U.S. Oil and Natural Gas Markets

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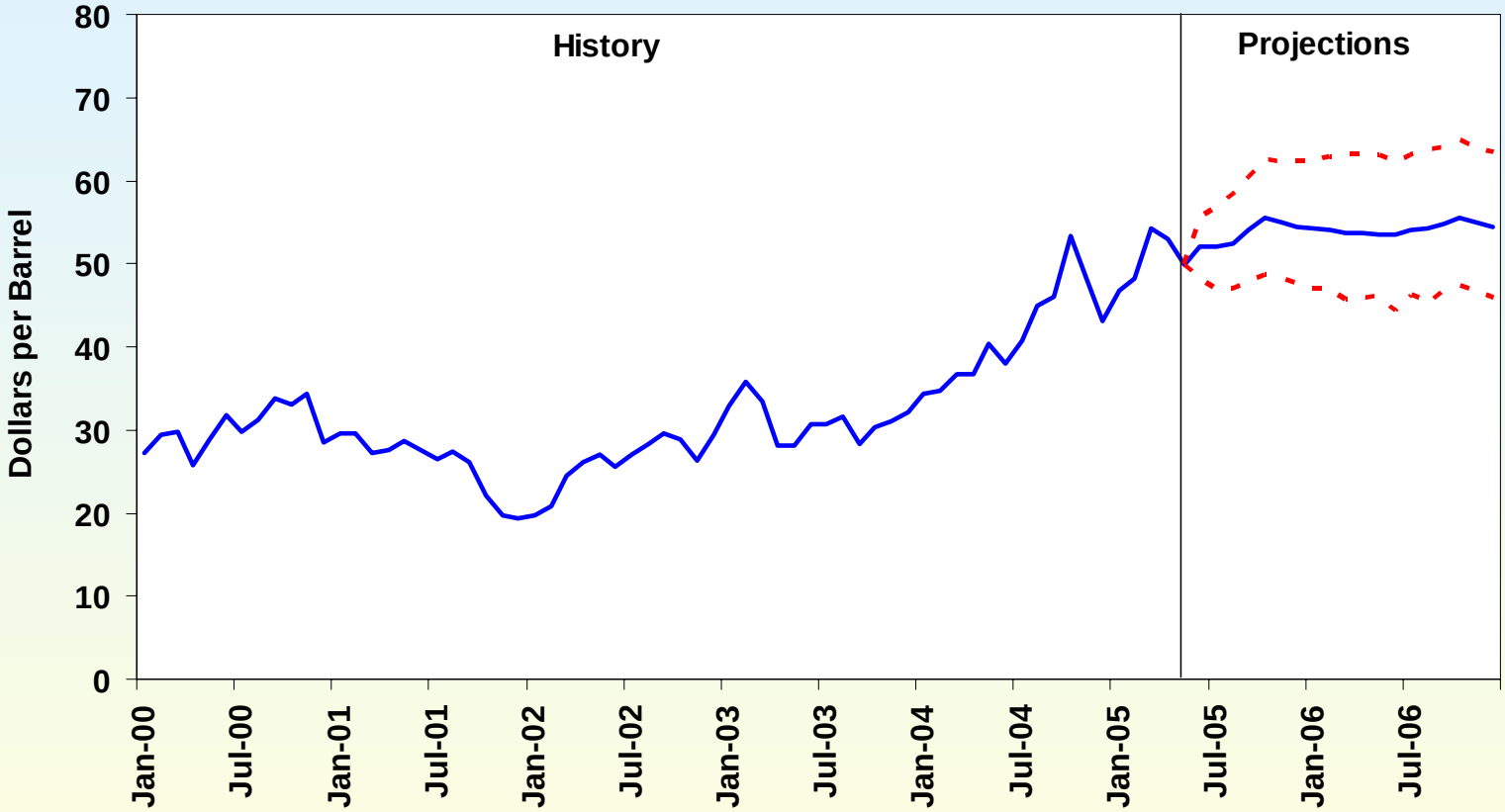
Key findings from EIA's outlooks…

- In the short-term, tight markets and political uncertainties keep world oil prices high.
- Through 2025, oil remains the dominant source of U.S. and world energy use with about 40 percent of total world energy demand.
- Both domestically and internationally, natural gas demand will expand rapidly.
- The United States and developing Asia, including China, account for 60 percent of the growth in world oil demand in the mid-term.
- Transportation will account for much of the growth in oil use in the industrialized world; in the developing world, oil demand grows in all end-use sectors.
- The United States will rely on net imports for 68 percent of its oil demand in 2025 and for 28 percent of its natural gas demand.
- In 2025, nearly three-fourths of U.S. net imports of natural gas will be liquefied natural gas.

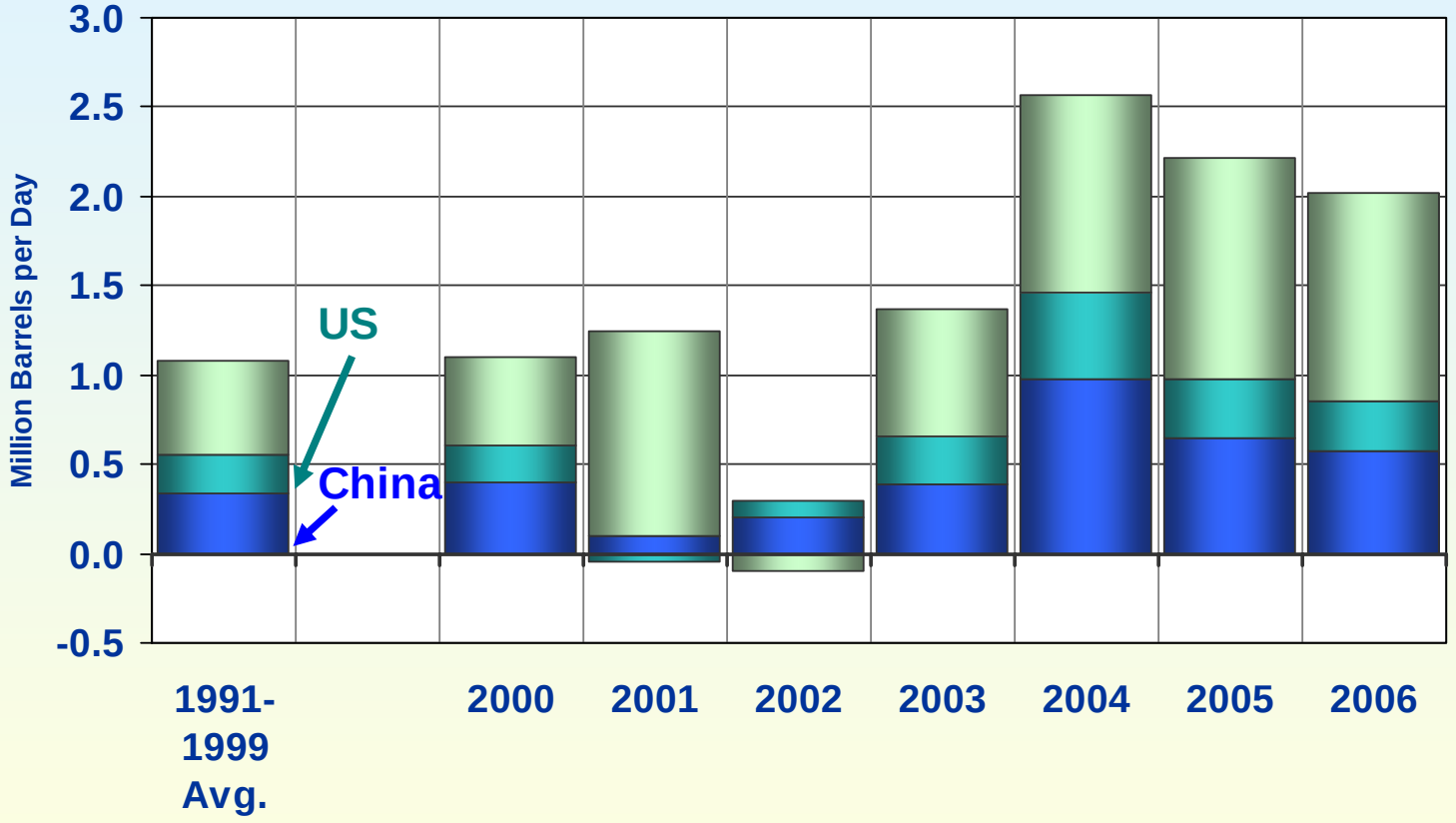
West Texas Intermediate Crude Oil Price (Base Case and 95% Confidence Interval)



**The confidence intervals show +/- 2 standard errors based on the properties of the model. The ranges do not include the effects of major supply disruptions.*

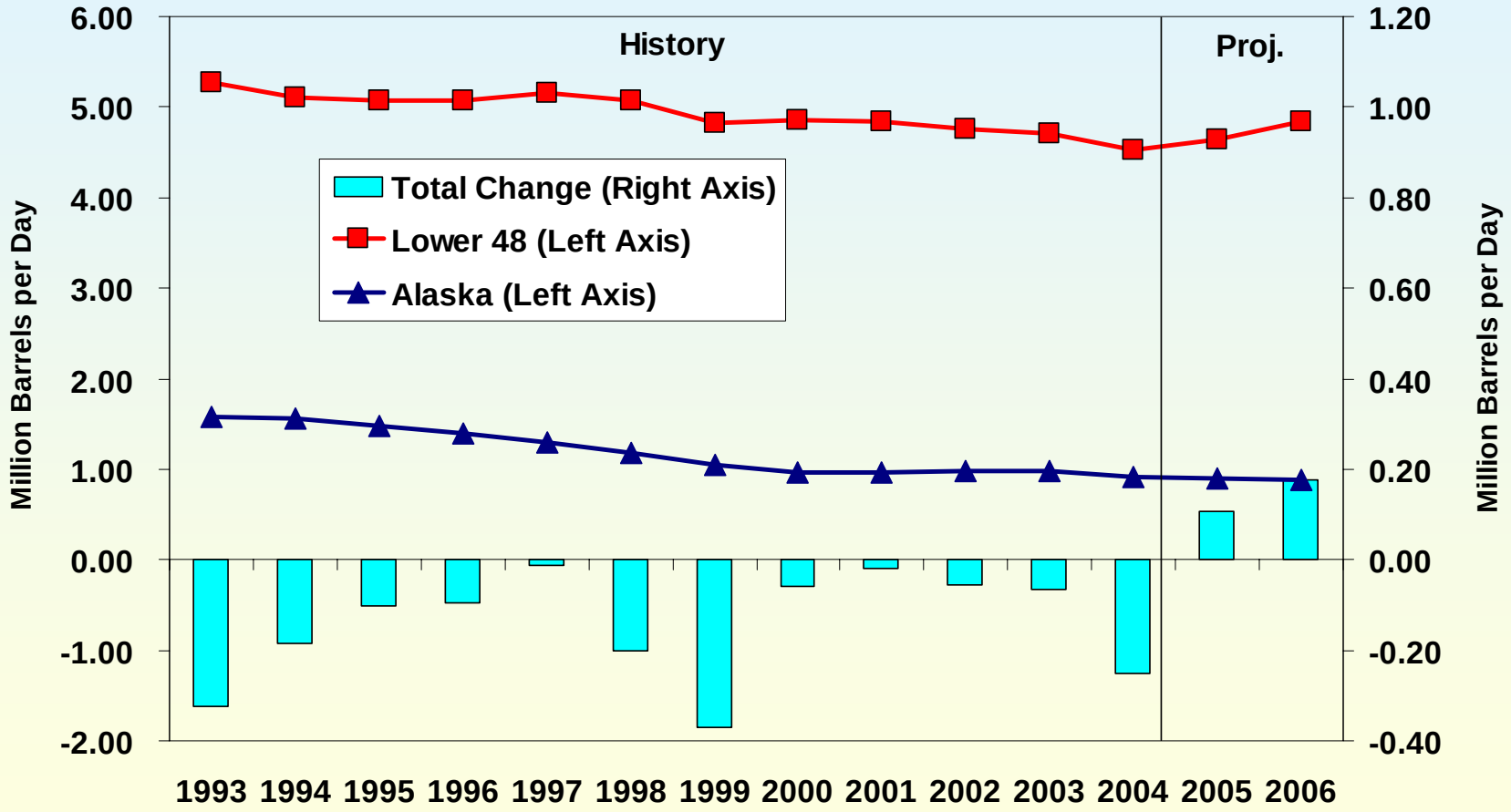
Crude oil prices likely to remain above $50 through 2006

World Oil Demand Growth

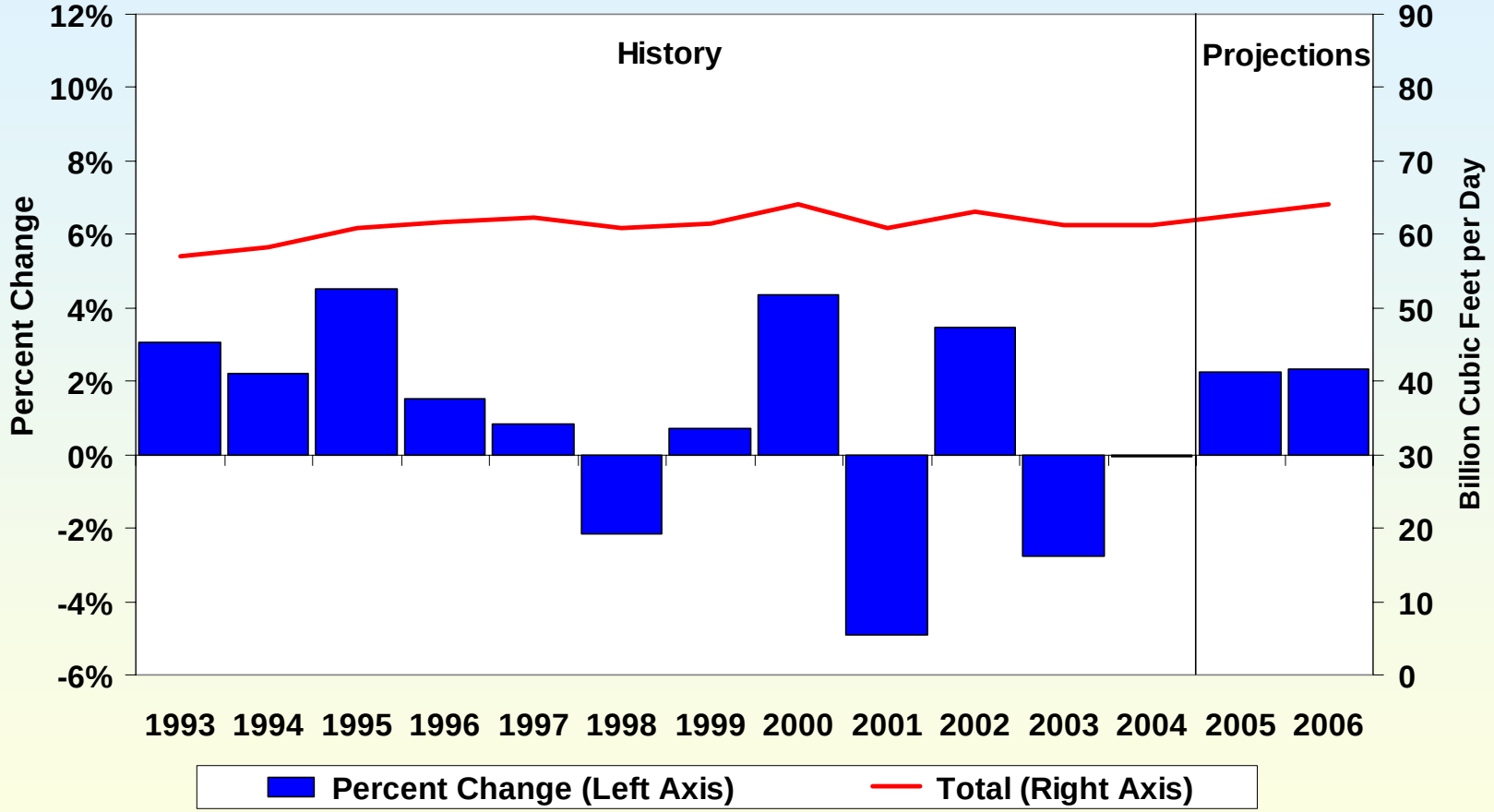


World oil demand growth, led by China, is surging at very high rates

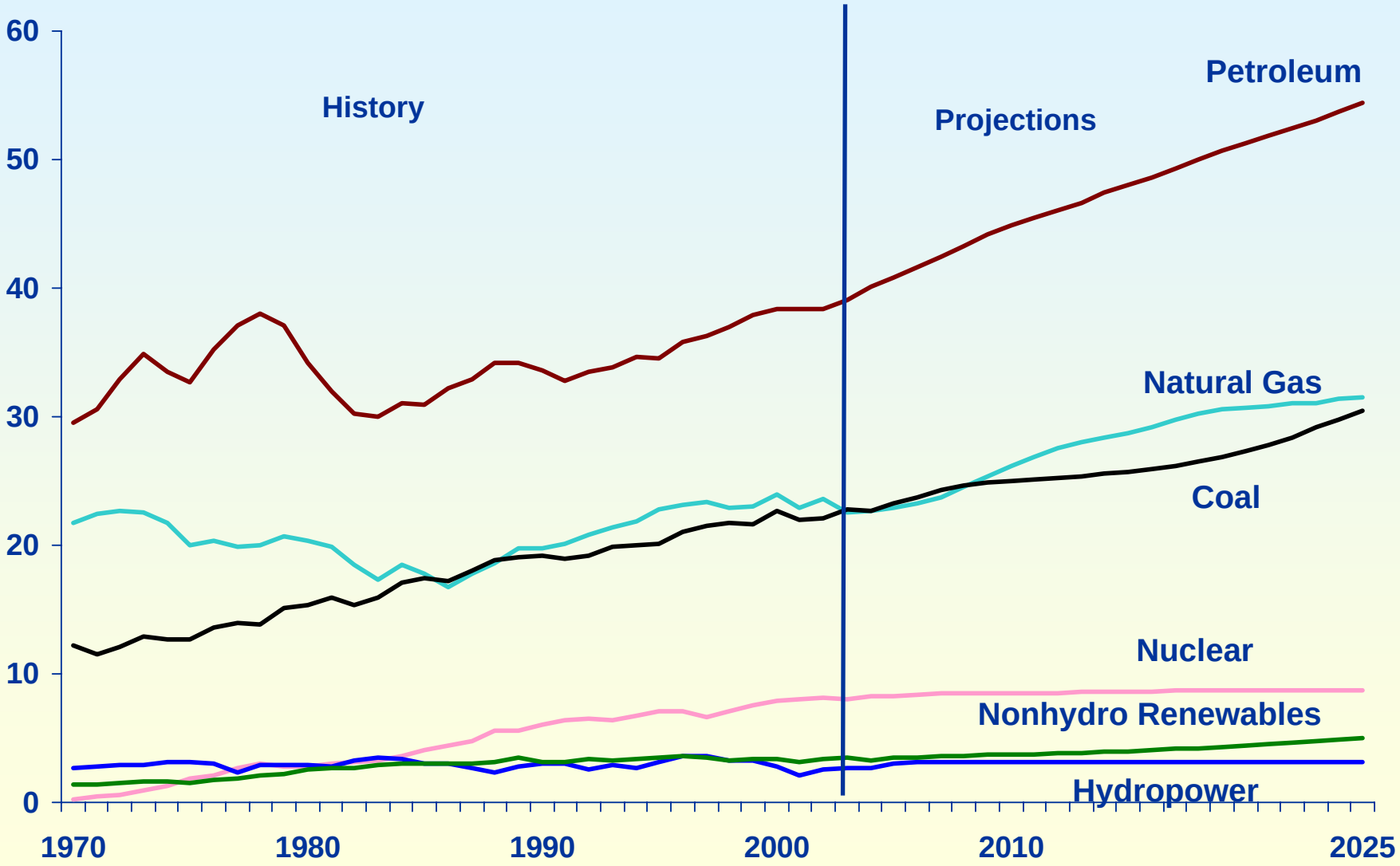
U.S. Crude Oil Production



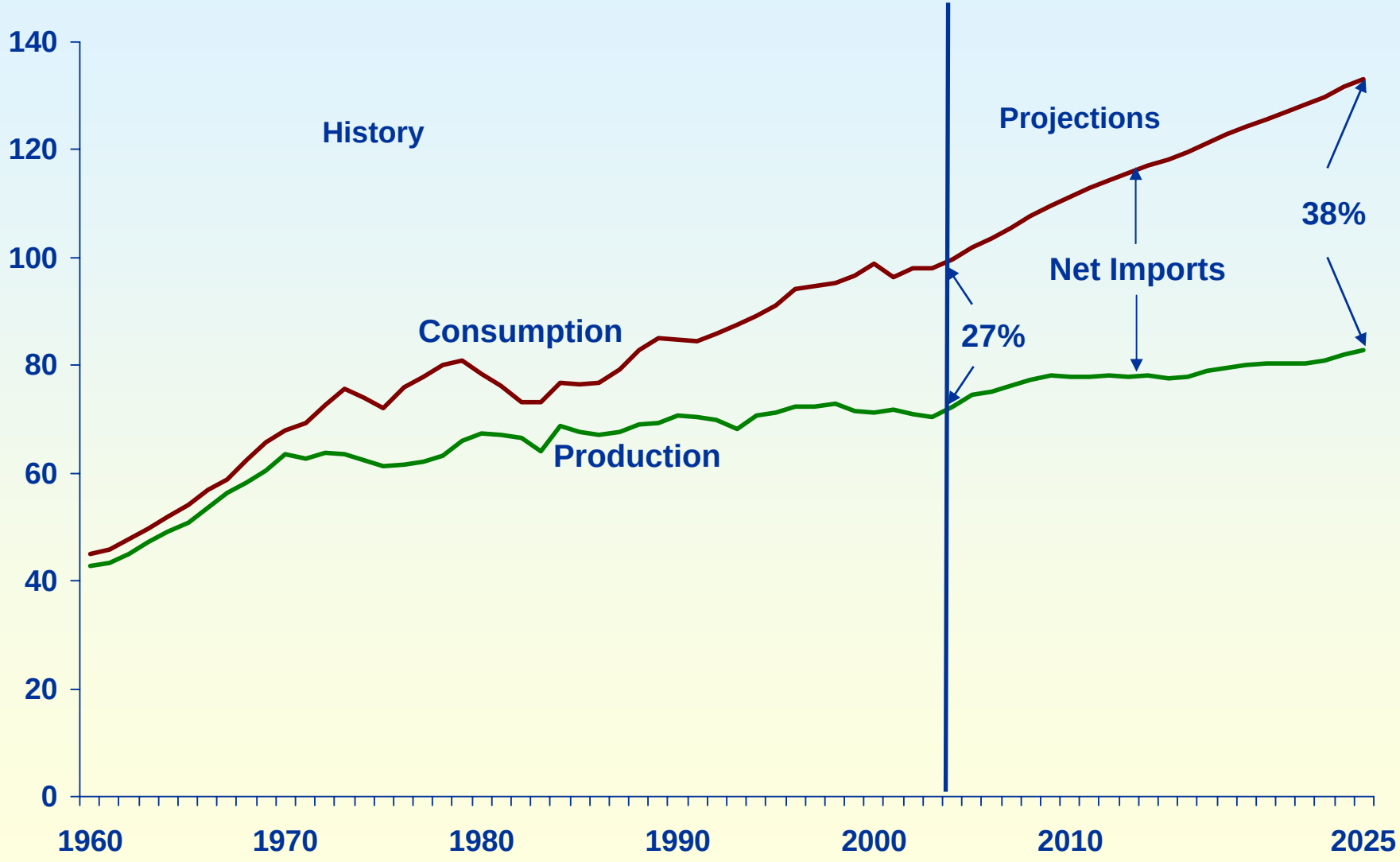
U.S. Natural Gas Demand Growth



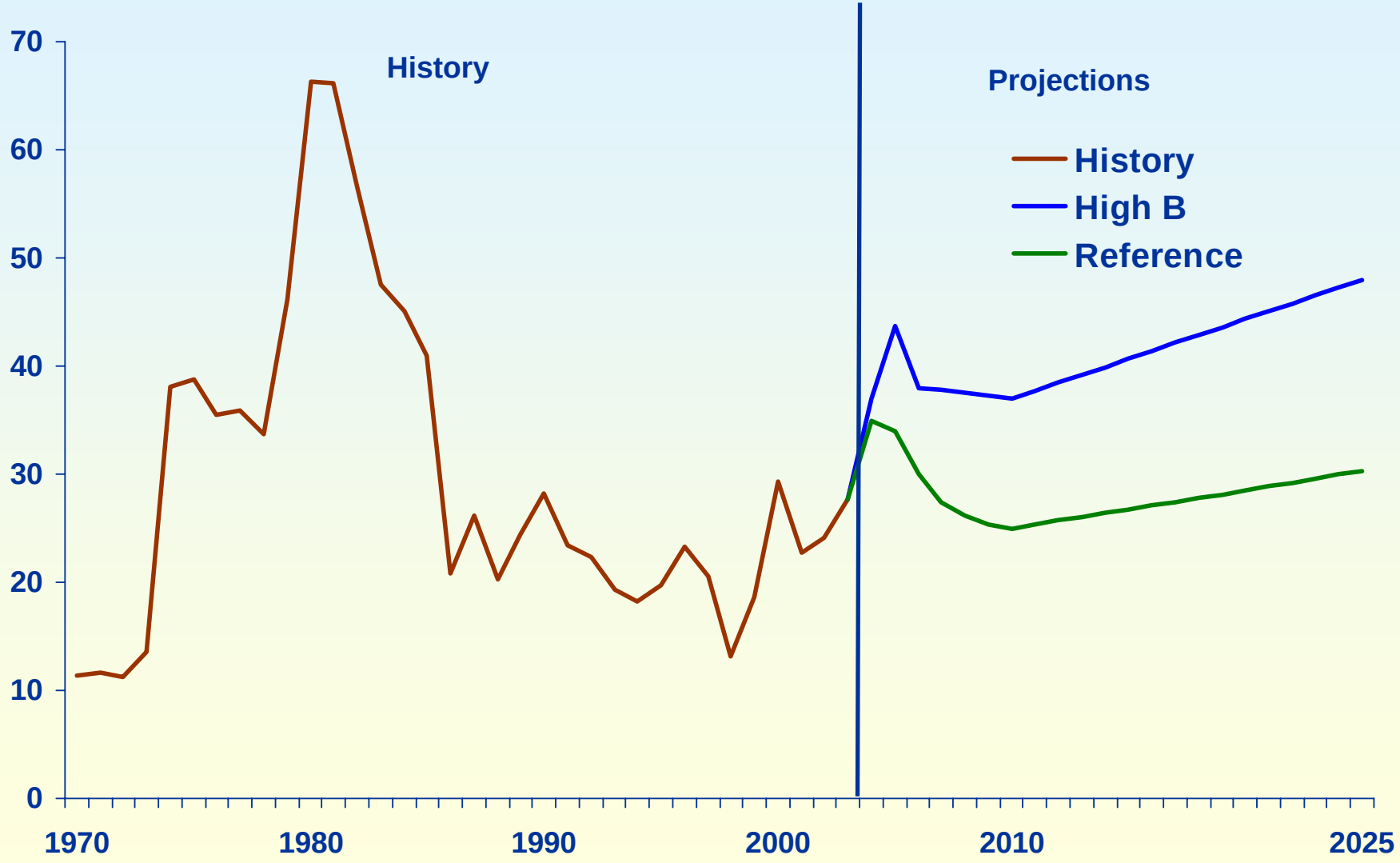
U.S. Energy Consumption by Fuel, 1970-2025 (quadrillion Btu)



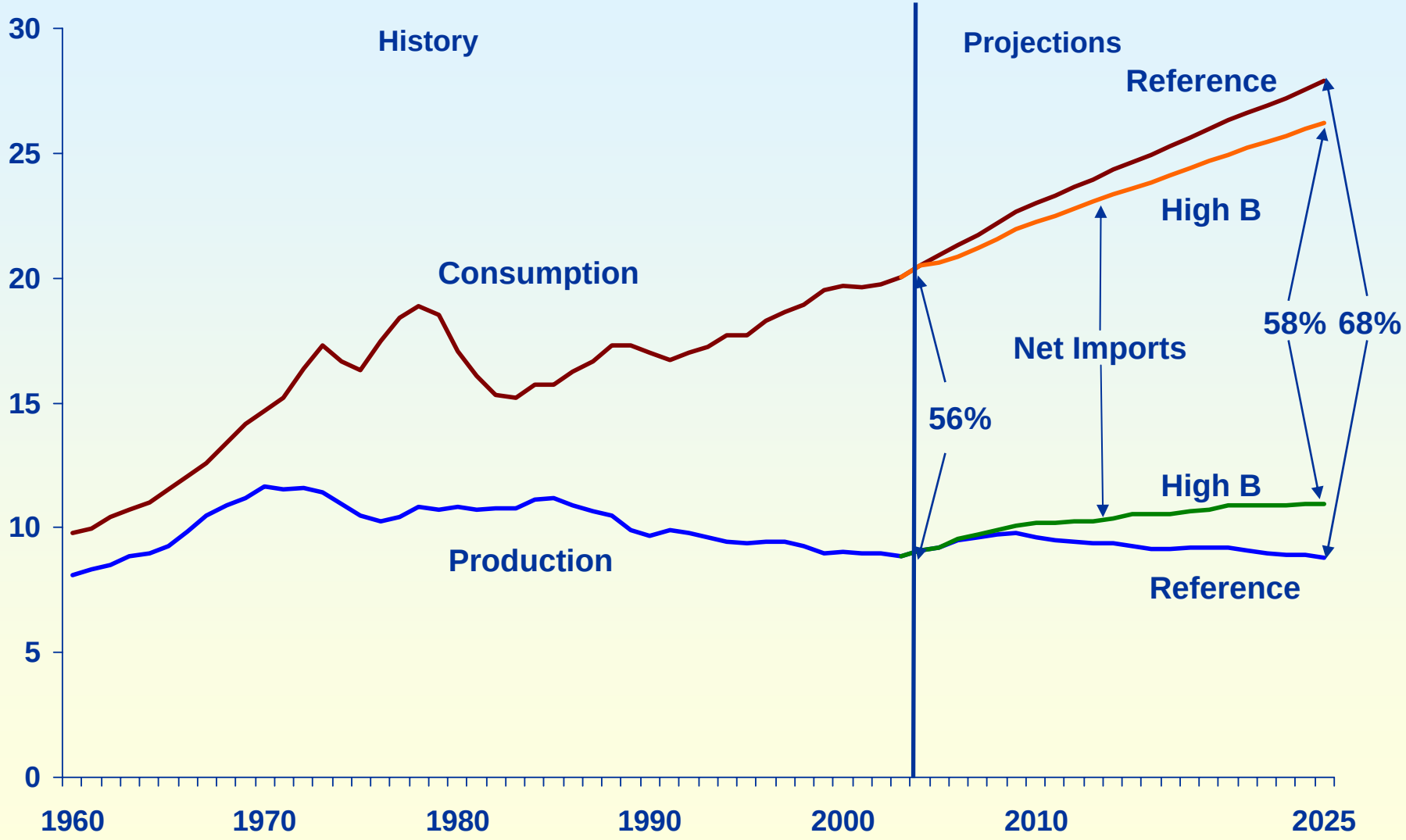
U.S. Energy Production, Consumption, and Net Imports, 1960-2025 (quadrillion Btu)



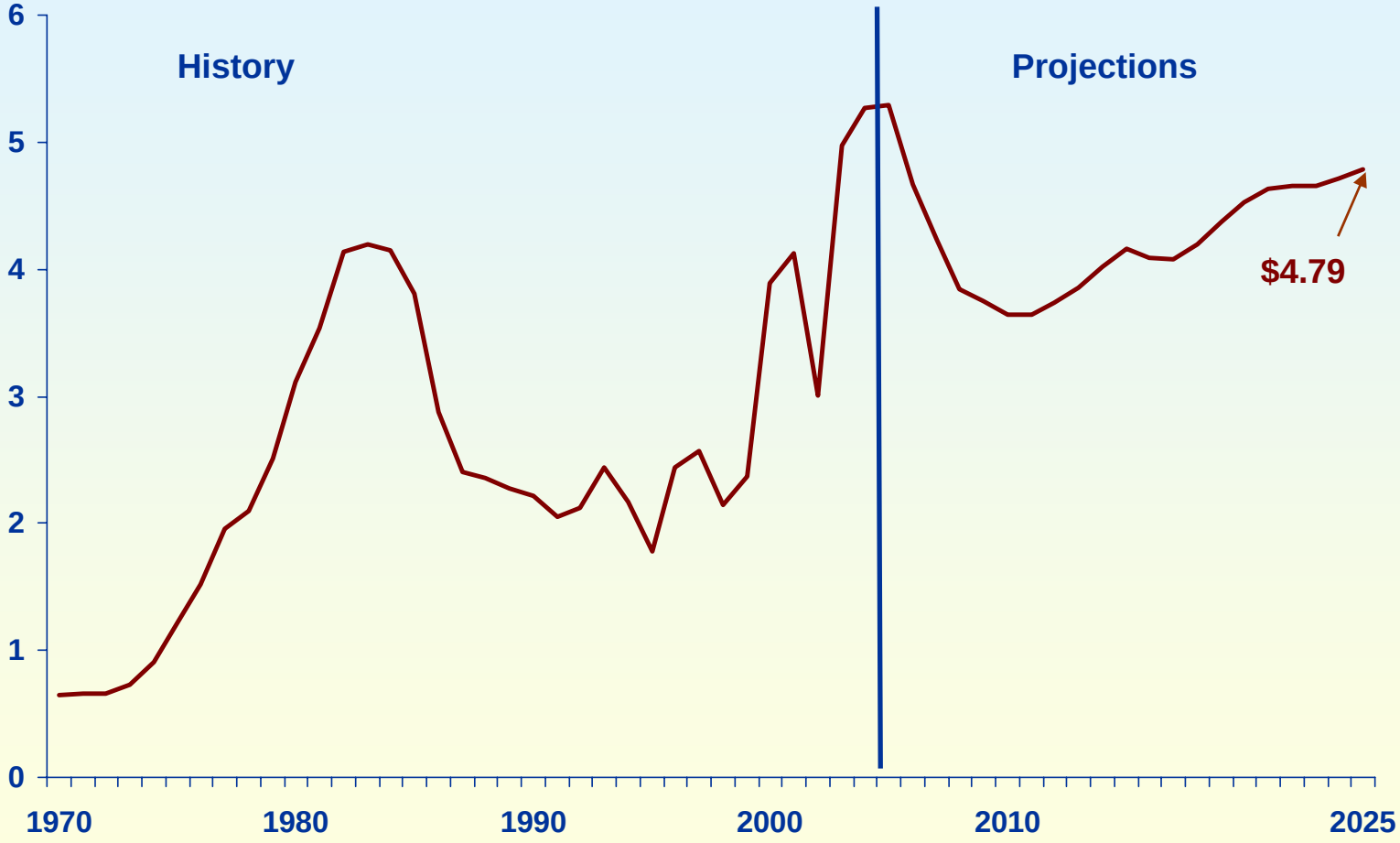
World Oil Price, 1970-2025
(2003 dollars per barrel)



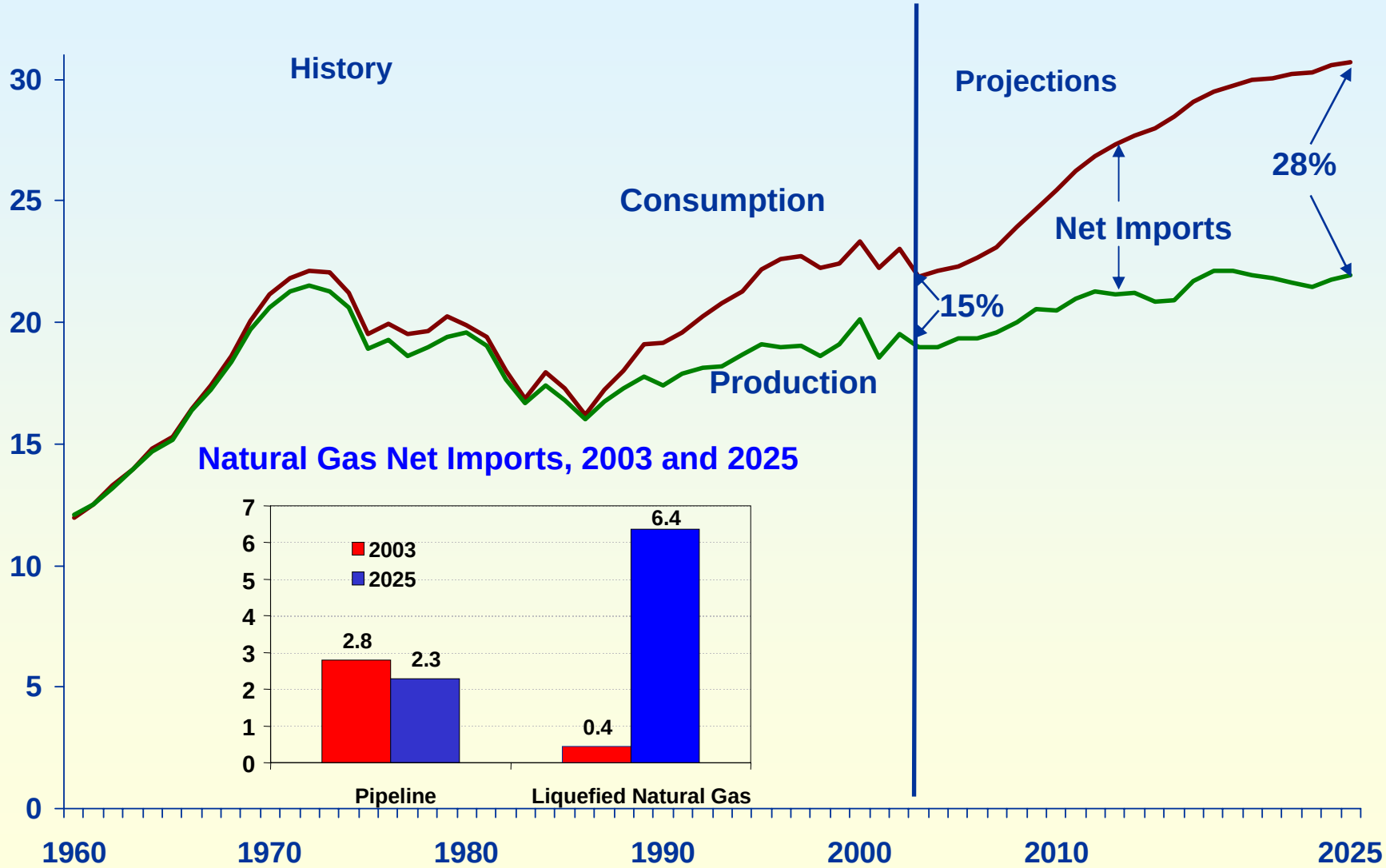
U.S. Petroleum Supply, Consumption, and Net Imports, 1970-2025 (million barrels per day)



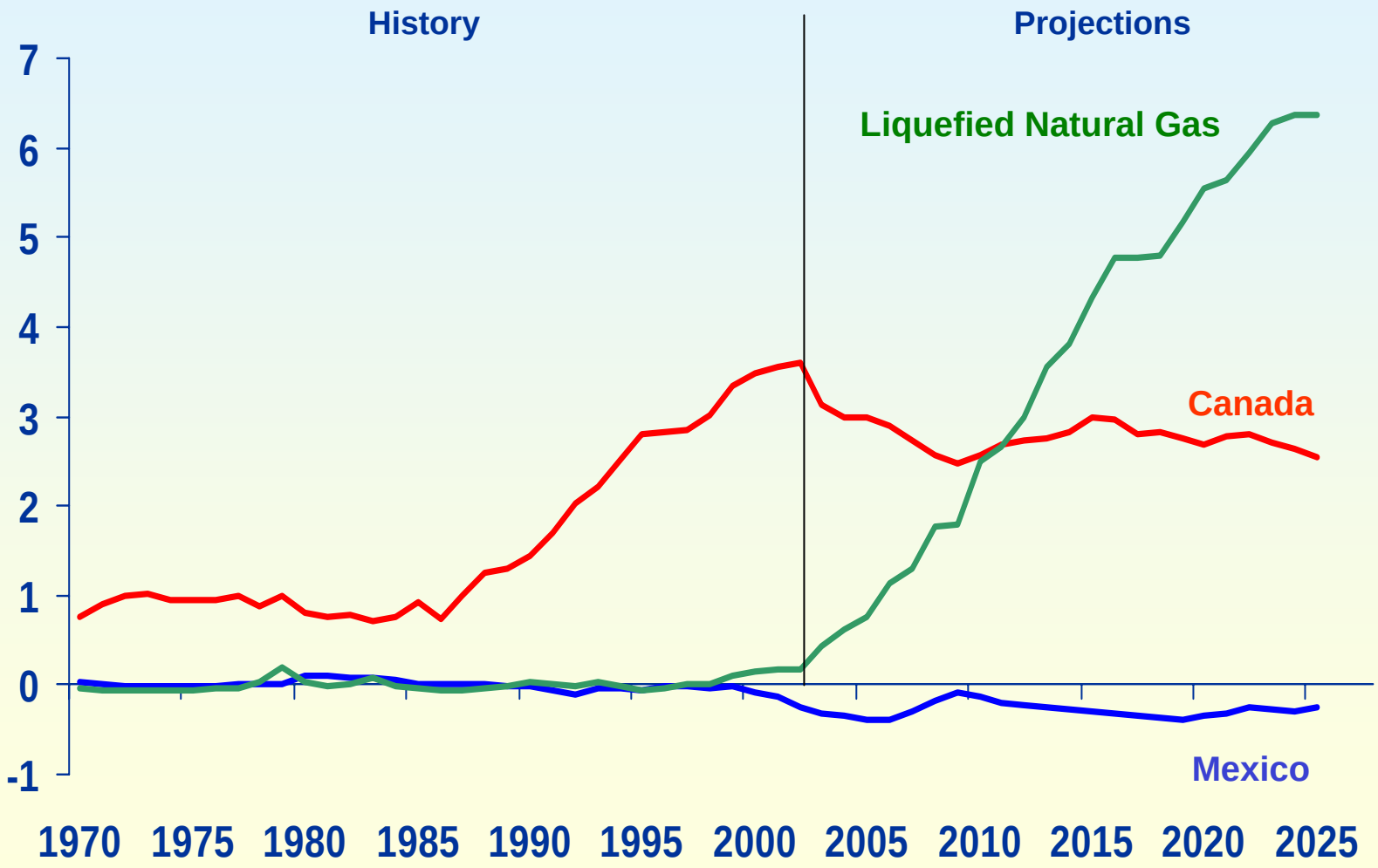
Natural Gas Wellhead Price, 1970-2025
(2003 dollars per thousand cubic feet)



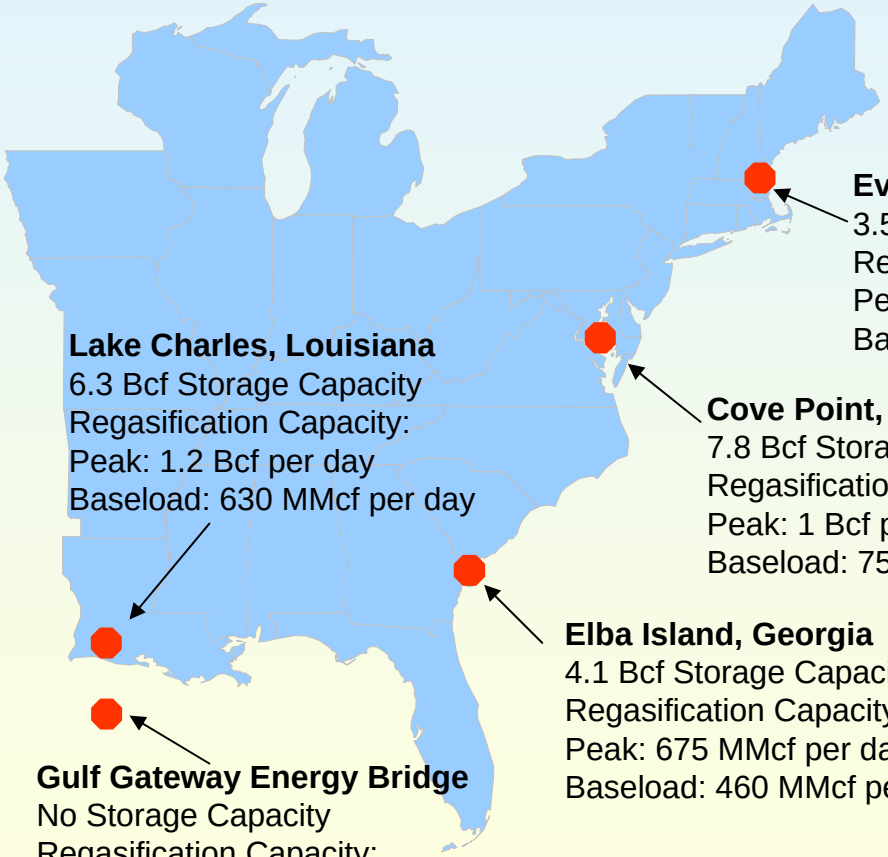
U.S. Natural Gas Production, Consumption, and Net Imports, 1970-2025 (trillion cubic feet)



Net U.S. Imports of Natural Gas, 1970-2025 (trillion cubic feet)



Current U.S. LNG Import Terminals



Everett, Massachusetts
3.5 Bcf Storage Capacity
Regasification Capacity:
Peak: 885 MMcf per day
Baseload: 710 MMcf per day

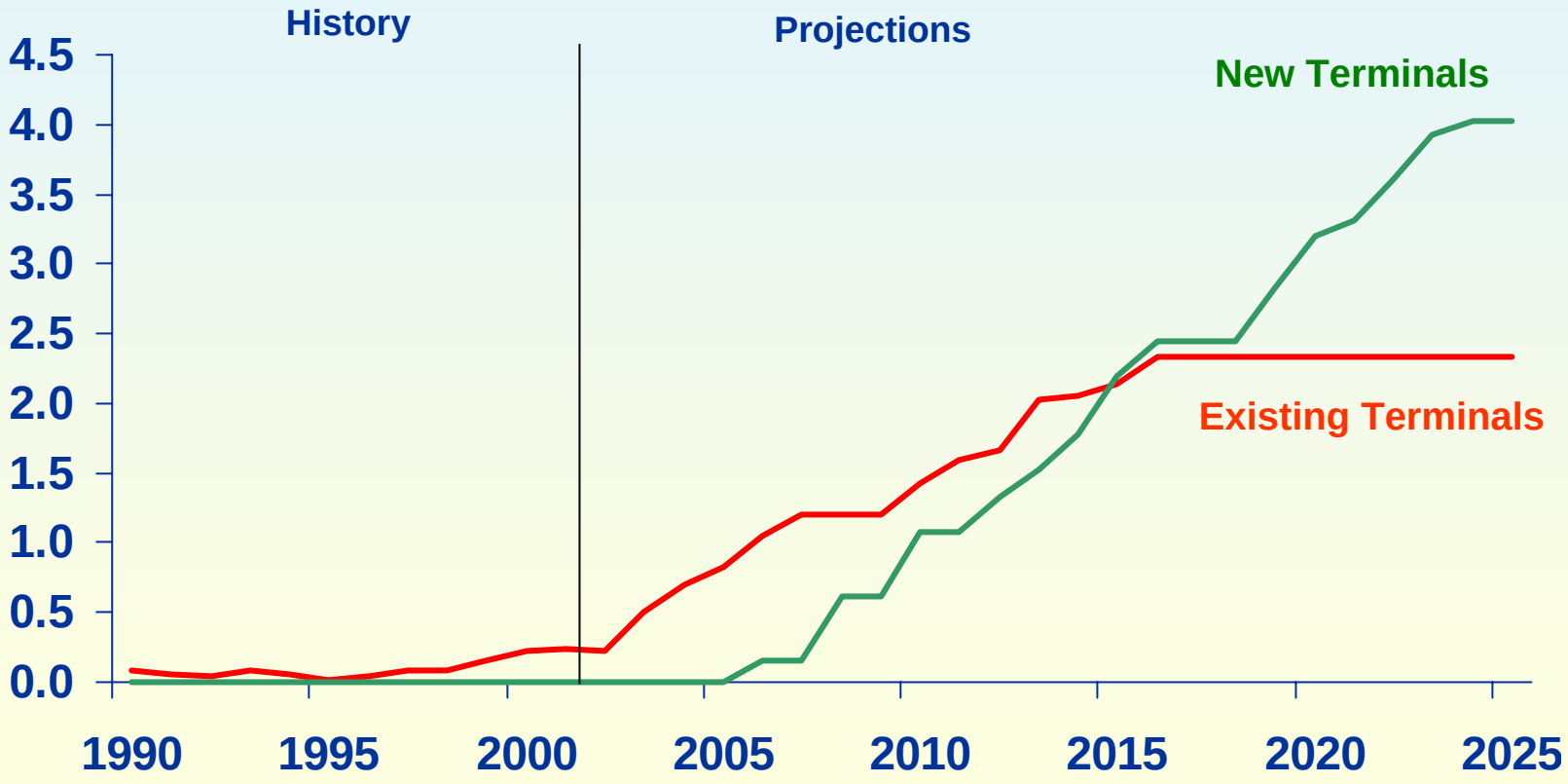
Lake Charles, Louisiana
6.3 Bcf Storage Capacity
Regasification Capacity:
Peak: 1.2 Bcf per day
Baseload: 630 MMcf per day

Cove Point, Maryland
7.8 Bcf Storage Capacity
Regasification Capacity:
Peak: 1 Bcf per day
Baseload: 750 MMcf per day

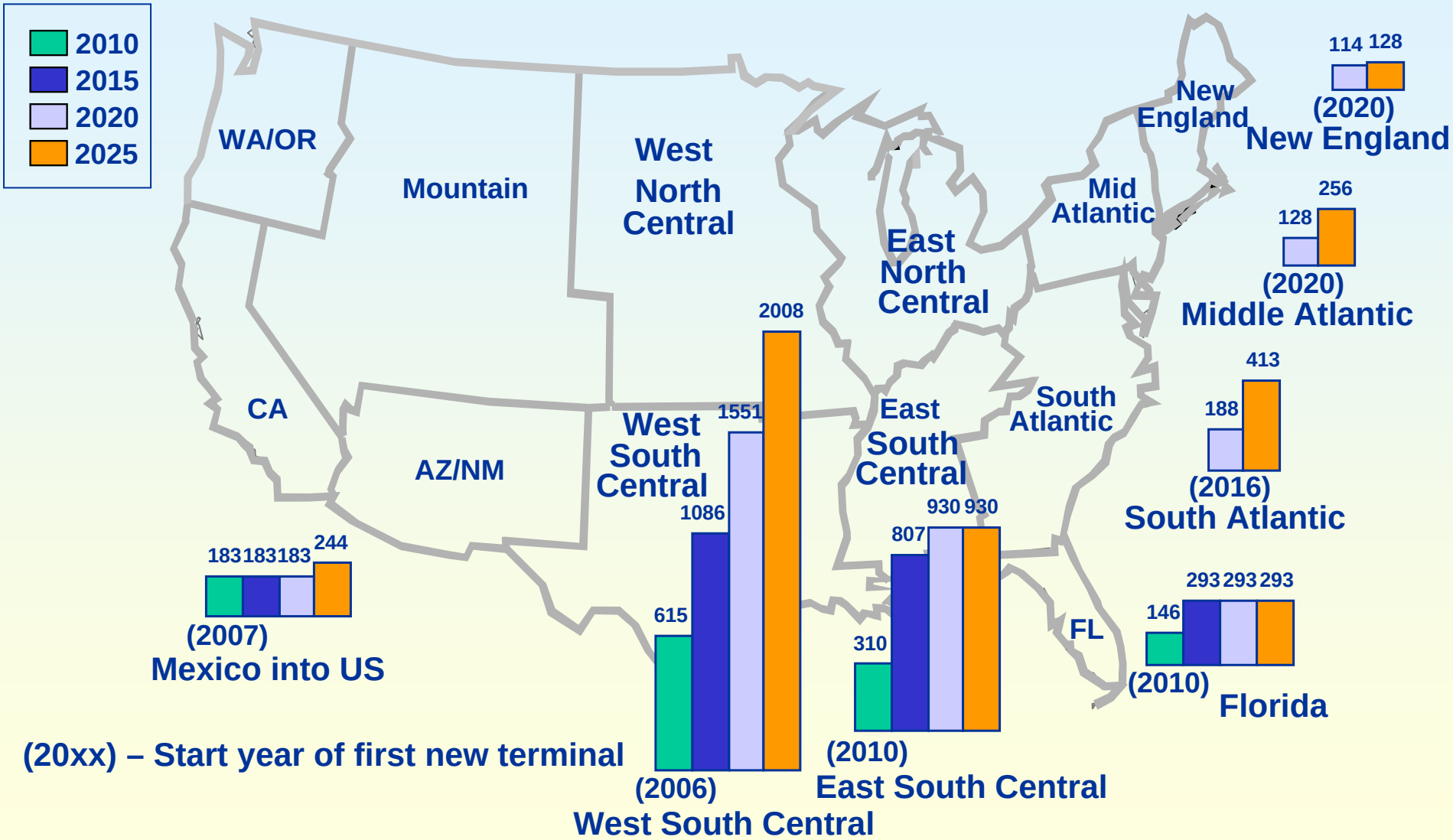
Elba Island, Georgia
4.1 Bcf Storage Capacity
Regasification Capacity:
Peak: 675 MMcf per day
Baseload: 460 MMcf per day

Gulf Gateway Energy Bridge
No Storage Capacity
Regasification Capacity:
Peak & Baseload: 500 MMcf per day

U.S. LNG Imports, 1990-2025
(trillion cubic feet)



Regional LNG Imports at New Terminals, 2010, 2015, 2020, and 2025 (billion cubic feet)



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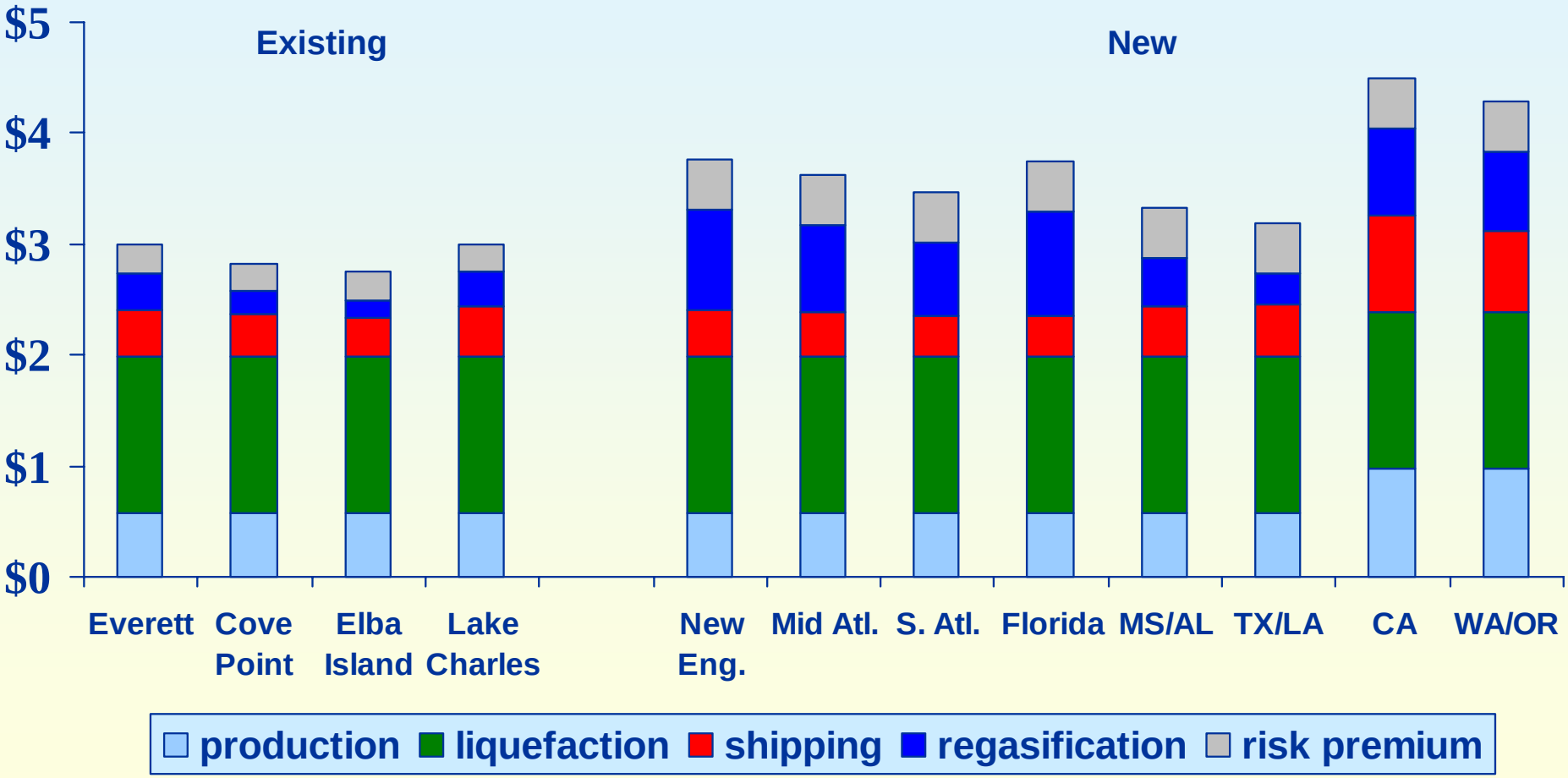
Minimum Regional LNG Trigger Prices (2003 dollars per thousand cubic feet)



* Regasification includes pipeline cost from Bahamas