

# **Danish Annual Gas Conference 2013**

*The Global Gas Strategy: the IGU way*

**Jérôme Ferrier**

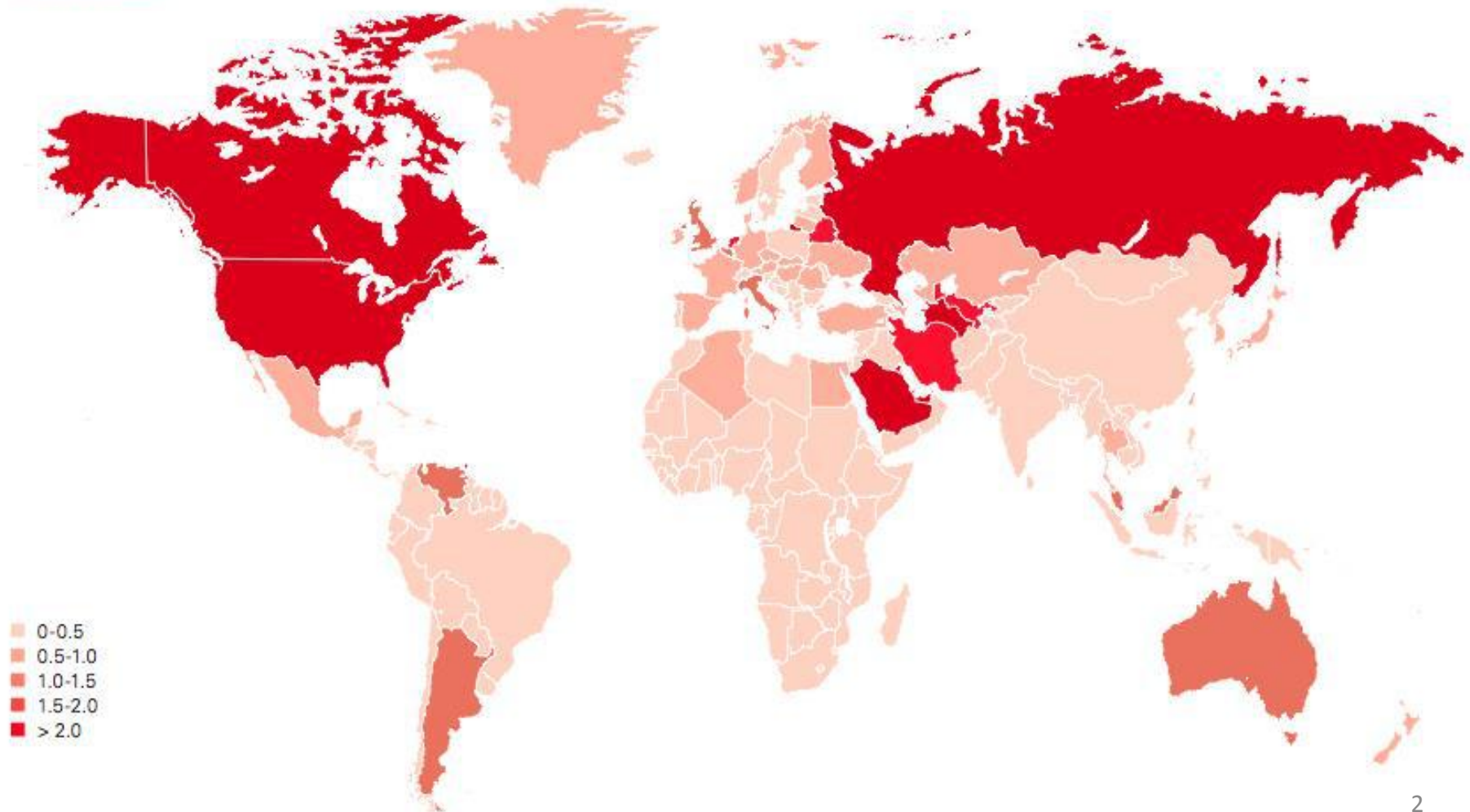
**Président IGU**

# Natural gas: a global market under construction

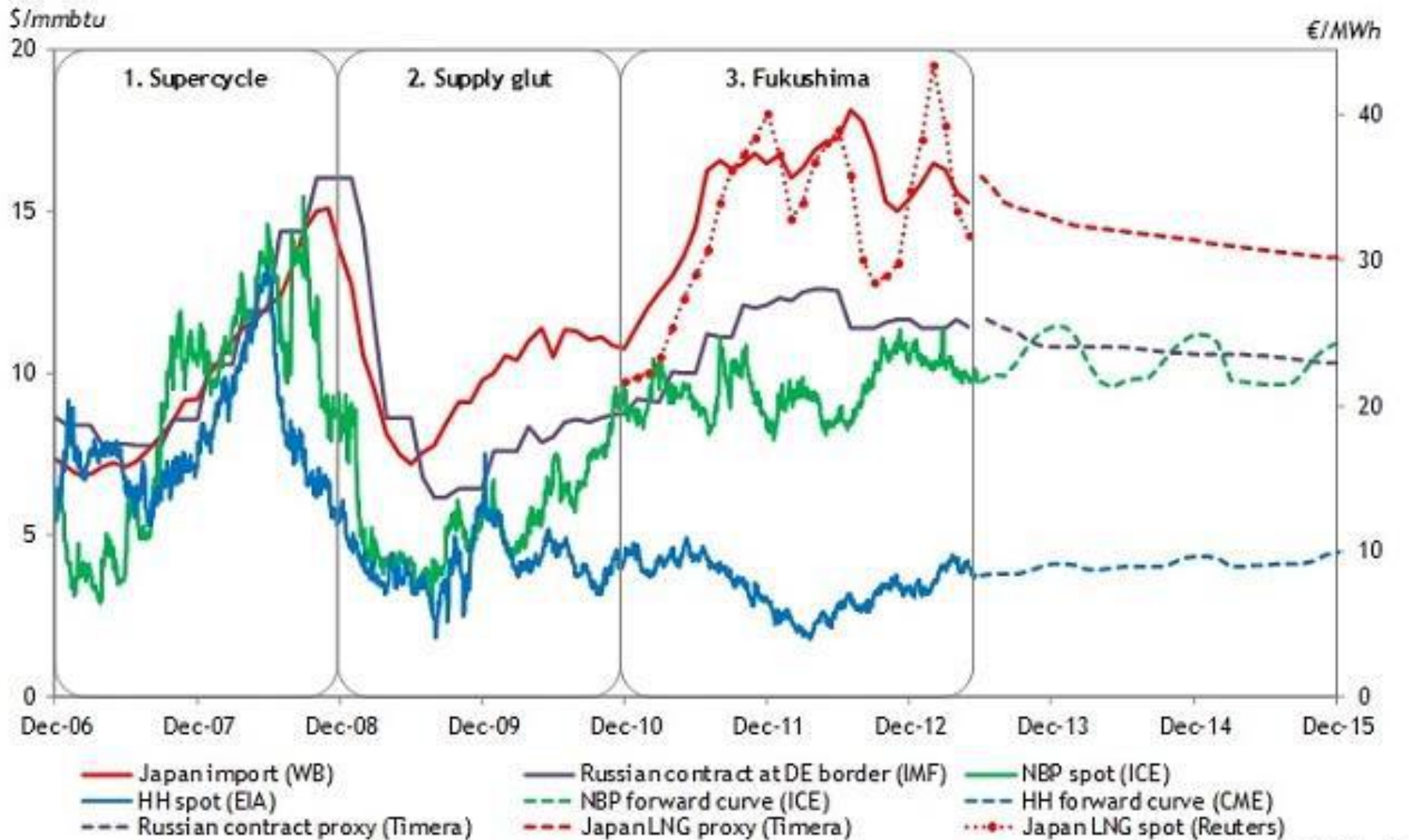
Source: BP Statistical Review 2013

## Consumption per capita 2012

Tonnes oil equivalent



# Natural gas prices in Asia, Europe and the USA

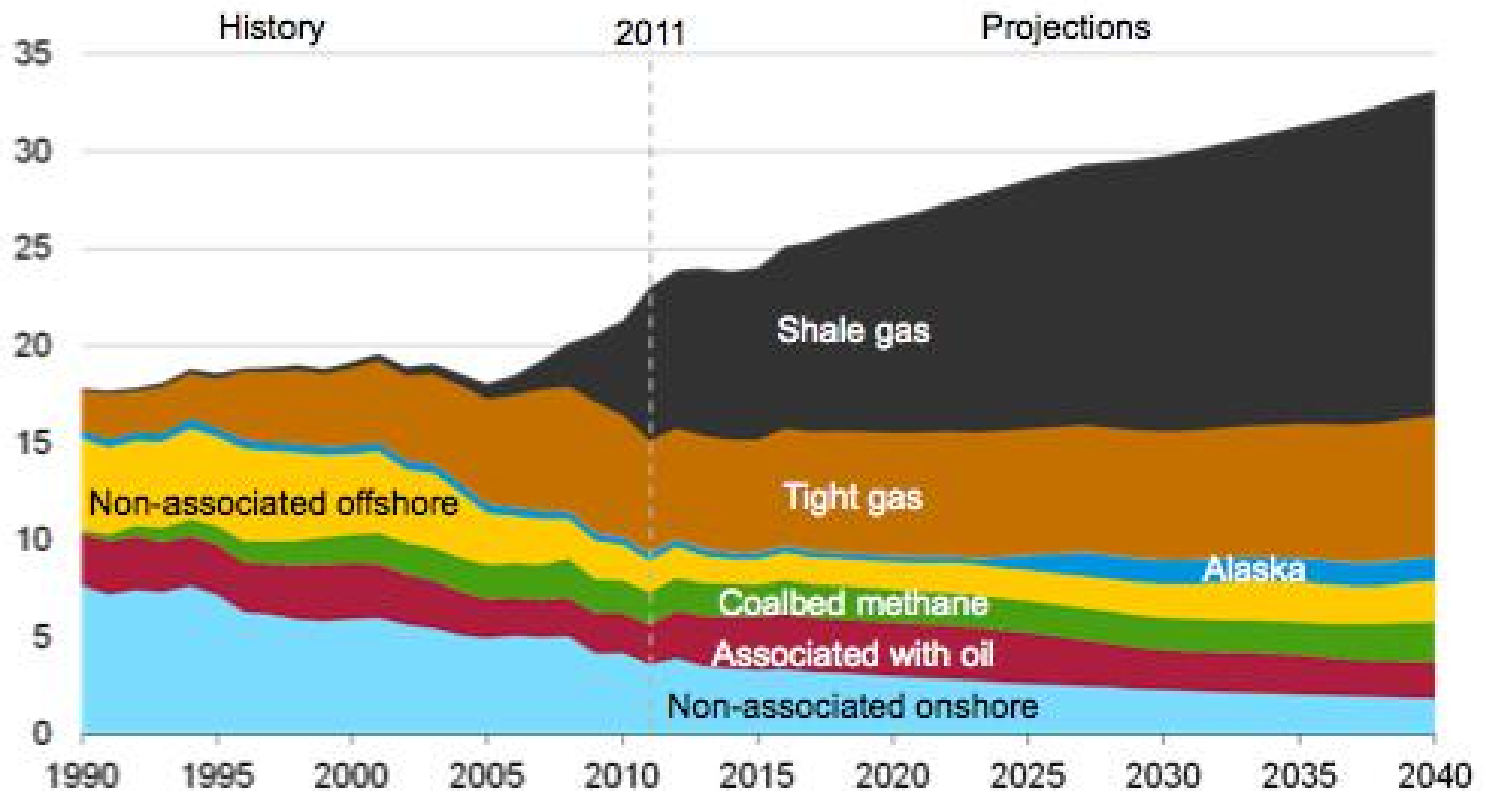


Forward prices as at 20 Jun 13

# Shale gas leads growth of production in the USA

Source: EIA

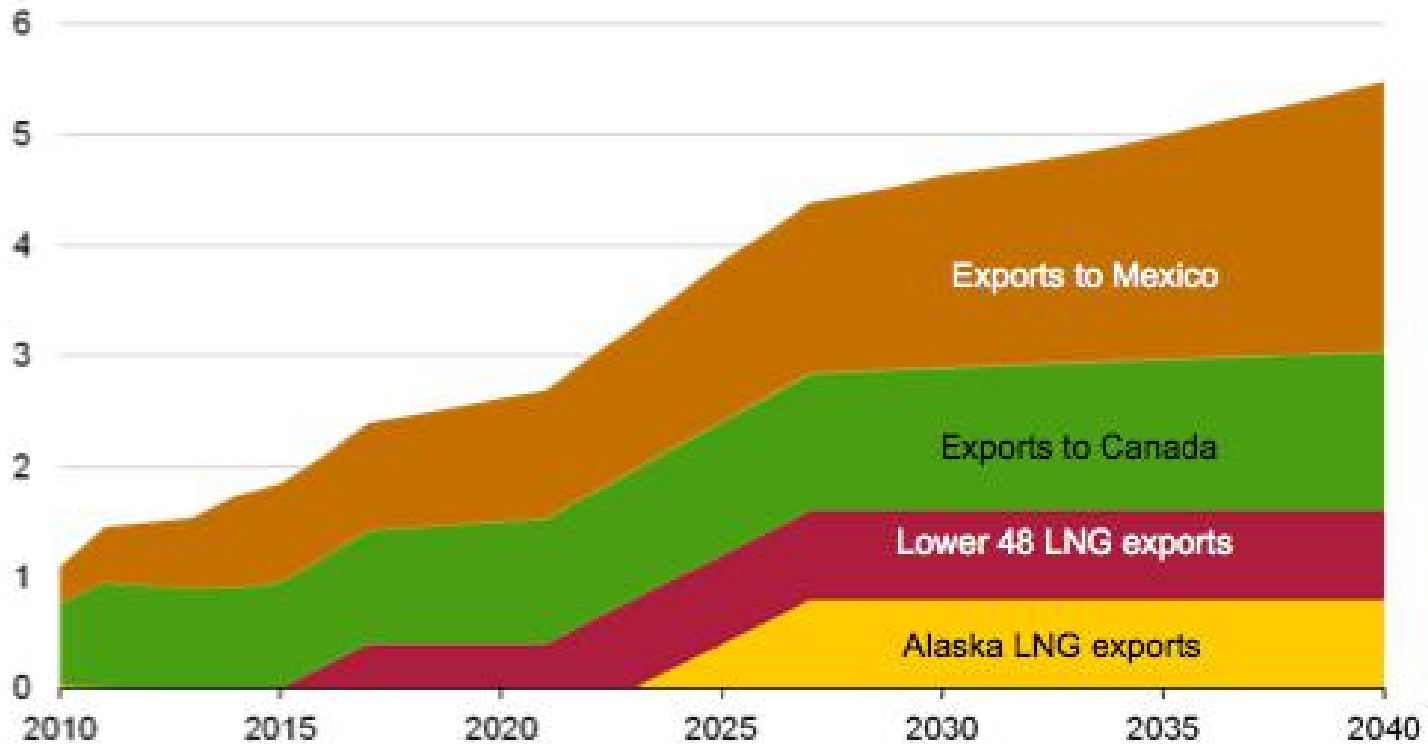
U.S. dry natural gas production  
trillion cubic feet



# Natural gas and LNG exports from the USA

Source: EIA

U.S. natural gas exports  
trillion cubic feet

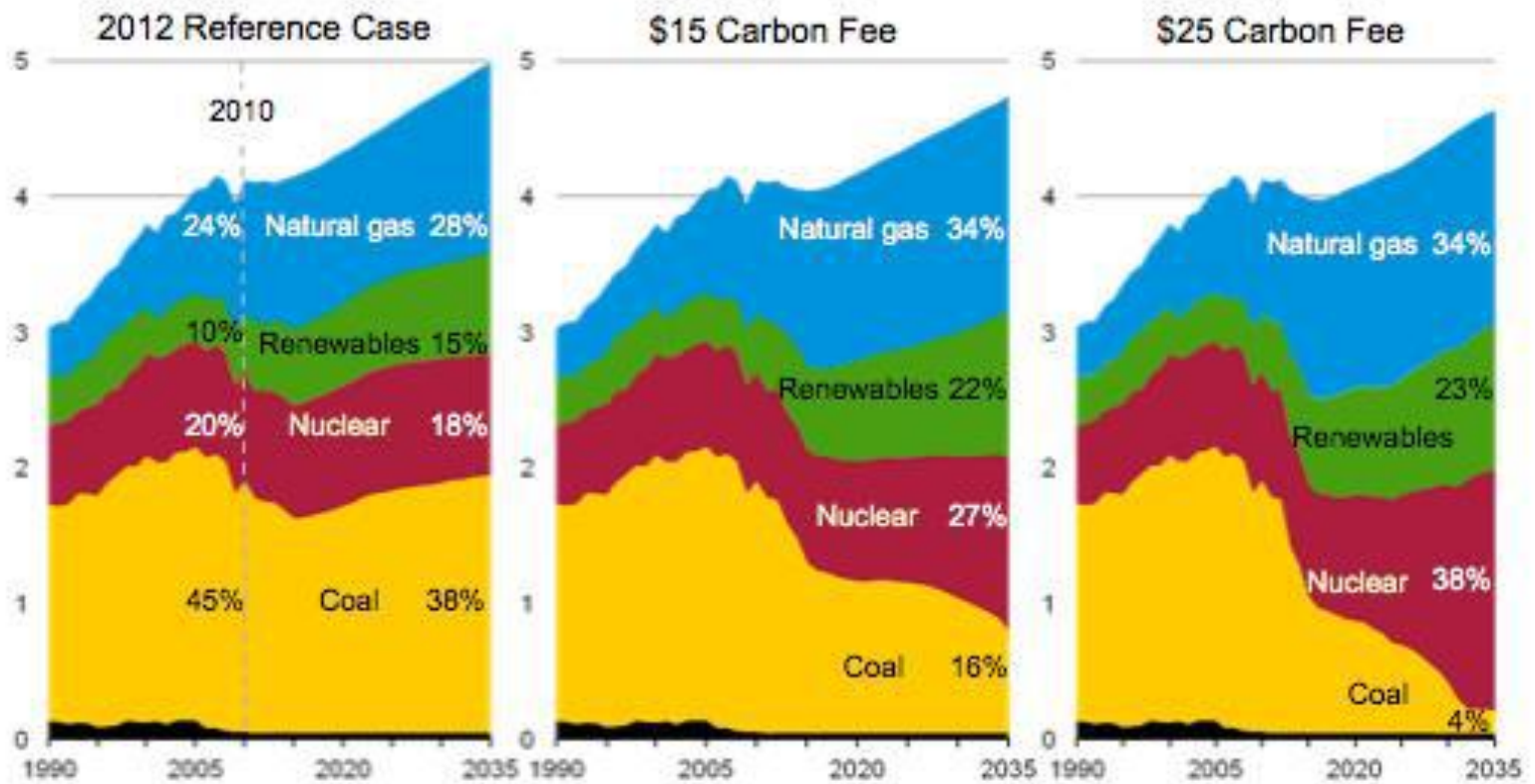


Source: EIA, Annual Energy Outlook 2013 Early Release

# Changing the electricity generation mix in the USA

Source: EIA

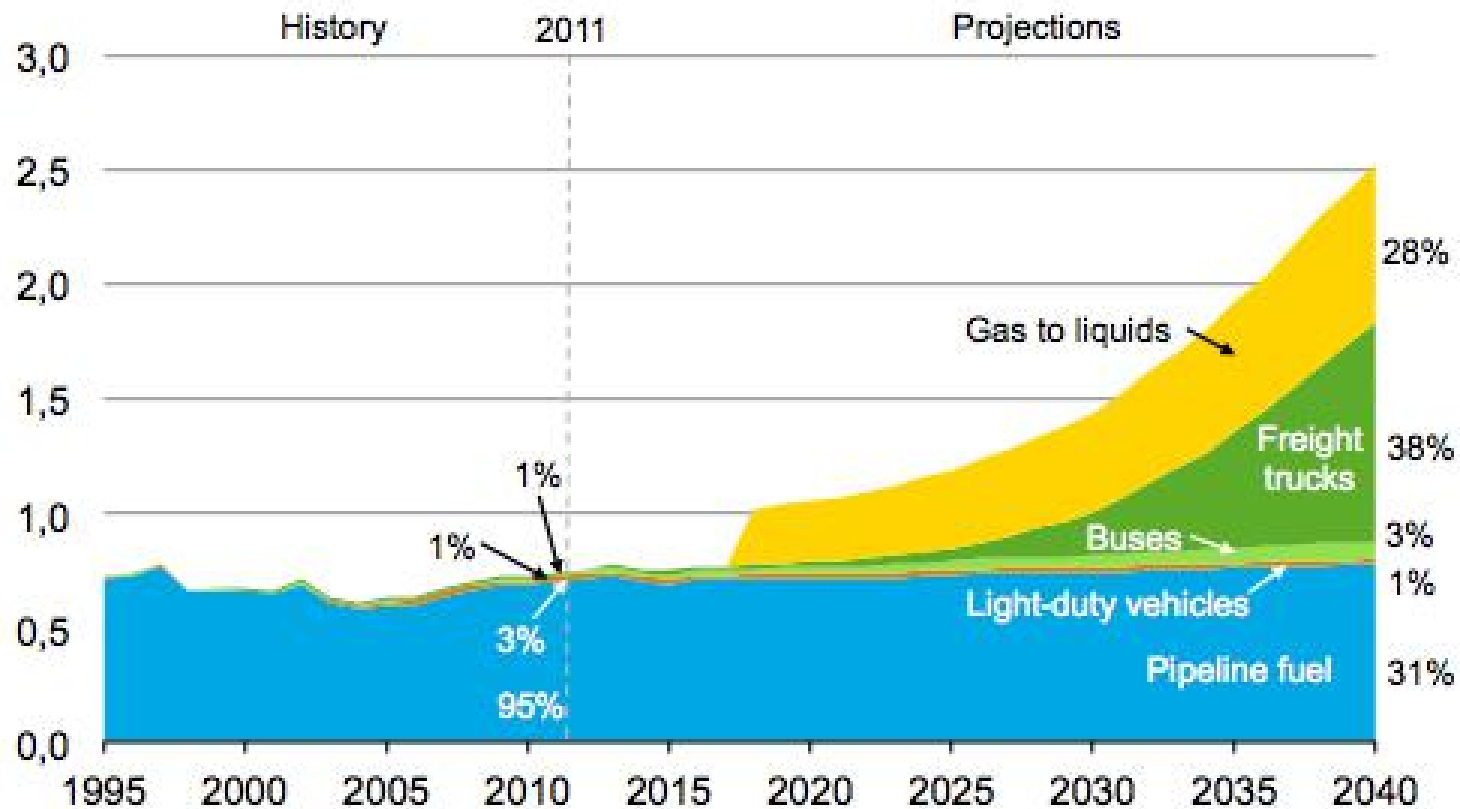
U.S. electricity net generation  
trillion kilowatthours



Source: EIA Annual Energy Outlook 2012

# The growth of LNG and GTL uses for transportation in the USA

U.S. natural gas consumption  
quadrillion Btu



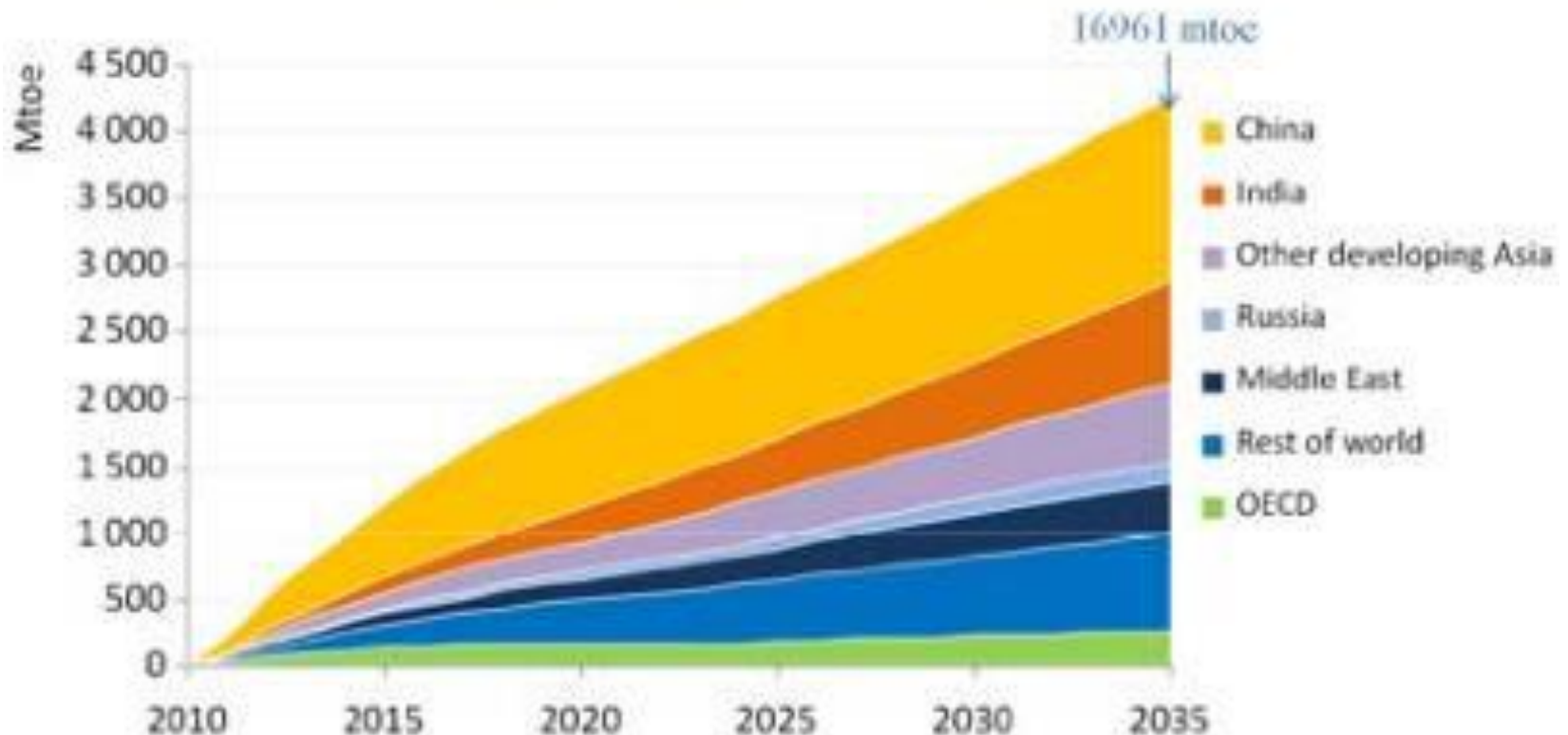
Note: Gas to liquids includes heat, power, and losses.

Source: EIA, Annual Energy Outlook 2013 Early Release

# Emerging economies, mainly Asia, drive the energy demand

Source: IEA

## Growth in primary energy demand - by region

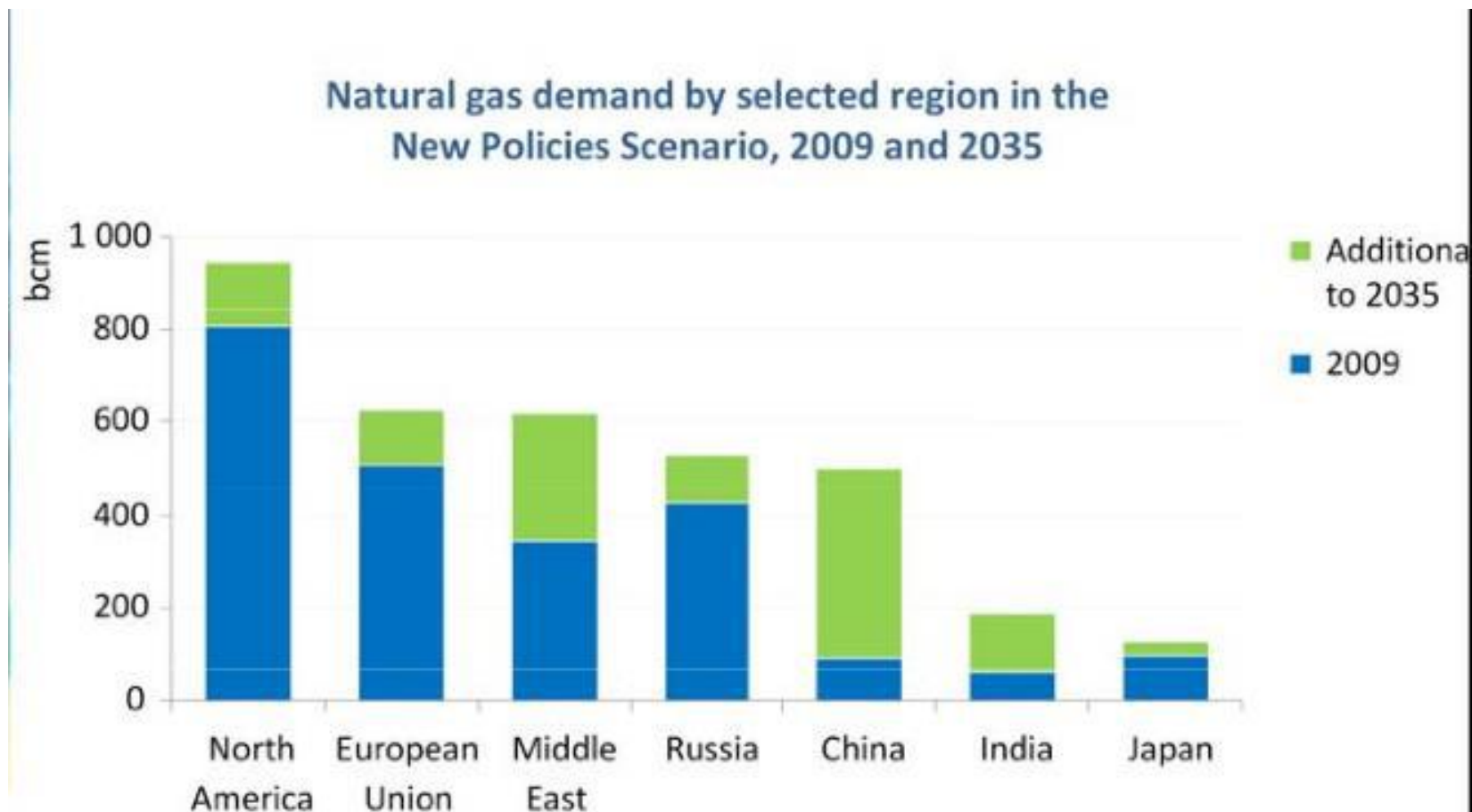


- Global energy demand increases by one-third from 2010 to 2035, with China & India accounting for 50% of the growth



# Natural gas demand growth comes mainly from Asia

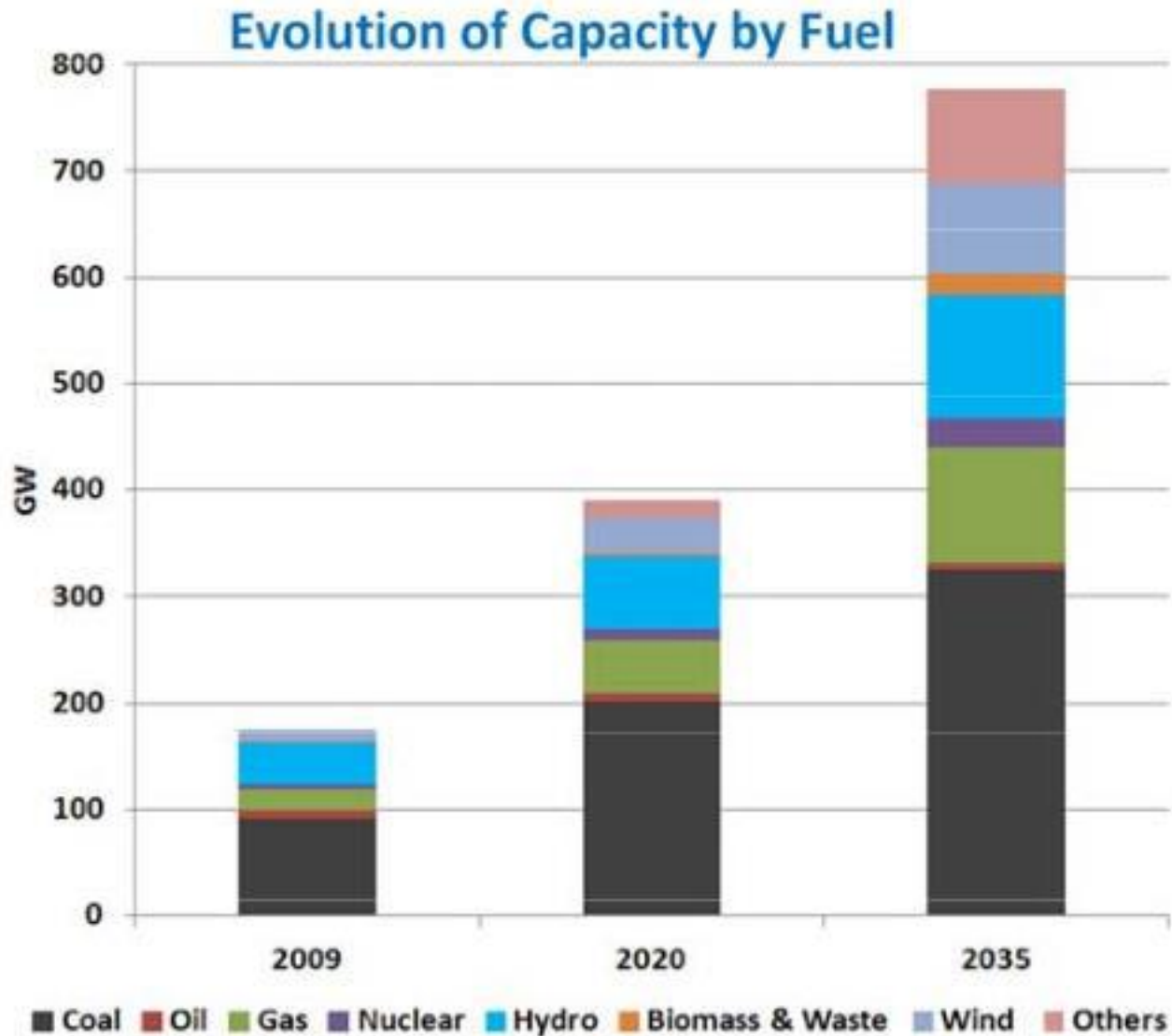
Source: IEA



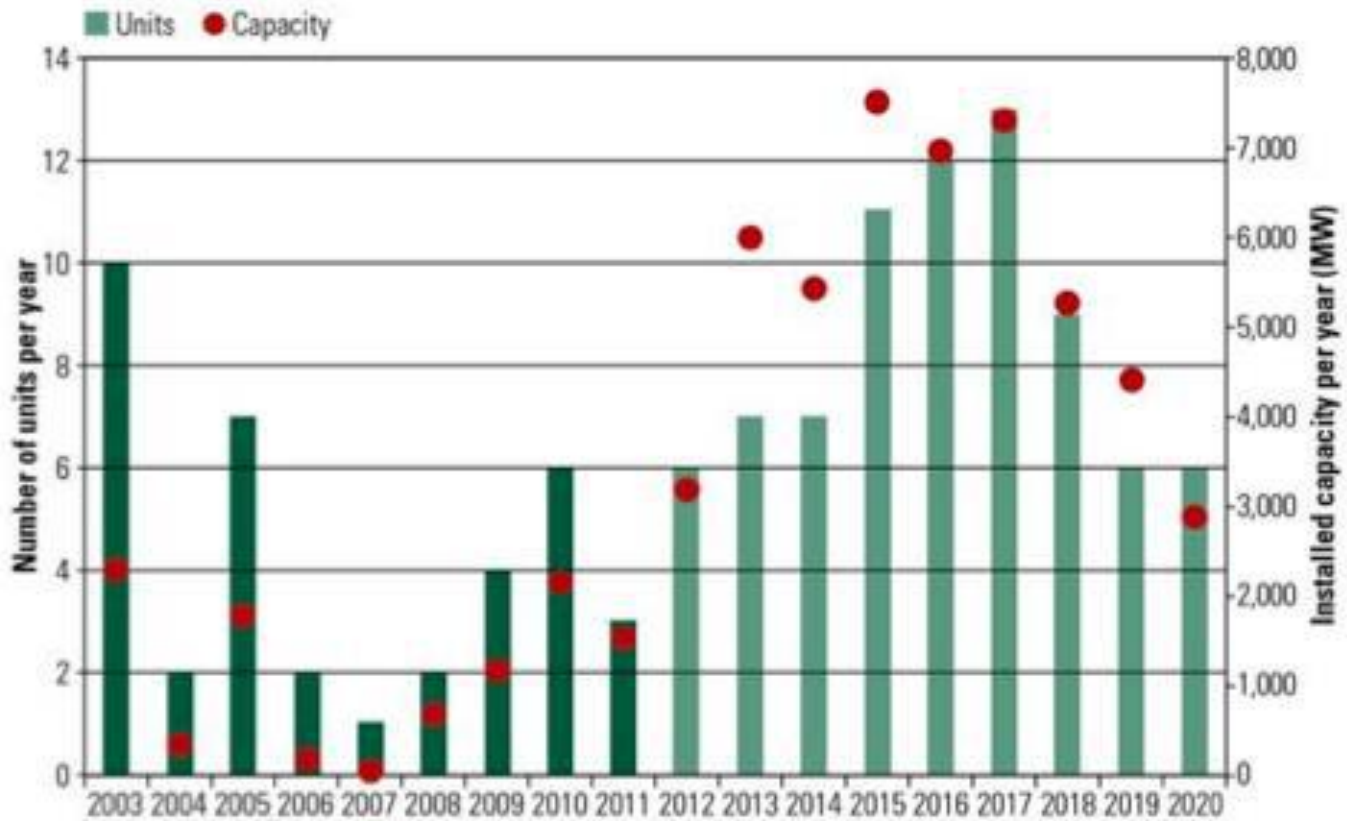
**Gas demand grows fastest in the non-OECD regions, led by China, which accounts for more than a quarter of the worldwide increase in demand between 2009 & 2035**

# Power capacity projections in India (GW)

Source: IEA



# New coal-fired power capacities in Europe



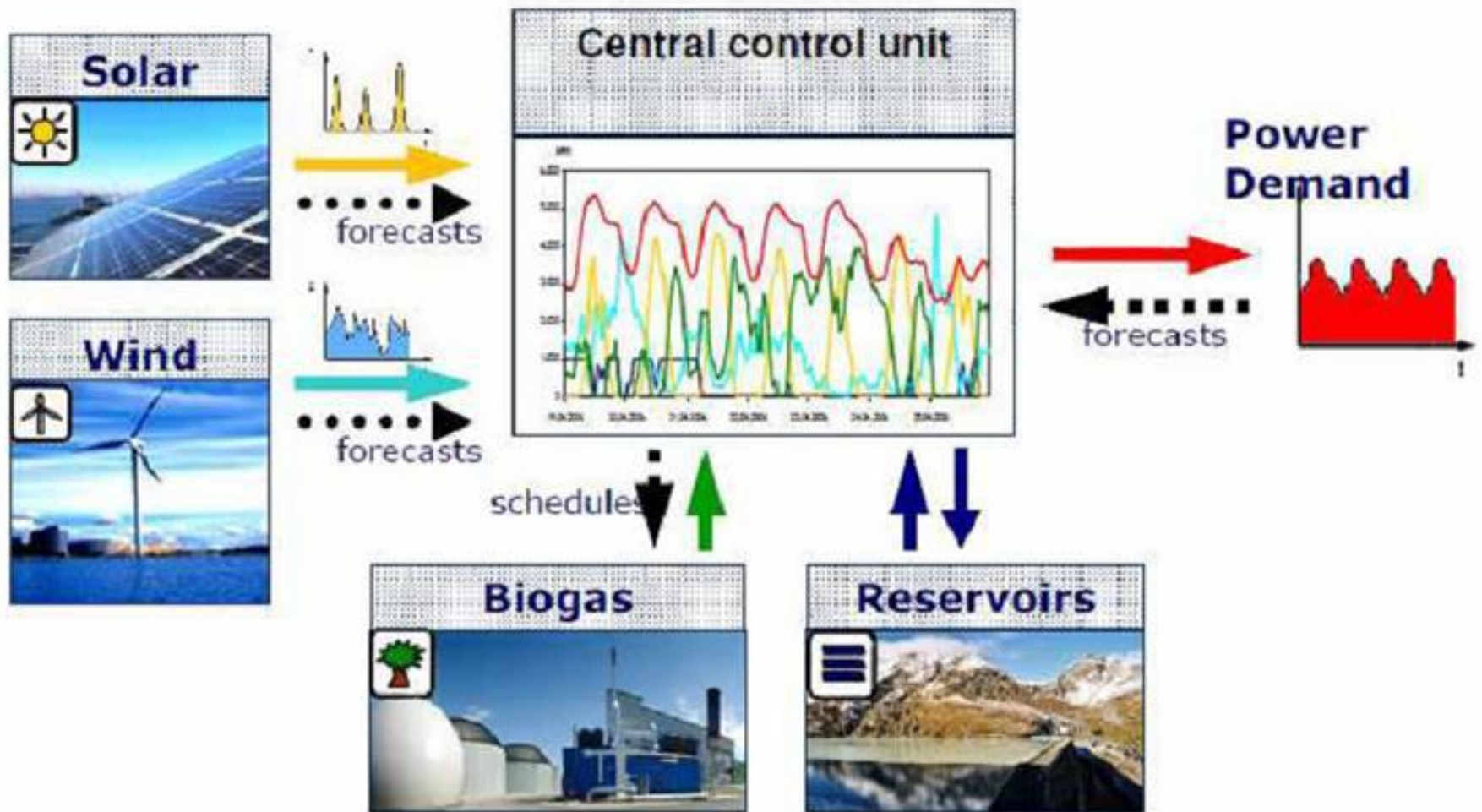
Source: Ecoprog GmbH.<sup>22</sup>

# **The UK Emissions Performance Standards (EPS)**

## ***Energy Bill 2012 - 2013***

- **EPS requires that any new coal fired power plant demonstrate CCS on at least 300 MW of the proposed generating capacity**
- **Sets a CO2 emission limit at 450 g/kWh until 2045**
- **Guarantees stability of emission regulation until 2045 (grandfathering)**
- **EPS complements the economic signals provided by the Carbon Floor Price and, when applicable, the feed-in electricity purchase tariff with Contract for Difference (CFD)**
- **EPS gives incentives to « Good Quality » CHPs, by discounting the volumes of CO2 saved in the heat production by displacing other fossil fuels**

# Synergy between smart gas and electricity grids



# Energy poverty is widespread

SOURCE: IEA

