

# **High Natural Gas Prices Could Impact Environmental Imperatives**

**Melanie Kenderdine**

**Gas Technology Institute**

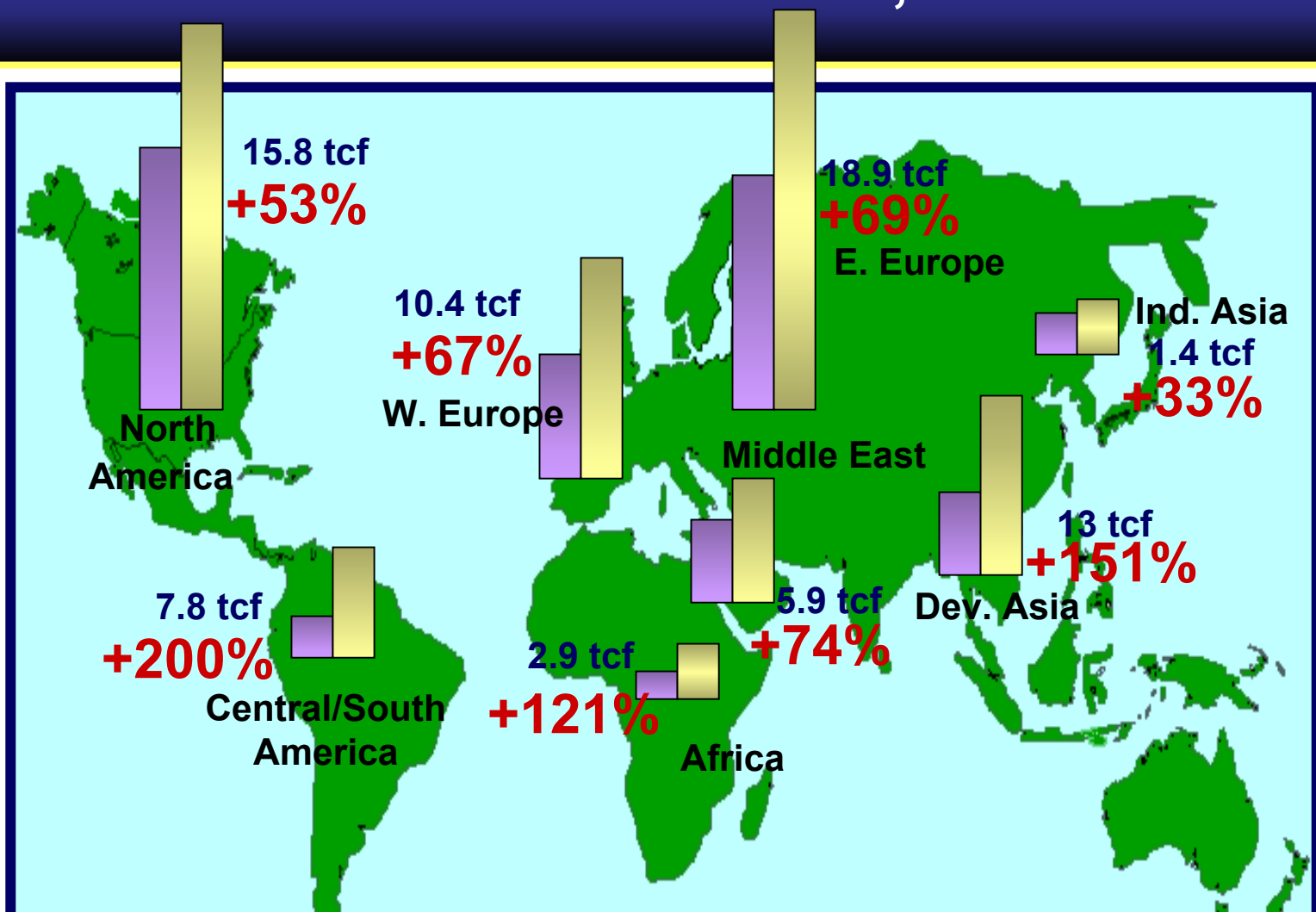
**Pew Center on Global Climate Change/NCEP**

**“The 10-50 Solution”**

**Washington, DC**

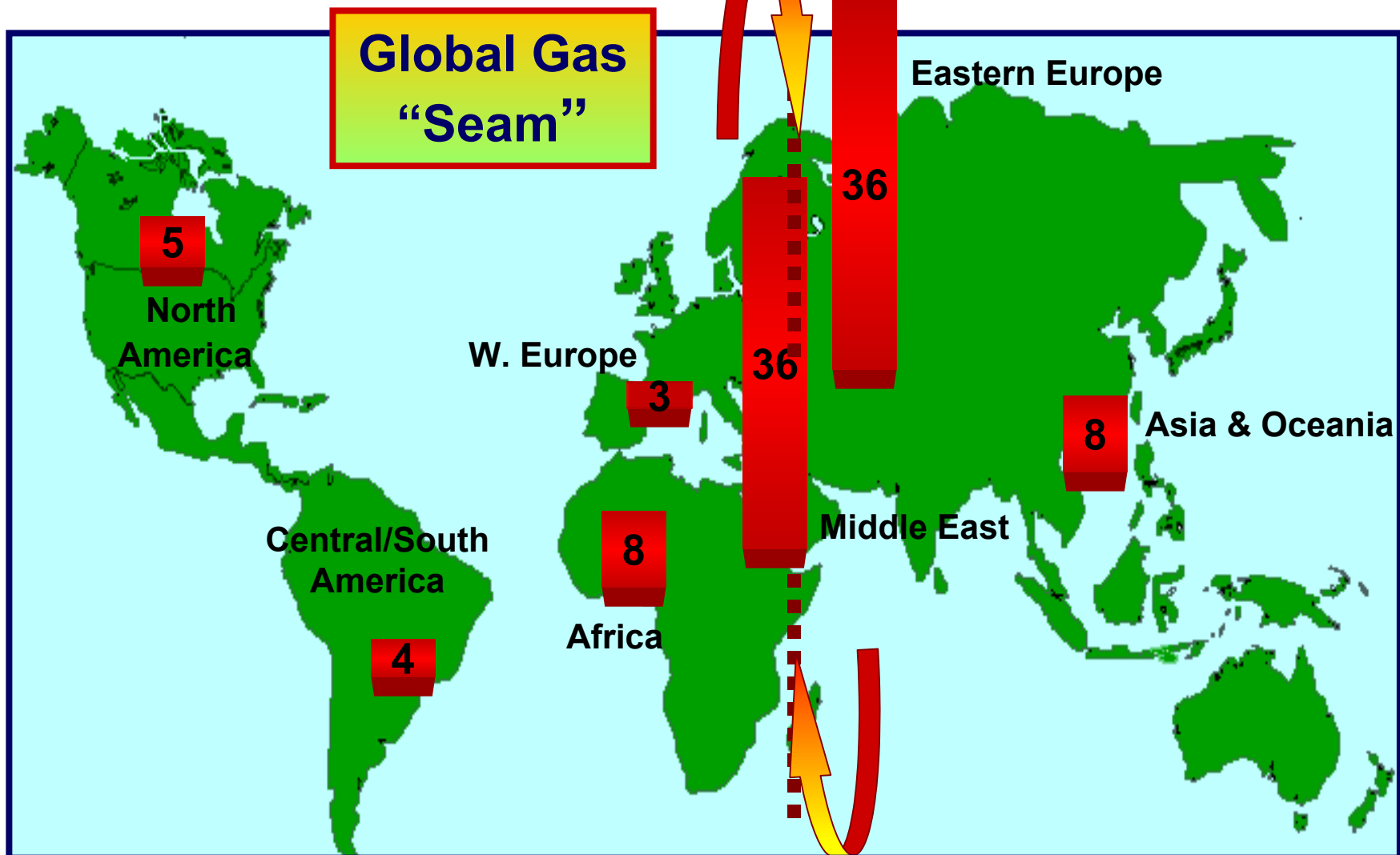
**March 25, 2004**

# World Gas Demand Growth, 2005/2025



**77% demand growth, 76 tcf incremental demand**

# % World Gas Reserves By Region



**79% of the world's gas reserves are in 12 countries**

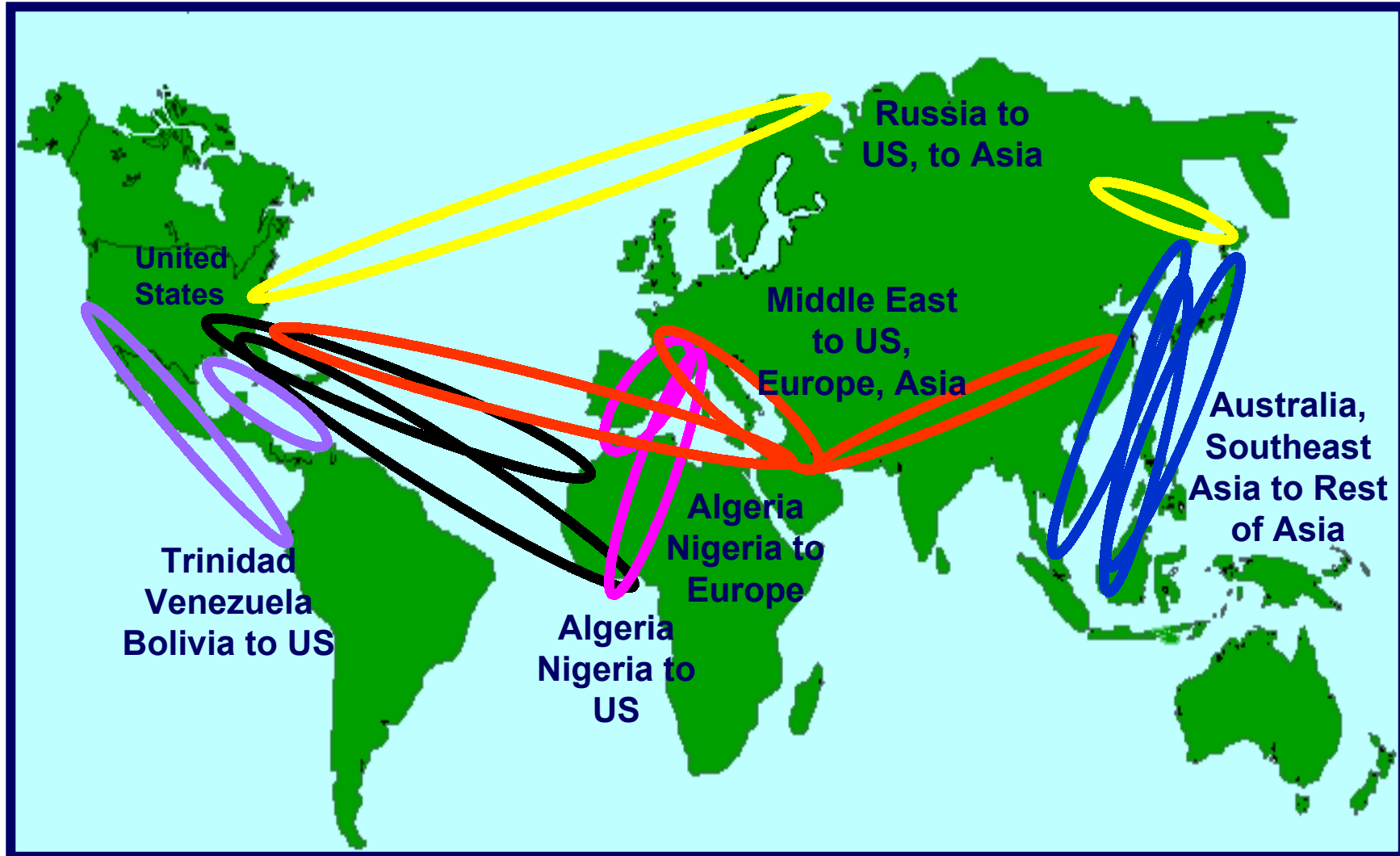
# Impacts of Increased Gas Prices

- Demand destruction
- Increased imports
- Decline in air quality/increased greenhouse gases

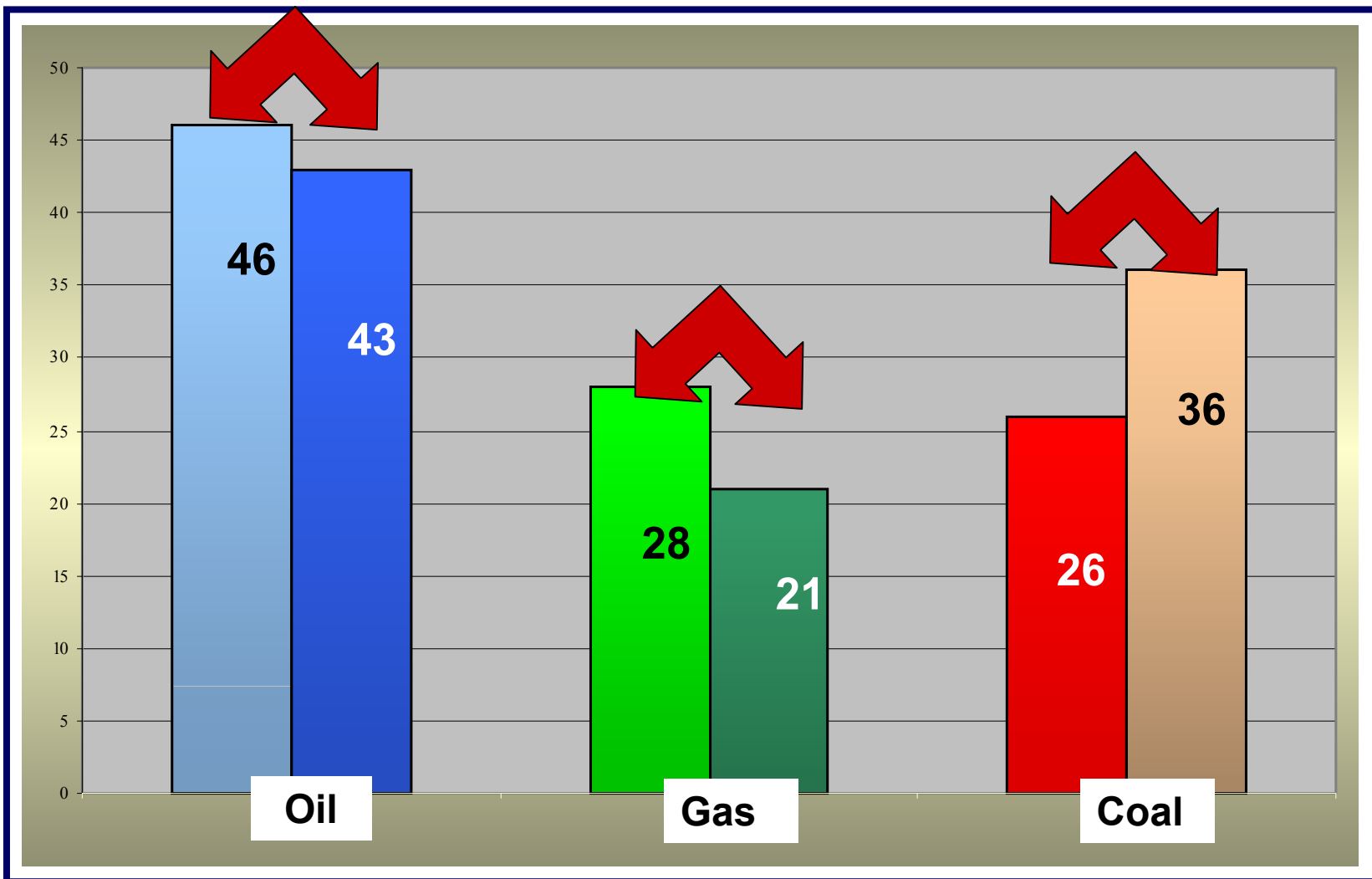
# High US Gas Prices = Demand Destruction



# World's LNG Facilities and Markets: Growing Regional and Global Markets



# United States: % Fossil Fuel Consumption vs. Carbon Dioxide Emissions



Source: EIA Annual Energy Outlook, 2003

# GHG/CO2 Technology Pathways Determine Fuel Choices

PATHWAY →  SECTOR ↓	No Stringent CO2 Controls "BAU"	Stringent CO2 Controls With Large Scale Sequestration	Stringent CO2 Controls W/O Large Scale Sequestration
<u>Electricity</u>	<i>Natural Gas</i> <i>Coal/Clear Skies</i> <i>Renewables</i> <i>Nuclear</i>	<i>Natural Gas</i> <i>Coal (IGCC)</i> <i>Renewables</i> <i>Nuclear</i>	<i>Nuclear</i> <i>Renewables</i> <i>Natural Gas</i>
<u>Transportation</u>	<i>Oil</i> <i>Natural Gas</i> <i>Liquids</i> <i>Biofuels</i>	<i>Oil</i> <i>Natural Gas</i> <i>Liquids</i> <i>NG → H2</i> <i>Coal → H2</i> <i>Biofuels</i>	<i>High Efficiency Vehicles With</i> <i>Oil</i> <i>Natural Gas</i> <i>Liquids</i> <i>Biofuels</i>  <i>Carbonless H2</i>