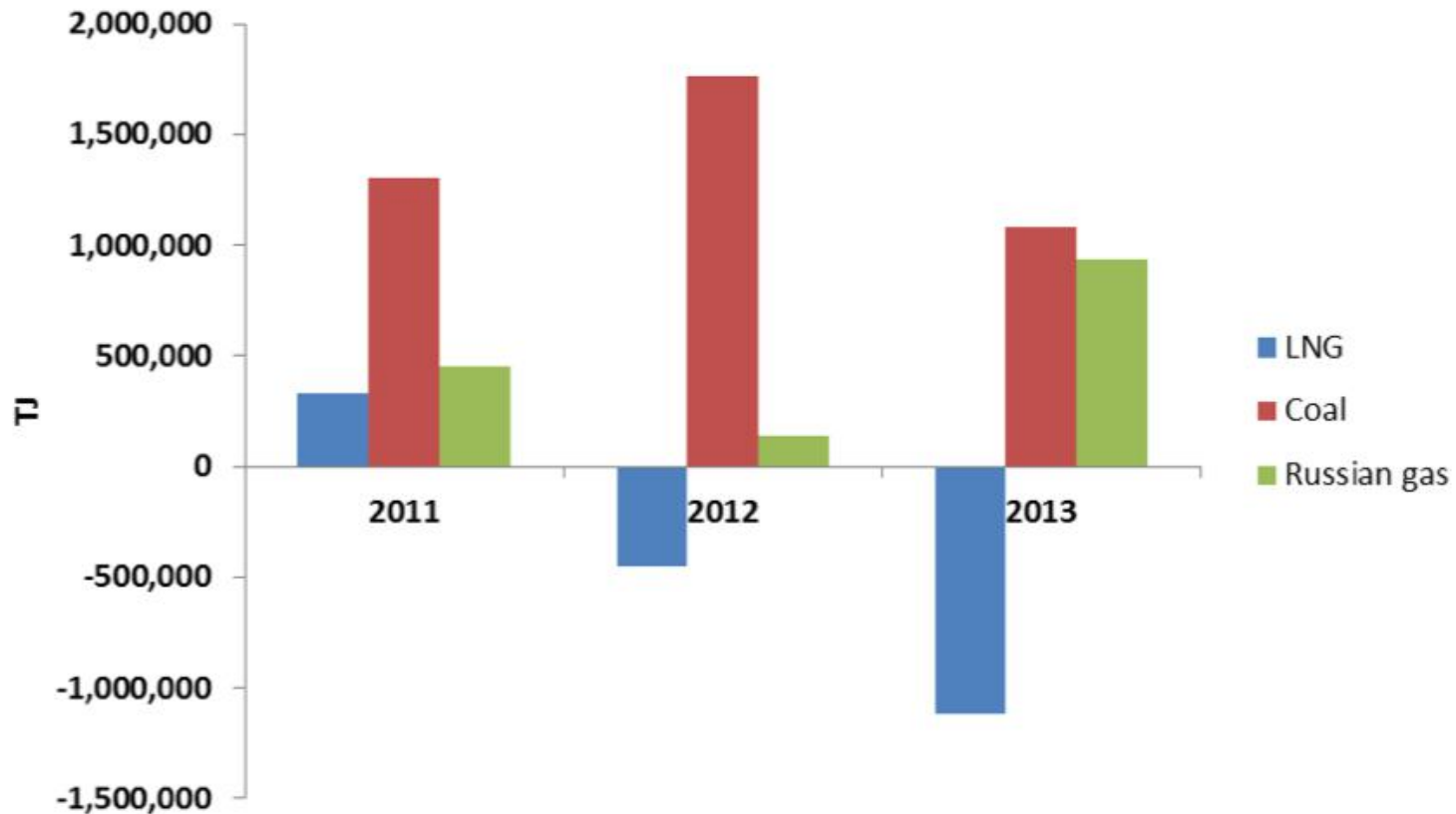


Regional Contract Pricing Prevailing Structure



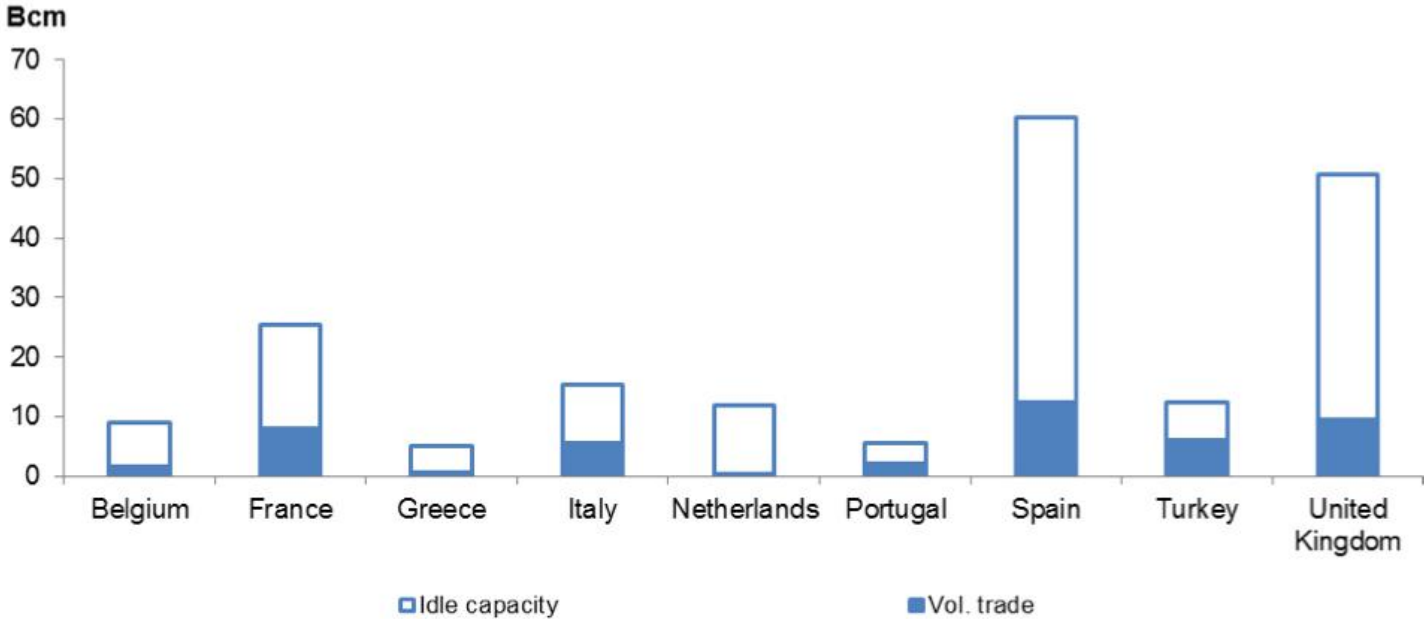
Source: Poten & Patners Inc New York

EU LNG imports have fallen by half in the past 3 years



Source: IEA October 2014

Europe's large LNG import idle capacity

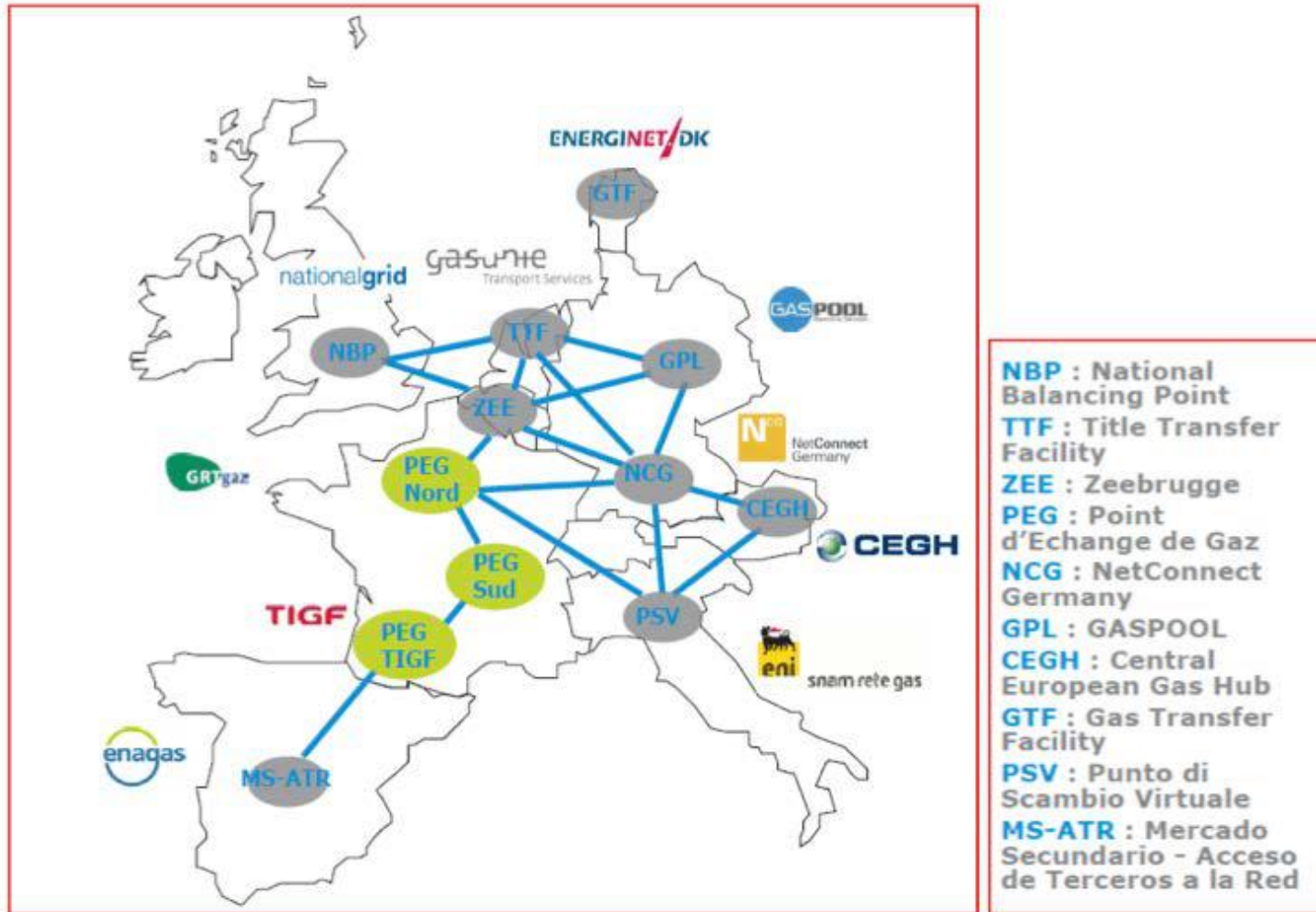


Source: GIIGNL, IEA

■ **Only 24% of LNG terminal capacity across Europe was utilised in 2013, leaving about 150 bcm available for additional purchase of LNG**

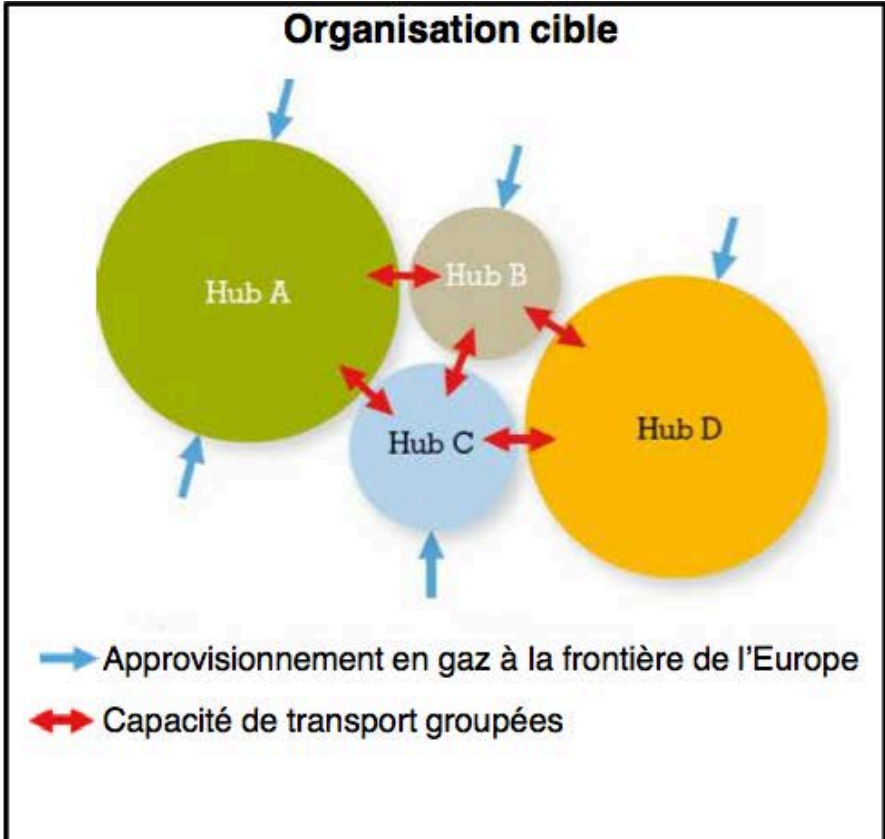
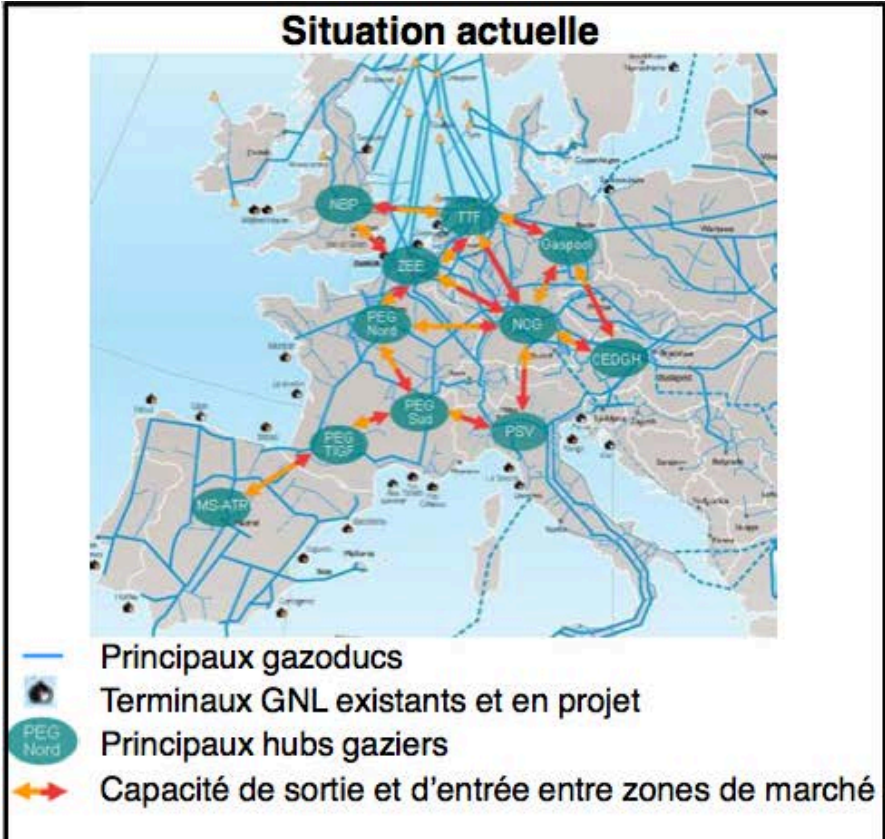
Source: IEA October 2014

Main gas hubs and trading places in the EU



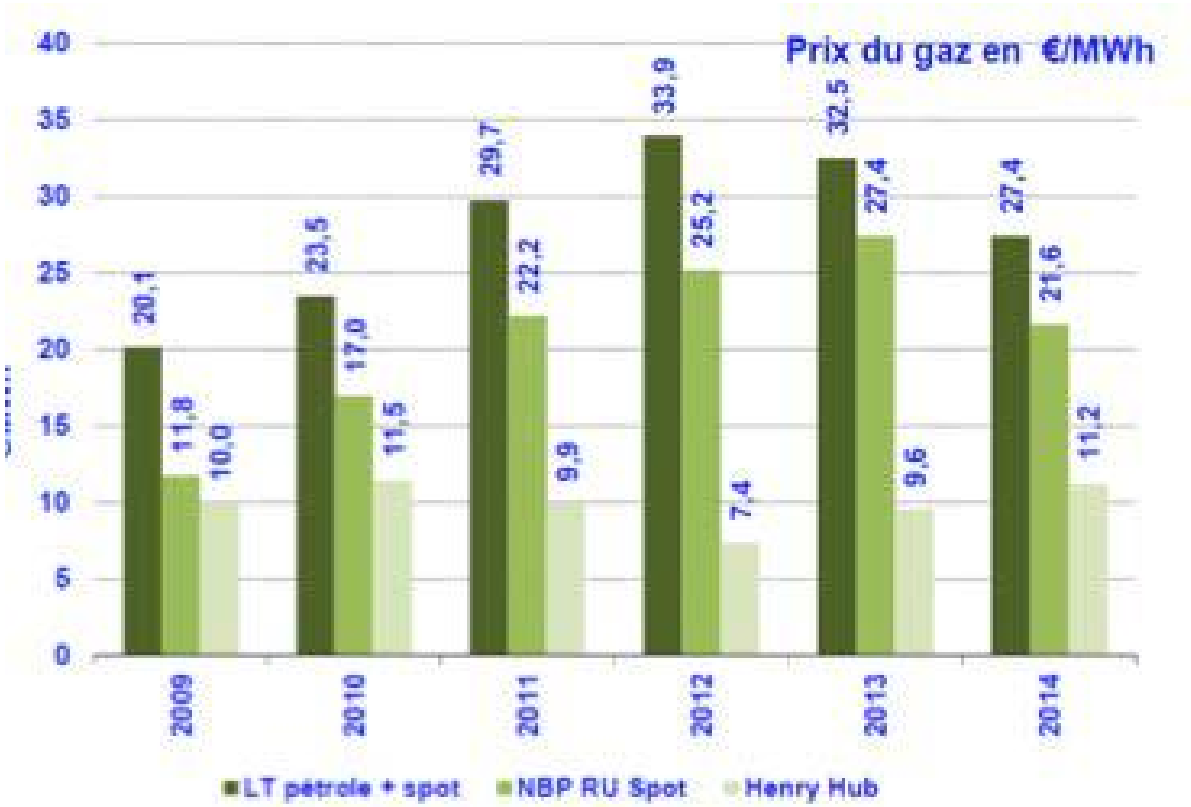
Source: IFP

The 2015 EU's Gas Target Model



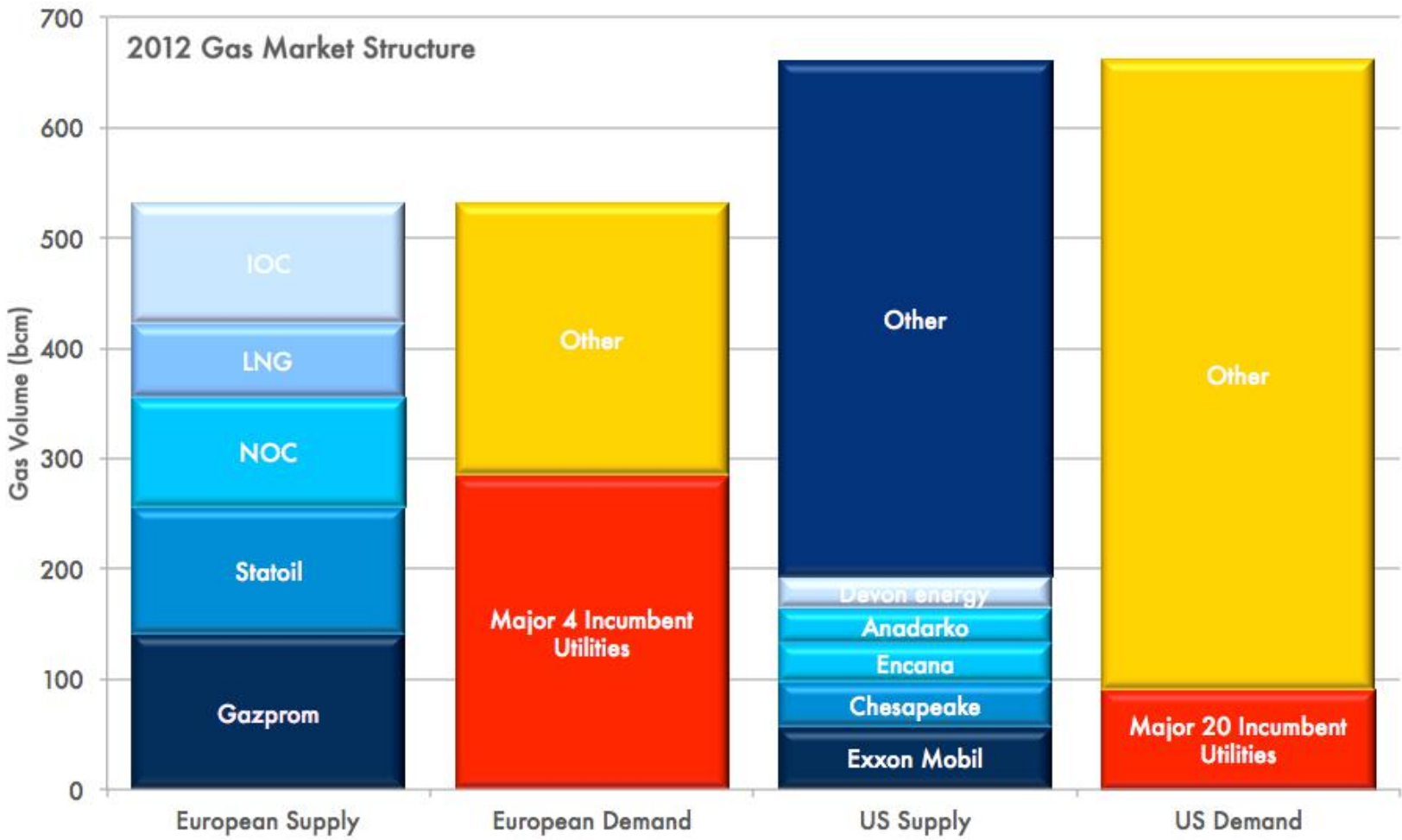
Source: CRE

Gas Prices comparisons for long-term (LT) contracts (EU) and spot markets (UK NBP and US HH), 2009-2014



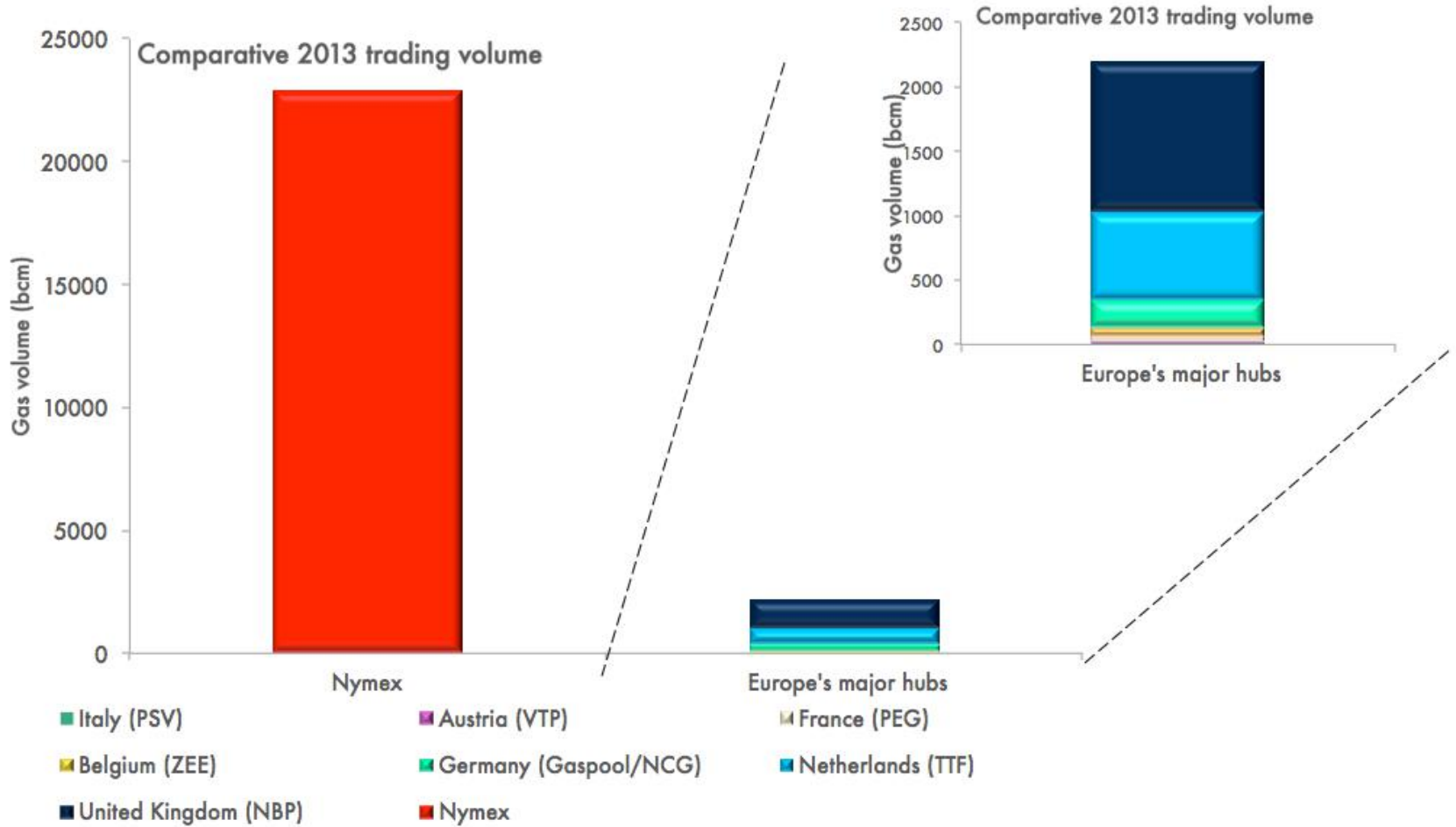
Source: DGEC France

Concentration of participants un the EU and US markets



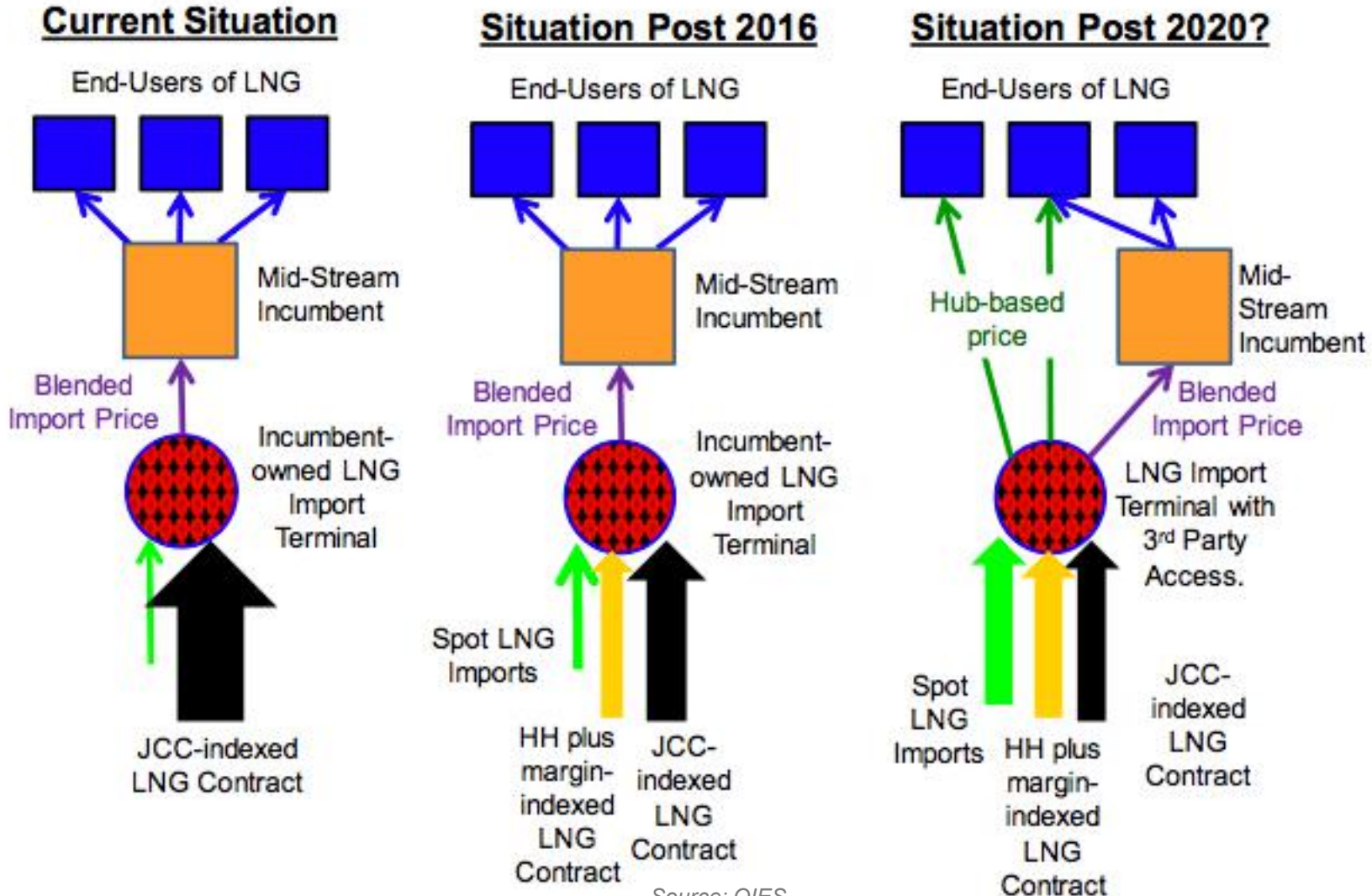
Source: Shell's presentation at the EU Madrid Forum 2014

Comparison of traded gas volumes in the US and EU, in 2013

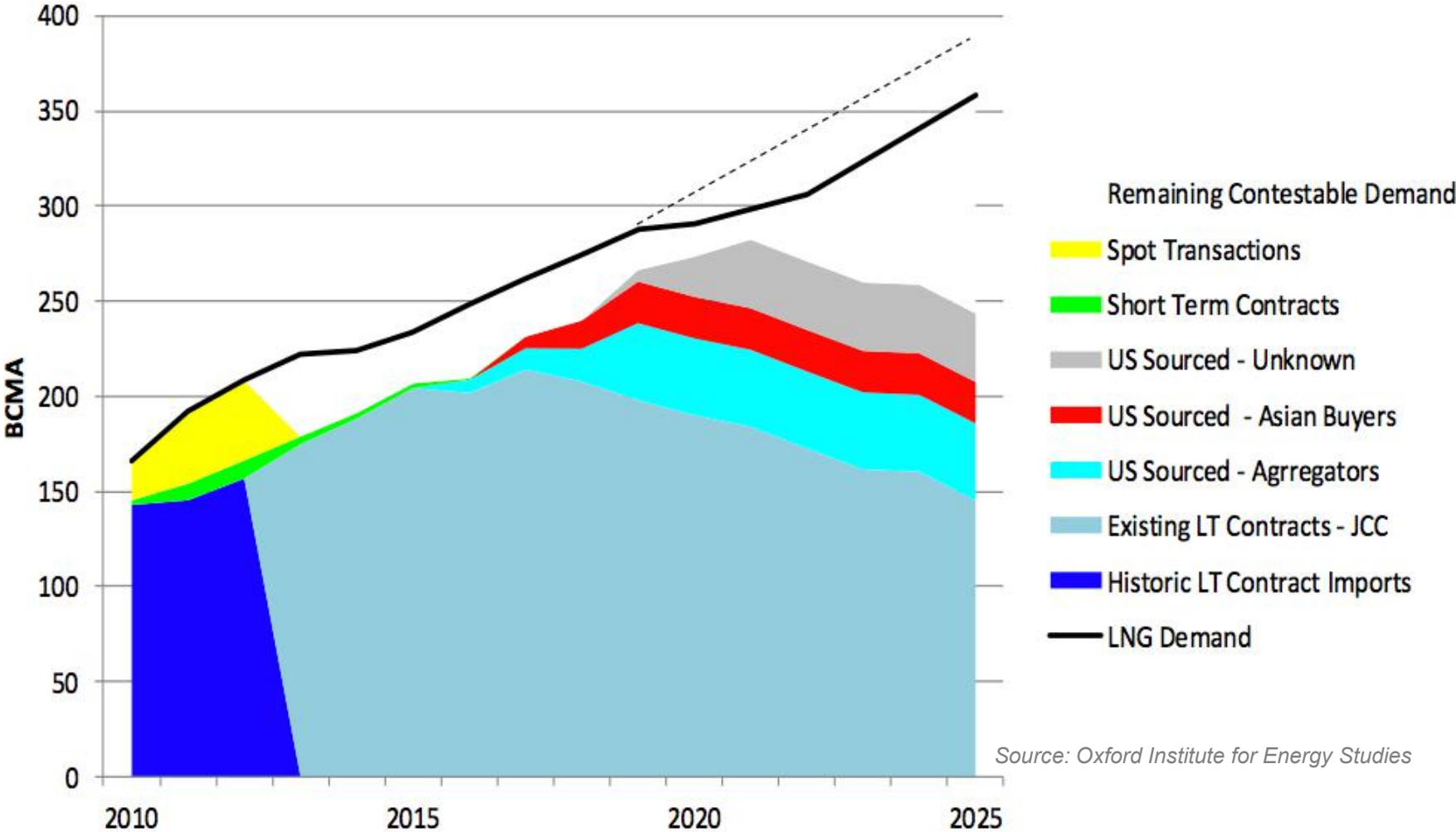


Source: Shell's presentation at the EU Madrid Forum 2014

Structural ongoing Changes in Gas Pricing in Asia



Asian Future LNG pricing trends to 2025



Source: Oxford Institute for Energy Studies

2015 World Gas Conference



26th

WORLD GAS CONFERENCE
PARIS FRANCE
1 - 5 June 2015

