



“Gas to Power in Asia”

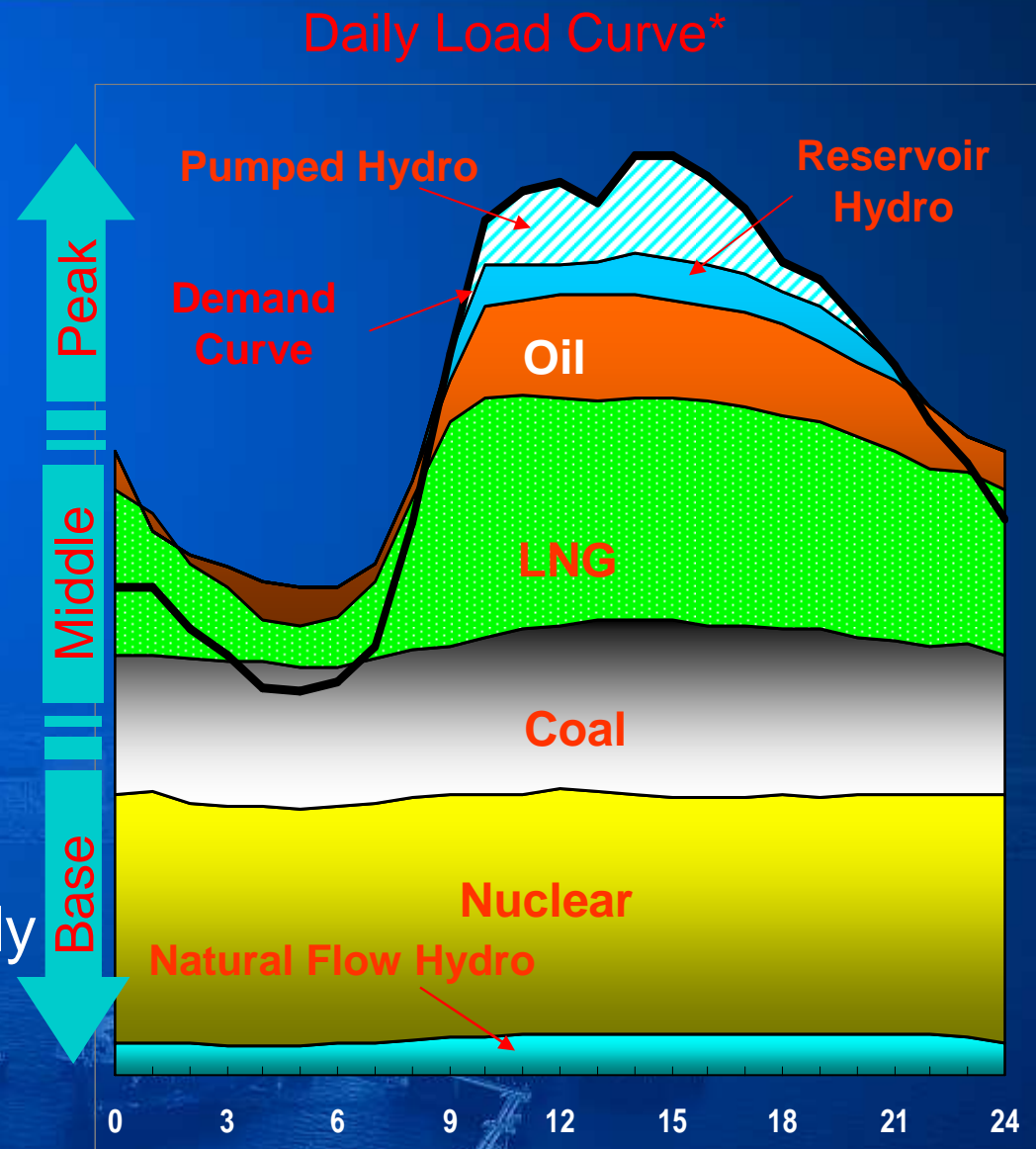
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Balanced approach of fuel portfolio

- Solution for managing power demand where natural resources are scarce
- Optimising the generation mix:
 - more efficient than oil
 - more flexible than coal or nuclear
 - environmental benefits
- LNG offers a greater supply source diversity



* Typical for Japan, Source: TEPCO handbook

Challenges to a balanced approach

- Diversity of each country in terms of power requirements versus stage of development yields variations to the “Balanced approach”
- Hurdles to overcome to realise an optimised portfolio
 - Korea: deregulation
 - China: lack of gas infrastructure/coal is king
- Gas resources are available but development timing and costs have gone up
 - Harsh development environment
 - Large scale projects need support of power
- Pipeline gas development: base load requirements