

# Transmission

A vast network of interconnected pipelines provides for the transmission and delivery of natural gas to customers in the lower 48 States. Principally natural gas flows from the producing areas in Texas, Louisiana, Oklahoma, and offshore areas of the Gulf of Mexico toward the northeast and mid-west. Imports, primarily from Canada have continued to provide significant contributions, helping the United States to meet its continuing increase in consumption.

pipeline capacity utilization remained near its maximum level and capacity expanded very little during the year. Increases in pipeline capacity are under development and others have been proposed for the next several years. Crossborder trade with Mexico also increased in 1997, and that nation holds substantial promise for expansion on both the supply and demand sides of the market. Spot purchases of liquefied natural gas (LNG) rose as the United States responded to LNG availability in the world marketplace.

## Imports and Exports

During 1997, net imports rose for the 11th consecutive year, representing 13 percent of U.S. natural gas consumption. Canada continued its role as the major supplier of natural gas imported into the United States. However, the growth rate of U.S. imports of Canadian gas was minimal because

## Trade with Canada

For the 11th consecutive year, natural gas imports from Canada increased, reaching a record 3 trillion cubic feet and accounting for 97 percent of total U.S. imports of natural gas. The average price of Canadian imports was \$2.15 per thousand cubic feet, the highest average price since 1986. It rose 10 percent from the 1996 price and 45 percent above

Figure 6. Principal Interstate Natural Gas Flow Summary, 1997

