



US LNG and Europe

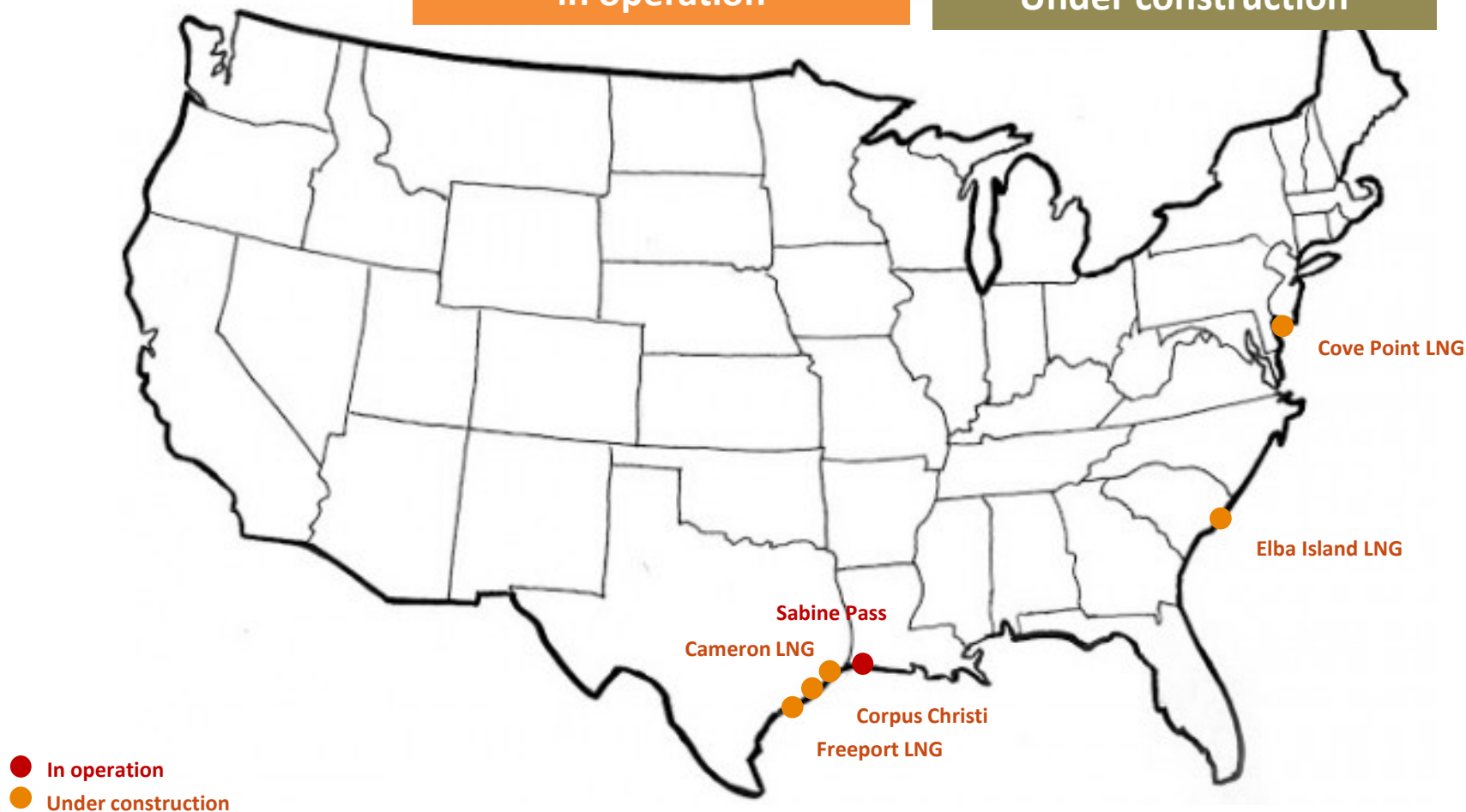
Group of Experts on Gas

27th March 2017 - Geneva

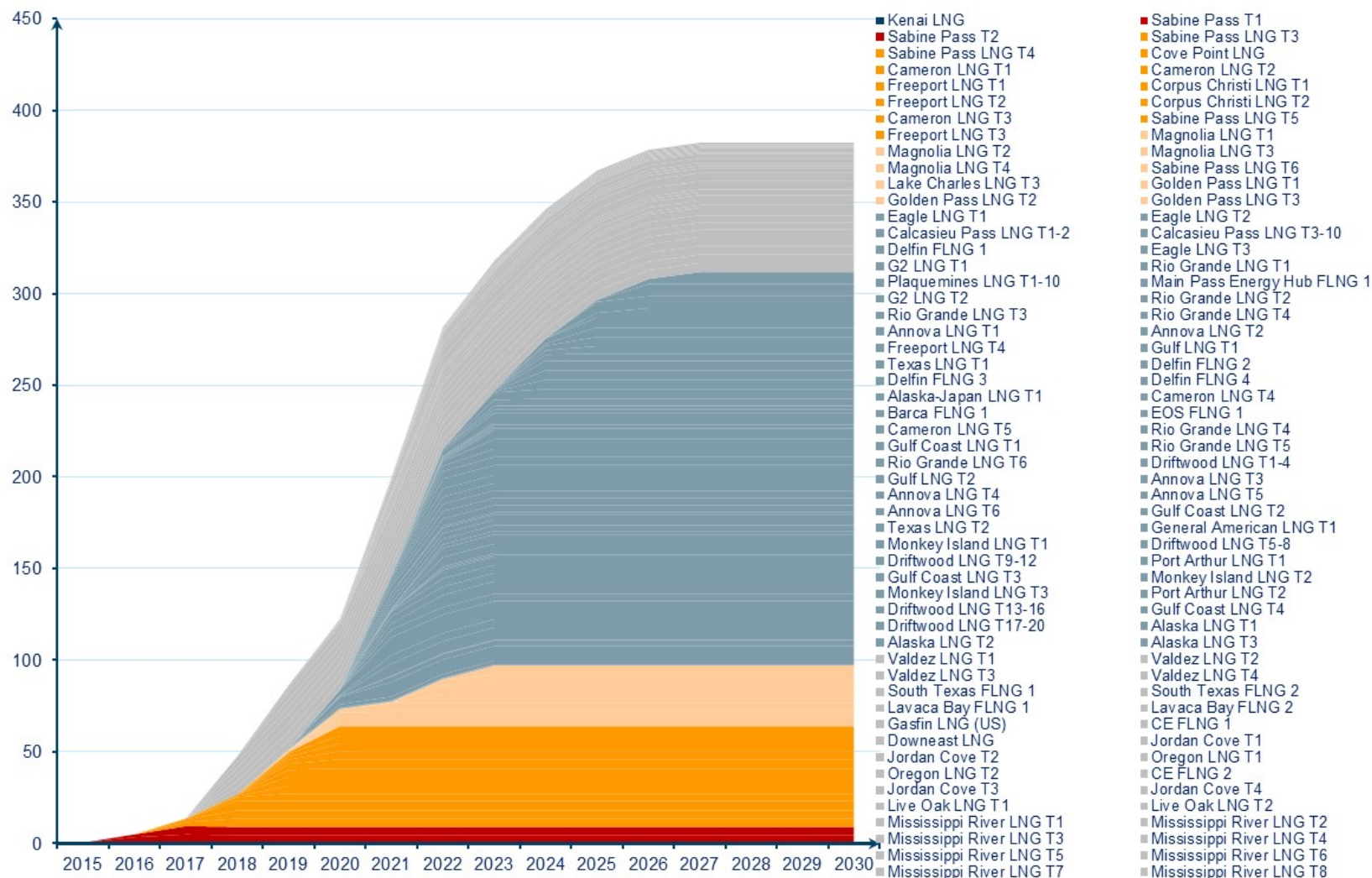
US LNG Projects

9 MTPA (12 BCM/a)
in operation

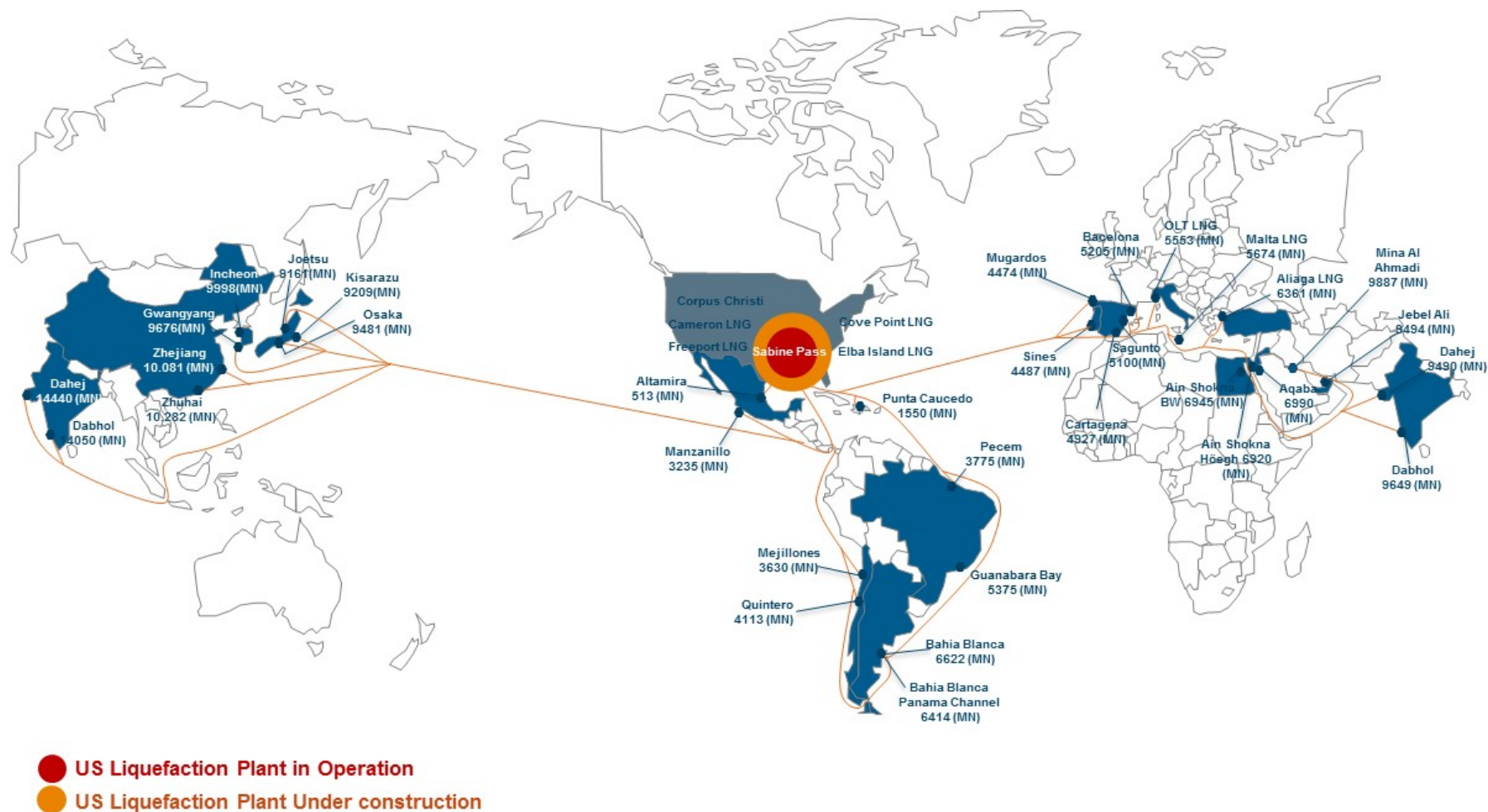
55 MTPA (73 Bcm/a)
Under construction



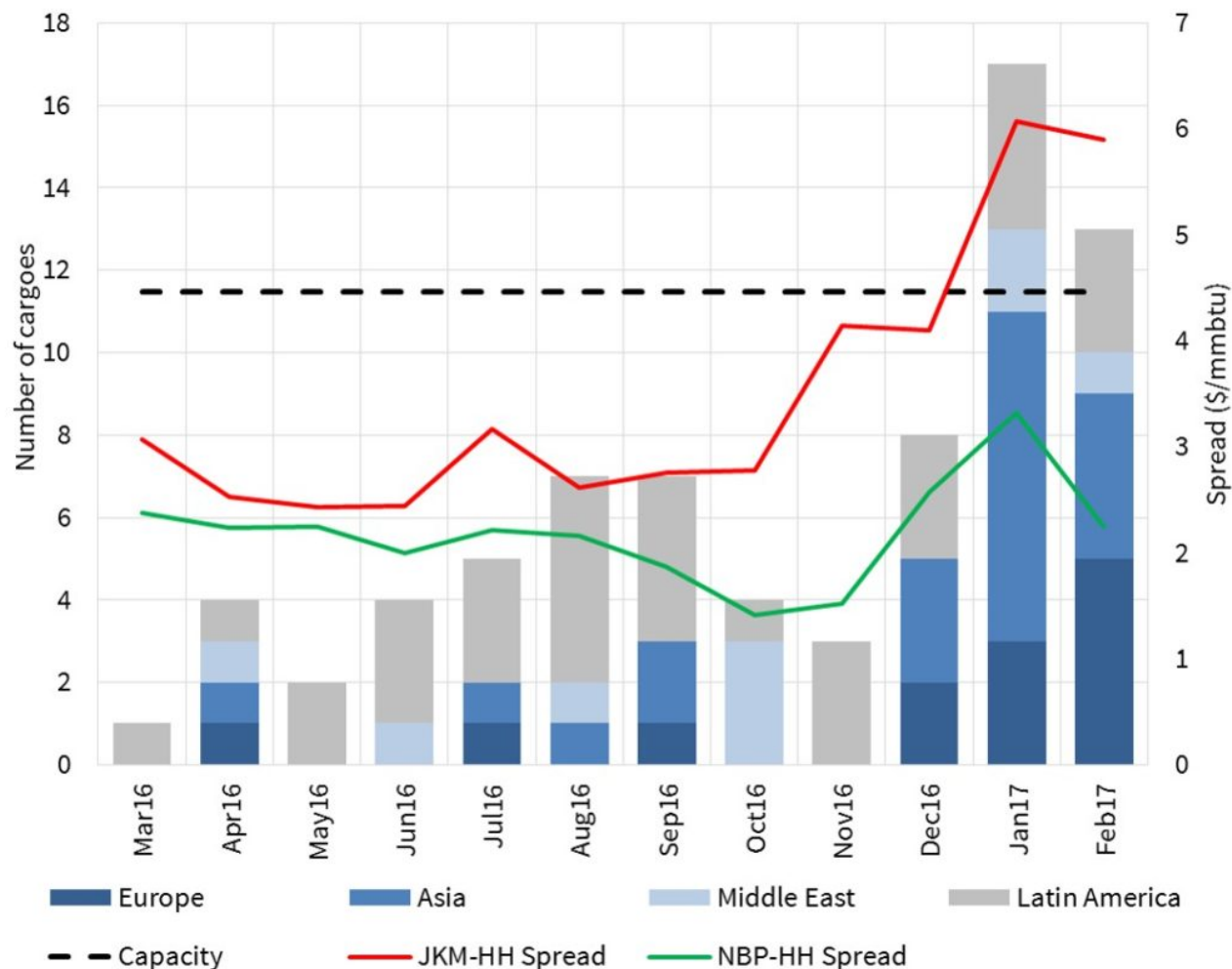
Big potential for new Projects



Distance to the market



US export flows by destination



- Latin America: 44%
- Asia: 27%
- Europe: 17%
- Middle East: 12%

The new LNG world (I)

Conventional Supplies

DES/FOB

Brent/Oil products index

Destination clauses

Price review

Narrow quality range

Regional focus

Political constraints

US Supplies

FOB/Tolling

Henry Hub index

Free Destination

No Price review

Broad quality range

Global focus

Market constraints

The new LNG world (II)

US LNG is going to contribute to:

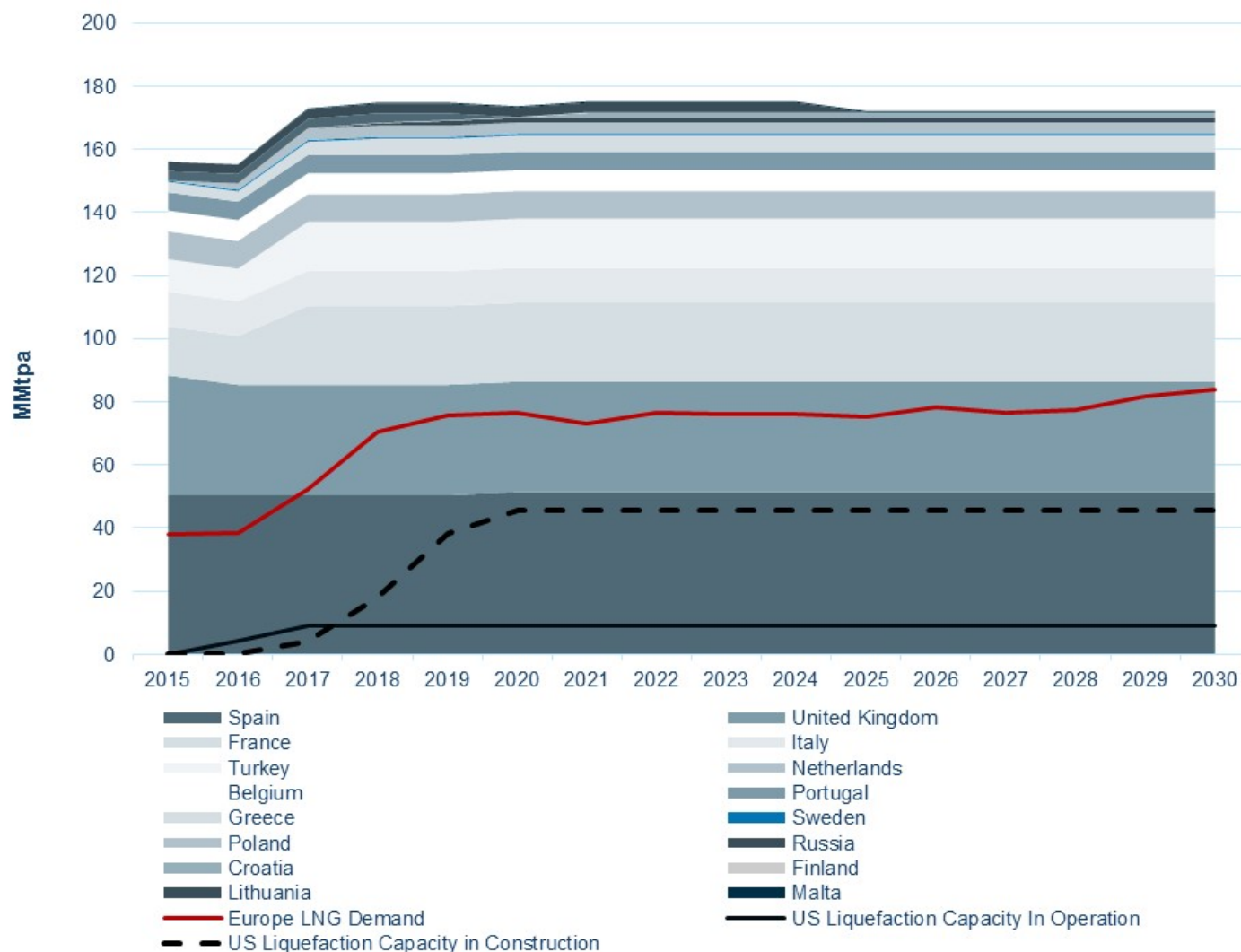
- LNG becoming more Global.
- Increase LNG liquidity
- Security of Supply
- Development of new LNG futures contracts.

ICE to offer first U.S. Gulf Coast LNG futures contract

With the United States about to become a net exporter of natural gas for the first time in 60 years, Intercontinental Exchange Inc (ICE.N) said on Wednesday it would begin trading the first-ever U.S. liquefied natural gas futures contract in May.

ICE said the contracts would be cash-settled against the Platts LNG Gulf Coast Marker price assessment and use Platts-derived U.S. GCM LNG forward curves for daily settlement purposes. The curves will have an initial term of 48 months.

European regas capacity



Europe and US LNG

Europe is an optimal market for US LNG:

- Europe is one of the main LNG markets in the world.
- The market is liberalized and reliable.
- Transparent prices
- Indigenous production is decreasing
- Significant amounts of regasification capacity available.

But still needs to improve in order to compete in a Global environment.

How to improve our attractiveness for LNG?



1. Regulation to facilitate the use of natural gas and LNG:
 - Wobbe restrictions
 - Reduce the access cost in some terminals
 - Increase the cargo size range
 - Review UIOLI rules
 - Increase flexibility for unloading and regasification
2. Promote New Uses of LNG
3. Recognize the Advantages of gas and LNG in mitigating climate change.

Thank You !